

Hungary

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***Report to the Second Congress of
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FOURPENCE

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INTERNATIONAL SITUATION

The international situation is characterised by the successes and growing superiority in strength of the peace camp lead by the Soviet Union. In comparison, the imperialists of the United States and its satellites, who justly fear peaceful competition with Socialism, have passed to open war provocation and to the policy of aggression in the Far East.

The main driving force of progress and of the peace camp is our liberator, the Soviet Union. The Soviet Union is developing strongly in every field; its economy has quickly recovered from the horrible scars of war; it has successfully completed its Five-Year Plan begun in 1946, and to-day has left the production level of 1940 far behind. Industrial production in the Soviet Union has increased by 23 per cent. during 1950, when it was 70 per cent. higher than in the last year of peace. Agriculture, railways and communications have shown similar successes. National income has increased by 21 per cent. and the income of the workers by 19 per cent.

During the Great Patriotic War, the Soviet Union suffered serious material damage. The imperialists based their malicious calculations on the hope that the Soviet Union would either be unable to repair this damage by her own efforts or that it would take many tens of years before the war scars were healed. The imposing figures of the success of the Five-Year Plan are striking proof that the imperialists have again miscalculated.

The economic results were accompanied by an increase in the social well-being of the Soviet people and the tremendous prospering of Soviet culture and science. These together have made it possible that, while in the capitalist camp peaceful construction is more and more pushed into the background by war preparations, the Soviet Union is able to begin the implementation of such epoch-making schemes as the hydro-electric plants on the Volga, Dneiper and Amu Darya rivers, which will change the climate of entire sections of the country suffering from drought, and will transform deserts into flourishing arable land. These plans, as Comrade Stalin pointed out in his reply to the questions of the *Pravda* correspondent, are integral parts of the peace policy of the Soviet Union.

Such schemes can only be created under the economic circumstances of the Soviet Union, and only through a Socialist planned economy. Their dimensions and the ultimate date for completion mark them as plans of Communist construction. The inauguration of these gigantic plans was greeted with an outburst of enthusiasm not only by the Soviet people but all over the world, by every follower of peace and progress.

The peace camp of eight hundred million people, and those hundreds of millions who fight for peace in the capitalist countries, compare this tremendous performance for the furthering of the well-being of the working people with the malicious plans of the warmongers; they compare it with the imperialist countries where peaceful industry, working for the satisfaction of private citizens' demands, is more and more turned to the production of war materials, and this comparison gives them strength and courage in their further struggle. These plans do not only show the tremendous economic strength of the Soviet Union but also its self-assurance and its undeviating belief in the future.

At the same time, they make it understood that the Soviet Union, although fully aware of its unbreakable strength, stands at the head of the peace camp. The Soviet Union does not need to expand or to plan colonial conquests; its love of peace and desire for peace are organically connected with its entire existence. The former are the natural consequences of the latter. That is why the Soviet Union continually demands a peace treaty with Germany and Japan, that is why it suggested that the Great Powers should find a peaceful solution to controversial problems. That is why it demands the banning of the atom bomb, the decrease of armaments and a peaceful settlement to the question of Korea. *That is why the Soviet Union is the main driving force and the centre of the Peace camp and of entire progressive humanity.*

The development of the Peoples' Democracies

The strengthening of the Peoples' Democracies is organically bound up with the strengthening of the Soviet Union. The help of the liberating Soviet Union made it possible for the Peoples' Democracies to heal the wounds inflicted by war, to conquer the old and reactionary capitalist forces, and to enter on the road of Socialist construction.

To prove the successes of the Peoples' Democracies, achieved with the support of the Soviet Union, it is enough if I enumerate the increase of industrial production in these countries in 1950 compared with 1949. Bulgarian industry increased by 23.3 per cent., Polish industry by 30.8 per cent., Czechoslovak industry by 15.3 per cent., and Rumanian industry by 37.3 per cent. The increase in Hungarian industry was 35.1 per cent. and production to date is twice as high as that of 1938.

We know from our own experience that, together with the production figures, the well-being and standard of living of the working people in the Peoples' Democracies has increased, too.

One of the main factors in the economic strengthening and cultural and social uplifting of the Peoples' Democracies lies not only in the fact that the Soviet Union watches over their peaceful development and in the economic help which it gives them, but also that they are able to draw unlimitedly upon the immeasurably rich treasure house of Soviet experience and that the Soviet Union willingly puts all the results so far achieved at their disposal.

The working people of the Peoples' Democracies have become aware of this help, which cannot be overestimated, with increasing gratitude and thanks. This awareness deepens and strengthens those healthy and strong links which join the Peoples' Democracies with our liberator, the mighty Soviet Union, and its wise leader, Comrade Stalin.

What we have said about the Soviet Union stands for the Peoples' Democracies, too. Their long-term economic plans, on the implementation of which they are working so successfully with the help of the Soviet Union, is a consequence and indication of their desire for peace and their peaceful policy. *The very essence and spirit of the countries advancing on the road to Socialist construction rejects and eliminates conquest through war, this political tool typical of capitalist states.*

The mighty Socialist peace camp, led by the Soviet Union, is not afraid of peaceful competition with capitalism. On the contrary, it is sure of the righteousness, the future, and the victory of its cause. It knows that what has been achieved so far is only a beginning and it also knows that the decisive factor for further achievement is a lasting peace. The imperialists, too, know this and therefore wish to hold up or, at least, to disturb this peaceful development by a third world war.

The economic, cultural and political co-operation carried out in a warm friendly spirit between the Soviet Union and the peoples building socialism multiplies the rhythm of development of liberated peoples, while, at the same time, opening a new chapter in international relations between countries. Those who compare it, for instance, with the relationships between the Marshallised countries and the U.S.A., the selfish, quarrelsome, avaricious policy of capitalist countries who endeavour to exploit each other, can only look with sympathy and respect on the relationship between Socialist States.

The successes and increasing strength of the Soviet Union and the Peoples' Democracies are followed with great interest and sympathy by the broad masses in the capitalist countries. The successes stimulate and nourish the fight of the working people in capitalist countries for peace and in the fight against their own capitalism and the imperialist warmongers.

This strengthens the French and Italian Communist Parties which represent the majority of their working class and working people, as well as

the Communist Parties and progressive movements of the other capitalist countries; it enables them, in spite of every attack and the increasing pressure put on them by the imperialists, to stand with firm ranks and to continue with success their fight for peace, for their rights, for the defence of independence and for the freedom of their countries.

Importance of the Chinese Revolution

A clear and understandable indication to all of the strengthening and stabilisation of the peace front is the victory of the Chinese revolution which the heroic Chinese people have achieved under the leadership of the Chinese Communist Party, led by Mao-Tse-tung. Even during the most critical and most difficult periods in the liberation struggle of the Chinese people, the Communists did not doubt that this struggle would end in the victory of the progressive and liberating forces.

These statements made by Comrade Stalin at a time when the Chinese reactionary forces had seemingly gained the upper hand, statements which to-day seem to be almost prophecies and which have been fully proved by the events in China since, are known to everyone. The hope of the future liberation of the Chinese working people has since become a reality, and has with one blow changed the relation of forces to the advantage of peace and socialism in Asia, and, we may add, in a world perspective as well.

A people of 470 million which for more than a century has been the capitalists' and imperialists' greatest hunting ground and base, has cast off the yoke of imperialism with the friendly help of the Soviet Union and entered the camp of peace and socialism. *This is a victory of world historic importance, the greatest step in human progress since the 1917 Great October Socialist Revolution, and since the destruction of Fascism.*

The success of the Chinese people's fight for freedom means a tremendous blow at the entire imperialist system and a serious defeat for the reactionary camp aiming at world war. The victory of the Chinese people is resulting in a tremendous growth in strength of the peace camp, led by the Soviet Union. *This victory has not only fundamentally changed the relationship of strength between the two camps but also has given a tremendous vigour to the colonial liberation movement, the effects of which will be felt in their full importance only in the future. The liquidation of the century-old era of colonial rule has begun.*

The liberation war of the colonial peoples and the heroic Communist Parties of Viet Nam, Malaya, Burma and the Philippine Islands has received new strength. The ideas of the great October Socialist Revolution and of the Chinese War of Liberation fall on fertile soil in these countries where, led by the Communist Party and the industrial workers, those social forces have developed and ripened which are capable of leading and guiding the difficult task of liberation. How this fight is capable of calling forth tremendous achievement from a people is best seen in the example of Korea.

Korean People's Fight

The life-and-death struggle of the Korean working people against the American aggressors and the Korean puppet government does not only prove the capacity of a people fighting for its freedom when the chains of decades of slavery are cast aside. But it has also shown that *the era of colonisation is over and that a new era in the history of oppressed and semi-colonial people has opened up.*

The heroic fight for freedom, the self-sacrifice and endurance of the Korean people as well as the help with which the Chinese volunteers have supported this fight, has become a source of strength to the progressive movement of the entire world. This fight is, in every respect, an indication of the changed relation of forces, an indication of the fact that *the strength of American imperialism was far from being as great as American propaganda has implied.* It has proved that, in spite of the fact that the U.S.A., in the last seven months, has thrown in three-quarters of its mobilised war strength and part of the armed forces of its satellites, which have also been sent to Korea, they have suffered many defeats, notwithstanding their material superiority.

Comrade Stalin has pointed out that the American and British soldiers consider the war against Korea and China to be unjust, and that amongst them this war is most unpopular. On the other hand, the soldiers of the liberators are fired by conviction, by the belief in the right of their own cause, and this lends such strength and makes them capable of such deeds that the superiority of the Americans in war materials is equalled and surpassed. That is why the Korean people's fight for freedom marks a turning point, and that is why it is a sign of a new era, of the changed relationship between forces; and that is why this struggle for freedom is regarded as theirs by every believer in peace and progress all over the world, by every oppressed or semi-colonial people.

This fact has been recognised by the Hungarian working people also. That is why from the first day of the American aggression they have turned their sympathy towards the Korean heroes fighting for their freedom. That is why they have expressed in all possible ways that their feelings are on the side of the Korean working people and *against the blood-ridden imperialist barbarians. They are certain that the struggle of the Korean Party of Labour and Comrade Kim Ir Sen is a just one and shall be victorious.*

American Plans for World Domination

The Korean aggression is one of the links in the United States imperialists' plan for world domination. After German, Italian and Japanese fascism was destroyed in the Second World War, the other imperialist countries, headed by Great Britain and France, were left in a weakened condition, and these countries became more and more economically and politically dependent on the U.S.A. This, according to the American bankers and capitalists, gives them an opportunity to try to realise successfully the plan for world domination upon which Hitler and the Japanese Fascists broke their necks.

Inside the capitalist camp the relation of forces has fundamentally changed. Within this camp, the U.S.A. has achieved such superiority that it subjects its "allies" and forces them into the service of its plans for world domination. With this aim in view they use their majority in the UNO and also the Marshall Plan.

The real aim of the Marshall Plan is to make the penetration of American capital into the Marshallised countries and their colonies easier, as well as to bring these States into economic dependence on American capital. This part of the plan has been successful. American capital spread quickly not only in Great Britain and France, and in the other Marshallised countries, but also in their colonies; and one after the other the key economic positions of these countries have been usurped. Parallel to economic penetration, they have acquired increasingly greater influence on the reactionary anti-labour circles and in the armies of these countries. As far as the official aim of the Marshall Plan is concerned, namely, the rehabilitation of the war-destroyed countries, the result was considerably less. On the contrary, the Marshall Plan has increased the internal contradictions of capitalism.

In the autumn of 1949, signs of a serious capitalist crisis began to appear all over the world, and last but not least, in the U.S.A. itself. *In the same months when, following the successes of Socialist construction, unemployment had practically ceased in the Peoples' Democracies, the number of totally or partially unemployed in the capitalist countries increased to forty million.* From the end of October, 1948, until the end of October, 1949, industrial production in the U.S.A. dropped by 18 per cent. The number of unemployed doubled during this time and, together with the partially unemployed, reached fourteen million. In this situation the Marshallised countries, headed by Great Britain, devaluated their currencies one after the other following the pressure of American capitalists. This made American penetration into these countries even easier without enabling them to modify the threatening economic crisis.

In these months the Chinese people's War of Liberation gained its decisive victory. Chiang-Kai-shek was a puppet of the American imperialists. *His defeat was an American defeat.* With the victory of the Chinese revolution the United States imperialists lost their most important base on the Asian continent. Moreover, the victory of the Chinese revolution meant that *tremendous new territories and hundreds of millions of people had left the imperialist order and that the basis of this entire order had been further reduced.*

The American imperialists could not resign themselves to these facts. They answered the threatening economic crises of the capitalist countries, and the mighty victory of the Chinese revolution, by speeding their preparations for a third world war. Truman and his associates have followed the example of Hitler and the German Fascists, who wanted to solve unemployment and economic crises by a feverish armament drive which, at the same time, served to support their imperialist robber-aims.

The rearmament carried out by the United States and her satellites serve similar purposes: the purpose of absorbing in the war industry the unemployed, of making sure of increasing profits to armament manufacturers, and, at the same time, of taking the road towards a third world war. The conquest of all Korea belongs to these preparations. That is why, in the first half of 1950, American politicians visited the South Korean puppet government of Syngman Rhee with increasing frequency, and that is why they prepare feverishly for the occupation of the whole of Korea.

The American imperialists follow, in this respect too, the example of the Japanese conquerors who also regarded the conquest of Korea as a prerequisite to the occupation of China. When American imperialism considered the preparations to be sufficiently advanced, they went into action. It was not their fault that the plans for the conquest of Korea took another turn than that imagined by Truman and his associates, thanks to the heroic soldiers of the North Korean People's Republic, and later to the intervention of the brave volunteers of the Chinese People's Republic.

The American imperialists reckoned with a quick and easy victory. The heroic Korean People's resistance took them entirely unawares. The lesson of their defeat is summed up by an American historian, Owen Latimore, as follows:—

“The character of Asiatic wars has gone through a revolution. ‘Colonial’ wars are no longer wars in which a small, selected western army can operate as it likes against a badly equipped, untrained mass of ‘natives.’ A hundred years ago, a British army of fifty to sixty thousand soldiers was able to defeat the Indian mutiny. Half a century ago, in the Boxer Rebellion, twenty thousand soldiers broke through to Peking, but now, as North Korea has shown, within a few short years they have acquired a frightening versatility in the handling of tanks and artillery. The United States is forced to mobilise armies against them equal to those used against first-class German forces in Northern Africa.

“To start war in Asia,” declares Latimore, “demands just as serious a decision as to start a war in Europe.” (Translated from the Hungarian.)

