



SPEECH BY

MÁTYÁS RÁKOSI

CHAIRMAN OF THE COUNCIL OF MINISTERS
OF THE HUNGARIAN PEOPLE'S REPUBLIC

AT THE INTRODUCTION OF THE BUDGET FOR 1953
IN THE NATIONAL ASSEMBLY

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Honoured Parliament, I avail myself of the opportunity to review, before the Budget is debated, the state of world affairs, the internal situation of our country and the tasks lying ahead.

Characteristic of the state of world affairs is the fact that US monopoly capitalists are driving ever more openly for world domination and, to achieve this end, are preparing ever more openly a third World War. In this connection warmongering directed against the Soviet Union and the peace camp is increasingly sharpening.

To further their plans of world domination, the American imperialists are subjugating the other capitalist countries. By means of the "Marshall Aid" and similar ways they have brought these countries into a state of economic dependence, are concluding alliances with the reactionary capitalists of these countries, who are ready to sell the independence of their country for dollars and the possibility of continuing, as "junior partners" on the side of the American exploiters, the robbing of their own working people. The American imperialists are imposing on these allied countries a mad armament race, which is a source of big profits for them, as it is they who deliver the considerable part of the armaments. They have also started rearming Western Germany and Japan. They are feverishly building military bases all over the world and are organising various aggressive alliances.

At the same time, the monopoly capitalists of the United States of America are exploiting their allies economically to an increasing degree. While protecting the American market with a high tariff they are penetrating Britain and France. They are forcing their way into the colonies of their allies, tenaciously and furtively ousting them to take over their positions themselves. Thus, for instance, it has become evident during the last few weeks that the Americans are preparing to take hold of the Iranian positions of the British capitalists who have been ousted from

there, and the British are now manoeuvring to get a share in the American company which is handling the Iranian oil to get, at least, some sort of consolation. The Americans have forced their way into Morocco, the French colony, and, by dint of a pact they concluded in 1832 with the then Sultan, have extorted the possibility of having their goods imported duty-free.

The fight for the markets has sharpened out of proportions. It has sharpened because after World War II the capitalist exploiters no longer dispose of the area, inhabited by 800 million people, which belongs to the peace camp led by the Soviet Union. The competition in a shrunken capitalist world market is also sharpened by the reappearance of Japanese and West-German competition. Colonial exploitation is made difficult by the fact that the colonial and semi-colonial peoples' struggle for independence against their oppressors has been given a tremendous upsurge by the victory of the Soviet Union and the liberation struggle of the Chinese people. During the last year or two the fight against the oppressors has flared up with tremendous force in these colonial and semi-colonial countries, from Tunisia to South Africa and from Iraq to Viet-Nam.

An inevitable concomitant of American capital's striving for world domination and the preparation of a war is the acute fascistisation process beginning in the United States itself. The aggressor wants to secure his hinterland at home, in his own country. He wants to make it safe by persecuting, terrorising the democratic organisations that defend peace and oppose war and above all the communists and progressive citizens.

In the United States they are beginning to persecute everyone who raises his voice for civil liberty, in defence of peace, or who just does not agree with the warmongering of monopoly capital. America is teeming with an unprecedented host of informers, stool pigeons, agents provocateurs and catchpols. The secret police gets the fingerprints of every worker. In the streets of the town there are signs urging the citizens to spy on their neighbours and report on their experiences to the secret police. In "free America" this secret police constitutes a power, the like of which was never known in the police states of old. That secret police is all-powerful. The United States has now arrived to the point where the members of the future Eisenhower Administration, headed by Mr. Dulles, the designated Secretary of State, have formally asked the leader of the secret police to make out a testimonial of good character for them, before they assume their office as secretaries.

The monopoly capitalists of the United States are preparing their aims of world domination and their aggressive plans under

the pretext of defending democracy and freedom. And as they control in the United States — and in other capitalist countries — apart from the state power: the press, television, the theatres, the Church and the leadership of most trade unions, they have succeeded, for the time being, in misleading the masses of the people. While babbling about freedom and democracy American monopoly capital is creating war hysteria in which it is beginning to destroy even the last vestiges of the people's freedom, and is increasingly assuming all the functions of the German Nazis, of German fascism.

It is doing the same thing on international scale too. It is enlisting into its service the war criminal generals of Hitler and Mussolini, the German and Japanese fascists. It woos Franco, the butcher of the Spanish people. It carefully gathers the remnants of the fascist rabble escaped from all parts of the world and supports the reactionary, oppressive forces the wide world over, just as Hitler and Mussolini used to do. Simultaneously, it persecutes, wherever it is in position to do so, the forces of peace, democracy and popular liberty. In this way the United States are gradually becoming the gendarmes of the world.

It goes with the forced rearmament, imposed by the American imperialists on their allies, that the war industries are snatching away an ever growing portion of the raw materials from the peace industries — a fact which leads to increasing unemployment and to a decline in the living standards of the working masses in the capitalist countries.

Concerning this fact the latest reports of the UN Economic Commission for Europe contain such statements as:

"Citizens of Britain, France, Western Germany, Scandinavia, the Low Countries, Belgium and Switzerland are eating less, drinking less, smoking less, travelling less, entertaining less and buying fewer clothes and household goods in 1952 than they did in 1951... The first quarter of 1952 was a period of stagnation in nearly all branches of the retail trade and of actual depression (i. e., crisis) in some." And that the situation has not improved during the year is shown by a statement made by the same Commission, published on November 30, this year, which begins by stating that „Industrial production, in general, was lower than in the similar period of the previous year... in Western Germany production has slowed down, and in France for the first time after the war the level of production in the second quarter was lower than in the first quarter. The production in the United States was about 5 per cent lower than in the second quarter of 1951, and it was

also somewhat lower than even in 1950. Similar trend is evident in the other industrial countries, too, where production was either stagnant or decreasing. Consumption in general has decreased."

The industrial workers in the capitalist countries try to defend their living standard by organising huge strikes. In the United States the steel workers' strike lasted for seven weeks and caused a loss of 20 million tons of steel. As a result of the deteriorating economic situation it is coming to be ever more recognised in most capitalist countries that the real enemy is the ally itself, the United States of America, and that the independence and freedom of these countries are menaced solely from one side, by the imperialists of the United States.

GROWING ANTI-AMERICANISM IN SUBJUGATED CAPITALIST COUNTRIES

Now, the question arises of whether American monopoly capital has subjugated the other capitalist countries to the extent that the possibility of capitalist countries waging war against each other or against the United States is excluded. This question has been answered by Comrade Stalin in his epoch-making work "*Economic Problems of Socialism in the U. S. S. R.*" in the following way:

"Outwardly, everything would seem to be 'going well': the USA has put Western Europe, Japan and other capitalist countries on rations; Western Germany, Britain, France, Italy and Japan have fallen into the clutches of the USA and are meekly obeying its commands. But it would be mistaken to think that things can continue to 'go well' for all 'eternity', that these countries will tolerate domination and oppression by the United States forever, that they will not endeavour to tear loose from American bondage and take the path of independent development . . .

"Can it be assumed that they will endlessly tolerate the present situation, in which, under the guise of the 'Marshall plan aid' the Americans are penetrating into the economies of Britain and France and trying to convert them into adjuncts of the United States economy, and American capital is seizing raw materials and markets in the British and French colonies and thereby plotting disaster for the high profits of the British and French capitalists? Would it not be truer to say that capitalist Britain and, after her, capitalist France, will be compelled in the end to break from the embrace of the USA

and enter into conflict with it in order to secure an independent position and, of course, high profits?

