

# *Hungary Nervously Building Ties to West*

By PAUL HOFMANN

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BUDAPEST, Nov. 11—"We are the Switzerland of the socialist world," a Hungarian Communist said the other day, "and like Switzerland we don't care for the wrong kind of publicity."

The wrong kind, clearly, is publicity that would portray Hungary as too inclined toward the West—an impression a visitor might form because of a new air of modest prosperity and relative cosmopolitanism that is striking in a country of the Soviet bloc.

The Soviet-led invasion of Czechoslovakia a year ago is still a vivid reminder to the Hungarians—who are building economic and cultural bridges to the West—of the danger of acquiring a reputation for being out of step with the rest of the bloc.

The Hungarian style of life is no longer just the "goulash Communism" that won praise from Nikita S. Khrushchev. Food is plentiful and there is a growing array of less essential consumer goods: cosmetics from Yugoslavia, scarves from Spain and cameras from Japan.

Visitors from the neighboring Eastern European countries, impressed by the shops, come to buy everything they can. A Pole here on a semi-official visit was entering a modern department store on a main square to buy a plastic handbag for his wife in Warsaw. "One would not think he was in a socialist country," he remarked.

The scene might have been at Ohrbach's or Korvettes ex-



Modern fashions and traditional costume are both seen on Lenin Boulevard in Budapest

Renato Perez

cept for the kerchiefed country women who vied with smartly dressed city girls to pull an overcoat or slip from a rack and try it on without benefit of a booth.

In addition to consumer

goods, there are such things as a steel-and-glass Inter-Continental Hotel for hard-currency tourists on the Danube embankment and a Budapest Hilton soon to be built opposite it.

At a crowded new deluxe

restaurant on the right bank of the Danube, the band played American popular music almost exclusively although a fair number of Hungarians were

Continued on Page 24, Column 3

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Continued From PUae 1, Col. 5

among the diners. On a more substantive level, too, Hungary's relations with the United States and other Western countries are improving.

A two-year-old program of economic reform has cut the powers of doctrinaire central planners and given major responsibilities and material rewards to a new managerial class.

On the other hand, the results of the reform have been unimpressive so far. Industrial production this year is up only 1 per cent, against 5 per cent last year, and productivity per worker—there are 1.6 million employed—is down by 2 per cent, mainly because of the introduction of the five-day week of 44 hours instead of 48.

The 10.2 million Hungarians still have some shortages. "Budapest families will be freezing," the press warned recently, blaming a breakdown in coal distribution. Housing is chronically scarce and of poor quality.

The expanding ties with the West involve Communists as well as capitalists. Officials of the Italian Communist party and left-wing Italian intellectuals are frequent visitors; indeed, the capital abounds in Italians these days, from the official level down to the cafes, which feature floor shows complete with striptease.

The Government has just announced that in 1969, for the first time, Italy was in first place among Hungary's capitalist partners in foreign trade, displacing West Germany. The Italians buy, of all things, salami and other meats and sell shoes and hard goods.

### A Conference in Rome

The Italians and the Hungarians also trade ideas on many levels. Moscow has recently given signs of being increasingly suspicious of what it apparently views as an attempt by the Italian party, the strongest and one of the most independent in the West, to win allies among the Hungarians.

It is known that the Italian party's posture toward the Hungarians was discussed when Zoltan Komocin, secretary of the Hungarian party's Central Committee and a member of the governing 15-man Politburo, conferred quietly in Rome recently.

An Italian Socialist trade unionist observed: "The Hungarians really feel they belong to the West. There is something in the chemistry of our old friendship that makes them tell more to us Italians than to anyone else. Hungarian Communists confided to me that they really would like to get much more leeway from Moscow but that they have to be very careful."

The Italian added: "You see, the tragedy of the 1956 invasion is still in everybody's memory here and the Czech invasion reminded the Hungarians that in this part of the world you had better be on the side of the Russians."

Of the Soviet force that put down the 1956 Hungarian uprising against repressive Communist practices, 50,000 soldiers, including missile units, are still stationed in the country. Few of the soldiers are to be seen in central Budapest, though jeep-like Soviet military vehicles frequent the capital's drab, sprawling outskirts.