Re-armament of Western Germany and Japan

The American imperialists have not yet recognised this. They have responded to their Korean defeat by a feverish increase in their war preparations, and they are forcing the Marshallised countries into an armament race of the same tempo. The American warmongers have, in the five years following the Second World War, devoted fifty milliard dollars to military purposes, to the great satisfaction and rich profit of the armament manufacturers. Now, however, the American State Budget allocates forty-nine milliard dollars in one single year to war preparations. This is 69 per cent. of the total expenditure. The Budget also includes many milliards of dollars essentially devoted to military expenses. They demand similar efforts from their Marshallised vassals, and they also openly discuss the rearmament of Western Germany, Italy and Japan.

The rearmament of the former Fascist countries naturally means that their armies will be led by the same officers' corps which supported Hitler, Mussolini and the Japanese Fascists. The American imperialists now take the lead in world reaction, while, at the same time, uttering democratic phrases and mobilising every force which they suppose might be useful in their fight against the peace front.

That is why they carried through the rehabilitation of Franco Spain at UNO. That is why they support, as well as Chiang Kai-shek and Syngman Rhee, Bao Dai, the puppet Emperor of Viet Nam, and help the British colonial war in Malaya. That is why they mobilise their fifth column everywhere, their secret auxiliary armies: the treacherous social-democrats, the Church and the followers of the old and defeated reactionary order.

The contradictions between the capitalist countries are sharpened by the resurrection of Fascism and the rearmament of the German and Japanese imperialists. The support for German, Italian and Japanese Fascists and war criminals, and the recognition of Franco has opened the eyes of those who were misled by American propaganda and who believed that the American imperialists had something to do with democracy and freedom.

The plan for the rearmament of the German Fascists shocked the masses in the countries which suffered so much from Hitler's hordes from 1939 to 1945. A deep impression was made on French bourgeois circles by the fact that, following the plan of the American imperialists, some of Hitler's generals immediately raised a demand for a Greater Germany which would include French Alsace-Lorraine. The editor of the French bourgeois paper *Observateur*, Claude Bourdet, writes in this connection:

“It is simply ridiculous to believe that the French soldiers who suffered so much from Hitler's soldiers and police will enthusiastically co-operate with the German army. . . . French men and women have no grievance whatsoever against the Russian people, they have not forgotten the part which the Russians played in the battles resulting in the liberation of France. There are many Stalingrad streets in France, but not one named after Guderian. The Americans must understand that the French do not hate the simple German, but if it comes to shooting they would prefer to shoot a Nazi officer or a soldier in grey uniform than a Russian.” (Translated from the Hungarian.)

To show that in Britain the masses are also not enthusiastic about the American imperialist plans, the *New Statesman and Nation*, on the basis of reports received from industrial areas, writes that the reservists who, only a few years ago, finished defeating Germany and Japan, refuse to take seriously the proposal of leaving their work, homes and wives and going away to fight, this time on the same side as the Germans and Japanese.

The plan for the rearmament of Japanese Fascism arouses corresponding reactions, especially in Asia. The hundreds of millions of people who, in the course of the Second World War, were subjugated by the Japanese imperialists are, of course, against the resurrection of Japanese Fascism by American aid. A part of the Australian and New Zealand

bourgeoisie oppose this plan too; that part which has not yet forgotten the frightening years of the Second World War when the Sword of Damocles of Japanese invasion hung over their heads.

In the imperialist camp itself a disturbance was created because the European imperialists are afraid that if they meddle too much in the Far Eastern war, it might engage all the forces of the United States. The United States imperialists, too, are confused as a result of their Korean defeat. The American imperialists imagined that the Korean aggression would be the same as in the past, when the lion's share of the burden was borne by their allies and satellites. This policy was not very successful in Korea.

The allies and satellites did not exert themselves to pull the chestnuts out of the fire for the American conquerors, and to throw in their soldiers as cannon fodder for the aims of American world conquest. Under the influence of the Korean defeats, the mood of the American masses also changed; more and more they demanded that the American soldiers should be brought back. Partly under the influence of this mood, a number of reactionary American politicians have raised the question as to whether it would not be more correct if America retreated behind its own frontiers. The aim of these utterances, of course, is to exert pressure on the satellites.

The fact that the United States, under the pretext of rearmament, has bought up the most important raw materials all over the world, so much so that the industry of Great Britain, France and the other Marshallised countries begin to feel the shortage, has aroused controversies within the imperialist camp. It is due to this shortage of raw materials that in the Marshallised countries more and more factories producing consumer goods are being closed down, because raw materials are needed for armaments. In consequence, unemployment has appeared not only in Britain, France, and Western Germany but in the United States itself. *The rearmament slogan "More guns, less butter" affects the existence of the workers.*

Oppression of the People

The unavoidable corollary to war preparation is the oppression of the working masses. Comrade Stalin pointed out in 1927, that the imperialists are only capable of preparing a new war if they oppress the working masses.

"For the continuation of the war," said Comrade Stalin, "it is not enough to increase armaments and to establish new coalitions. For this purpose the strengthening of the hinterland in the capitalist countries is also necessary. Not one capitalist country is capable of waging a serious war if it has not previously strengthened its hinterland, if it does not curb its 'own' workers, if it does not curb its 'own' colonies. This is the origin of the gradual turning to Fascism of the policy of bourgeois governments."

In the capitalist countries a Fascist development and attacks on the living standards and rights of the workers are constantly on the agenda. The working masses naturally defend themselves and an indication of the increasing struggle is the huge strikes which burst out in capitalist countries. In these fights the Communist Parties are everywhere in

the lead. The French Communist Party, led by Comrade Thorez, the Italian Communist Party, led by Comrade Togliatti, the British and the American Communist Parties, and the Communist Parties of the other capitalist countries are fighting brave and successful battles in the defence of the interests of their working people. We send from here our warm and comradely greetings to our brave brother parties and our good wishes for *the successful conclusion of their difficult struggle in every field.*

Yugoslavia

We are especially interested in the two countries of the imperialist camp with which we lived for centuries in reciprocity. These countries are Germany and Yugoslavia. For centuries, the fate of the neighbouring Yugoslav people was similar to that of the Hungarian people: they were oppressed by the Turkish conqueror, by the German Hapsburgs and by their own landlords and the capitalist system. Throughout the centuries the oppressors stirred up old hatreds and incited the two peoples against each other.

The pleasure of the Hungarian democrats and Hungarian Communists was the greater, therefore, on seeing the struggle for freedom which the heroic Yugoslav people carried out during the Second World War against Fascist oppression. After the defeat of Hitler, the Hungarian working people lived in the pleasant expectation that the old bitter times had ended once and for all, and that we should be able to build our Socialist future under the leadership of the Soviet Union in peace with the Yugoslav people, like brothers, shoulder to shoulder. The greater the expectations, the greater was the shock our people received when, in the summer of 1948, in connection with the resolution of the Information Bureau of the Communist and Workers' Parties, they recognised the incorrect and criminal policy of the Yugoslav leaders.

Tito and his gang succeeded this time in misleading the Yugoslav people. They protested that there were only misunderstandings between the peace camp, led by the Soviet Union, and themselves. They avowed that they would continue to build socialism and maliciously presented the correct criticism of the Information Bureau as an attack on the Yugoslav people.

The Rajk affair in 1949, to a certain degree explained why the Tito gang successfully carried out this manœuvre. It came to light that Tito, Rankovic, Djilas and the others were old police informers, Gestapo spies, *agents provocateurs* to whom the cheating of the masses was bread and butter and their second nature. We can understand that a part of the Yugoslav masses received the disclosures of the Rajk trial with confusion or disbelief, because, indeed, it is hard to find a similar case where the leadership of a heroic fighting people has been grabbed by such base riff-raff. Many well-meaning Yugoslav patriots did not believe at that time, that Tito and his gang had already been in the service of the enemy and that they had maliciously endeavoured to throw the Yugoslav people back into the reactionary, anti-popular, anti-Soviet camp, in the fight against which so many heroic sons of the Yugoslav people had perished.

The events have proved us right in every respect. Tito and his associates have since helped to drown the Greek fight for freedom in blood, and openly associate themselves with the Greek monarcho-fascists. Tito and his gang are conducting a sharp struggle against the victorious Chinese Revolution and the Korean People's fight for freedom. Their press and radio have not one word to say against the Western imperialists, but day by day, fuming with rage and often surpassing in baseness the imperialists themselves, accuse their liberator, the Soviet Union, and the peaceful workers of the neighbouring Peoples' Democracies.

Since then, Tito and his gang have opened the prison doors to the Yugoslav Fascists, have liquidated their Five-Year Plan and have placed, secretly, the Yugoslav army into the hands of the American imperialists. This is so clear that not many weeks ago, Truman was able to send definite and open help to the Yugoslav army as an ancillary to the American imperialists. *In two and a half years Yugoslavia was forced on to the side of the imperialists, where their treacherous leaders have stood for a long time.*

Those Yugoslav patriots who, eighteen months or two years ago, did not believe us, must recognise, on the basis of these facts, that we were right. But the Tito gang still tries to mask its true essence because it knows very well that should the truth come out fully, it would mobilise the majority of the Yugoslav working people against them. The American imperialists, too, are obliged to keep constantly in front of them the fact that the situation of the treacherous Tito gang is very unstable owing to the resistance of the Yugoslav working people. We know about this resistance, we know that an increasingly greater part of the embittered and shocked Yugoslav people see the treachery of their leaders, that they hate the Western imperialists, and that their sympathy lies on the side of the peace camp, led by the liberating Soviet Union, and on the side of Liberated China and the heroic Korean fighters. *All our sympathy is with the Yugoslav patriots fighting against the Tito gang and we have no doubt but that this fight sooner or later, will surely end with the annihilation of Tito and his gang.*

Germany

As far as Germany is concerned, our fatherland was for nearly a thousand years the object and victim of German conquering aspirations, of the *Drang nach Osten* (Drive to the East). For four hundred years the Hapsburg oppressors ruled over the Hungarian people. In the last generation they twice thrust the country into a war led by German imperialism. Hitler occupied and robbed our fatherland.

After all this, the Hungarian working people looked forward with the greatest expectations and hope to the German democratic development to which the road was opened after Hitler's defeat. Every Hungarian patriot greeted the formation of the German Democratic Republic enthusiastically, in the hope that this would be a starting point for a development which would bring the whole of Germany on to the road of democracy and progress. We saw, therefore, with great dis-

satisfaction the experiments by which the Western imperialists and warmongers wished to revive German militarism and fascism in Western Germany. *It was more than a simple diplomatic act on the part of the Hungarian People's Democracy when, in October last, in Prague, together with the representatives of the Soviet Union and the Peoples' Democracies, we protested against the machinations of Western imperialists in Germany.*

The fact that this protest is not only our affair but also the affair of the best people in Western Germany is proved by the movement which arose against the base plans of the imperialists in Western Germany itself. It is well known that Heinemann, Minister of the Interior in the Bonn puppet Government, resigned as a protest against the armament proposals of the imperialists. The fight conducted by Niemöller, one of the leaders of the Lutheran Church, is also well known. The Western German working class, under the leadership of the Communist Party, opposes more and more sharply, this plan which would endanger the most elementary interests of the workers as a logical consequence of the revival of German fascism. The Western German Fascist army is now in a state of illegal organisation. But Dr. Lehr, the Minister of Interior of the Bonn puppet government, has already declared, at a mass meeting:

"We do not only need an army as a defence against the East, but also against the exaggerated wage demands of the Trade Unions."

It is understandable that in these circumstances the repeated actions of Comrade Grotewohl, Prime Minister of the German Democratic Republic, which propose the creation of a United Democratic peaceful Germany as opposed to the American imperialist plan, has aroused a deep and permanent echo in the German people both in the East and West.

In this international situation when the imperialists are arming at full speed, when, at our southern frontiers, Tito's gang, in the pay of the Americans, rattle their arms, *it is the duty of the Hungarian People's Republic to develop its defence army within the limits imposed by the Peace Treaty. We do not need to explain that the only task of this defence force is to defend the independence and freedom of our country. Our working people know that its defence force serves one aim: to defend the achievements of our People's Democracy. That is why our young defence force is so popular and that is why it is supported heart and soul by the entire working people as the guardian of our peace and security.*

The Peace Movement

In the struggle for the preservation of peace the peace movement, led by the Soviet Union, has an immeasurable importance. The peace movement is supported by the Peoples' Democracies as well as by hundreds of millions of working progressive people all over the world. We do not need to explain that the working masses of Europe and Asia, who suffered so much during the course of the Second World War from the Fascist barbarians, defend peace with all their strength and are sharply opposed to the warmongering of the American imperialists.

This peace movement which gathers all the progressive people of the five continents into one camp is broader and mightier than any other movement in history. In every country its followers are present and fighting. The World Congresses of the movement in 1949 and in 1950 were imposing and strong expressions of humanity's desire for peace which rightly aroused disquiet in the camp of the imperialist warmongers.

The appeals of these Congresses, which called upon the partisans of peace to fight determinedly and actively against imperialism, found a tremendous echo all over the world. Their strength is witness by the five hundred million signatures which were collected in a few weeks all over the world in support of the Stockholm Peace Petition. Never yet has a movement echoed so rapidly and strongly throughout the world. The peace movement is one of the most powerful supports of the peace camp. This movement un.masks in word and deed the plans of the warmongers, and makes them difficult to carry out. The strength of this movement grows day by day all over the world by the adhesion of tens and hundreds of thousands of those mothers, wives and children who, under the influence of the horrible inhumanity of the American imperialists in the fire of the Korean aggression, recognise the true features of imperialism and for this very reason go over to the side of peace and the partisans of human progress.

Every honest man sees with indignation that whilst Truman pours out such words as "right, ideals, godliness, peace, human dignity, respect for human life, belief in justice and freedom," the blood-crazy hordes of MacArthur wade knee deep in the blood of Korean mothers, women, children and old people. These gangs perpetrate, condensed into a few months, many times over, the crimes and horrors which fascism thrust upon the world and which were committed by colonisers during the centuries.

And, at the same time, the world witnesses the fact that *the Soviet Union uses every possibility, takes up every means to defend peace against the ferocious warmongers.* From all that has happened in the United Nations since the Korean aggression, and from the way that the United States and its satellites have roughly rejected every suggestion which could truly create peace and an agreement, it has become clear how right Comrade Stalin was when he said about the Anglo-American imperialists: "*They do not need agreement and co-operation, but only slogans about agreement and co-operation in order to frustrate agreements.*" We have witnessed just this in the recent weeks when the American imperialists and their satellites forced through the United Nations the resolution condemning the Chinese People's Republic, in spite of the fact that the populations of the countries opposing this resolution amount to more than half of the population of the world, and the population of the countries supporting the decision demanding an agreement is one thousand four hundred millions.