"Let us pass to the major vanquished countries, Germany (Western) and Japan. These countries are now languishing in misery under the jackboot of American imperialism. Their industry and agriculture, their trade, their foreign and home policies, and their whole life are fettered by the American occupation 'regime'. Yet only yesterday these countries were great imperialist powers and were shaking the foundations of the domination of Britain, the USA and France in Europe and Asia. To think that these countries will not try to get on their feet again, will not try to smash the US 'regime', and force their way to independent development, is to believe in miracles."

The ingenuity of Comrade Stalin's observations is proved by scores of facts indicating that the allies of the United States are beginning to consider their plight as intolerable. The policy of American monopoly capital, like fascist policy in general, is one of exploitation, violence, cruelty and ruthlessness and it constantly clashes with the vital interests, self-respect and national pride of its allies. Recall to mind the manner in which the United States Government rejected Britain's request to have a British Commander-in-Chief head the Mediterranean fleet. They refused to grant the British Government's request to be allowed to send observers, at least, to attend the talks on the Pacific Pact, whereas an invitation was extended to Australia and New Zealand, a country of two million inhabitants.

The French people are indignant, because the United States is penetrating into the French colonies. They are embittered by the American capitalists' threats to force France with the aid of the German fascists and Franco, and of imposing their will on the French people in this way. They are plundering Western Germany openly and impudently. For instance, they carry away 9 million tons of coal bought cheap, and sell back part of it as American import, at double the buying price. US soldiers and officials, who, under various pretexts, are overrunning by the tens of thousands Britain, France and the other allied or occupied countries, are beginning to arouse the anger of the inhabitants of these countries by their swaggering behaviour and roughness, by their excesses and riotousness.

This is so throughout the world. The newspaper "*Freies Europa*", which is published in Western Germany, writes to the effect: "In Europe, as in Asia, anti-American feeling is ever mounting. At a time when anti-American feeling is increasing in the Far East, first of all, in Japan, it has been growing in Europe,

especially in Western Germany, where criticism of the Americans is becoming ever sharper and assuming such proportions as is beginning to threaten seriously the relations between Washington and Bonn. But anti-American feeling is also rising in France, Italy, Belgium, Britain, Sweden and Austria."

The Paris correspondent of the American periodical "Collier's" writes the following on this subject: "Throughout Western Europe there are being made upon the United States violent attacks even by non-communists. These assaults are astounding, disturbing and worrying every American... The noise is loudest in the three countries: Britain, France and West Germany."

This periodical also complains that the peoples are beginning to regard the United States of America and not the Soviet Union, as their enemy.

Indeed, from London to Tokio the walls of houses are covered with ever more inscriptions of "Yankee, go home!" This popular feeling has led to a situation in which in South America pro-American presidential candidates are defeated one after the other at the elections. In the United Nations, where two years ago the United States still retained unlimited control with the aid of its allies and satellites, it now encounters one defeat after the other. The squabble in Western Germany about the ratification of the military separate Treaty is also caused by the resistance of the West German masses to the pro-American policy of the puppet government of Bonn. The aggression of the American imperialists is beginning to meet with proper reaction all over the world.

THE UNITED STATES STANDS BEHIND THE PROVOCATIONS AGAINST THE HUNGARIAN PEOPLE'S REPUBLIC

Hungary, as a faithful member of the peace camp, constantly feels the results of both the aggression and the hatred of the American war inciters. It is the United States of America that has prevented Hungary from being admitted to the United Nations. The United States and its satellites have obstinately rejected all logical proposals by the Soviet Union to admit to the UN all the countries — including Hungary — which apply for membership. The United States is willing to admit to the UN only its satellites.

To this day the United States has failed to restitute a considerable part of the Hungarian property which the German fascists

and the Hungarian Arrow-Crossmen looted to the West in 1944—45. The United States Government is bound by the Peace Treaty to restitute that property, it is bound to do so by its own solemn declarations. A considerable part of that property has found its way into the United States itself, and in spite of our repeated attempts to get it back, the United States has obstinately refused to comply with our rightful demands which it recognises itself. This has compelled us to voice our protest in diplomatic notes on more than one occasion.

In the course of this year the Government of the Hungarian People's Republic was compelled to declare itself against the separate treaty which the United States concluded with the so-called government of Western Germany concerning the establishment of the "European Defence Community" and the setting up of the "European Army". In its statement the Hungarian Government declares:

"The Government of the Hungarian People's Republic regards the Bonn and Paris agreements as further attempts on the part of the Governments of United States, Great Britain and France to prepare, by drawing Western Germany into the aggressive Atlantic Bloc, the launching of a third world war they are planning against the Soviet Union and the People's Democracies; to legalise the remilitarisation of Western Germany; and, by making the occupation of Western Germany permanent, to raise another obstacle in the way of the unification of Germany..."

"The Hungarian people suffered for a long time under the yoke of the 'alliance' between their own oppressors and the German imperialist conquerors. Due to the ambitions of the German imperialists to rule the world, Hungary was plunged into criminal war adventures twice within one generation, bringing infinite sufferings and misery to the Hungarian people. The Hungarian people wish to continue their peaceful building work undisturbed and refuse to become again victims of German imperialism and militarism."

The Government of the Hungarian People's Republic was justified in taking a stand in its statement against this additional attempt on the part of the imperialists at unleashing a new world war.

Last October the Government of the Hungarian People's Republic sent a delegation to the German Democratic Republic. That government delegation had the task of strengthening the friendship between the Hungarian and the German working peoples; of assuring the citizens of the German Democratic Republic that the working people of the Hungarian People's Republic have

their attention turned with the greatest sympathy and joy towards their self-sacrificing and successful work as well as their endeavours to unify their country which has been split in two by the imperialists into a strong, free, independent and democratic Germany. During our stay there we could see for ourselves that in clearing away the debris caused by war, in reconstruction and in building socialism the working people of the German Democratic Republic and, in particular, its enthusiastic youth, had made achievements they may well be proud of. We could also see for ourselves that the working masses are united in supporting their government in its fight waged for a unified and democratic Germany, for the defence of peace, and that they are faithful members of the mighty peace camp which extends from the Pacific Ocean to the Elbe. The Hungarian Government delegation's visit in Germany has strengthened the friendly ties and mutual sympathy between the German and Hungarian peoples, and has been an important contribution to the fight against the American imperialists, for the defence of peace.

In connection with the aggression of the United States of America the Government of the Hungarian People's Republic was compelled to protest when the United States Senate, in an unprecedented violation of normal relations between peaceful countries, appropriated a hundred million dollars for the purpose of smuggling escaped fascists, spies, murderers and saboteurs into the countries of the peace camp, thus including our country, whose missions are arson, murder, sabotage and espionage. As to the way these hundred million dollars are to be used and who the allies and the delegates of the American-type free world and democracy are, good indication has been made by the recent trial of the bandits who had been sent across the frontier from Yugoslavia to Hungary. We have known for a long time and have pointed out in official statements and notes that the spies, agents provocateurs and saboteurs exposed in this country have been supported, in most cases, by the United States. Since the Rajk trial it has been evident to us that the Tito gang, which is committing depredations on our Southern frontier, is an agency of the American imperialists; that Tito himself is a long-standing agent of the capitalists and fascists. When, during the Rajk trial this became evident, the capitalist press consistently denied it. Today, it is admitted by the capitalists themselves.

Upon his return from Yugoslavia, Handler, a correspondent of the New York Times Magazine, stated: "In Washington I was definitely convinced that Tito's declarations about the socialist construction of Yugoslavia need not be taken seriously. In fact, Tito

has set about turning Yugoslavia into a bourgeois state of the fascist type. Tito's bourgeois state of the fascist type is an outpost on our frontier of American aggression. Accordingly, the bandits, who had been sent across our frontier, were armed from head to toe with American equipment — American was the rubber-boat, the submachine-gun, the dagger, the cyanide potassium and the handcuffs. This trial was very instructive for our working people, for it showed them again that behind the American propaganda which preaches freedom and democracy there are the dagger, the poison and the fetters. We have drawn the conclusions from this trial and will be still more vigilant and ruthless to all enemies of our people and our peace.