### \$40-Million in Western Loans

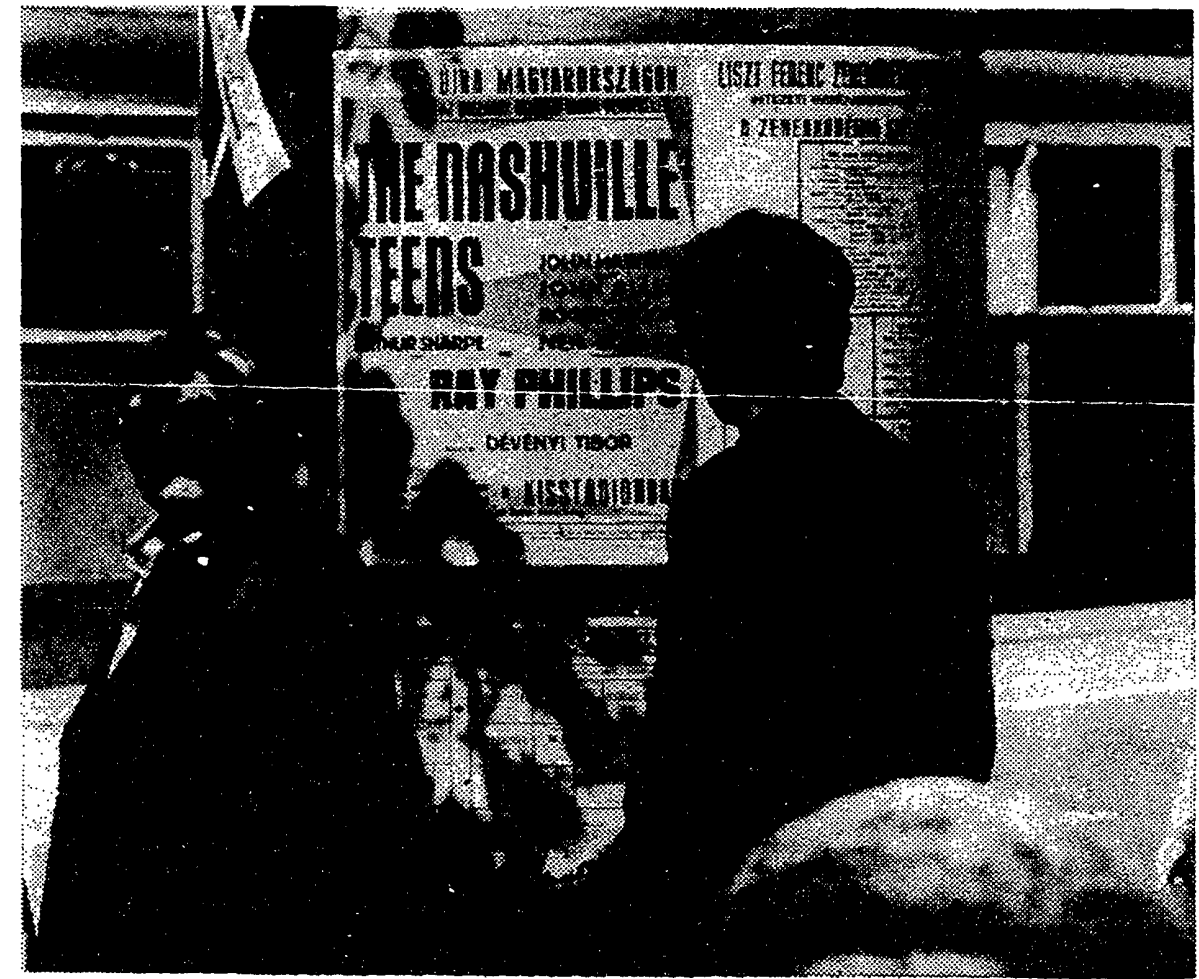
On a recent morning at the grimy Nyugati Station here, two dozen high Hungarian Army officers turned out to see a Soviet military delegation off. After the saluting and embracing, the Russians boarded the Moscow express and it pulled out. A Hungarian colonel winked broadly to a major; his message plainly was: "Well, we got rid of them and it all went O.K."

Though some Hungarian activities may perturb the Russians, Hungary has been able to do things that the Czechoslovaks, for example, could not carry off. The Budapest Government has obtained \$40-million in hard-currency loans from three international groups in the last few months for the aluminum industry, for importing industrial equipment and for settling prewar European debts. The capitalist lenders were allowed to scrutinize the state enterprises that were to benefit from the credits.

A Western expert commented: "Remember how the Czechoslovak reformers kept talking last year about \$300-million or more they were seeking from the West? And how Moscow vetoed such a deal? Forty million dollars may seem modest in com-



Open farmers' market in Budapest. The strains of transition to new economic system were eased by an excellent harvest



A passer-by reads a poster on Lenin Boulevard, Budapest, for appearance of U.S. group. A relative loosening of reins by regime has made Western artists and scientists welcome.

swarms of bicycles clog the roads. The near-affluence of the city center seems remote.

Farther along there begins the stark melancholy Puszta, Hungary's celebrated lowlands, and horse-drawn carts become much more numerous than cars. As is the case throughout the country, wrought-iron roadside archways topped with a red star and leading nowhere indicate the subdivisions of collectivized land.