"*The United Nations Organisation,*" said Comrade Stalin justly, "*created as the bulwark for preserving peace, is being transformed into an instrument of*

war, into a means for unleashing a new world war. . . . As a matter of fact, the United Nations Organisation is now not so much a world organisation as an organisation for the Americans, an organisation acting on behalf of the requirements of the American aggressors."

The people of the United States have so far not known the horrors of war from immediate experience, and therefore valued less the desire and will for peace of the hundreds of millions of working people of Europe and Asia.

To-day, the situation has changed here too. Under the influence of the Korean fiasco of the American imperialists, the American mothers, wives, sisters and children are passing over in increasing masses to the side of peace, and reports grow in number which prove that as a consequence of the Korean aggression, the peace movement and the peace demands are increasing by leaps and bounds, in the United States itself.

In the fight for the defence of peace against the imperialist warmongers, the Communist Parties are everywhere at the head. The Communist Parties of the Soviet Union and the Peoples' Democracies, as well as those of the capitalist countries. This fight has received fresh vigour from the latest statements of Comrade Stalin concerning the imperialist governments which wish to deceive their peoples in order to force upon them their aggressive plans and to thrust them into a new war. "*. . . they are afraid of the campaign in defence of peace, fearing that it can expose the aggressive intentions of the reactionary governments.*"

Every part of the peace movement has received new strength from the words of Comrade Stalin: "*Peace will be preserved and consolidated if the peoples will take the cause of preserving peace into their own hands and will defend it to the end.*"

"*War may become inevitable if the warmongers succeed in entangling the masses of the people in lies, in deceiving them and drawing them into a new world war.*"

"*That is why the wide campaign for the maintenance of peace, as a means of exposing the criminal machinations of the warmongers, is now of first-rate importance.*"

Every partisan of peace takes to heart and follows these statements of Comrade Stalin, and continues the fight for peace against the imperialist warmongers with self assurance. We, the Hungarian Working People's Party, and with us the entire Hungarian working people, can promise that we shall fight with unflinching faith, not sparing our efforts on the peace front, and that we shall be everywhere where it is necessary to fight and sacrifice for the great cause of peace.

I cannot finish the part of my report dealing with the international situation, without praising the activities of the Information Bureau of the Communist and Workers' Parties. The Hungarian Working People's Party is proud to be a member of this important international organisation which helps to co-ordinate the activities of the Communist and Workers' Parties, helps to exchange and spread experience. I must especially mention the paper *For a Lasting Peace, For a People's Democracy*, the weekly journal of the Information

Bureau which is published in sixteen languages, including Hungarian, and in more than one million copies. It contributes considerably to the knowledge of the problems of the Communist and Workers' Parties, to the correction of mistakes and to the spreading and strengthening of the idea of proletarian internationalism, and mostly to the increasing of the fight for peace and the unmasking of the imperialist warmongers.

To sum up, the balance of the international relations of strength show that the strength of peace,

progress and Socialist construction is continually growing, and the prospects for the imperialist warmongers are diminishing. This, however, does not mean that there is no war danger, that we do not have to fight with all our strength against it.

But should the warmongers start a new world war, they will experience the correctness of Comrade Malenkov's statement: "*Should the imperialists unleash a Third World War, this will be the grave not of single capitalist countries but of entire world capitalism.*"

THE INTERNAL SITUATION

Our domestic situation is characterised by the unity of the Hungarian working people.

The more than seven million signatures with which the Hungarian people, practically without exception, supported the resolution of the Stockholm Peace Conference is only one of the expressions of that unity which was established under the leadership of our Party since the decisive outcome of the battle against reaction. Our working people are not only united on the question of peace but also on every decisive problem of our People's Republic. They unitedly approve of the friendly and good relations which tie our country to the Soviet Union and the Peoples' Democracies. They are united in the defence of our democratic achievements, in our efforts for the implementation of our Five-Year Plan.

This national unity, the political organisation of which is the People's Independence Front, was created by the working class in close and sincere co-operation with the working peasantry under the leadership of our Party. This unity is a result of the long and consistent struggles fought against the remnants of the old exploiting order. The land reform marks the beginning of this struggle, which was followed by a tenacious fight, in the course of which we eliminated the capitalists and their representatives from factory industry, the mines, the banks, wholesale trade, and put the best people among the workers, peasants and progressive intellectuals in their place.

This fight was made successful by the fact that we were able, under the leadership of our Party, to unite all democratic forces. The working people were able to convince themselves on the basis of their own experience, that we were not only able to heal the horrible wounds caused by the war, not only to clear away the ruins, but with far-reaching, successful planning we have raised their economic and cultural level. They have seen that in a difficult situation we fight bravely and successfully against external and internal enemies who wish to restore the old capitalist, reactionary world. They were convinced of this when we struck, in connection with the Mindszenty case, at reaction hiding behind the cloak of the Church. They experienced this again at the time of the Rajk trial, when we disclosed the base plans of the imperialists and the foul role played by the *agents provocateurs* and spies of Tito's gang. This

imperialist conspiracy, aimed at driving our country back to the rule of the old capitalists and big landowners, and making it a toy of the imperialists. This conspiracy showed the base machinations of the imperialist warmongers, and thus reached an importance extending beyond the frontiers of our own country. We successfully liquidated the right-wing Social-Democrats, the ancillary army of foreign imperialists. We have settled the relationship between Church and State with patience and mutual compliance.

In order to ensure and develop the rights gained by our working people, we created the Constitution of the Hungarian People's Republic which states: "In the Hungarian People's Republic all power belongs to the working people," and that the State of the Hungarian People's Republic "fights against every form of exploitation of man, and organises the forces of society for Socialist construction." This Constitution ensures the right of the working people to work, leisure and culture, ensures equal rights to women in every field, and opens wide the gates of development to youth.

Cultural Development

Similarly to the political and economic successes of our People's Democracy, our cultural development too can look upon considerable results. This is true for every section of our cultural life. The number of pupils in our secondary schools is 83.3 per cent. higher than in the last year of peace. The number of university and secondary school students is nearly three times the 1938 figure. In 1950, books and pamphlets were published in sixty-three million copies. Investments in 1950 devoted to education and culture were 100.5 per cent. higher than in 1949. As a result of this development, new Socialist buds appeared in every branch of our culture. The young Hungarian film industry achieved international noteworthy results within a short time. In our literature, one after the other, young Socialist writers appear. Our art and theatre turn more and more to the successful application of Socialist realism. Everywhere we witness encouraging beginnings and we shall endeavour that in this field, too, we shall suitably ensure the healthy development of initial successes.

Political Successes

Internal political results were accompanied by a correct line in the conduct of foreign affairs. We are carrying out an international policy which has consolidated the prestige of our long-suffering people all over the world, and made it possible within a few years for us to enter with heads erect the great family of peaceful, progressive nations led by the Soviet Union.

The approval and support given to this successful work of ours was proved by the overwhelming election victory which the Hungarian People's Independence Front, under the leadership of our Party, reaped at the parliamentary elections in May, 1949. The composition of the House of Representatives elected at that time, shows how the People's Front looks in practice and, within it, the alliance of workers and peasants. From the 402 deputies, 176 are workers, 115 peasants, and 92 progressive intellectuals. Amongst these are 72 working and peasant women, which is a measure of the equal rights of women. This election was followed eighteen months later by the election of the Local Councils when our working people elected 220,000 council members and supplementary members. This election, through which the working people took control of the local organs of the democratic State, has shown even more strongly the deepening of the worker-peasant alliance. To the 3,217 local councils, 23,016 industrial workers, 103,638 working peasants, 11,116 progressive intellectuals, and thousands of craftsmen, retail traders and others were elected as ordinary members. The inclusion of the working people into State administration has put the finish on the democratisation of our administration and put the entire State apparatus into the hands of the working people.

The election of the councils has again proved that our working people approves the combining of the national democratic forces and stands as one man behind the representative of this unity, the Hungarian People's Independence Front. From this it follows that we must continue without changing the People's Front policy, which was proved to be correct and which results in so many successes.

As a result of the battles fought by the united working people, under the leadership of the Party, the people's democratic State was created, the State, with the help of which, and as a result of the victory of the Soviet Union, and supported by the Soviet Union, the working people, led by the working class, progressed from capitalism towards socialism. With regard to its functions the People's Democracy is the Dictatorship of the Proletariat. The task of this State is to break the resistance of the overthrown and expropriated landowners and capitalists, and to frustrate all attempts directed at the re-establishment of the power of the capitalists; and to gather around the proletariat the entire working people for the purpose of constructing socialism and raising the economic and cultural level, and to establish a suitable defence force against the imperialist enemy.

The popular unity, for which there is no parallel in our history, could have been created only after the defeat of the oppressors and exploiters. These political victories made it possible to eliminate them gradually from our State, from the most important branches of our economy and to open the road to Socialist construction.

Increased Plan Objectives

On the second day of the Congress, Comrade Gero will give a detailed account of our economic development and its problems. I shall mention here only the most important and most characteristic data and facts.

When, more than two and a half years ago, during the first Congress of the Hungarian Working People's Party, I spoke about our achievements, I mentioned proudly that our factory industry produced only 3 per cent. less than in 1938. In the thirty months which have elapsed since, the production of our factory industry has increased to nearly twice that of 1938. Accurate calculations are made difficult by the fact that to-day a number of industrial goods are manufactured which were not produced in Hungary before the Liberation. The production of our Socialist industry was 35 per cent. higher last year than in 1949. It has developed more in one year than during twenty years of capitalism.

At our first Congress, I mentioned as a considerable success the fact that the living standard of the workers and employees had reached 97 per cent. of the 1938 level. Now, I can record that the workers' and employees' wage fund has increased by more than three milliard forints during 1950 and that the average wage of workers in December, 1950, was fifty-nine forints higher than a year ago. National income last year, the first year of the Five-Year Plan, has increased by 20 per cent., which is more than during two decades of the Horthy era. In 1948, I reported, as a great achievement, that the investments in our Three-Year Plan, which were more than ten milliard forints, would probably be completed within two years and five months. I also pointed out how the figures of our Three-Year Plan were received with doubt and sarcasm by bourgeois critics. The amount of investments in the first year of the Five-Year Plan approached the total of the whole Three-Year Plan.

When, in 1949, we worked out the Five-Year Plan, our objective was to lay the foundations of socialism by the implementation of this plan, and to transform our country from an agrarian country with a developed industrial production into an industrial country with a highly developed agriculture. In order to implement this plan, we intended to invest fifty-one milliard forints in five years.

The experience of the past year has convinced us that our targets were too low and therefore, we have prepared a new plan which will allocate eighty to eighty-five milliard forints to investments, or 65-70 per cent. more than the original. The year 1950, in which we fulfilled the raised plan to 109.6 per cent., proves that this plan is realistic. Our building industry developed the most rapidly,

producing 116 per cent. more last year than it did in 1949. Labour productivity increased by 20 per cent. This is double the one-year target in the original Five-Year Plan. All these facts show that *we underestimated the possibilities of Socialist industry and the reserves at our disposal which only now we are beginning to mobilise.*

What does the new, increased Five-Year Plan mean? First of all, that the new plan invests far more in heavy industry and within it, in the iron, steel, coal and electrical energy production. In numerical terms, we wish to invest 37-38 milliards into heavy industry, more than double the original plan. In 1949, we planned that our factory industry would increase by 86.4 per cent. According to the new plan, factory industry production will increase by approximately threefold, nearly 200 per cent., and within this, heavy industry by four times. Light industry, instead of the 72.9 per cent. of the original plan, will increase by 150 per cent. Last year, the production of heavy industry was only 2.2 per cent. higher than that of light industry, but by the end of the Five-Year Plan, the participation of heavy industry in production will be 70 per cent., that of light industry, 30 per cent.

The new plan raises agricultural investment by 40 per cent. It puts aside eleven milliard forints for agricultural machines, artificial fertilisers and buildings. Instead of 22,800 tractors, agriculture will receive 26,000—28,000 tractors; irrigated land will be increased by 460,000 instead of 167,000 acres. This will make possible a 50 per cent. increase in agricultural production.

For the development of towns and villages, the new plan allocates 33 per cent. more, or ten milliard forints. Part of this sum will be used for the building of 220,000 new dwellings. Investment in communications must be raised accordingly; here the new plan allocates one-third, *i.e.*, eleven milliards more.

According to these increased targets, the number of workers and employees needed for its implementation must also be raised. For the implementation of our original Five-Year Plan, we believed that 480,000 new workers and employees would be needed. For the improved plan far more than this, *about 600,000-650,000 workers and employees will be needed, amongst them 11,000 new engineers, which is more than the number of engineers we had at the beginning of the Five-Year Plan, and 17,000 new technicians.*

Last but not least, *the new plan prescribes, instead of a 63 per cent. increase in the national income, an increase of more than 120 per cent., which will make possible a further rise in the standard of living and culture of the working people.*

Why The Plan Is Successful

Let us consider the factors which made possible our successful achievement so far, and the further development of which will be an assurance that we shall be able to reach the tremendous targets of our new Five-Year Plan, which demands a greater effort than anything hitherto done.

The major prerequisite for the realisation of our plan already exists. Our industry, with the exception of the handicraft industry, is in the hands

of the Socialist State. Communications, wholesale trade and banking belong 100 per cent. to the Socialist sector. Seventy per cent. of retail trade is done by Socialist commercial organs. In agriculture, too, the building of socialism has begun. These facts make it possible for us to work with increased planning in every field of our economy and for us to realise our set plans. The successes of the first year of our Five-Year Plan are partly due to the fact that we are learning more and more about economic planning, and that leadership embraces and co-ordinates the factors of our economic life more successfully.

Another important component of our successes is the fact that *the attitude of the liberated working class to Socialist work has fundamentally changed.* Immediately after the fight in the political arena was decided in favour of the working people, we issued to the working class the slogan "The country belongs to you, you build it for yourself."

But it required two to three years before the working class not only understood this fact but drew the necessary conclusions and was able to apply it to everyday work. This process was furthered and hastened by the successes of our democracy, the increased consciousness and culture of our working people, the improvement in their financial situation and an increasing recognition of the fact that, from now on, they are building socialism for themselves.

This resulted in the fact that *more and more of our working people understood that work in our country is not forced labour, but a matter of honour and glory for the liberated working people.*

The first fruits of this changed attitude of the proletariat towards work, began to show in the autumn of 1949. At this time our economic development had already produced the prerequisites of Socialist methods of work, but the hindrances facing the Hungarian Stakhanovite movement, the Socialist work competitions and the innovation movement were very great. Our working-class remembered, from capitalist times, the experiments in increasing production, as something based on increased exploitation of the workers. They remembered the ill-famed Bedeaux system against which they defended themselves by strikes. For our technical intelligentsia, too, the movement of rationalisers and innovators was something new and strange, just as were the new tasks of organisation connected with work competitions and the introduction of new methods.

