

country is undergoing. He described as catastrophic, the effects of the economic reform that was introduced on Jan. 1. The first condition of the International Monetary Fund was that subsidies for agriculture had to be eliminated. They have now been reduced by half, and by next January they are supposed to be eliminated altogether. The direct result was that consumer prices rose by 60%. Prices for meat, butter, and milk shot up by 150-300%, and consumption fell by 30%. Interest rates rose to 24%, and the currency, the krone, was devalued twice. Average production costs tripled, leaving many enterprises insolvent.

**Dr. Josef Alvincz** of the Institute for Agrarian Economy in Budapest reported on the sharp disagreements in Hungary over the question of reprivatization or privatization of collectivized property. On one side is the Small Farmers Party, which demands that the property relations that existed in 1948, before the communist takeover, be reinstated. On the other side is the Democratic Forum, which wants only a moderate degree of privatization and strictly opposes reprivatization.

**Zoltan Bogardi**, representative of the Democratic Forum and head of the agriculture commission in the Hungarian Parliament, put forward the point of view of his party, which

plans only to return property to its former owners if they are still listed in the land registers. Other owners will receive coupons which they can use to buy a building or another piece of land or stock.

**Prof. Viktor Beletsky**, whose intervention during the panel on Eastern Europe was reported above, talked about the formidable problems confronting the Russian Federation. Russia is living through the most difficult political and economic-social crisis in its history, he said; what it needs is the rule of law, with a multi-party system and the introduction of market economy, including privatization of agriculture.

There cannot be a return to Stalinism, said Beletsky. Over 40 million people are already employed by private companies and joint ventures; this is not enough, but it is at least a beginning. In the Russian Federation there are now 11,000 private farms, and without privatization of agriculture, he is convinced that the economic and social problems will never be solved.

The Russian Federation has adopted a project whereby private farms will be built in a ring around the big cities, and will provide the cities with food, said Beletsky. An important task at hand is to change production from military goods to

## 'We must not let this opportunity pass us by'

*From the speech by Dr. Tibor Kovats, co-founder and leading member of the Association of Hungarian Political Prisoners.*

Our association organized its first symposium in Budapest with the Schiller Institute on Feb. 18, to find out about its economic policy, the program of the "Productive Triangle," which is a comprehensive program for reconstruction of the whole of Europe, and to popularize this concept among Hungarian progressive thinkers—statesmen, writers, journalists, etc.

Our association is not a party, but an independent organization which represents the interests of former Hungarian political prisoners. Since we see very clearly that our true rehabilitation can only be achieved if the mechanism of the state is economically stable, we therefore must find out what kind of economic program can help to achieve that.

We know our problems and also the difficulties confronted by our state, particularly as concerns Hungary's economy. But we also know that an all-European program can give us and the other former "East bloc countries" a

new force for development. We cannot let this opportunity pass us by. . . .

Your indefatigable labors—particularly on the part of your president, Mrs. Helga Zepp-LaRouche, and the economic staff members—is the best guarantee for us, that these problems can be solved. The "Productive Triangle" as "the economic and political basis for the construction of Europe," as "the infrastructure and lifeline of the European economy," as well as "the central role of railroad transport" and "the expansion of European waterways"—these conceptual foundations of economic policy are, with you, in good heads and good hands!

So, too, has LaRouche's evaluation of the development of the world economy as a whole been proven correct. He rightly condemned the economic policy of the International Monetary Fund and the World Bank, and demanded a reform of the world monetary system and a new world economic order, which would enable every man to enjoy the benefits of economic and technological progress.

There is a quotation from Schiller in 1799 which I think is most appropriate to this work, a quotation which nearly all of us know and which sounds like a hymn to the joy of labor: "*Von der Stirne heiß, rinnen muß der Schweiß, soll das Werk den Meister loben, doch der Segen kommt von oben.*" ["From the heated brow, the sweat must flow, if the work is to bring praise to the master; but the blessing comes from above."]