

(Businessman in the NEP era)

Pre-1945, I was persecuted in various ways because of my Jewish origin, and felt relief at the prospect of "liberation", realizing that there is no hope of an Anglo-Saxon occupation and the only potential liberator is the Soviet Union. In March 1944, I was arrested for defentist propaganda and was held for 6 months by the Hungarian counter-intelligence in Debrecen. After my release in September, I was directed to a labor battalion engaged on building a military railway. This Jewish Hungarian battalion was under a very decent ~~Swiss~~ officer, who treated us as gentlemen, ~~we~~ <sup>we</sup> did hardly any work, but were travelling from one place to another under various pretexts. A SS non-commissioned officer noticed the trick, however, and directed our transport to Kattowitz. Learning this, I escaped. I was found hiding by Arrow Cross terror boys and was "executed" with a group of people in similar positions. I was only wounded in the neck, but was taken for dead. I survived the siege, and after my "liberation" I went home to Gyula (county Bekes, South-East Hungary) and ~~reopened~~ <sup>reopened</sup> my father's distillery. Business was good. By 1946, I was very prosperous indeed, my distillery had 50 employees. I was distilling spirits and trading in wine. At that time, there was ~~not~~ <sup>not</sup> yet any need for political cover. Jewish descent was sufficient. The AVON <sup>chief</sup> in Gyula was also a former labor battalion man, he felt full soli-

derity with me. He never bothered me with Communism or anti-capitalism. As one persecuted Jew to another, he gave me every possible support.

Life was still very democratic then, and Communism was entirely in the background. I remember the return of a batch of prisoners of war from Russia. A reception was staged for them in the Gyula theatre. Nice political speeches were held by representatives of the coalition parties. An elderly peasant, apparently the spokesman of the returned prisoners, got up and said that he saw the kolkhozes in Russia and asked point blank whether the kolkhoz system will be introduced in Hungary too. He was given profuse assurances to the contrary by the chairman of the meeting. Everybody thought at that time that the Russians will be out within a couple of years. We looked forward to some kind of Social Democrat regime. After all, nationalization of industry is not incompatible with Democracy. We knew that the future regime in Hungary will have a leftist bias, thus our reaction was "why not", we thought that would be a safeguard against the revival of anti-Semitism. Otherwise, we expected something on the Swedish model. Nationalization is not really alien to Hungary. The railways, some steelworks, and Danube shipping were state-owned in pre-war Hungary too. In addition, trade in spirits, salt and tobacco was a state monopoly. State participation is a tradition in Hungary. I used to go to the Zwick distillery in Budapest on busi-

ness, and I came to feel that if the Zwack Co. were nationalized the men working there would hardly notice and would not mind it at all. All they know of Mr. J. Zwack is that he is driving a big car. They might see him going to his office, but could not see him in his office. There was no contact and no familiarity between him and them. I wanted to pursue the other road. To my employees, I paid wages well above their expectations. I exceeded the wage rate laid down in the collective contract and was fined for doing so. But it was worth it, - out of 50 workers, I made 50 confirmed anti-Communists. I established close personal contact with them so they should regard me as their friend. In 1948 it became my business policy to provide all sorts of goods (bricks, window panes, maize, boots and clothes) for my workers at cut prices (wholesale buying etc.). This was noticed by the authorities and I was accused of paying "grey" wages. In reply, I formed a workers' "cooperative". I told my employees to drop small random sums into a cash box which was supposed to represent a mutual fund. 3000 forints accumulated, then I quietly shoved in 12 000 and used the 15 000 as if it were the workers' subscription to the mutual fund. Thus they had the benefits in kind and I was clear as regarded the legal maximum wage. I need hardly say that this was not lost on the workers. The other manufacturers in Gyula (Dehydro Milk Powder, Steberl Sausage) gradually adopted ~~xxx~~ the same policy of pampering their employees.

It was all done with a view to showing them the difference between us, private businessmen, and the system of soulless state capitalism. I coined the slogan and hammered it into fellow businessmen: If you cannot provide for your workers, shut up shop. It became a matter of prestige in our circles which Gyula firm can pay higher wages in money and kind and provide better working conditions. I regarded it as a vitally important matter for the future that the workers should see the difference between a man-to-man and a man-to-state relationship. My workers realized that vis-a-vis me, they had the right to strike, and were not up against the all-powerful state.

As far as the authorities were concerned, till 1949 everything could be settled with them for money. There was never any need for me to commit myself politically. Had I been a smaller man in Gyula, I may have needed Party affiliation to stay in business, but as it was I could get by easily. The Party secretary was more pleased if I lent him a lorry to take his men to a village, than if I had attended his political meetings.

(Expropriation.)