An impetus was given to spread Socialist methods of work by the offering with which the Hungarian working people celebrated the seventieth birthday of the great Stalin. These work offerings carried the workers away, broke the ice, and opened the road in our country, too, for the spreading of all those methods of work, to which so many economic successes of the Soviet Union can be attributed.

The Hungarian working class has now started to follow in every field the example of its model, the working class of the Soviet Union, and is more and more transplanting the experience of Socialist production acquired in the Soviet Union, into Hungarian conditions.

Soviet Assistance

The Soviet Union helps us in the building of our most modern factories, give us its best machines, most up-to-date manufacturing processes and, what is no less important, puts its best scientists and ace workers at our disposal. The best engineers and technicians of the Soviet Union, led by Academician Bardin, the world-famous foundry expert, have visited us, people whose advice and guidance means a service to us which cannot be overestimated.

Comrade Bikov was here and passed on his experience in the field of fast cutting. Comrade Zuravlyov taught our foundrymen the method of quick smelting. Comrade Petrov, the chief foundryman of the Stalin Automobile Factory, passed on his experience in the fields of casting and foundry work. Comrade Dubyaga helped us to transfer to the multi-machine system in the textile industry. Comrade Annanyeva taught our spinning workers how to decrease scrap to the minimum in the spinning mills. Comrade Shavlugin taught our bricklayers the fast bricklaying method. Comrades Maximenko, Koba and Zuyev developed a whole team of Stakhanovites among our building workers. Comrade Panin taught the Hungarian engine drivers to increase the average speed of our railways. Filimonov, Padgarov and Logvinyenko gave help to our miners in acquiring methods of handling mining machinery, and so on. I will not continue this enumeration.

It is well known that the Hungarian Stakhanovite movement increased tremendously, following the passing on of work methods by the Soviet Stakhanovites. Their pupils are Imre Muszka, turner, who passes on his methods of work in the Mátyás Rákosi Works; Ignác Pióker, carpenter in the Egyesült Izzó Works; Lajos Kugler, rolling-mill worker in Diósgyőr, whose brigade is the best in the country; Sándor Szöcsei, the locksmith, who received the Kossuth prize; Mrs. Árpád Ormai, the weaver, who received the Kossuth prize; Mrs. János Makár, who works on sixteen weaving machines in the Hungarian Cotton Works; Erzsébet Piszkei, who works on twenty-two automatic machines in Győr; Barnabás Varga, Tatabánya miner, who received the Kossuth award for his outstanding work; József Dietrich, Stakhanovite miner; András Tajkov, the best miner in Tatabánya; Zoltán Pozsonyi, the building worker, who received the Kossuth award; József Lengyel, the best engine driver; and hundreds and thousands of those Stakhanovites *who form the vanguard of Hungarian Socialist industry.*

A lively and fruitful contact started between the Soviet Stakhanovites and the Hungarian Socialist ace workers. They continue to exchange and pass on their experiences in letters and radio messages. The Hungarian workers express their gratitude by naming the work brigades after their teachers, the best Soviet Stakhanovites.

In the Soviet Union, Socialist competition has become second nature to the workers. We have not yet gone so far; but *in our country, too, the good custom of the working people celebrating every great anniversary or important event with work offerings, is spreading.* We have just experienced this on the occasion of *our Party Congress, when*

the working people of town and village are showing their fidelity and love towards the Party with huge work offerings, and in the unheard-of development of work competitions.

The transplantation of the highly developed Soviet Socialist methods of production to Hungary is being speeded by visits of our engineers, workers and specialists to the Soviet Union, and by students studying at the universities of that country, and through whom, the knowledge of the most recent achievements of Socialist construction is coming in a continuous stream to our country.

There is no field of our economy and, I may add, of our entire Socialist life, which has not yet received, and which is not continually receiving, support from the Soviet Union which cannot be overestimated. We are now gradually passing on to making that immeasurable treasure house of experience which is in Soviet technical literature, accessible and applicable to our Socialist construction. During the last year, and especially in recent months, a real siege of Soviet technical literature, started.

Our engineers and technicians only now begin to realise those tremendous advantages which the knowledge of Soviet technical literature means to them, and an indication of their thirst for knowledge can be seen in the fact that there was a sudden huge shortage of suitable technical translators. It might be said that our technical intelligentsia, and beyond them the entire Hungarian intelligentsia, is only now beginning to discover the Soviet Union in this respect. They are only now beginning to grasp the true importance of the limitless scientific and experimental equipment of the Soviet Union, its leading position and its fruitful effect. It must be underlined and it must be made a conscious fact that *one of the deciding factors in the successes of the Hungarian People's Democracy is this friendly help for which we cannot be sufficiently grateful to the Soviet Union, and to him, who more than once initiated it, Comrade Stalin himself.* It can be foreseen that this support will increase in the coming years and *this help is the surest guarantee of the good implementation of our Five-Year Plan and the construction of our entire future.*

It must be mentioned that in the field of the exchange of experience and mutual aid, a similar relationship is being formed with the countries of the friendly Peoples' Democracies. Experience acquired by the Peoples' Democracies and its exchange is also important for the reason that the conditions of development in these countries are, by and large, similar to ours and, therefore, these useful experiences can easily be transplanted to our country.

The Council for Mutual Economic Aid and the fact that an increasingly larger part of our foreign trade is carried on with the Soviet Union and the friendly countries having a planned economy, have greatly contributed to our peaceful development. It is impossible not to compare the friendly mutual help between Socialist countries with the relationship between the capitalist countries, the Marshall Plan and the Atlantic Pact countries. These capitalist alliances and groupings are based on the robbing and exploitation of the weaker partner.

Amongst them there is a continuous fight for markets and raw materials, for the acquisition and theft of manufacturing secrets, etc.

The Working Class and the Technical Intelligentsia

When we report on the achievements of the Hungarian People's Democracy, *we must remember with the greatest acknowledgment and praise, the achievements of the Hungarian working class, for which it has justly deserved the gratitude of our entire working people.* This working class, under the leadership of our Party, has shown that it is worthy of its historic role which rests upon it at every stage of Socialist construction in our country. *Gratitude and honour to the Hungarian working class!*

When emphasizing our successes, we must also praise the good work of the intelligentsia, the majority of whom sincerely and honestly support the objectives of the People's Democracy.

We must especially take note of the merits of the Hungarian technical intelligentsia. The relative number of engineers and technicians to workers has temporarily dropped. It is sufficient to point out that the number of those employed has increased by 47 per cent. in three and a half years. Everyone understands that we could not raise the number of our engineers and technicians by 47 per cent. in so short a time. At present there are ten times as many students of engineering at our technical universities as in the last year of peace, but these students will only become engineers in the coming years and, in the meantime, increased work and responsibility falls on the old technical intelligentsia.

The fact that our industrial production has shown such imposing results in the first year of the Five-Year Plan, proves that our technical intelligentsia has fulfilled the increased tasks allotted to it, and the relationship of the majority of them to the People's Democracy and to Socialist objectives is loyal, approving and positive.

The results have also proved that the majority of the worker-managers whose activities in the beginning were regarded with doubt and criticism by old-fashioned engineers, have fulfilled the expectations attached to them, and have solved the problems which the Socialist State entrusted to them, in spite of the fact that their task was made more difficult by the circumstances—that tens of thousands of the best, most class-conscious skilled workers were removed from the factories, and at the same time hundreds of thousands of new unskilled workers poured into the factories from the villages.

An encouraging guarantee of our development is the fact that the influence of a number of positive factors will be felt only in the future. The intelligentsia, coming from the workers and peasants, those brought up under socialism, will only appear later *en masse* in the field of production. In a number of decisive spheres, the introduction of mechanisation in mining and the building industry, the mastery of the use of machines and a number of other measures will only be felt in their full effect in the future, effects which will be shown in the speedy progress of our Socialist construction.

Difficulties and Errors

When emphasising the achievements and successes of Socialist industry so strongly, we must also point out a tremendous number of difficulties and errors which can be experienced at the same time in this field. We must mention the lack of work discipline and the discipline of the citizens, and the great labour migration. It is especially the continued existence of slack work discipline which greatly hinders our development. Unexcused absenteeism, together with many hundreds of other symptoms of lack of discipline, are still very prevalent. The squandering of materials, irresponsible handling of State property, and lack of economy can be found everywhere.

The economy measures of the Government of the People's Republic have not yet shown suitable results. The lack of personal responsibility or the shifting of individual responsibility to different committees, which have far too many sessions, is an extremely frequent re-occurring symptom. The continuous and often superfluous reorganisation of enterprises and institutions belongs to the same category. Lack of vigilance towards the enemy is an everyday occurrence. Within the general over-fulfilment of the Plan, there are entire branches of industry which have not completed the increased Plan, amongst them such important industries as machine manufacture, the production of diesel engines and of large electric machines. The tempo of accelerated production of basic raw materials—iron, steel and coal—lags behind the tempo of acceleration of the entire industrial production.

These faults and deficiencies cause extraordinary difficulties in our Socialist production. Their elimination depends on our good work and especially on the good work of our Party, the Hungarian Working People's Party. The knowledge that they are individually and collectively responsible for everything that happens in their field of work in the factory, office or producer co-operative has not yet been assimilated by our comrades. They still have not become accustomed to the fact that the most certain indication of their good or bad work is increased or decreased production, delivery of crops, of taxes, etc. There are still many who rightly proclaim the country to be theirs, but do not feel in this connection the responsibility of the good husbandman. In this respect, our Party is still very much behind, the main part of the work is still in front of us. *It is one of the tasks of the Second Congress of the Hungarian Working People's Party to draw attention to these difficulties and to work out the most efficient and most successful methods for their elimination.*

The Situation in Agriculture

The greatest brake on the acceleration in our Socialist development is the situation in agriculture. I must add immediately that our agriculture, in spite of the terrible damage caused by the war, has in the past year reached essentially the production level of the last year of peace, and has even surpassed it in many fields. *The average wheat and rye yield was 9.2 per cent. higher last year than in the ten years of peace preceding the war*

This fact is the more noticeable because production carried on in the large estates before the war, gave 15 to 25 per cent. higher yields than on the peasant farms. Due to this fact, our enemies calculated after the land reform, that it would take much longer to reach the peace-time standard in agriculture. As far as livestock is concerned, the number of cattle and pigs surpassed the peace-time level, but the number of horses is still deficient. We must take into consideration the fact that, there has been a drought every year since the Liberation, which was especially severe last year. In the light of these facts, it can be stated that our working peasantry has, by and large, fulfilled the hopes placed on them.

To-day, however, this is not sufficient and agriculture, in spite of its achievements, is beginning to become a hindrance to our entire Socialist development, because demands are rising much more quickly than agricultural production. We can refer proudly to the rise in our standard of living and to the fact that *the toilers in the towns and villages are living better to-day, are feeding better and are better clothed.*

This healthy increase in the standard of living puts incomparably higher demands on our agriculture than ever before. Unemployment has ceased in the People's Democracy and, as we have pointed out before, the number of workers and employees has increased by 600,000 in three and a half years. As mentioned before, the wage fund increased last year alone by three milliard forints, and a considerable part of this sum was devoted to the buying of more foodstuffs, and similar goods, mostly of agricultural origin.

But not only does the town live better, so does the village. The horrible poverty which strangled the village in Horthy's time has disappeared. The village has become wealthy and consumes more agricultural produce. Thus, we need far more agricultural produce than before. The difference was made up partly by decreasing agricultural exports, but this, too, has its limitations, because goods produced from imported cotton, wool, leather, rubber, non-ferrous metals, etc., are in greater demand in the villages. As is known, the village does not only produce foodstuffs but also a part of the industrial raw material: let us just mention industrial crops.

This extraordinarily increased demand imperatively prescribes that we produce far more than in the times of Horthy, that we increase our average yields which are extremely low in every field. When, in the autumn, the Hungarian Kolhoz members from the Soviet Ukraine visited us, one of their greatest surprises was the low yield of our agriculture. The yield can be increased only if Hungarian agriculture passes over to modern large-scale farming and the use of large agricultural machines. The peasantry, too, is beginning to recognise this and that is why they are taking the road to the producer co-operatives.

In connection with our internal situation, I wish finally to point out the numerical change in the classes in recent years. The number of workers and employees is now about 1,750,000. It is characteristic of the course of development that the increase is 223,000 compared with last year.

Since the beginning of our Three-Year Plan in August, 1947, the number of workers and employees has increased by about 600,000, which is more than 50 per cent. Within three years we have completely eliminated the old capitalists from industry, wholesale trade and banking. With few exceptions, the working class is no more the exploited proletariat, because it works in the enterprises of its own State for itself. *All those political and other barriers by which the old capitalist order excluded the working class from justice, political power, administration, army and schools have been broken down. It is already the liberated working class.*

In the handicraft industry, which is not State-owned, there are still 77,400 workers. It is characteristic of the rapid decrease in this category that their number was 135,000 last year. We can immediately add that these were not exploited in the old meaning of the word, because the measures of the People's Democracy for the protection of labour, narrowed down the possibilities of exploitation.

The development in agriculture is shown by the following figures: there are more than 1,100,000 farms on the village registers; of these, 200,000 proprietors do not engage in agriculture as a profession and 63,000 are kulaks. If we compare the figures of the 1941 census with those of the 1949 census, we see the following picture of changes. The percentage of the completely propertyless, living from wage labour—day labourers, permanent workers and agricultural employees—was 45.9 per cent. of the total agricultural population, or nearly half of the farming population. This dropped to 17.1 per cent. by 1949. Farms between 1.4 to 35 acres totalled 47 per cent. in 1941, and 78.6 per cent. in 1949 as a result of the land reform.

This peasantry is not the old one either. *The People's Democracy put an end to the many forms of capitalist exploitation which fleeced the peasants. Bank usury and a hundred other forms of fleecing have ceased. All the careers from which they were formerly excluded by the ruling class, are open to the working peasantry. The State of the People's Democracy also supports them by every means.*

The most important change in the life of the village since the big lands were divided is that in agriculture, too, the building of socialism has started. In agriculture, the socialised sector already embraces more than 250,000 working people and this number is rapidly increasing.

It is worth while to follow attentively the development of the agricultural proletariat and kulaks in the last two years. Half of the agricultural proletariat have found employment on the State farms, machine stations, or entered the producer co-operatives in the last two years. More than a quarter, about 90,000 people, went into industry, mining and building. The number of workers in agriculture who work outside of the socialised sector is, to-day, just above 60,000.