WE DEFEND OUR SECTOR IN THE PEACE FRONT

We have seen the sight presented by the imperialist camp the productive forces of which are stagnating, in which millions of people suffer from unemployment, in which cut-throat competition is engaged in among the countries, and each of them is ever bent on subjugating and despoiling the other, in which a new world war is in feverish preparation. Quite different, diagonally opposed to this, is the sight presented by the camp of the Soviet Union and the countries of people's democracy. The aims of this camp do not lie in the robbing of others, in war, but in mutual assistance, in peace. Its economy knows neither crises nor unemployment. Its development is balanced. Its aim is not to secure maximum profit for the capitalist, but maximum satisfaction of the material and cultural requirements of the peoples. This economy guarantees a regular rise of the working people's standard of living. Here there is no cut-throat competition, the main features of this democratic camp are the cooperation and mutual assistance of its countries. Accordingly, the economic forces of the democratic camp develop quickly. At the world historical XIXth Congress of the Communist Party of the Soviet Union Comrade Malenkov drew a comparison between the growth of industrial output from 1929 to 1951 of the Soviet Union and that of the United States. This comparison shows that during that period the growth of the Soviet Union was six times faster than that of the United States, eight times faster than that of Britain and twelve times faster than that of France. Comrade Malenkov pointed out that the rate of development of the countries of people's democracy, too, is incomparably faster than that of the capitalist countries. This the Economic Commission of the United Nations was compelled to admit in its report of November

30, 1952, which speaks of the depression in the capitalist countries: In East Europe industrial production continued to rise at about the same rapid pace that was characteristic of the previous quarter.

For us this is so evident and well known that I will not enumerate the figures that prove it. I only wish to call attention to one point of view. It is clear to all that fast economic growth of the peace camp is accompanied by a corresponding growth of the pre-conditions of a strong national defence. In contrast to the imperialist camp which is ever trying to frighten the weak by boasting of its strength, the members of the socialist camp refrain from sabre-rattling. But it is only natural that this issue should arise, and at the XIXth Congress of the Communist Party of the Soviet Union more than one speaker emphasised that Soviet national defence constitutes a force that can repel the attack of any aggressor.

Amidst the stormy applause of the Congress Comrade Malenkov pointed out for the imperialist aggressors:

"The Soviet Union is not frightened by the threats of warmongers. Our people have experience in fighting aggressors and are not novices at giving them a drubbing. They gave the aggressors a drubbing way back at the time of the civil war, when the Soviet state was young and comparatively weak, they gave them a drubbing in the second world war, and they will give future aggressors a drubbing too if they dare to attack our homeland."

"The facts of history cannot be ignored. And the facts show that as a result of the first world war Russia dropped out of the system of capitalism, while as a result of the second world war a whole series of countries in Europe and Asia dropped out of the system of capitalism. There is every reason to assume that a third world war would bring about the collapse of the world capitalist system."

To this we can only add that in accordance with its growing economic strength the Hungarian people's democracy takes care to reinforce our national defence. We spare no sacrifices in order to develop the faithful guardian of our peace and future development, our People's Army, so that it may live up to its tasks. A similar state of affairs exists in the other countries of people's democracy. And the best example of what a liberated people defending its country is capable of achieving is presented by Korea where all efforts of the United States and its satellites have been frustrated by the heroism of the Korean people and the Chinese volunteers, and where — as Comrade Vassilevsky, the Minister of Defence

of the U. S. S. R., established — the United States suffered the most shameful defeat of its history.

The XIXth Congress of the Communist Party of the Soviet Union was a mighty review of forces. We were able to convince ourselves at this Congress that the revolutionary, democratic and communist parties of the capitalist and the colonial countries are courageously carrying forward the banner of the peoples' liberty and national independence. The 800 million strong bloc of the peoples building the new life constitutes a mighty force both economically and in regard to national defence, supported by the partisans of peace, the fighters for progress all over the world.

Given that the members of the capitalist camp will sooner or later leap at each other's throats, and that the national defence of the states building Socialism is strong, it does not follow that our fight for the defence of peace can be diminished even to the slightest degree. Comrade Stalin pointed out what a tremendous achievement it will be if the success of the peace movement results in preventing a particular war, in its temporary postponement, in the temporary preservation of a particular peace, in the resignation of a bellicose government and its succession by another that is prepared temporarily to keep the peace.

Therefore, we will continue our fight for peace increasingly. This fight is all the more necessary as the enemy like a wolf in sheep's clothing claims that his aggressive intentions are peaceful and democratic. Comrade Malenkov said in connection with this: *"In their endeavours to mask their policy of conquest, the ruling circles of the United States seek to pass off the so-called 'cold war', against the democratic camp as a peaceful defensive policy and frighten their own peoples with the non-existent danger of an attack from the U.S.S.R. Masking the aggressive plans and the military operations now in progress with demagogic phrasemongering about peace is a characteristic feature of the policy of the bosses of the Atlantic bloc."*

In the fight for peace these demagogues must be exposed. In this sphere the Soviet Union has rendered immeasurable services. In the United Nations it is the Soviet Union that from the very beginning of the war in Korea has consistently fought for peace. It was on a proposal by the Soviet Union that the armistice negotiations were begun. The Soviet Union's proposal for an immediate ceasefire and truce was the only one which would have immediately put an end to the bloodshed. However, all attempts of the Soviet Union at peace have failed in the face of the resistance of American warmongers, who are accumulating innumerable billions of dollars

from the devastations and carnage of the war in Korea. According to the American capitalist newspapers 30 months of the war in Korea have cost more than the first two and a half years of the Second World War. It follows from this, too, that for the American war industrialists the war in Korea is a source of still larger profits, of a still more abundant flow of gold. For this reason these vultures of war do not want to have anything to do with peace.

In is the undying merit of the Soviet Union that it is constantly exposing before the entire world the phrasemongering about peace of the aggressive bloc of the Anglo-Saxon imperialists. It has proved that these warmongers, while preaching about peace, want to have nothing to do with prohibiting the atomic bomb and the bacteriological weapons, and are even afraid of a precise definition of the term aggressor. The partisans of the peace camp must unrelentingly continue to expose the warmongers who in the name of "freedom and democracy" of the "community of free nations" and "free Europe" are preparing a new war. It must be pointed out unceasingly that in the very heart of the "free world", the United States, all forms of fascism, racial persecution and antisemitism are gaining ground, that in Korea and elsewhere American imperialism commits all the inhuman acts and depravities — the mass murder of defenceless women, children and old people — that were committed by Hitler's fascist bandits. It should be pointed out that while the House of Commons is lecturing the countries of people's democracy in the name of freedom and democracy, the noble peers of the House of Lords are holding a debate on whether the African women and children in Kenya were driven into horrible concentration camps with bloodhounds or with police dogs. It should be pointed out that in Kenya and elsewhere the British colonisers are arranging massacres and have shut tens of thousands of Africans fighting for their most elementary rights in concentration camps surrounded with gallows, the horrors of which surpass in many respects the concentration camps of Hitler.

