

Hungarian Communist Party Secretary Miklos Nemeth, at a July 13-14 party meeting, confirmed that from January through June 1988, at least 70% of export earnings had gone for debt service. In those six months, trade with the West increased by 25%, but imports from the West fell 5%. At that same Central Committee plenum, Hungary adopted guidelines for a vicious austerity program, as dictated by the IMF in May, when it granted Hungary a \$350 million standby credit. These guidelines include the elimination of state subsidies to state enterprises operating at a loss, which the government concedes will throw at least 100,000 workers out of their jobs; continued prioritization of hard currency-earning exports over domestic consumption; and a new assault on living standards, by price increases and stiff taxes on income earned from second jobs.

Hungarians keep themselves above misery levels by working two or even three jobs, so the tax will hit most ordinary people. So will the price hikes; inflation is running at 15%, but there were 25% increases for meat in April 1987, as a result of the IMF-dictated austerity program, imposed in 1987 and 1988.

Nearly half the population residing in what the Western media has portrayed as a "showcase" for market-oriented

socialism, Hungary, lives below or just above the officially defined poverty level. In 1987, the Hungarian Central Statistical Office placed 24% of the population below the poverty level of 4,000 forint per month. This number grossly understates the number of poor people, by counting only rent as a housing expense, even though the regime has been pushing families to take mortgage loans to purchase their homes, for a monthly payment far higher than the rent. Omitting mortgage payments (in the case of many young couples and families, the largest single monthly expense item) in computing net income magically raised the "net income" of an entire stratum of the population to above the poverty line.

Before 1988, the great bulk of poverty cases were among the pensioners, whose suffering was hidden behind the lonely walls of their tiny apartments. This spring, poverty such as there was during the Great Depression or the early postwar years, came out into the open. Beggars and homeless people wander the streets of Budapest. In June, the Hungarian press admitted that "a growing number of homeless people" were spending the night in Budapest's railroad stations. In addition to the "street people," Budapest is flooded by unemployed and their families from the provinces, who take over empty, usually dilapidated apartments, as squatters.

The deadly milk chain that kills Polish babies

The infant mortality rate, which has risen to 18 deaths per 1,000 live births in Poland, is related not only to infections contracted in hospitals, but to a shocking lack of powdered milk for young children and formula for babies. (The infant mortality rate in the United States is 12 or 13 per 1,000 live births, and in Japan it is 7.)

Baby formula is hardly ever available in Polish stores. Scarce supplies are strictly rationed for babies requiring special diets. Vitamin-enriched powdered milk for young children has disappeared this year from stores.

In late June, the Polish government admitted that even though the production quota for baby formula was 32,000 tons per year (which the government claimed through mid-June was being met), annual output had fallen to 7,000 tons. Minimum requirements are 21,000 tons. Powdered milk production has fallen to 25,000 tons per year, as against a minimal need for 35,000 tons.

The production collapse is only the first part of the problem. The dairy industry, like all other industries which meet domestic basic needs, has been neither modernized, nor maintained. For years on end, neither the required

funds nor the personnel to keep milk production facilities sanitary have been allocated.

The milk from Poland's 1.5 million farmers is poured into huge vats at 10,000 collection points. No checks are made to determine whether the vats are clean, and most are not. In addition to the private farmers, Poland has 295 milk cooperatives. A July inspection found only 10 of them meeting minimal hygienic standards required in food production. Sample inspections of powdered milk formula for babies on the market in April found 30% of the samples contaminated with *staphylococcus* and 66% with *coli* bacteria.

Milk can contain an even worse array of unpleasant surprises. For one thing, farmers often dilute milk with water, to raise their income. Beyond that, due to inefficient transport, milk often turns sour. This taste is disguised by adding chemicals and even detergents.

Several thousand Polish infants die each year from food poisoning, caused mostly by contaminated baby formula. The infant mortality rate in Poland is three times higher than in Western Europe, and Poland has one of the highest death rates in the world among children and young adults.

This unhygienic environment is compounded by the near total lack of any kind of diapers, either disposable or cloth, and for that matter, baby underwear as well. Poland has arrived at Third World conditions, in a historically and culturally Western European nation.