Two years ago, the number of kulaks was 63,000: this figure only includes those who had more than thirty-five acres of land or paid taxes on more than 350 cadastral gold crowns. They owned nearly 2,800,000 acres of land of which, since

July 1st, 1949, 22,000 kulaks offered to sell 927,500 acres to the State. Four hundred and seventy-six thousand acres of these were taken over from 17,000 kulaks. At the beginning of the year, about 13 per cent. of the arable land was in the hands of the kulaks. This 13 per cent. corresponds to 15 per cent. of the collective cereal crop. These figures show that the measures aiming at restricting the kulaks have had results, *that the kulak is not his former self: he has been put on the defensive.*

The strength of the kulaks is considerably greater than is shown by these figures alone. Our statistics relating to the kulaks, for instance, do not show those kulaks who have 21 to 35 acres of land and at the same time an inn, a shop, a threshing machine, tractors, or other enterprises, who speculate and trade. There are tens of thousands of these and, together with the kulaks accounted for in the statistics, certainly more than 100,000 families.

It is obvious that the economic strength and, we may immediately add, the political influence of the kulaks, is much greater even to-day than we might gather from their number and area of arable land. As far as the remaining capitalist elements are concerned, what Lenin said holds true for us, too: *"The class of exploiters, land-owners and capitalists has not disappeared and could not suddenly disappear under the dictatorship*

of the proletariat. The exploiters are beaten, but not annihilated, their international basis remains, international capital remains, of which they, too, form a part. A certain part of the means of production remains in their hands, they have kept their money and they have kept their powerful social contacts. The strength of their resistance, because of the consequences of their defeat, grows a hundred thousandfold. Their experience in State, military and economic administration ensures them of a very great preponderance, so that their importance is incomparably greater than their relative numbers within the entire population. The class struggle of the defeated exploiters against the victorious vanguard of the exploited, the proletariat, becomes much more bitter."

There are no statistics concerning the remnants of the capitalist classes, but they are still quite widely represented among the middle functionaries of our State apparatus, amongst the employees of provincial enterprises, and, lately, in the local council apparatus. They are supported by a part of the Church functionaries, especially in the Catholic Church. These elements immediately go into action when vigilance towards them slackens, and have caused, more than once, considerable damage to our People's Democracy. Therefore, *vigilance must be increased and the fight against every remnant of the capitalist order must be unflinchingly continued.*

THE SITUATION AND DEVELOPMENT OF OUR PARTY

The influence of the development and achievement of our Party is reflected in every achievement and success of our People's Democracy. The two are indivisibly interlinked. *All that we have achieved: the economic and social rise of the Hungarian People's Democracy, its successes in the field of culture, its entrance into the respected family of free nations, are due, first of all, to the good work of our great Party, to the good work of the Hungarian Working People's Party.*

We have in the past, as we do at the present, made ample use of the weapon of Communist criticism and self-criticism. Following the guidance of our great teachers, Lenin and Stalin, as well as on the basis of the practice and theory of our model, the Bolshevik Party, we were aware that *the sincere, undisguised disclosure of faults and difficulties is the indispensable requisite and factor for the healthy development of our Party.* This will be the same in the future. That is why we used criticism and self-criticism, and that is why we use it at this Congress. But when striking a balance by reporting not only our successes but also our failures, we are able to say, without exaggerating or boasting, that the Hungarian Working People's Party has not done a bad job.

It can be stated that on the whole *our Party has, so far, fulfilled those expectations which our working people had asked of it and was able to solve those tasks with which history confronted us.* Our working people, too, have recognised the fact that in reaching these results, the lion's share belongs to the Hungarian Working People's Party. To-day, this recognition is already the common

treasure of the Hungarian people and the awareness of, and recognition of this, is reflected in the love, respect and honour with which the entire people surround our Party.

The Socialist development and rise of the Hungarian People's Democracy made rapid strides, especially since June, 1948, when working-class unity was organically established; and with the formation of the Hungarian Working People's Party, the working people could rally behind a single, powerful, political party. We spoke about the first Congress of the Hungarian Working People's Party as a powerful start. Looking back to-day, it can be stated that this was no exaggeration. All the hopes we attached to the merger have been wholly fulfilled. *On this occasion, too, we must pay tribute to those tens and hundreds of thousands of Social-Democratic Party members and functionaries who, in the spring and summer of 1948, joined with enthusiasm and conviction the victorious banner of Lenin and Stalin, and thus acquired undying merits in the creation of organised working-class unity.*

In the spring of 1948, it was proved that when the decisive hour struck, when development put the organic implementation of working-class unity on the agenda, the healthy kernel of the Social-Democratic Party stood at the height of its historic task and was capable of acting correctly. The fact that since then it came to light, that a part of their leaders was in the service of the enemy, does not detract anything from the merit of these Social-Democratic masses. The bulk of the Social-Democratic Party was, in these decisive

months, loyal sons of their class and people, and they sealed this loyalty with honest and sincere unity with the Communists. *All the successes and achievement of the two and a half years which have passed since prove that this merger was correct and healthy, have opened up new sources of strength and gave new vigour to Hungarian Socialist development.* The fruit of this merger is our united, unbroken and great Party, the Hungarian Working People's Party, fighting under the banner of Lenin and Stalin, and fired with Communist spirit.

Problems of Membership

We discovered immediately after the merger that there was something wrong with the social composition of the cadres and membership of the Party. This was an organic consequence of the political situation preceding this merger. Up to the spring of 1948, one of the harmful consequences of the competition with the Social-Democratic Party was that the Hungarian Communist Party was obliged to treat the admission to membership rather slackly. Owing to this, undesirable elements could get into its ranks, and even the enemy was able to gain admission. This was even more so with the Social-Democratic Party, amongst the members of which there were, apart from ordinary Socialist workers, a large number of petty bourgeois, non-Socialist elements. There were many thousands of Party members who joined the Social-Democratic Party because it offered a comfortable and good cover for a fight against the Communist Party and, in addition, against the entire People's Democracy. A considerable part of these people was already left behind at the time of the merger. In order to eliminate the other undesirable elements we decided upon the supervision of membership. This supervision which was carried out in our Party after suitable preparation, in the first half of 1949, extended to more than one million members. Of these, we excluded 190,407 members and qualified another 125,672 as candidates to membership. Besides, there were many tens of thousands of members who did not report for supervision because they had a guilty conscience. Cases occurred, too, where the enemy who penetrated our Party knowingly, in order to diminish the membership, did not include ordinary Party members in the supervision and thus left them out mechanically. Such cases occurred in larger numbers in the County of Somogy, and in other places too, especially in the farm lands.

This supervision of Party membership was a difficult and strenuous task. It occupied tens of thousands of the best forces of our Party for months but, finally, it was worth the trouble. Although at that time neither the Rajk gang nor the leading group of the treacherous Social-Democratic leaders had been unmasked, *our Party, as a result of the supervision of membership, was considerably strengthened, it became more united and the numerical proportion and weight of the industrial workers in it, increased.*

During the period of the supervision we stopped admission and, later, we put a number of strict measures into operation with the purpose of suitably regulating the healthy growth of our

Party, and putting an obstacle in the way of the re-admittance of undesirable elements. These measures in themselves were correct, but their interpretation by some of our young and inexperienced Party organisations tended to fog the problem of the healthy development of the Party, and often led to a mechanical implementation of the measures which thus became a hindrance to the admission of new members and to our further healthy growth.

The mistakes committed with regard to admission of members made their effects felt gravely especially in the villages. It is one of the ancillaries of our Socialist development that a considerable part of the Communists coming from the poor peasantry became industrial workers, or joined the Socialist sector of agriculture, the machine stations, the State farms or the producers' groups. More than 40,000 of our Party members and candidates, for instance, joined the producer co-operatives. The Party organisations in the Socialist sector became separated from the territorial Party organisations of the villages and often left the village because the headquarters of the machine station, the State farm or the co-operative usually lay outside it. For this reason, the formerly united village organisation broke up into two, three or even four organisations, in hundreds and hundreds of villages, to which sometimes the organisation of some newly established industrial undertaking was added.

The uniting of these different organisations is a new task with which, in many places, we have not been able to come to grips and, therefore, this development resulted in the serious temporary weakening of a number of our village organisations. In order to show how this looks in practice, we are going to quote a single but typical example: the development of the Party organisation of the village of Fülöpszállás. After the supervision, 235 members and candidates were left in the Party organisation. From these, 80 left for the local co-operative and State farm organisations, 82 left the village for other work elsewhere, three died, and one was excluded after supervision. The total loss was therefore 166. Sixty-nine old Party members were left. To this number five members came from other Party organisations after 1945, thirty were locally admitted, so that the Party organisation has at present 104 members.

In the case of admitting new members, it was apparent in the whole country that our village organisations did not like to admit individually farming peasants as members. Since the beginning of the building of the Socialist sector in our villages the point of view spread in our organisations that all attention should be concentrated on the Socialist sector. This then resulted later in the tendency that they did not even try to include in the Party those middle peasants who supported the People's Democracy in every respect, who were outstanding in production, concluding contracts, the delivery of crops and were not opposed to the producers' co-operative movement. We took a firm stand against this procedure *which caused grave damage to us* and which undoubtedly slowed down the development of the co-operatives in the villages. To find a healthy solution to this problem is one of our future tasks in the villages.

Party Education

Apart from improving the social composition of our Party, *the fact that the merger pushed the raising of the ideological level of our Party more and more into the foreground.* This work was not only imperatively necessary because the theoretical level of the old Communist Party members was low also, partly as a consequence of the twenty-five years of oppression during the Horthy régime, but also because it was necessary to give an opportunity to the Social Democrats to acquire the teachings of Lenin and Stalin as quickly and as thoroughly as possible. In the scholastic year of 1948-49, twice as many members studied at Party schools and evening classes as in the previous year. Since then, our propaganda work has been expanding year by year and not only its quantity, but its quality and level have also improved. At present 300,000 of our members, a third of our Party membership, study at evening classes.

Our Party school system, where now 29,000 of our comrades study yearly, has also developed rapidly. We have established one- and two-year Party high schools, where 260 people are studying. This year nearly 2,000 of our Party members will finish the three and five months' Party schools. More than 5,000 of our members constantly study at Party schools.

The theoretical periodical of our Party, *Társadalmi Szemle* (Social Survey) appears in 44,000 copies; *Pártépítés* (Building the Party) in 176,000; and *Népevelo* (The People's Educator) in 246,000 copies. We published two volumes of Marx and Engels' selected works, two volumes of Lenin's selected works, and the first volume of the Hungarian edition of Lenin's complete works has also been published, each in 100,000 copies, and six volumes of Comrade Stalin's selected works were published; thus more than three million copies of Comrade Stalin's books published in the Hungarian language are now in circulation.

In order to expand *the teaching of Marxism-Leninism further, it was introduced in the State universities and high schools.* Results so far have shown that our high school students have the proper attitude to this subject and achieve good results.

As a result of this tremendous political-educational work, the ideological level of our Party has considerably improved. As a consequence of this work, thousands and tens of thousands of Party functionaries and leaders of State and economic life, have developed, on whose shoulders rest the building of our socialism and who, without acquiring the Marxist-Leninist theory and Stalin's teaching, could not have wrestled with the new task which confronted them. When we state all this, we must also point out that as well as the achievements, a number of serious faults appeared in this field, against which the leadership of our Party has to take a stand in a separate resolution. *Party instruction often tended more towards quantity, the larger number, than quality.* More than once in our Party schools theory was taught divorced from practice and in an abstract way.

General propaganda or organisation was used to replace agitation and the discussion of actual problems by means of popular, easily understood arguments, *i.e.*, the application of the arguments to local circumstances.

This mistake is connected with the fact that a considerable part of our Party functionaries is not familiar with the concrete problems, either of our culture or of our economy, either of their locality or of the country as a whole. They do not know and do not study the most important resolutions of the Party and the Council of Ministers, not even those which are published in the daily Press. This is why their work is not centred around the concrete and local application and implementation of these resolutions, but around some abstract agitation propaganda and organisational work "which can be applied everywhere and at any time."

In practice this works out that, let us say, the propaganda workers are well versed in all that theory teaches about Communist peasant policy, but do not know the difference between the first and third type of producer co-operative groups, the political importance of the difference and the numerical figures of the development of producer co-operative groups. Our comrades visiting the mining districts do not know and have not studied the resolution of the Party and the Council of Ministers concerning the coal problem. In order that our functionaries should be able to carry out their work well they must have at their disposal, *apart from general theoretical knowledge, a certain minimum concrete knowledge and versatility in accordance with their functions* with regard to resolutions of the Party and the Government, in order to be able to implement and control these in their respective fields. Owing to the lack of such knowledge, many of the comrades who come to the provinces from the centre get stuck in the Party offices, try to contact only local "specialised functionaries" because they would not be able to answer the practical questions of simple factory workers.

When the problem of building socialism in the villages arose in our Party, we experienced everywhere that our provincial and village organisations did not understand the Leninist-Stalinist fundamental principle of Communist peasant policy, which demands that we should lean on the poor peasantry with all our strength, should make the middle peasantry our allies, and should fight relentlessly against the kulaks. Many of our village organisations do not follow this policy, but more, its contrary. Instead of trying to divide the middle peasants from the kulaks, or to extract them from kulak influence, they draw the line of demarcation between the poor and middle peasantry. They allowed the line of demarcation between the middle and kulak peasantry to become blurred. They often implemented the Party or Government resolutions by applying part of the measures against the kulaks to the middle peasants, and sometimes even against the poor peasants.

This, of course, weakened the worker-peasant alliance, the unity between the workers and the working peasants, and made the fight against the kulaks more difficult. *It happened that they neglected to win over the poor peasantry, arguing*

that they are anyhow our natural allies. We also often experienced the fact that *they failed to carry out the measures against the kulaks relentlessly and consistently*. All these faults led to the effect that one of the prerequisites for Socialist construction in the villages did not arise, namely, the spirit of a sharp and relentless fight against the kulaks. Our Central Committee, therefore, dealt with this problem, at its meeting in March, 1949, as an important prerequisite for the Socialist reconstruction of the village, and directed our Party's attention to the errors of our policy in the villages.

When the Socialist sector in the villages started to grow, new disturbances appeared. A considerable section of *our Party organisations started to neglect that part of the peasantry which did not work in the Socialist sector*, arguing that from now on the Socialist sector is the most important. Thus, their attention was distracted from the 85-95 per cent. of individually working peasants, which finally led to a situation where no suitable information was spread among the individually working peasants with regard to the problems of producer co-operatives. As we have mentioned before, they neglected to include the politically and economically outstanding middle peasants in the Party, although experience had shown that the bulk of such middle peasants gives important help to the building of socialism.