The world-wide peace movement, whose Congress is now taking place in Vienna, can already look back upon tremendous achievements. Here in Hungary we have been able to see all around us everywhere in connection with our peace congress how the peace movement is spreading, embracing our entire working people. It is in connection with the issue of peace that tens of thousands and hundreds of thousands of our citizens, who never took an active part in our political life before, have become conscious that they can no longer sit back idly and watch, that they too must take an active part in the defence of peace and thereby in safeguarding all the achievements and results attained by our people's democ-

cracy. In our country the peace movement has mobilised and won over even such strata of people, whom it would have been difficult for us to approach by just political agitation. A considerable section of the old intelligentsia, which not so long ago still regarded our aims warily or even sceptically, has understood, through the issue of peace that its place is on our side and that by defending peace it is also defending its well perceived interests, its own future.

The same can be experienced internationally. The last peace appeal was already signed by 600 million people throughout the world. The imperialists, who at the outset spoke of the peace-petition campaigns with scorn and contempt, are beginning to see that the peace movement is a mighty power which thwarts their schemes more and more. Evidence of this is the desperate effort with which they wanted to prevent the Vienna world congress of the partisans of peace. However, arrests and refusals to issue passports have been of no avail. The peace congress of peoples has met in Vienna to organise further struggles against war, to weld together more closely the hundreds of millions of people demanding peace. Naturally, the Congress is also being attended by our delegates that they may express the voice of the Hungarian working people, who demand and defend peace.

As a loyal member of the peace camp, the Hungarian People's Democracy is playing its part in the fight for peace, in exposing the imperialist war incendiaries. We are ceaselessly on guard; ready to frustrate the attacks to be launched against us by the American imperialists and their satellites. We are carrying on our fight unrelentingly for the consolidation of peace, are strengthening international cooperation in every field, drawing closer the indestructible bonds of friendship with our liberator, the mighty Soviet Union, as well as with the countries of people's democracy. At the same time we are strongly fostering our national defence in order to be able to defend against all attacks our sector of the peace camp.

THE ECONOMIC SITUATION OF OUR COUNTRY

Now I shall speak of the economic situation of our country. As the honoured Parliament may see from the Bill submitted by the Minister of Finance, the income side of our budget for 1953 adds up to 52,739,000,000 forints, showing an increase of almost 10,000 million forints over the 1952 figure. This rise corresponds

to the economic advance made in 1952. The budget is balanced, that is, it has closed with a surplus of 875 million forints. The purchasing power of the forint is as stable as ever. The success of the Third Peace Loan indicates the stability of our financial situation and the generosity of our working people. The original value of 1,300,000,000 forints in which the loan was planned to be floated was in eight days oversubscribed by 37 per cent. 1,781,000,000 forints were subscribed by 3,154,000 citizens — many more than the number of families in our country. The success of the Peace Loan was a happy evidence of the increased economic strength of our country and the political unity of our people.

I am now in the position to inform the Honoured Parliament of the fact that on the 20th of next month the reparation payments to the Soviet Union will have been completed. Hostile rumours at the time had it that the reparation obligations imposed unbearable burdens on us. Thanks to the generosity of the Soviet Union in considerably reducing the sum of the reparation payments and extending the term of payment from six years to eight years, we have been able to live up to this obligation with honour. At the same time, with the friendly and selfless aid of the Soviet Union, we have been able to build our socialist future successfully and rapidly.

INDUSTRIAL PRODUCTION RISING EVENLY AND VIGOROUSLY

During the eleven months of this year our industrial output has grown evenly and vigorously, in accordance with the stipulations of the Plan. This year, our coal production has increased 22.2 per cent, bauxite production 58 per cent, crude-oil output 18.4 per cent, aluminium 16.2 per cent, alumina output 22.5 per cent, steel output 14.1 per cent and electric power production 20.3 per cent.

Provided we continue to fulfil the targets of the Plan in December, industrial output will have increased this year by 22 per cent as compared to last year. This figure refers to the global fulfilment of the Plan. Within this figure there is overfulfilment as well as underfulfilment of certain targets.

As regards coal, this year the original plan called for the production of 18.5 million tons of coal. In the course of the year, however, it became apparent that, although this quantity meant an increase of 3.2 million tons as compared to last year's output,

even more would be needed. Therefore, we asked our comrades working in the mines to try to augment the original target with an additional 400,000 tons. The comrades did promise this. The year has not yet come to its end. It is possible that not all of the 400,000 tons of surplus over the plan will be produced, but certainly more than half of it will. Of course, our brave miners would do a great service to our national economy if they produced all the 400,000 tons.

Now we are just about to complete the third year of our Five-Year Plan. On the basis of the present results it can be said that we have fulfilled the targets of our augmented Five-Year Plan, and in fact we have overfulfilled it in the case of coal. The rate at which coal production has been progressing looks as follows: In 1950, our coal production increased by one and a half million tons over the 1949 figure. In the following year the increase amounted to 2 million tons. This year this increase is 3.2 million tons and, according to the plan augmented during the year, it should be 3.6 million tons. Next year the increase will be 4.6 million tons. The production of pig iron for steel, of steel, of electric power, of cement and of the other basic materials is proceeding at a similar rate. I repeat that at the end of the third year of the plan the development of our manufacturing industry, as a whole, was keeping pace with the rate prescribed by the augmented Five-Year Plan. Within this, our heavy industry is developing at a rate somewhat faster than that prescribed by the augmented plan.

I might remark that concerning our economic results the American press, headed by the New York Times, modestly alleges that Hungary has run into economic bankruptcy. The hungry imperialist dog dreams of bones...

The rate of development of our coal production is rapid when compared with that of the capitalist countries. In Hungary per capita coal production has doubled as compared to 1938, but in Britain, whose mines were not at all damaged by the war, it has not yet reached the 1938 level. In Western Germany it is less than 75 per cent of the level of the last year of peace. This year per capita coal production in Hungary is 40 per cent higher than in France. Our coal production has come up so well that this year we are producing 11 quintals of coal for every quintal of wheat. Of course, this does not mean that we can neglect the accurate fulfilment of our plan so far as coal production is concerned. We must spare no effort to increase the production of this important basic material in a planned way.

The trend of our oil production is rising, but here, too, there is a slight lag behind the target. The reason for this was that

we had to hold back production in the new oil fields because we were not yet able to provide the means of transportation needed for the oil wells.

Our fulfilment of the Plan was impeded by the neglect of socialist work competition here and there. There is still much to be done as regards the more efficient utilisation of machinery, the effective organisation of work and work discipline.

This year's drought, of which I will speak in detail when discussing agriculture, has had an unfavourable effect on the fulfilment of the plan. Still, the economic aims set by our plan for 1952 proved to be realistic and, thanks to the joint efforts of our workers and intellectuals, they have been fulfilled in the whole. We have made significant strides forward on the road of turning our country from an agricultural country possessing some industry, into an industrial country possessing an advanced agriculture. In accordance with the Plan, the sector of our industry producing means of production has grown faster than the sector producing consumer goods. In 1953, the ratio between the two will be 60 : 40.

Our industry is fast becoming more concentrated, more centralised. This development is shown in the manufacturing industry through the fact that while in 1938 there was an average of 91 workers employed in one factory, today there are 525 workers for every factory. Today, nearly half, 48.7 per cent of the workers work in enterprises which employ more than 1,000 workers.

The number of industrial and agricultural enterprises employing over a thousand people, exceeds 200.

During the Five-Year Plan we have striven to decentralise industry and to move it to the provinces. The first results of this attempt are shown by the fact that while in 1938, 62 per cent of the industrial workers of the country were concentrated in Budapest, today only 56.7 per cent work in the capital. We have a good gauge of the industrialisation of the provinces: if we take the 1938 figure for 100, then the figure is now 456 in the County of Pest and Bács-Kiskun, 312 in the County of Szolnok, 306 in the County of Fejér and it has doubled in the Counties of Hajdu-Bihar, Heves, Komárom and Esztergom also. Concentration in the planned economy has led to the fact that the 3,900 enterprises that existed in 1938, 87 per cent of which employed less than a hundred workers, have dwindled to 1,339 enterprises today, which, however, employ nearly twice as many workers as were employed in 1938.

