

agricultural machinery. He promoted his favorite project: the training of Russian apprentices in Western countries. Apprentices are already being sent to Denmark, Holland, and Germany, but there are too few and the process takes too long. Still, the project is very successful, he said. His company has 2,000 contracts from students who want to learn through an apprenticeship in a Western industrialized country.

Marian Miklasz, liaison for international relations in the Polish Justice Ministry, worked for 10 years at the Land Technical Institute, and knows the problems of Polish agriculture from the inside. Totalitarianism destroyed the culture of farming. Medium-sized enterprises—the *Mittelstand*—were wiped out. But a sort of “resistance democracy” developed, which made it impossible for the communists to collectivize agriculture. Only about 5% of the land and property was owned by the state, and therefore the collapse of communism was as good as certain.

Now, he stressed, Poland’s agriculture needs stability.

The most important demand that Miklasz formulated was the rebuilding of farming culture, through a healthy agriculture policy, the building of middle-sized family farms, and cheap credits for farmers. It is the farmers who have particularly opposed the austerity policy of the government, he reported.

Herbert Grothe, a farmer from Marwitz in eastern Germany, said that change in the former German Democratic Republic has been very slight. The state-run collective farms, the LPGs, are at the point of collapse, such that the cattle are being sold at rock-bottom prices. The managers who got their jobs because of their association with the communists still have their full rights, which they got from the bureaucracy—the old “cement heads.”

Fritz Tietz, a farmer from Zehlendorf in eastern Germany and district chairman of the German Agriculture Association, demanded the return of property to its former owners, “without any ifs or buts.” “With bitterness,” he concluded, we have to realize that today, even in the government in Bonn, they are not trying to improve the situation.

Hungary debates how to end communist system

From the speech by Rudolf Szauter, licensed engineer, member of Parliament, Hungarian Democratic Forum (MDF).

Since the beginning of last May, we have passed 64 laws, including constitutional laws, whereas, by comparison, in the democratic countries, four to six are passed per year. We began with the Constitution itself. The communist government had left us with a Constitution with which Hungary could not be governed at all. For example, laws could only be passed by a majority of 67%. So we had to adopt a self-governing law and a budgetary law, in order to make it possible to rule the country at all.

Another very important law was that on privatization, which said for the first time that we are not *reprivatizing*, but *privatizing*. Let me explain: Nobody wants to trade the old injustices for new ones. But that is not the real problem; we would like to get Hungary out of its frightful economic crisis. And for that, we need a functioning economy. We would like to place all the means of production, tools, all enterprises, in the hands of those who can yield the highest productivity and the highest profit. What good does it do the poor former property owner, if he is ruined along with the rest of the country?

The former owner must be compensated. The law

governing compensation is now before us, and we are having a big debate about it in our democratic Parliament. We are for compensation by degrees. Hungary is in a frightful economic situation. We have \$21 billion in foreign debts and an equal amount in domestic debt and empty insurance funds. But yet we want to pay compensation; we must do so.

A law has already been drafted, governing the investments of foreigners in Hungary. Naturally we expect foreign investors, but we would also like to have the prospect of abundant ownership by Hungarian citizens, for if everything were bought up from abroad, then Hungary would remain just as poor as the Latin American states. Therefore we have set up an institution which we call “existence credit.” With the help of this institution, Hungarian citizens can get up to 50 million forints [\$630,000] on quite favorable terms. With that, one can start up a business, or buy a small state company. We would like to reduce state ownership to 30% in the next five years.

As for compensation and privatization, unfortunately we cannot follow the German example. Let me tell you a story about a discussion that our prime minister, Jozsef Antall, had with his Soviet partners. They were demanding from us a couple of billion deutschmarks to build housing for their officers, when they are withdrawn from Hungary. Mr. Antall told the Soviets that they unfortunately are out of luck. Why? Because they had occupied all of Hungary, and not only eastern Hungary, so now there is no West Hungary and no west forint. Therefore, we don’t have a thing to give you, since we ourselves are so poor. . . .