Party Democracy

Under the influence of the successes of our Party and the People's Democracy, *Party democracy started to disappear in many of our organisations*: this was connected with the fact that we had beaten and eliminated the enemy in the open arena. The success went to the heads of our comrades: they believed that when the enemy no longer dares to take an open stand, democratic methods, convincing and listening to the masses, and amongst them the masses of our own Party, are no longer needed. Our secretaries and leaders have often paid no attention to the elementary demands of Party democracy. Membership meetings and committee sessions became rarer. An always increasing number of leaders came not from elected but from co-opted members. These leaders did not make important problems known to the membership, and did not ask for the opinion of Party members when making decisions. They suffered less and less criticism, and suppressed the new forces such as youth and women.

The lack of Party democracy and of healthy Party life and, connected with this, the suppression of healthy Party criticism, soon resulted in a number of phenomena against which we had to take steps. Part of the leadership used its position in the Party for position hunting, the hoarding of jobs, and the ensuring of financial advantages. They neglected Party work, which they regarded as of secondary importance. Corruption, bullying, autocracy and bureaucracy started to spread. Those Party members who took a stand against this, or mentioned it, were more than once persecuted or excluded from the Party.

At the sight of these phenomena, *the Central Committee of our Party disclosed these faults on*

February 10th, 1950, and in order to eliminate them decided to have the leadership re-elected all over the country. The aim of this resolution was to remove those Party members who had no place there from the Party leadership, so that in their place new, fresh, young forces should come, giving full vitality to Party democracy and criticism.

We were able to achieve this aim to a considerable degree because with the active participation of the broad masses of the Party membership, the leadership and Party committees were elected in the branches, *in which there are large numbers of new, fresh forces capable of developing*. Fifty-five point nine per cent. of all the branch leadership members were newly elected. Part of the new leadership came from the sections of youth and women who had excelled themselves in good work in recent years. The rejuvenation of the branch leadership made its good influence felt on the entire Party work.

The resolution of the Central Committee on the re-election of the leadership set the aim of improving its composition, so that the proportional representation of petty-bourgeois elements should decrease. This part of the resolution was not suitably carried out. The fact that we again often find, in recent months, breaches of Party democracy and a formal bureaucratic relationship to the membership can be partly attributed to this. A few weeks ago in County Borsod, for instance, we found that 360 Party membership application forms were lying in the District Party Committee offices, which no one bothered about for months. In the Miskolc District Party Committee office the Control Commission found hundreds of unopened letters of old dates.

On the door of more than one of our provincial Party functionaries a notice "Entrance permitted only on official business" is placed. *The fight for the ensurance of Party democracy and against bureaucracy is not a problem similar to the solution of a single concrete task, but a constant organic part of our Party life* which assumes a special importance now when the Party is rolling up its sleeves in order to fulfil the difficult tasks of building socialism in agriculture and in the village also.

Strength of the Party

I am now going to deal with the numerical data of our Party. On January 2nd this year, we made a census on the basis of which, we were able to state that at present our Party has 13,751 branches, with 862,114 members and candidate members. Another 20,000 members and candidates must be added to this number to include those who are on the move from one organisation to another. Altogether there are more than 880,000 members and candidates in our Party. From those accounted for in the census, 699,688 are Party members and 162,426 candidates. About 40 per cent. of the membership lives in Budapest. This is because about half of the workers in Hungarian industry are centralised in Budapest.

The division of the membership according to sexes is 71.3 per cent. men and 28.7 per cent. women. *Amongst the candidates the proportion of women is somewhat higher*, namely, 30.4 per cent. for the country and 37.8 per cent. for Budapest.

Mass Organisations

This expresses, to a certain degree, the tendency to include women workers in our Party more than before. Division according to age groups: 12.9 per cent., or 111,493, are less than 24 years old; 28.3 per cent., or 243,646, are between 25 and 35 years old; 37.2 per cent. are between the ages of 36 and 50; and 21.6 per cent., or 186,362, are over 50. These figures show that *youth is still not sufficiently represented amongst our members.*

The proportion between the candidates, however, shows an entirely different picture. Thirty point two per cent. of the candidates are under 24 years old. This proportion is nearly two and a half times that of the members, and shows that *amongst the candidates, youth is already suitably represented.* As far as the composition of the membership with regard to its origin is concerned, 447,322 are of working-class origin: this forms 51.9 per cent. of the entire membership; 242,177, or 28.1 per cent., are working peasants; 21,066, or 2.4 per cent., are intellectuals; the remainder are employees, people of petty bourgeois origin, and others.

The membership is divided according to its original occupation as follows: workers, 56.9 per cent., or 490,046; working peasants, 15.4 per cent., or 132,187; these two categories amounting to 72.3 per cent. Intellectuals, 4 per cent., and the others are employees, and so on. The present occupation of the membership is divided as follows: industrial workers, 348,630, or 40.5 per cent.; peasants, 100,585, or 11.7 per cent.; employees, 226,760, or 26.3 per cent.; the others are intellectuals, housewives, pensioners, etc.

It is interesting to note these figures because they show that *there are more than a hundred thousand workers and peasants in our Party who have gone into the State or economic apparatus since the Liberation.* This figure is one of the indications of the way in which the working people have taken possession of the State. We must point out that 112,000, or about 13.1 per cent., of our membership among employees were originally employers, which means a certain excess of this strata within the Party.

The number of the membership in relation to the number of inhabitants is, of course, greatest in Budapest, where it amounts to 20.7 per cent.; the smallest in the county of Bács-Kiskún, where it is 3.8 per cent. Taking the average for the country, 9.4 per cent. of the inhabitants are in the Party.

The increase in membership is slow. The Party increased last year by somewhat more than 30,000. This figure shows that our Party organisations still do not consider the admission of new members important. It also shows that *we have to keep on the agenda the problem of increasing admission to our Party of youth, women, miners, building workers, peasants and technical intellectuals, who excel in Socialist production.*

In relation to the development of our Party press, I must mention the fact that the *Szabad Nép* conducted a successful campaign to increase the number of subscribers on the occasion of the Second Congress. Within a single month we have collected more than 280,000 new subscribers, and now the *Szabad Nép* is published in 800,000 copies on weekdays. The total number of copies of our daily papers is 1,228,000.

As far as the membership in our *mass organisations* is concerned, the Federation of Working Youth which was formed in June, 1950, has, at present, 620,000 members. There are nineteen trade unions with a total membership of 1,430,000, not counting the National Federation of Working Peasants and Agricultural Labourers, which has more than 300,000 worker members. The Democratic Federation of Hungarian Women had 647,000 members on their books in December, 1950. The membership of the Hungarian-Soviet Society is 798,000; this organisation trebled its membership during the last year. The National Federation of Working Peasants and Agricultural Labourers has 766,000 members.

These figures show that *we have large mass organisations which embrace the whole of our working people at our disposal.*

I only wish to mention here the problem of the Federation of Working Youth. The three-quarters of a year which have elapsed since its formation have not been sufficient time to warrant a development for the fulfilment of the same role beside our Party as is played by its example, the Komsomol, in the Soviet Union.

In order to achieve this, it is not sufficient that the Federation of Working Youth should only be aware of its tasks, but also that *the understanding of its role should increase in our Party.* We have not yet had a youth organisation similar to the Komsomol and, in this respect, we are very much behind most of the countries of the Peoples' Democracies. It is not only the Federation of Working Youth's task but also that of our Party organisations to make good this deficiency. The past nine months have shown that our Party organisations do not yet know the tremendous importance of a youth organisation similar to the Komsomol and thus do not support the Federation of Working Youth with sufficient understanding.

However, the building of an organisation which embraces the entire youth, under the leadership of the Party, and puts it at the disposal of Socialist development is a task which can only be solved if all our Party organisations tackle the problem most seriously. We repeat: this recognition and *acknowledgment of the importance of the Federation of Working Youth is still lacking in most of our Party organisations and it is one of the tasks of our present Congress to make the whole of our Party understand its meaning and importance.*

Last but not least, I must mention the *Hungarian Peace Movement*, which embraces about 27,000 peace committees in the country. *The defence of Peace is the central problem in the forthcoming years, and an extremely important and responsible work awaits the Hungarian Peace Movement, the Hungarian division of the World Movement of Partisans of Peace.* In connection with the signing of the Stockholm Peace Petition, we were able to experience that this is the problem in which the Hungarian people stand behind us in unbroken unity. Therefore, one of the most important tasks for our Party organisations in the forthcoming years will be as before: to support, strengthen and develop the Peace Movement.

The data and figures mentioned here prove that *our Party is an organisation of the Hungarian Working People which has healthy,*

strong and deep roots and that, together with the mass organisations, it embraces and leads the entire working people.

THE TASK OF OUR PARTY

I am now going to deal with the most important tasks confronting our Party. *Standing at the centre of our work in the economic field is the successful implementation of the Five-Year Plan in the forthcoming years.* I shall just touch on the main problems in connection with the implementation of the Five-Year Plan, because their detailed discussion is the object of the second point of our agenda.

The problem which will be most difficult to solve in the new, increased Five-Year Plan is the problem of manpower. The integration of 670,000-680,000 new workers and employees into production demands *organised recruitment of labour.* We shall obtain the bulk of the new skilled workers as a result of re-training, and we plan to include women in production to a greater degree than before. Workers employed in the handicrafts industry will go into factory industry.

Finally, we can foresee that the mechanisation of agriculture and of the building industry will liberate a suitable amount of manpower. Our plan takes *a further increase in productivity* into account. As far as possible, piece rates, which encourage production, will be introduced into every field. The training of technical cadres will be furthered by all means. Responsible, one-man leadership will be increased, work discipline and control further strengthened, and the broad mass of the workers will be included in carrying out control.

Tasks in Agriculture

The Five-Year Plan includes a greater increase in the development of the Socialist construction of agriculture than before. This is one of the most important problems of the Five-Year Plan which must be solved in the next few years and on the proper solution of which the further course of Socialist construction depends in many respects.

What is the present situation? The bulk of our working peasants, working on more than a million farms, own land consisting of plots of one and a half to three acres, or even less. It is impossible, or extremely expensive, to cultivate such small plots with the tools and machines of modern large-scale farming. Tractors, intended for deep ploughing, can hardly turn round on these narrow strips. Combine-harvesters and other modern machines can be used even less. That is why our machine stations, which were willing to do deep ploughing, can only fulfil this task to a limited degree.

The further development of our agriculture by the old methods is made difficult by the duality of the individual small peasant. In a letter written in 1919 to the Hungarian workers, Lenin drew our attention to this duality when he said: "*The peasant, as a toiler, is attracted to socialism: he*

prefers the dictatorship of the workers to that of the bourgeoisie. The peasant who sells his crop is attracted to the bourgeoisie, to free trade, or back to the old, 'customary' capitalism, dating from ancient times."

This is true for us, too, where we know from our own experience that the peasant, as a toiler, is the ally of the industrial workers, but when he appears on the market as a producer of goods, or as a seller of goods, he is then a trader. The slogan of the working peasants who appear on the market is: "Everybody out for his own profit."

As a consequence of this, he does not always produce what the country needs, but what he believes will bring him the greatest profit. We experienced this when, in 1947, they produced so many tomatoes that prices fell very low. Therefore, in 1948, they produced hardly any tomatoes, but so much cabbage that the price of this vegetable fell. As a result, in 1949, there was a shortage of both cabbages and tomatoes. The same thing happens with onions every second year.

The effect of all this is especially felt when, due to bad harvests, there are shortages anyhow. Last year in our country, for instance, because of the poor fodder harvest, black market prices were paid for maize and barley, therefore many peasants considered it more to their advantage not to give the fodder to the livestock, but to sell it on the black market or, in the hope of prices increasing, to hoard it. This again led to a decrease in meat, fat and milk on the market. It requires no explanation to show *how much such occurrences disturb the public supply system and make the food situation difficult.* Among other things, it also hampers our foreign trade which acquires so many important and indispensable raw materials for the peasants, too.

This situation is crowned by the work of the kulaks, who still own 13 per cent. of the arable land, and who naturally endeavour to disturb the healthy development of the People's Democracy. *Deliberately, for political reasons, they disturb the public supply and the course of crop collection.* They disturb it in two ways. On the one hand, they endeavour to give the minimum quantity of food and industrial raw materials to the State; on the other, they endeavour to buy up and hoard the largest possible quantity of consumer goods, thus creating a shortage of goods. We can indeed say that *had our agriculture been organised in large-scale producers' co-operatives a drought, like that of last year, would never have caused such a great dislocation of our public supply.*

But individual production divided up into a million tiny farms, which are unavoidably connected with speculation, increases the difficulties caused by bad weather and makes it possible for the class enemy to make the situation even more difficult.

The Socialist Sector of Agriculture

In this situation we put the further increase of the Socialist sector of the village on the agenda.

We started to build socialism in agriculture with the help of State agricultural machine stations, State farms and producer co-operatives.

The number of *machine stations* is at present 361. By the end of 1950 there were 6,895 tractors among their machines, and the number of workers was 29,000. The development of agricultural machine stations has, up to now, only partially fulfilled the hopes attached to them. *There are still a tremendous number of things to be done in raising the political level, work discipline, organisation, economy of materials, responsible individual leadership, etc. We must solve these problems rapidly so that the State agricultural machine stations can be suitable levers in the Socialist construction of villages, especially in the years of transition.*

Last year, the *State farms* grew by 53 per cent. and their arable land is now 800,000 acres. The situation in the State farms is similar to that of the machine stations. They are full of infantile disorders and are only slowly coming to grips with initial difficulties. Their weakness, as in the case of the machine stations, is similar to that which we had to fight at the beginning of the nationalisation of industry.

We still need a great effort in order that the State farms should fulfil the hopes put into them. They will be the best producing model farms of Socialist agriculture, which will support agriculture with improved seeds and pedigree livestock, will hasten the further development of agriculture by experimenting, acclimatising and spreading new crops and new methods of production. State farms, like machine stations, if they function well, can give a tremendous support, especially during the period of transition, to the strengthening and blossoming of the young producer co-operatives.

The problem of *producer co-operatives* was put on the agenda by our Socialist development, which demands imperatively that *the present situation should cease as soon as possible, where with one foot we are already standing on Socialist soil with regard to industry, while with the other foot, in the village, we rest on many hundreds of thousands of individually farmed peasant holdings.* We are feeling more and more the obvious difficulties of this situation. Our transitory food supply difficulties are, in considerable part, connected with this problem. This problem causes alarm to and, I may add, to a certain degree still disturbs our peasantry, and disturbs the further development of agriculture in every field.