Hungarian industry is concerned, besides striving to finish well the plan for 1952, with the plan for 1953. Next year we wish to increase the output of our industry by 16 per cent. To satisfy

our aim of increasing above all the production of the basic raw materials, the increase in the output of coal, pig iron, steel and crude oil will be much bigger than this figure. We wish to increase coal production by 4.6 million tons. This figure equals an increase of 24 per cent. To show just how rapid this development is, I wish to mention that this year's and next year's increase in coal production is greater than the total coal output in 1938. Among the varieties of coal we are mainly increasing the production of hard coal, which can be coked. Here the plan calls for an increase of nearly 50 per cent. The production of pig iron for steel is to go up 44 per cent. There is to be an increase of 28 per cent in the output of electro-steel. Our crude oil output will be increased by 25 per cent. Aluminium production is to increase by 51 per cent and alumina output by 27 per cent. These figures indicate that we are continuing the development of the basic material supplies for industrial production.

These targets are set high, but they can be reached, they can be even overfulfilled. If we want to begin the next plan year well, then the industries which are lagging behind in their fulfilment of the plan must spare no efforts to catch up during the two weeks that are left. In addition, great care must be taken, lest the mistake of the last month of the previous year be repeated, when all efforts were concentrated only on the completion of the plan year, and the preparations for January were neglected. Consequently, the January output fell way beyond the December figures and the ill effects of this lag were seen for long months in the statistics on the fulfilment of the plan.

It is still a general defect of our industry that it cannot produce in a steady, even rhythm. In the first ten days of the month there is usually a considerable lag, for which they try to make up in the last ten days of the month with overtime, and shock-work. The situation is similar when we look at the quarterly plan. It is apparent in the production of the entire year: at the end of the plan-year they try to make up for the lag at the beginning of the year with rush work and overtime.

As we have said, the basic-material industries, — coal mining, metallurgy, and power production — are facing particularly great tasks. In coal mining it must be ensured that full advantage is taken of mechanisation, and that the reluctance to use the mining machines, which are designed to lighten the heavy toil of miners and to increase productivity, should cease. The great task we have set our coal miners for the next year obliges the Ministry of Mining and Power to get fully ready for next year's production by eliminating the faults experienced this year. We

must make the miners aware of the importance of the development of mining and we must see to it that our Party, the Hungarian Working People's Party, the Trade Union and the Union of Working Youth also do their best to attain this goal. It is not only more coal that we have to produce next year, but better coal, too.

The development of our economic life has made it necessary to divide the larger ministries into smaller ones, in order to have a better control of the various areas. This method has proved to be quite effective and therefore we shall continue it. At present three such ministries are under organisation: the Ministry of Chemical Industries, whose establishment has been made imperative by our fast-growing chemical industry, the Ministry of Higher Education, which will embrace our 27 colleges and universities, and the Ministry of Metallurgy, which is destined to speed up the rate of the development of our metallurgy. The budget for these ministries under organisation has been included in the Bill which will be submitted by the Minister of Finance.

The rapid development of siderurgy demands that we put the Stalin Iron Works into operation as soon as possible and that we speed up the reconstruction of the Diósgyőr Metallurgical Works. We must put our new electrical power plant into operation, we must finish the Inota Power Plant. Along with all these industrial constructions, homes for the people working there must be built. Parallel with the development of the basic industries, the building industry, and particularly the cement industry must be expanded, and the new cement factories under construction must be completed.

It is a special task to stress particularly the fulfilment of the plan by those large plants which are especially important for our foreign trade, for our exports. As a consequence of the drought, as I will mention later, we have considerably cut down on the exports of our agricultural products and we are importing large quantities of fodder. If we do not want our raw-material and machine imports from foreign countries to decrease, as a result of these changes in our foreign trade, then we must make up for the shortcomings thus arising through industrial exports.

Therefore, it is particularly important that such large iron and machine-building factories of national significance like the Ganz Waggon Factory, the MÁVAG, the Beloyannis, the Gheorghiu-Dej Shipyards and the Győr Waggon Factory, which are important not only from the point of view of exports, but for the development of our socialist industry as well, should certainly fulfil and if possible overfulfil their targets.

We often find that our factories are reluctant to undertake export orders. This incorrect policy, of course, exacts its vengeance, for the raw-material and machine supply of these same plants depends in no small measure on the imports which are made possible by our exports, the delivery of our goods abroad. I repeat that in this field the harmful and incorrect practice hitherto carried on must change. Also the attitude of neglecting quality for the sake of quantity must be altered. We must improve our plans not only in quantity but in quality as well. The work of planning in our people's economy must be improved, for in this field, too, considerable shortcomings were evident during 1952.

Plan discipline is still not a strong point of our economic life, as this is indicated by the large number of industries and factories falling short of their targets. Some of our economic leaders and directors frequently quail when they are confronted with difficulties, they are afraid to take a firm stand, and do not demand discipline, economising, and quality; they choose the path of least resistance. They do not like to have defects pointed out and, therefore, suppress criticism from below. These phenomena are present in other areas of our People's Democracy as well, and we must take measures against them everywhere.

And we have to struggle against self-satisfaction, boasting of superficial results, carelessness, and the lack of vigilance, against the acquiescent mood that things are going well, anyway. If we fail to take action against such phenomena, we will not be able to solve well the tasks facing us.

Finally, we must definitely improve our safety equipment and installations for labour protection, and must take good care that all the measures passed to guard the health of our working people be strictly complied with. This year we have again raised this question and it must be admitted that up to now adequate results and especially a change for the better have not yet been effected in this field. Therefore, we must more and more definitely demand of our ministries and directors that they install safety equipment and comply with health measures. Our Party organisations, trade unions and Union of Working Youth members should regard the control of these measures as one of their most important tasks and intervene wherever they observe neglect in this respect.

To carry out the tasks of our planned economy for next year 146,000 new employees are needed. This figure indicates that the manpower requirement is way above the number of new workers being turned out by the schools. In connection with this it is worthwhile to point out that from England, which proudly calls herself a "welfare state", one hundred thousand people emigrated in the

first half of this year because they had not been able to find a secure living at home. In a country as prosperous as the Netherlands every year tens of thousands of the youth go abroad with the help and support of State subsidies because jobs and a living cannot be assured them in the country.

The production figures for 1952 demonstrate a tremendous upsurge in our industry. They also demonstrate the good work of our industrial workers, and technical intelligentsia. And when we enumerate our achievements, we must gratefully remember the many-sided, selfless aid the friendly Soviet Union, our liberator, constantly renders us. The inexhaustible treasury of Soviet experiences is available to us practically in its entirety and is an inestimable contribution to our socialist construction. The significance of mutual aid among the people's democracies is also increasing and becoming an ever greater help in our economic development.

AGRICULTURAL PRODUCTION

Now I wish to speak about our agricultural production. Our crops have been most disadvantageously affected by the unfavourable weather and consequently the agricultural yields have fallen rather far behind the targets of the plan. It is well known that there were heavy and prolonged frosts in May, and from the end of June there was a drought and heat wave lasting for seven weeks which, according to the experiences of the Institute of Meteorology, had been unparalleled in this century. On the other hand, almost twice as much rain as the average for several years back fell in the autumn, in the months of October and November. The frosts and the drought had an unfavourable effect on the grain crops and caused exceptionnally heavy damages in the plants requiring hoeing. The autumn rains disrupted crop gathering, made autumn ploughing, deep-ploughing more difficult and disturbed the making of adequate preparations for next year's spring work. The damage caused by the bad weather would have meant a catastrophe in capitalist times, as they spelled catastrophe in neighbouring Yugoslavia, where now a veritable famine is raging and hundreds of thousands of peasants are becoming impoverished.