Ninety-eight per cent of the arable land is socialized in state farms or in cooperatives, which employ about 1.5 million people. However, local autonomy has been strengthened recently.

### 'Allowed to Quarrel'

"We have a good cooperative," an elderly farmer near Szekesfehervar told a visitor. "We are now quarreling whether we should buy a new tractor or a couple of new trucks, but anyway we are allowed to quarrel. Some years ago the decision would have come from above."

The farmer proudly pointed out a new pigsty on his household plot, remarking: "Here I am my own boss."

The produce of private plots, most of which are smaller than an acre and a half, is an important contribution to the economy. In a tacit departure from Communist orthodoxy, more emphasis is being placed on the small private sector. Many private plots are being enlarged since very working member of a farm family is entitled to a little private land;

formerly private acreage was assigned to households, not individuals.

Discussing the collective's problems, the farmer said: "The trouble is young people. On the land, certainly you have no 44-hour week if you want to work in the beet fields for the cooperative and grow green peas and raise pigs on your own land. We have no movies either, so young people go to Budapest to work in the factories and we get city students as help for the harvest."

In addition to manpower, the countryside needs more farm machinery and trucks and better roads.

An excellent harvest this year is taxing storage facilities but easing the strains of transition to the new economic system.

### No Major Upsets Found

Supporters of the reform contend that so far it has caused none of the major upsets that Marxist dogmatists had predicted. Some prices have gone up, but this was foreseen since market forces were strengthened by the abolition of many price controls.

Hungarian officials are quick to point out that all details of the reform have been discussed with Soviet experts and that "the guiding role" of the Communist party is assured. At the same time, echoing Soviet charges, they assert that in the Czechoslovak economic

and cultural liberalization the party quickly lost control.

Recalling the anger that Czechoslovak intellectuals and artists caused in Moscow during the short "Prague spring" last year, Hungarian leaders have repeatedly urged members of the intelligentsia, particularly young writers, to cool their fervor for liberal reforms.

In that context, censorship of the press seems to be tightening again after having eased temporarily. No Western correspondents are allowed to reside in Hungary permanently.

The memories of 1956 are far from dead but the wounds appear to have been healed.

Laszlo Horvath was a teenager when he carried ammunition for anti-Communist fighters in the uprising. After the Soviet tanks came, he fled to the West. Four years ago he came back.

In his small flat in a new row of workers' houses on the outskirts of the western city of Gyor, he explained:

"I must have had 20 jobs in Austria and West Germany. I lived in camps and migrant hostels. Some of my pals got disgusted with Europe and went to Australia, I got homesick and came back to marry the girl I had left behind. It's not too bad here."

Mr. Horvath, who shunts

railroad cars most of the night, is one of some 20,000 Hungarians who returned. Close to 200,000 stayed abroad, but some come back as visitors carrying foreign passports.

One of them, Balint Vacsonyi, a pianist, has become a United States citizen and recently took up residence in London. During his current visit to Hungary he gave successful concerts in Budapest and elsewhere.

Janos Kadar, who came to power behind the Soviet tanks, appears to have no rival and no potential successor. The 57-year-old chief of the Hungarian Socialist Workers (Communist) party has patiently broadened his political base in the party and among the people. Hungarians caught a glimpse of the poker-faced Mr. Kadar in one of his rare public appearances at a televised ceremony on Nov. 7 marking the anniversary of the Russian Revolution.

### Kosygin Is The Model

Most of Mr. Kadar's chief aides, including Premier Jeno Fock, rose from the ranks of the technical-industrial bureaucracy. Their model seems to be the Soviet Premier, Aleksei N. Kosygin, rather than Leonid I. Brezhnev, the Communist party chief.

Others do not look to Moscow, and the existence of anti-Soviet groups allegedly fostered by Peking has been conceded in recent magazine articles. An extreme leftist movement is known to have had a center at the philology department of Budapest University but its leaders are reported to be serving prison sentences.

There are other ideological issues. In the last few months furious and highly personal controversies about "socialist patriotism" have been raging in print between leading writers. They are hard to understand without a detailed knowledge of Hungarian history and the emotional vocabulary of the fierce nationalism that this country has displayed during its 1,000-year existence as a small Magyar island in a seas of Slavs and other ethnic groups.

Analysts who read between the lines of the fiery prose say they find evidence that nationalist trends in the Communist societies of three of Hungary's neighbors — Yugoslavia, Rumania and Czechoslovakia — have stirred deep interest here.

No Hungarian seems happy with his country's participation in the invasion of Czechoslovakia in the name of "proletarian internationalism."

"The Czechoslovak invasion is the only war we have won," says a bitter joke that alludes to Hungary's penchant for choosing the wrong ally, espousing lost causes and taking on enemies of overwhelming power.