A similar situation arose at the end of the 1920s in the Soviet Union. At that time, in 1928, Comrade Stalin said the following:—

“ Soviet power and Socialist construction cannot indefinitely or for too long a time lean on two different bases: one the basis of the most large-scale and concentrated Socialist industry and the other the most scattered and backward, small commodity peasant farming. Gradually but systematically and perseveringly we must put agriculture on a new technical basis, on the basis of

large-scale production, and bring it close to Socialist industry. Either we are able to solve this problem, and then the final victory of socialism in our country is assured, or else we abandon it, do not solve this task, and then the return to capitalism is inevitable.”

We must be aware of the fact that building socialism in the scattered villages, spread over more than a million farms, will be a more complicated and lengthier task than the one we performed when we nationalised and put into Socialist construction a few hundred or, at the utmost, two or three thousand big and medium enterprises. An ever-increasing part of our working peasantry understands that this is the only road to a further rise in the standard of living and culture. It sees that this is the road taken by the peasantry of the Soviet Union with constantly increasing success, and that the peasantry of the Peoples' Democracies, who have so far worked individually, are joining this road in increasing numbers.

Development of Co-operative Farming

How does this question stand in our country?

During the past year, the number of peasants who have entered the producer-co-operatives has doubled and, according to the latest data, 118,000 peasant families with more than 160,000 members were farming on 1,160,000 acres on February 20th. Apart from this, 559 committees are preparing the entrance of 11,000 families with 84,000 acres of arable land into the co-operative farms.

State farms and co-operatives, the Socialist sector of agriculture, now extend to about one-seventh of our arable land, and we have started a renewed, rapid growth in recent weeks. One of the reasons for the present increase in producer groups and co-operatives is that the peasantry has now decided to join since it saw the November and December accounts of the old co-operatives, which convinced it of the great superiority of co-operative production. The same is indicated by the increasingly large numbers of middle peasants joining the co-operatives.

In consequence of the rapid development of the co-operative movement, the number of villages is increasing in which the majority of the agricultural population is already working in producer-co-operatives or State farms. The lead was taken by the town of Túrkeve, where out of 3,200 agricultural families, 3,177 are members of the co-operative and more than 96 per cent. of the 48,000 acres of the Túrkeve land belongs to the Socialist sector.

We have districts where more than 50 per cent. of the arable land is in the hands of the producer co-operatives and State farms. The first of such districts was Villány, where 52 per cent. of the arable land belongs to the Socialist sector and more than 50 per cent. of the working peasant families of the district are in producer co-operatives.

The Hungarian producer co-operative movement and the beginning of Socialist construction in the village is indivisibly connected with the help we receive in this respect from the Soviet Union. The

Kolhoz showed the way to the Socialist construction of our agriculture. The information given by the two large peasant delegations which visited the Soviet Union, as well as from the Hungarian Kolhoz peasants from the Soviet Ukraine who came to see us, gave vigour to our co-operative movement. It is certain that the friendly help of the Soviet Union will prove to be as valuable and fruitful to our agriculture as it has been to our industry.

Thus, the construction of socialism has also started in the village and agriculture.

What has to be done to further this development ?

The decisive factor in this respect, is that our working peasantry should take this road voluntarily, of its own accord, through its own judgment and conviction. The majority of the peasantry takes this road only on the basis of its own experience, or on the basis of experience which it can see with its own eyes.

This development can only be hastened by convincing and the means of conviction. All pressure or impatient urging, or even forcing is harmful, and will only gain the opposite results. This is taught us by our great teachers, Lenin and Stalin, and is shown by our own experience from the past development of Hungarian co-operatives. *Urging or force in this field will undoubtedly have the opposite results to those desired and vice versa: convincing and the good example will lead to sure results.* Thus we were able to see that in the weeks preceding the Congress, in such places as Túrkeve and elsewhere, where the producer co-operatives showed very good results, the peasantry, including the middle peasantry, have, beyond all expectations, started on the road to co-operation.

That is why our first and foremost task is to strengthen the already existing co-operatives and to make provisions so that these co-operatives attract the working peasantry through their good example and good results. We must confess that in more than one place we are far from this. Some of our producer co-operatives were established on neglected kulak land, bad and misused tracts, or on the very smallest plots of the small peasantry. In many places they are still scattered about in plots, and thus hinders the use of machinery and the rapid improvement of the land.

Owing to the initial difficulties, some of our co-operatives are not sufficiently attractive, and it happens that some of the co-operative members who come from the poorest village class go over to industrial construction or go into the towns which offer sure and permanent wages. If, as in such cases, the maize field of the producer co-operative is covered with weed, or the yield is smaller than that of the individually working peasants of the village, then the enemy, the kulak, grasps the opportunity, exaggerates the situation and spreads the rumour throughout the whole district.

Therefore, we must support with all our strength the work of the producer co-operatives; we must help them to eliminate the difficulties. The help should be led by the Party, the Federation of Working Youth, the State, the councils, the State machine stations, and State farms.

It is said that good wine needs no bush. Practice does not quite confirm this. Practice shows, in the field of producer co-operatives, that even the best example is not sufficient if we neglect to make it known and to publicise it. In this respect, it is characteristic that the development of producer co-operatives was followed by a period of marking time and stagnation for several months after the harvest. The development only started with new vigour at the end of December and January.

In the two or three months between, the individual working peasants made their accounts, meditated and checked the results of the producer co-operatives. The period of marking time ended and was transformed into a mass entrance, when our Party and, even more, our Party together with the already allied peasants, made known and publicised the results, and thus helped those who meditated to reach a good decision.

It is important that where development is not sufficient, the highest or the third type of co-operative should not be suggested; but we should be satisfied with the simplest, or first, type, which has the advantage of giving an opportunity to the individual farmer and the still hesitating peasants to try out the good side of co-operation at a time when they still are afraid of a more advanced, higher form, which is too collective for them. *We should not be afraid of the first type of co-operation.* The superiority of co-operative production will show itself at this simple stage in that, as the experience of the past years has proved, in the majority of cases the members of the first-class co-operative will move towards a higher co-operative grading immediately after the first harvest.

However, much as it is desirable that the producer co-operatives on their formation should immediately embrace, if possible, large territories, on which all the advantages of large-scale agriculture can rapidly be applied, we must nevertheless take care not to force the peasants who wish to join the co-operative to enter the already existing groups. We can see day by day that the good producer co-operative groups are attractive and grow without any pressure. But experience has also proved that co-operative groups with little land usually merge together quickly. Thus we should be patient in this respect too.

We must see that peasants who own land and enter the producer co-operatives should receive rent for the land that they bring into the co-operative. It has been our experience that the landless peasants, or the peasants who only brought a little land into the co-operative, are against this measure because they think they are losing by it. On the other hand, the middle peasant feels that he is losing if he doesn't receive rent. It is to the advantage of every co-operative member if the area of the co-operative grows and the amount paid in rent is richly rewarded. Experience has also shown that, as the wealth and area of the co-operative increases, the importance of the land brought in by single members decreases. On the other hand, the refusal to pay land rent in the beginning makes the growth of the co-operative very difficult and retards it.

Party Members Set an Example

It is extremely important that the Hungarian Working People's Party—the Hungarian Communists—should set an example. In many places the most serious hindrance to the establishment or development of the producer-co-operatives is the fact that some, or the leaders, of the local Communists remain outside. The individually farming peasant, who is already inclined to join the co-operative, finds it difficult to make up his mind to take this step if he sees that the Communists only advise others to join but do not join themselves, or to put it plainly: "preach water but drink wine."

We have not so far raised this question with our Party members because it also applies that they should only join the producer co-operatives if they are convinced that it is correct; but the development has reached a stage *when we must demand, as a minimum, from our Party members that they support the policy of our Party in this field.* This refers to the Presidents of the National Federation of Working Peasants and Agricultural Labourers, and to the Chairmen and Secretaries of the local councils.

The changeover to the road of co-operation and large-scale production in agriculture is an essential road to the further rise and flowering of our country. This is why the kulaks and the other enemies of our People's Democracy attack it with such rage. Those who, in this important question, agree with the kulaks are, willy-nilly, giving a hand to the enemy of our working people. *The Communists who have not yet entered the co-operatives should be fully aware that their indecision causes serious harm.* To-day, when there are more than 100,000 peasant members in the producer co-operatives who do not belong to the Party, the situation of the peasant Communist Party members outside the co-operative becomes increasingly difficult. There are, in this decisive question, Communists who claim on the one hand proudly to be members of the vanguard, the leading Party, and on the other hand lag behind the peasant members of the co-operative who do not belong to the Party.

Where the Communist Party member sets a good example, the results can be noticed immediately. All over the country we can see that the old fighters, the 1919 Communists and, of course, the younger ones too, have largely contributed to the new vigour of the co-operatives. In Szentlőrinc-káta, for instance, the majority of the village Party organisation, led by the Party Secretary, entered the producer co-operative group. Following this, the membership of the group increased by more than a hundred new members within a few days. The same happened in Iklad, where the membership jumped from forty-seven to one hundred and fourteen when the Communist comrades joined. Similar results were shown when we raised the problem in some places with the leaders of the National Federation of Working Peasants and Agricultural Labourers.

Apart from familiarising themselves with and publicising the agricultural producer co-operatives, great emphasis must be laid on what Comrade Stalin called "the external support of agriculture":

the manufacture of agricultural machinery necessary for large-scale farming, such as tractors, combine harvesters, etc., giving an opportunity to the individually farming peasants to become convinced of the usefulness of the machines on the basis of their own experience. We bring the individually working peasants gradually nearer to Socialist farming by means of production contracts, and by letting them sell their produce not on the market, but through the agricultural co-operatives.

Thus we bring some planning and guidance into the work of those farmers who singly, independently from one another, till the land with the instinct of small producers. Therefore, we must support the movements which unite the small wine-growers and market gardeners within the agricultural co-operatives.

Soviet Experience

Producer co-operative groups, this particular form of Socialist production, raise a number of problems which also arose at one time in the Soviet Union. *The producer co-operatives put new tasks and increased responsibility on the Party.* Comrade Stalin pointed out at one time that, in connection with the Socialist construction of agriculture, the responsibility of Party organisations increases and that the Party must play a more leading role and help the Kolhoz to develop further, on the basis of the achievements of science and technology. The relationship of the Party to the Kolhoz must be strengthened in order that the Party may be kept informed of everything that happens within the Kolhoz, because only thus can it hasten to help them in time and prevent threatening dangers.

It is quite clear that these statements can be applied to our producer co-operatives and to our Party too. Comrade Stalin especially drew attention to one of the dangers: "*The comrades,*" he said, "*believed that once the Kolhoz is established as a Socialist form of farming, we have everything, and that with this, the proper leading of affairs, the proper planning of economy, and the transformation of the Kolhoz into modern Socialist farms is assured.*" They did not understand that the Kolhoz itself, although it is the Socialist form of farming, is not at all ensured against all kinds of dangers, such as the penetration of counter-revolutionary elements into the leadership of the Kolhoz; neither is it under certain circumstances ensured against the dangers that anti-Soviet elements should not exploit the Kolhoz for their own purposes, Comrade Stalin pointed out that *everything depends on the content of the Socialist form of the Kolhoz.*

These statements are true for our producer co-operatives, also. If the Party and the Government do not watch them in the future, if they do not support them in every field, if they do not see that hostile elements, kulaks and Fascists, should not penetrate them, and are satisfied only with the mere fact of co-operation, then, of course, we shall not reach our aim. Therefore, *careful and ceaseless attention to the producer co-operatives, their strengthening, growing and developing must be in the centre of the unceasing care of our Party and Government in the forthcoming years.*

Finally, I wish to draw the attention of our Party to the fact that the problem of producer co-operatives is not a specialised problem for our agricultural and co-operative department, or for the Ministry of Agriculture, but is at present an important problem for our entire Socialist construction. Until this problem is solved, transitory difficulties will be unavoidable, especially in the field of food supply and the supplying of industry with agricultural raw materials. This must be understood not only by our Party but by our industrial working class, and our entire working people. Such tremendous transformations as the building of socialism in agriculture cannot take place without transitory difficulties. We shall endeavour to minimise these difficulties, to make the transition easier. It is necessary, however, that our Party and our working people should be aware of these difficulties, should be prepared to meet them, should accept them in a disciplined, self-sacrificing way and should ruthlessly reject the enemy's attempts to make capital out of these transitory difficulties, which are an ancillary of our healthy Socialist development. *The better we solve the tasks, the less the transitory difficulties, the shorter the time of transition.* I hope that our next Congress will be informed of the complete success.

The State Apparatus

In the implementation of our new Five-Year Plan, but especially in the development of our producer co-operative movement, *tremendous tasks await the State apparatus, especially in the village, district and county councils.* The State apparatus, therefore, must be strengthened by every means. Its discipline and specialised knowledge must be increased. Its vigilance and the fight against the enemy hidden within the State machinery, against bureaucracy and sabotage must be increased. *Special, constant care must be devoted to the young councils,* the leaders of which have not yet acquired the appropriate skilled knowledge and experience, and whose inexperience in the management of public affairs will unfailingly be used by the enemy hidden in the council apparatus.

The councils in the village, the district and the county, and even in Budapest, are tied by a hundred ties to agriculture and within it to the developing producer co-operatives, State farms and machine stations. It may be said without exaggerating that there will be no good administration or even good development of producer co-operatives without good councils. Comrade Stalin said about councils that although they are the Socialist forms of political organisation, everything depends on how far we are able to fill these forms with Socialist content.

We elected the councils on the basis of broadest democracy. It is well known that of more than 150,000 council members, two-thirds are outside of the Party, and that of the more than 100,000 council members, the overwhelming majority are individually working peasants. Such a broad and brave application of democracy, however, does not in itself ensure that we shall be able to fill the councils with Socialist content and that the

councils, owing to the democratic composition of their membership, will be up to fulfilling the tasks which will fall on them in the building of socialism. Comrade Stalin, on the basis of Soviet experience, has shown that the Soviets, which our councils resemble, more than once became tools of the enemy when the Party was not sufficiently vigilant.

This danger exists in our country, too. Not only does the danger exist but some facts show that the enemy has to a certain degree already been successful and is more closely included in the new councils than it was in the preceding administration. It came to light that under the excuse of it being necessary to ensure the undisturbed continuity of administration and that the council Chairmen, who lack administrative experience, should be supported, the number of Horthyite employees in the council apparatus has increased by leaps and bounds. *The Horthyite element especially increased in the Secretariat of the village and district executive committees.* Cereal and food collection is one of the things these Secretaries have to deal with. It can be stated that difficulties in our food supply have grown since the council elections.