Our country, however, is a State of the working people and as such is a well-organised, strong, farseeing State, which not only ensured public provisions, with a number of measures, but, in spite of the heavy damages caused by the weather, made pro-

visions for the smooth development of our people's economy. These measures include the fact that we have considerably reduced our food exports and at the same time have purchased considerable quantities of fodder grains and forrage from the friendly countries and first of all, the Soviet Union. This has made it possible to reduce the extent of our collection of maize and potatoes and thus to ameliorate the position of the working peasantry. Agricultural credits in a value of over 300 million forints, have been renewed and many millions of forints have been newly loaned for the purchase of sowing seed and similar purposes. Last but not least, we have tapped the reserves collected in the previous year.

With the aid of these measures we were able to achieve that, although we suffered a drought in 1950, too, our public provisions could be ensured in spite of this year's drought. I must add right away, that in spite of the frost and drought this year's crop could have been much better than it was, had we observed the rules of modern farming methods, and modern agronomy. In May this year agricultural experts visited us from the German Democratic Republic. The German comrades were astonished at our low yields. They thought that the poor handling of fertilisers was most to blame for the low yields. Again and again they called our attention to our incorrect handling of fertilisers, as a result of which usually fertilisers that had lost their effectiveness and consist only of straw are put into the soil. According to the opinion of the German comrades, as a result of correct fertilisation alone — which after all requires no investment or surplus work — the yield could be increased by 25 or 30 per cent. These comrades pointed out that we paid insufficient attention to the selection of sowing seeds and deep ploughing.

When I visited in the German Democratic Republic in October, I saw for myself that although the soil there is as a rule not as good as ours, and although this year the weather was not too favourable in the German Democratic Republic either, they harvested 16.5 quintals of wheat per hold (0.57 hectare) there. In Czechoslovakia, also hit by the frost and drought, especially in Slovakia, the average wheat yield was 13 quintals per hold. Everybody knows, and the newspapers have pointed out innumerable examples to show that in our country, too, the cooperatives and individual farmers who followed the rules of cultivation and scientific agronomy achieved outstanding results in spite of this year's frost and drought.

It follows from the foregoing that we must concentrate all our efforts to increase the yield of our crops and our agriculture as

a whole and to achieve in this field the results obtained by the other people's democracies more advanced than we are. It is particularly important that we fulfil the plan of this year's grain sowing down to the last hectare, for a small percentage is still to be completed as a result of the bad weather. Since the Liberation it repeatedly occurred that we were compelled to sow part of the autumn wheat during the end of December and even the first half of January and with good soil preparations and favourable weather this late sowing hardly influenced the crop results. Now again we have to sow all the autumn grain that our plan calls for, down to the last hectare.

The development of our animal husbandry shows a more favourable picture. This is partly owing to the fact that as a result of the good crop last year our livestock increased. As a result of the poor fodder crops, the wintering of this increased livestock is a source of considerable worry. We must carefully preserve the fodder available, we should economise with existing resources and keep the livestock from diminishing, up to the time that green fodder can be fed them again.

In connection with agriculture, I wish to report on the problems of socialist transformation in the village. During the year 1952 the producer cooperative movement developed evenly and vigorously.

The number of producer cooperatives and producer cooperative groups increased by 658. As many as 92,403 working peasant families owning 713,500 holds of arable land joined the cooperatives. At present 5,315 producer cooperatives and cooperative groups are functioning in our country. The total tillage area of these producer cooperatives is 2,213,000 holds. This amounts to 22.8 per cent of the country's tillage area. In addition to this, the household farms of the producer cooperative members represent 178,000 holds, that is 1.8 per cent of the tillage area of the country. The families in producer cooperatives consisting of 318,500 persons, now possess 24.6 per cent of the tillage area of the country, that is nearly one fourth. The total area (tillage area, vineyards, pasture land, etc.) of the producer cooperatives is 2,606,000 hold and their total membership is 446,900.

The tillage area of the State farms, experimental farms and specialised farms is 1,190,000 holds, 12.7 per cent of the tillage area of the country. This figure is over the target set for State farms under the Five-Year Plan. Part of the cause of this growth is that the State farms have provisionally taken over for cultivation land offered by workers with dual occupation (*Workers owning a strip of land and engaged both in industrial and agricultur-*

al work — Editor's Note) or from kulaks, and which could not have been immediately incorporated into the producer cooperatives. It is obvious that these areas, after which ground-rent is paid, should be handed over to the cooperatives as soon as possible. The combined tillage area of producer cooperatives and of the State farms amounts to 37.3 per cent of the total tillage area of the country.

The livestock of the producer cooperatives increased vigorously. In February 1950, the collective pig stock of the producer cooperatives was 46,400 and this figure increased to 522,000 by October this year. The number of cattle increased from 19,000 to 151,000, and of sheep from 41,000 to 274,000. The livestock of the State sector also grew considerably. As much as 19.6 per cent of the pig stock and 11.1 per cent of the cattle herds of the country were in the possession of the State sector.

In the development of the producer cooperatives care was taken to keep this growth from being too rapid. The main emphasis was laid on the development and consolidation of existing cooperatives, the better training of their leaders, the better organisation of work processes, and the improvement of work discipline. We shall continue this policy in the future, too. It is a result of this correct development policy that although the bad weather this year naturally had its ill-effects on the incomes of the cooperatives, too, their rate of healthy growth did not suffer and the producer cooperatives continue to hold a great attraction for the individual farmers. The lands of about 85 per cent of the producer cooperatives have been subjected to commassation to make them suitable for large-scale farming. The sizes of the producer cooperatives are also increasing. We already have 375 producer cooperatives which farm on tillage areas of over 1,000 holds. The number of our all-cooperative villages and towns went up this year from 489 to 665. For instance, Békéscsaba and Orosháza have become all-cooperative cities. And today there is hardly a community in the country without a producer cooperative.

The machine stations are one of the most important contributing factors to the strengthening of our producer cooperatives and the development of our agricultural production. The machine stations underwent considerable development during the year. During the first nine months of the year they performed 32.6 per cent more traction and power work than during the corresponding period of 1951. Still the machine stations did not fulfil their tasks by far and fell short of their targets, too. Their work is often unorganised, their book-keeping and their system of accounting are unreliable and give cause for many complaints.

There are many complaints also about the quality of the work done by the machine stations, too, and the degree to which the machines are utilised. The fault lies first of all with the Ministry of Agriculture and the leadership of the machine stations. The work of the machine stations should be urgently improved, for in 1953 we will entrust them with much greater tasks. For instance, the number of universal tractors at the machine stations is to be doubled. The number of combines is to be tripled. We want to increase the number of cultivators and harvesters by one third. The equipment of the machine stations in 1953 will permit them to do all the basic soil-preparation work of the producer cooperatives, if they work well.

The further improvement in the quality of our livestock is an important part of next year's plan for the development of agriculture. To this end 12,000 purebred animals will be made available to agriculture. The production of industrial crops and of newly acclimatised crops shall also be improved. We wish to increase the area devoted to cotton growing by 38 per cent and to rice growing by more than 25 per cent.

This year's drought has put a new emphasis on the question of irrigation. Although at present we are already irrigating six times the area that was under irrigation in the Horthy era, we are still at the very beginning in this respect, for irrigated land amounts to only 2 per cent of the drought-ridden parts. Next year we wish to augment the irrigated area by 56 per cent. I wish to add directly that the results of our investigations made this year indicate that with an utilisation of local means and possibilities a quarter million holds could be put under irrigation, without any particular financial investments. Our producer cooperatives and Councils should pay greater attention to these local possibilities of irrigation.