When we examined the problem more closely it came to light that, for instance, in the Department of Internal Trade of the Borsod County Council, which had to deal with crop collection, there was not one Communist. But there were twenty-seven old employees, former landowners, former regular army officers, Arrow-Cross district leaders, etc., who busied themselves with the food situation. Consequently in Borsod County, our largest industrial county, serious difficulties appeared in public supply. In Szabolcs, which is our largest potato-growing county, out of the eleven district secretaries, eight are old Horthyite employees, amongst them landowners and similar people. Naturally, it was the least of their worries to ensure the public supply of the People's Democracy, or to ensure the further development of the producer co-operatives. These facts show that we have already made serious mistakes in this field, that we have not been sufficiently vigilant, and that if we do not repress these elements quickly enough then our councils cannot fulfil the hopes attached to them.

The same as we have said about the producer co-operatives is also true for the councils; these are young, new organisations which, in the forthcoming years, will be in constant need of the help, support and advice of our Party and the Government. It is hardly three or four months since these councils started their activity, but it can already be stated that where the Party and the Party Secretary occupy themselves with the council, help the Chairman of the council, take active part in the work of the council, the activity of the council is good and healthy.

The producer co-operatives grew most quickly in places where the council supported them with all its strength. But we received a warning and a danger signal after three or four months of work that there are a number of councils where the Party Secretary has not set foot in spite of the fact, that in most places he is a member of the Executive Committee. In such places administra-

tion, crop gathering, tax collection are poor, the councils do not care about the producer co-operatives and, therefore, there is no suitable development in this field. It is plain that a council in the work of which the local Party Secretary does not participate, the activities of which are not followed attentively and helped by the local Party organisation, will not fulfil the hopes attached to it. We repeat, the unfolding and strengthening of producer co-operatives cannot be divided from the constant, unceasing support by the councils.

If we bring the producer co-operatives to victory, then socialism has triumphed both in the town and in the village. The unfolding and strengthening of the councils will make firm the basis of the Socialist State. If we succeed in these two tasks we can rightly say that we have laid the foundations of socialism in our country. Until we have successfully solved these two tasks, wavering and all the difficulties which hamper our development are unavoidable. One of the main tasks of our Congress is to direct the attention of the Party and, through it, of the entire Hungarian working people to these two inter-connected problems.

Strengthening the Party

The targets of our Five-Year Plan will only be realised if our Party concentrates on it. The strengthening of the State machinery and, within it, of the councils, is a task which demands increased work from our Party and organisations.

Similarly, the success of the development of Socialist construction of the villages, of the machine stations, State farms, but especially of the producer co-operatives, can only be ensured if every organ of our Party—but first of all the county, district and village organisations—help with all their strength. Thus, *there are increased and new tasks ahead of our Party the solution of which will only be successful if we strengthen our Party organisations, raise their discipline, knowledge and contact with the broadest masses of the working people.*

This is all the more necessary because with the beginning of the Five-Year Plan and the broadening of the councils, and, in connection with other tasks, we have let a number of our comrades, who previously worked in the Party, take up other work, and this has really weakened our organisations. The great tasks ahead of us demand, therefore, that *we again direct our attention to the strengthening of our Party organisation, the education and promotion of our Party cadres.* We must acknowledge the fact that the majority of our Party cadres, from the highest functionaries right down to the simple Party workers and members, have fulfilled their tasks well, in spite of the fact that we took tens of thousands of comrades from their ranks for other fields of work. *But the time has come when we must strengthen the backbone of our Party,* otherwise there will be a danger that we shall not be able to complete the great tasks which we have set for ourselves.

The raising of the theoretical level, the increase in setting a good example and self-sacrifice are only part of the strengthening of our Party organisations, which also must include *the imaginative promotion of new cadres and their direction to*

more responsible work. We have all seen in recent years the healthy and quick development of our cadres, but, nevertheless, we hear complaints everywhere about the lack of cadres.

Comrades who have excelled in political work or in production in recent years must be promoted after careful selection, but with imagination and courage, and such tasks should be entrusted to them which they will be able to comply with if they receive suitable support, and during the solution of which they will develop further. *Women and youth should especially be courageously promoted.* In this field, in spite of all our warnings and demands, development is still slow, and the promotion of women cadres is carried out reluctantly.

The most urgent task, however, is to strengthen our village organisations. The construction of socialism in the village, as well as the task of initiating and developing the work of the councils, evolves primarily on our village organisations. But, as we have said before, as a consequence of our Socialist development, as we have already pointed out, a great part of our village organisations have become temporarily weaker.

The establishment of the councils has also, to a certain degree, resulted in the weakening of the influence of the Party Secretary. The village council Chairman is an independent clerk and, if he is a member of our Party, is regarded as the real leader of the village by those outside the Party, and sometimes even by our comrades.

This, of course, makes the work of our village Party Secretaries more difficult because it weakens their influence. This is one of the reasons why we have to strengthen the position of our village and provincial Party Secretaries with all our power, and beyond them our village Party organisations, too. Our whole Party, but especially our county and, even more, our district organs, must do everything in their power to hasten the development of our village organisations. They must provide for the unification of the specialised and local organs of the village into one strong united organisation. *We must strengthen with all means the authority and influence of our village Party Secretaries.* Our Party organisations must be strengthened with new members not only from among the workers and peasants working in the Socialist sector but also from the ranks of those individually working peasants who have excelled in the service of the People's Democracy and in production, and who approve of our policy concerning the co-operatives. We must hasten the development of the Federation of Working Youth in the villages and make certain that it should become the right hand of the Party as soon as possible.

In the past year we have already considerably strengthened the organisation of District Party Committees and began to strengthen the village Party organs and Party Secretaries. *Now that the development of the co-operatives and councils confronts us with new tasks, we must hasten this process.* But all the measures will only bring half results if, at the same time, we cannot make serious changes in the Party with regard to the questions of discipline, setting an example, and making sacrifices.

Setting an Example

This is a task which does not concern our village organisations alone, but our entire Party. The other side of our success and peaceful development has had an influence on our Party, too. Although the bulk of our members are setting a good example to-day, are leading in production, crop delivery and in the discipline and fulfilment of the citizen's duties, there are still a great number of those within our Party who say: "Things are going all right, why should special efforts, making sacrifices, vigilance and an increase in the class struggle be necessary?"

This tune is dangerous in every situation, but especially dangerous now when the class struggle is sharpening. It is sharpening, and will sharpen, because, owing to the growth of Socialist construction, the enemy, restricted to a smaller and smaller field, defends all that remains to him with increasing bitterness. At the same time, international reaction and Western imperialism are mobilising the forces still left in our country.

Under these circumstances, we must not suffer slackness and carelessness. *Under these circumstances we must take a much firmer stand than before against all kinds of indiscipline, opportunism and un-Party-like behaviour. We must take a strong stand against those who, instead of setting a good example and making sacrifices, take the easy way, against those who, as we said before, "preach water and drink wine."*

How often did we witness that members of our Party, and even its functionaries, evaded the more difficult or unpleasant and not very popular tasks? How often did we experience, when dealing with the kulaks, that many of our comrades did not take a sufficiently determined stand, did not comply with the delivery of crops, did not pay their taxes and thus provided a bad example?

How many Party members have we who do not fulfil the norms, who witness the squandering of material, the production of scrap and other open sabotage in the factories, State farms and machine stations and, from complacency and carelessness, do nothing to stop it? How many of them witness hoarding, black marketeering, forbidden slaughter of livestock and the kulak feeding his animals with bread and cereals, and shut their eyes to these facts, and even more, grumble at public supply and the difficulties of the food situation? How will these comrades keep to their posts in more difficult and more critical times, when, as an unavoidable ancillary to our Socialist development, the class struggle becomes sharper, and when individual example, the undertaking of sacrifices and the open and brave opposition to the enemy is decisive?

Those who at the time of calm and sure development, by faltering and lagging behind, join in the wake of the enemy, will be even less able to keep to their posts in more critical situations, and will be a complete failure.

Demands in this field must be increased and made stricter. Our Party became great not only through the fact that its struggle was led by the Leninist-Stalin theory but also through years of self-sacrifice on the part of its members who,

during the twenty-five years of the Horthy regime, did not spare their lives but fought bravely for the true cause in spite of prison and terror. We achieved victory after the Liberation because we did not spare work and sweat, we fought in an exemplary, self-sacrificing way in the difficult task of building the country, and vigilantly, bravely and determinedly frustrated and defeated all the enemy's attacks.

We must do the same now. *We have to raise the ideological level, the discipline, the ability to set an example, to make sacrifices, and the brave determination of our Party. We have to wage war against all expressions of compromise and cowardly behaviour. One of the main tasks of our Congress is to strengthen and inspire this spirit. This spirit is the most secure pledge of our future successes and victory.*

This spirit can only be increased if we apply the Bolshevik weapon of criticism and self-criticism, bravely and widely in every field of our Party. When, last year, our Central Committee started a fight against transgressions of Party democracy and against the bureaucrats, we demanded an increased application of criticism and self-criticism in order to disclose and eliminate these faults, and we quoted the words of our great teacher, Comrade Stalin:

"Let the Party, let the Bolsheviks, let every honest worker and toiler of our country disclose the deficiencies of our work, the deficiencies of our construction, let them point the way towards liquidating the deficiencies so that there should be nothing in the way of our work, construction, no morass or rottenness, so that our entire work, our entire construction should improve from day to day and should progress from one success to the other."

Experience has shown that since the re-election of our Party organisations, the situation has undoubtedly improved, but we have also experienced the fact that our functionaries offended Party democracy more than once—and do so even to-day—and that bureaucracy still appears in many forms in and outside the Party. We are often obliged in Budapest and in the provinces to take proceedings against functionaries who are bureaucrats and petty tyrants, who threaten Party members, take away their membership books, and "declare them expelled"; who do not convoke meetings of the leadership, and even less of the membership, but take steps without them, without asking or listening to them.

They strangle criticism and they do not want to hear about self-criticism, they become divorced from the masses and join in the wake of the enemy. There are still too many complaints concerning admission to membership—that it takes too many months before the application and the membership books are dealt with, and that the candidates are sent from Pontius to Pilate.

Criticism and Self-Criticism

The tremendous tasks ahead of us demand that *we should ensure the assertion of Party democracy in our ranks more than before, and that we should use the weapon of criticism and self-criticism unceasingly. In this respect we find two par-*

ticularly incorrect viewpoints. The one looks upon self-criticism as a transitory phenomenon, a single campaign, and does not make the teaching of Comrade Stalin its own. *"Self-criticism is an inevitable and constantly used weapon in the armoury of Bolshevism: it cannot be separated from the nature and revolutionary spirit of Bolshevism."*

There is, however, a new phenomenon in this field to which we have to turn our attention, because it gives a bad reputation to and nullifies self-criticism, this important method of educating Party cadres and the working class in a revolutionary spirit. More and more often we meet Party members who exercise self-criticism but, nevertheless, continue unchanged in their mistakes. They take self-criticism lightly, as some kind of unavoidable ancillary of cheap absolutism, or even as a certificate which enables them to continue with incorrect, un-Party-like behaviour. We must take a much firmer stand with "recidivists" who apply self-criticism in this way. Here too we must engrave in our memory the words of Comrade Stalin:

"We do not need just any kind of self-criticism, we need that self-criticism which increases the culture of the working class, develops its fighting spirit, strengthens its belief in victory, multiplies its strength and helps it to become the true master of the country."

We who stand before new and difficult tasks also need this type of self-criticism. That is why we included amongst our most important tasks the correct and increased application of criticism and self-criticism, and that is why we draw the attention of our Party, through this Congress, to this problem.

Summing up, we can state that, under the leadership of our Party, the Hungarian people have gone through epoch-making changes within a few short years. The inheritance of the accursed past has disappeared—the three million landless beggars and the hopeless, exploited slave army of the capitalist labour market. The ancillary of capitalist exploitation and oppression—unemployment, the terrible anxiety of the fight for everyday bread have disappeared. We do not lack anxieties now, either, but *our working people look calmly forward to to-morrow and build their free, Socialist country successfully according to a plan, in the secure knowledge of a better future.*

This welds our patriotism and internationalism into an organic and unbreakable unity. The bourgeois politicians of the Marshallised countries, with Churchill at their lead, claim all the time that the era of national independence is over, that for imperialist "common aims" States must renounce a great part of their sovereignty and independence. This "theory" is not proclaimed in the United States because the whole prattle about renouncement and limitation of national independence is nothing but surrender before American imperialism and serves to facilitate American colonisation.

In this question, too, the standpoint of the two camps is in straight opposition. The people defending peace and building socialism, while

openly and proudly proclaiming proletarian internationalism, do not need to limit their national independence; on the contrary, they build and strengthen it. More than one amongst them enjoys freedom and national independence for the first time after centuries of oppression. This is also the situation in our country. In the period of oppression the fact that its century-long fight and its series of glorious struggles for freedom against Turkish conquest and German oppression coincided with the cause of international progress and could not become a common treasure of our people.

The Hapsburg era and the counter-revolutionary decades of Horthy did everything possible to hide and to bury the best traditions of our history, because they were the most progressive. Now, when at last we have regained our national independence, the time has come *to reach back to the life and strength-giving traditions of Hunyadi, Rákóczi, Kossuth and Petöfi. These traditions proclaim that our country was strong, respected and independent when its fate was bound up with the fate of international progress.*

We are the rightful heirs, the straight continuation of all that which was progressive in our thousand years of history, of all which was vigorous and pointed to the future. That is why we could intimately and unitedly celebrate the centenary of the 1948 revolution, the birth of Vörösmarthy, the anniversary of the death of Petöfi and the fighter for freedom, General Bem. That is why we develop further and lead to victory the great ideas of Hungarian progress. This historical heritage makes every Hungarian Communist duty-bound to fight even better, not to spare his efforts for the happiness and flourishing of his much-suffered people.

The good Communist should, at the same time, be the best patriot whose example is followed enthusiastically and unitedly by the entire Hungarian people. *The better we fulfil our patriotic duty in the interests of our working people, the better we serve the great cause of human progress, and at the same time, the better we are soldiers of proletarian internationalism and the invincible camp of peace.* Patriotism and internationalism are thus interwoven into an indivisible unity and become a source of new strength and inspiration to new victories.

In conclusion, I repeat that the first Congress of the Hungarian Working People's Party was the starting point of many successes in our People's Democracy and in our Socialist construction. We are now rolling up our sleeves for new, heavy, tasks. We have every possibility for new achievements to arise following the work of the Second Congress. We Hungarian Communists will do everything in our power to use the possibilities well, in the interests of our working Hungarian people, and thus serve best the cause of peace and socialism: the cause to which the secure future belongs. At the head of this camp of eight hundred million people, our Liberator, the mighty Soviet Union, and its wise leader, beloved by us all, the great Stalin, progresses victoriously.