I wish to speak about produce collection in a few words. In spite of the drought the work of produce collection can be called satisfactory, and this is connected with the stabilisation of citizens' discipline and the better work of the organs of collection. Our working peasantry fulfilled its wheat delivery obligations to 99 per cent. On the other hand the kulaks have fallen way behind in their obligations, a fact which indicates that there is still much compromise in the work of the Councils. It does happen sometimes that what the kulaks fail to hand in is later levied on the working peasants who have already fulfilled their delivery obligations. Such action violates the worker-peasant alliance and is unlawful and hence action should be taken against it. There is much unevenness in the fulfilment of the collection

plan, too. For instance, the County of Zala fulfilled its wheat collection plan 114 per cent by the end of October, and at the same time the County of Bács-Kiskun fulfilled it only 85.5 per cent. The undisturbed flow of our public provisions demands that we carry out our collection plan, which we have reduced because of the drought, according to schedule. All the prerequisites for this are given.

ECONOMISING

I must speak of economising, not of economising in definite areas or in definite cases, but about the attitude of many people to this question. In the capitalist world economising in production and consumption was provided for by the insecurity of existence and the insecurity of tomorrow. The industrial worker economised with the raw materials he was entrusted with because if he failed to do so, the capitalist gave him the sack and he was threatened by unemployment and hunger. The agricultural labourer, the farmhand and the servants who had to fear the lord lieutenant standing behind them with a whip in hand were also thrifty with the property of the large estate owner because otherwise they would have been thrown on the labour market, the gathering place of the unemployed. But the peasant who farmed his own also took good care of every single ear and every single grain of wheat for his life was an eternal question mark, he never knew when a bad crop or illness would push him to the brink of bankruptcy and impoverishment. Therefore, all his life he skimped. The worker who never knew when he would join the ranks of the unemployed was thrifty, and the ordinary people had to save stingily to have a few pennies left for their old age.

The situation has changed considerably in the People's Democracy. Unemployment and poverty are things of the past and gone is the urge which under the capitalist era impelled the working masses to be as thrifty as possible. The discipline of poverty imposed by the capitalists has disappeared and conscious socialist discipline and along with it the sense of socialist thrift is taking its place. However, until this consciousness develops and strengthens, we must fight with increasing efforts for economising along all fronts. Until the worker has gained a thorough consciousness of the fact that he is working for himself everywhere, he will not be as thrifty with materials, with electric power and work time as if he were using his own.

The same holds true for the workers of the producer cooperatives and for the State farms. The member of a cooperative who

in former times would not have left for the world a single stalk of grain standing on his own land, who took good care lest his grain spill, is now less thrifty and treats the collective wealth, the property of the cooperative negligently, until he learns that the cooperative is just as much his own as his land used to be. It is one of the greatest achievements of the People's Democracy that the working people are optimistic and are confident of their future and one of the ways in which this confidence is shown is that the harassing worry over thrift which came of insecurity in the past, is gone. But economising is still a virtue needed along every line and anyone forgetting this commits a serious error.

This confidence more than once goes over into a kind of carelessness of which the enemy is glad to take advantage for his own ends. Let me illustrate with a single example. On December 1st last year, we abolished rationing and restored the free sale of agriculture produce. This measure was correct and the beneficial effects of its success were felt economically and politically alike. Nor do we wish to change it in the future. The success of this measure, however, is causing considerable carelessness, too. It happened in recent months that the assistant in a State food store give as much as 75 or 100 kilograms of lard to a single shopper, without batting an eyelash. This assistant, and his superior, too, were surprised when we called their attention to the fact that with such carelessness they were making things easier for speculators and hoarders.

I may add that just a few weeks ago in our State trade special rewards, premiums were paid to store managers who overfulfilled the plan in foodstuffs, that is whose assistants industriously talked buyers into purchasing the largest possible amounts of lard, sugar, meat, flour and other foodstuffs. Obviously it is wrong to encourage the assistants in our State trade along such lines. But the example itself indicates that we are not careful enough, that we are not sufficiently aware of the fact that thrift in every area does us good and will do us good in the future, too. We found that when the hue of a part of our bread darkened without any drop in quality — even the benevolent took this with surprise, for they never thought that the drought would necessitate such a measure if we want to ensure a smooth flow of public provisions until the next harvest. We must fight in all fields against the squandering of materials, against the lack of thrift. And we must fight against carelessness, self-satisfaction, and want of vigilance, for those faults here and there are becoming obstacles in the way of our progress.

IMPROVED PUBLIC HEALTH AND HIGHER CULTURAL STANDARDS

Another thing I wish to speak of is public health and the rise in the cultural standard of our people. A few data will be most to the point if I wish to describe the situation of our public health. In 1952 the natural birth rate increase per 1000 people was 47 per cent higher than in 1938. By now our country's population is over 9,500,000. The number of marriages per 1,000 inhabitants is 20 per cent higher than it was in 1938. The infant mortality rate is down in 1952 to nearly half the 1938 figure. Tuberculosis which was called the "Hungarian disease" in the past is being gradually repelled and in 1952 fifty-seven per cent fewer people died of this disease than in 1938. In Hungary today more hospital beds are available per 10,000 people than in France or Belgium. As a result of public health activity, the death rate is lower in Hungary than in England or Austria.

We will do our best in the future, too, to keep improving public health. This is greatly needed, for, although we have achieved results in reducing the infant mortality rate, there is still much to be done in this field. The proportion of live births also lags way behind the corresponding figures in the U.S.S.R. or Poland. In this respect grave harm is caused by the vicious practices of unscrupulous physicians and midwives, the flagrant growth of the number of abortion cases, of which we have taken notice only in the last year and in connection with which we intend to introduce a number of measures.

In spite of these troubles, the health of our people is better today than it has ever been before and we wish to make it improve further.

Our public education is vigorously developing. Ninety-nine per cent of the children of school age were enrolled in the first form of the general school (eight-form primary school). The number of those who have finished all the eight grades of general school is fast growing. This year one hundred thousand children are attending the eighth form of general school and along with them 30,000 adults are studying the material for the eighth grade in schools for the working people. This school year 119,000 students are registered in the secondary schools and in addition 19,300 adults are studying in the workers' secondary schools. At present there are 46,000 students enrolled in our colleges and universities and 3,300 students are participating in correspondence courses.

The social constitution of the secondary schools and universities has undergone a radical change also. During the current

school year 66.7 per cent of the secondary-school students and 58 per cent of the college and university students are of working-class and peasant origin.

The character of the education offered in our secondary schools, colleges and universities has also changed. In accordance with the demands made on them by the national economy, our colleges and universities are turning out a growing number of engineers, agronomists, physicians and teachers. The entire educational system has been brought to correspond more fully with the demands made by socialist construction and everything that is needed for effective studies has been provided. In 1951 as many as 116 kinds of university and 426 of primary and secondary school text-books were published in 7,580,000 copies. We are seeing to it that as the people come to think more highly of the importance of education, they gain at the same time a greater respect for the work of educationalists, university and college instructors. As a result of all these measures, our country, which once lagged rather far behind, especially in the field of college and university instruction, is gradually beginning to outstrip the most highly advanced capitalist countries, in this respect. Under Horthy there were 16 college students per 10,000 people in Hungary. By October 1952 this figure had increased to 51, that is, it had more than tripled. Formerly leading countries in this respect, such as England, France, the Netherlands, Switzerland and Austria, have fallen way behind us.

A good one hundred years ago István Széchenyi complained "My people will be lost for they are in want of science", and he kept repeating, "An abundance of educated people gives strength to the nation". The figures which I have cited as indicative of the present situation in the field of public education show that our People's Democracy has done rapid and thorough work, which fact will influence the whole future of our people in this exceptionally important field. We will do our best to keep on expanding the scale and raising the level of our public education in the future as well.

I wish to say a few words about our Academy of Sciences. The Academy has undertaken to bring its research activities gradually to concentrate on those matters which directly serve the development of our people's economy, which serve first of all industry and agriculture. In addition to these activities it naturally does not neglect efforts to advance the social sciences. The Academy of Sciences has worked out a five-year plan and the preparation of a geological map of our country heads the programme under this plan. This task is that much more important

as it seems that on the greatest part of our country's territory no thorough geological research had ever been carried on. And the experiences of the past few years would indicate that in the depths of our country's soil there is still a great deal of coal, oil, bauxite, non-ferrous metals, and other useful minerals. Therefore, a geological map would be of tremendous economic significance. The plan of the Academy stresses such practical problems as the efficient use of domestic coal as fuel, the solving of mining problems, the extraction of rare and non-ferrous metals. The closer relationship it has developed with the science academies of the Soviet Union and of the people's democracies in particular is a great aid for our Academy of Sciences.

The cultural position of our People's Republic is characterised by the fact that the cultural demands of our working people are rising with such rapidity that although we have produced significant quantitative and qualitative results alike in cultural and educational work among the people, we are still far behind the fast-growing requirements. This year we have devoted much effort to expanding the cultural network in the provinces and as a result our cultural institutions encompass the entire country. At present there are 1,640 regional culture homes and there are regular cinema showings in 2,426 localities. The Rural Theatre held performances in 2,025 villages, mainly communities where no theatre company had ever passed before. This year 3.4 million working people attended 41,000 "Free Land Winter Evening Programmes". (*Popular-scientific and cultural lectures regularly held for agricultural workers. — Editor's Note.*)

In autumn of this year we compiled statistics on the public libraries — the first such compilation for 67 years. The results showed that at present 8,536 public libraries function in our country. In the villages there are 4,494 public libraries. It is characteristic that in an agricultural county like Csongrád there are 442 public libraries. I must add that this list does not include the 6,200 general-school, the 450 secondary-school and the over 1,000 apprentice-school libraries, the college, Party, scientific, technical and other special libraries. Including these the present number of libraries is about 16 to 17 thousand. In our country there is at present a library for almost every 600 people. I think that these figures speak for themselves.

The standard of our cultural services has also risen. Well-known is the success gained by our feature films not only in the people's democracies and the Soviet Union, but even in the capitalist countries where they could be shown at all. The international success of Hungarian films can be gauged among other

ways by the three prizes won at the Film Festival in Karlovy Vary. The tour of the State Folk Ensemble in the Soviet Union and China should also be listed among the international successes of new Hungarian culture.

Special mention should be made of the great honour accorded our new culture in distinguishing two of our young writers with the Stalin Prize. I wish to speak of the fact that this year in the Soviet Union, Petöfi's collected poems were published in three volumes and, also in the Soviet Union, a 700-page comprehensive anthology of Hungarian poetry was also published.

These facts show only in part the general interest manifested by the camp of progress throughout the world for Hungarian cultural achievements which follow in the wake of the successes of our People's Democracy. This interest, and I may add sympathy, has been enhanced by the magnificent showing made by our sportsmen and sportswomen at the Olympic Games in Helsinki, where they won 16 Olympic championships and 42 Gold Medals, which achievements came as a result of our planned physical education activity.

The greater cultural demand is indicated by the facts that this year 85 million tickets have been sold by the cinemas and that in the first nine months of the year there were 42 per cent more theatre-goers than during the corresponding period of last year. In a year 760,000 people visited the opera, six times the 1938 figure. The Munkácsy Exhibition was visited by 430,000 people and the exhibition entitled "The Road to Communism" attracted over 200,000 spectators in a month. Now there are 830,000 radio owners, and next year when 120,000 wired radio sets are installed, their number will exceed one million.

This rapid development increases the demand for higher quality in the cultural field. There is a demand for higher standards in the ideological and artistic content of our cultural work and there is a demand that the creative work of artists reflect the great issues of the people's flourishing life, socialist construction and the international peace struggle and that it be permeated by a lofty socialist ideological content and consciousness. We are looking forward with particular interest to the work of our writers who this year clarified a number of important questions appearing in the field of creative literature through long debates on ideology and of whom, as a result of this clarified conception, we expect new works of higher standards.

THE MOST IMPORTANT TASKS

Summing up, what are our most important tasks?

1. We must increase the economic strength of our State in order to fulfil well the fourth year of the plan, which marks an important phase in our socialist construction.

2. In industrial production, besides improving plan discipline, special attention should be devoted to the problems of increasing production in the basic materials, coal, metallurgy.

3. In agriculture let us focus our attention on the increased yields and the plan for the socialist reconstruction of the village — of the further balanced and organised development of the producer cooperatives.

4. In both national economy and State administration we should fight for the strictest enforcement of economising, for the improvement of leadership and against every manifestation of bureaucracy.

5. In the fields of culture, people's education, public health and sports we should constantly keep in mind that we have to ensure conditions which make for further development.

6. We should use all means to strengthen the State discipline of the citizens of the People's Democracy, its social order, State and national defence.

7. Let us further develop the political consciousness and patriotism of our people.

8. Under the leadership of our great Party, the Hungarian Working People's Party, we should strengthen the worker-peasant alliance, the even stronger union of the democratic forces rallied behind the Hungarian People's Independence Front.

9. Let us be even more devoted soldiers in the tremendous peace camp led by the liberating Soviet Union and let us defend our own section in this camp against all imperialist aggression even more resolutely.

The year 1952 was a year in which our People's Democracy became consolidated even more. This consolidation is reflected not merely in the facts and statistical data of the economic, sanitary and cultural fields. The unity of our people, their devotion to our People's Democracy have deepened and strengthened. The worker-peasant alliance — that union of democratic forces which, rallied in the Hungarian People's Independence Front and under the leadership of the Hungarian Working People's Party, was obvious in every event of our national life — remained

unbroken. International solidarity, the sense and awareness of solidarity with progressive mankind, needed for the defence of peace, has deepened. Let us think of the unified stormy demonstration of mass protest and indignation against the Greek monarcho-fascists which was shown after the murder of Comrade Beloyannis and which we saw repeated so impressively when French reaction cast Comrade Duclos into prison. We have all witnessed that our working people followed and studied the XIXth Congress of the Communist Party of the Soviet Union with greatest attention and sympathy.

This attention and sympathy is encouraged and deepened by the feeling of gratitude and thanks for all the friendly aid and selfless support which is constantly rendered us by our liberator, the mighty Soviet Union. This sympathy and feeling of gratitude flamed up into ardent enthusiasm in our people when at this Congress the great leader of all progressive mankind, our beloved Comrade Stalin, mentioned the Hungarian People's Democracy, among the revolutionary shock brigades of the world. We all felt that this honourable qualification not only signifies recognition, but brings with it obligations as well, obligations the fulfilment of which, through our future efforts, our selfless work, socialist construction, the defence of our peace and the strengthening of international proletarian solidarity would make us even more deserving of the name revolutionary shock brigade.

This honour and recognition imposes great obligation on all of us, but particularly on our party, the Hungarian Working People's Party, which during the past few years has been the leader, the power and the motor of all our successes and development. It obliges us to advance firmly and unswervingly on the road we have followed up to now. One of the most important results of the educational and cultural development of our working people is that they understand and appreciate even more the generous and successful work done by our Party during the years that have elapsed since the Liberation. Our working people follow us firmly and unitedly because they know that the road we are travelling is the correct one and because they are certain that it leads to additional successes and additional victories.

It is our responsibility to realise their expectations.