One morning in 1949, I drove up to my factory, and one workman - the only one I never trusted - ran out to meet me. He begged me not to park the car outside because the sun will harm the tires, but take it into the shed. I

was puzzled but did as he bade me and once the car was in the shed, he clamped a padlock on it. Immediately, a number of people I had never seen surrounded me, and in a state of great agitation, declared that the premises, the stocks and my whole firm is herewith nationalized. They took a careful inventory of all the firm's assets. I was a fool not to withdraw my working capital in time. I badly misjudged the timing of the nationalization, though I knew it was coming. I thought I had another 6 months. But the raid came earlier than I expected. What is more, my hidden reserves, wine and spirit stocks laid down in another place and worth ca. 200 000 forints, were also known, - the workmen mentioned above found out about them and informed on me.

In many cases it seemed to be the practice at the nationalization raids for the officials carrying out the expropriation to suggest to the owner that if he pays, for instance, 100 000 forints "for Party purposes" they will quietly allow him to withdraw from his inventory sufficient value to start up, say, a shop. If he accepted the deal, they took the money, he took some of his own goods and hid them somewhere. The same night, the economic police or the AVO duly arrested him for embezzlement of state property. He confessed the whereabouts of the goods and saw 100 000 forints poorer into the bargain. I smelled the rat and did not

accept the deal they offered, - in their anger, they kept me in at the Gyula AVO for 2 days, maltreated me in a mild way but released me when my former workers started to ask too many questions about what is happening to me. I did not break any laws, I was a victim of Fascism, I was too well known in Gyula, and they still had some regard for public opinion in 1949. Incidentally, by that time the AVO was no longer manned by the anti-Fascists I knew in 45, 46, but by rabid Communists. In their regard for local opinion, they gave me a job as manager of a state wine shop. Nevertheless, Gyula looked an unhealthy place for me, I had lost everything I had (including, by their clever trick, my car), and I intended to escape from Hungary. My first attempt, when I was trying to tackle the Czechoslovakian border, misfired. I was caught by the border AVO, but my guide and the AVO man had been in the same SS division before 1945, they were mutually embarrassed by each other and we were let go. In my second attempt, a certain car was going to take us across to Austria, but there were some suspicious signs, and we got out in time. The rest of the passengers were duly arrested. My third attempt was an intricately organized one. The mistress of a border-AVO officer was my accomplice, a diversion was prepared to distract the other border guards, while on the Czechoslovakian side a chain of rabbis was already awaiting us in a series of villages xxxxxxxx

stretching to Pozsony (Bratislava). But they somehow got wind of the affair, blue AVOs were brought in to sit over the border-AVOs, and we were caught. I was held for 2 months on suspicion, then charged and passed to the court. After another three months I was tried. Both the judge and the prosecutor were gentlemen, one of them knew my father. I got one month. They had to convict me, - the prosecutor explained that had they acquitted me, the AVO would promptly have taken me to Reesk for years. Only fools paid bribes right and left to secure an acquittal. An acquittal by the courts was practically a suicide, re-arrest by the AVO was almost inevitable in those cases. I was very happy to get one month. Never, in the subsequent 7 years, have I come across a kader questionnaire (and I had to fill in a whole flood of them) which had a question inquiring whether I had ever been convicted or not? Not even in the case of university admission questionnaires was there such a question. The most minute details of one's family background were asked, but not one's criminal record. I think this is highly significant, and I attribute it to the fact that the authorities did not want to embarrass the large numbers of small Arrow Crossists who had minor convictions in the denazification processes in 1945 and were later taken into the Party.

After my release, I went back to Gyula. I was immediately called in to the AVO and questioned as to the purpose

of my return. I was ordered to report at the state labor exchange. I did so and was given a job as porter at the railway goods yard. Throughout the summer and autumn of 1950, I worked there, trying to make myself as conspicuous as possible in the eyes of the town population. As a heavy manual worker, I could count on establishing my record for the future as a (cheerful) victim of Communism. The following winter, a friend of mine and I established an ice rink on the canal, we swept and watered the ice, played gramophone records and collected good money. Teachers from all over the place brought school children to our rink to skate so as to help our business. In their annoyance, the authorities nationalized (!) our ice rink. This event was the laugh of the whole county. They installed 13 employees where the 2 of us sufficed before.

(Civil Engineering.)

My arrogance became to be very much resented by the Communists of Gyula, and apart from the difficulty of making a living, it seemed advisable to leave my home town. Early in 1951, I went to Budapest and found a job as a surveyor in the SURVEYING AND GEODETICS bureau. This place was a huge state institution in Reviczky street, an "engineers' kolkhoz" with up to 1 000 office employees. Soon after I started work there, it was split and I got transferred to one of the 2 new engineers' kolkhozes it gave birth to, that is to the



PUBLIC WORKS DRAFTING BUREAU. This bureau had the task of drawing plans for gas, tramway, sewage, and electrical mains installations. Later still, about the end of 1952, it was in turn merged into the Civil Engineering Drafting Bureau. I kept that job till July 1956, when I was dismissed. My kader file was poor anyway, and I had beaten up a <sup>colleague</sup> ~~colleague~~, a man who turned out to have been an AVO liaison. Although I did not know it, this did not help me either. Eventually, at a semi-political office meeting, I got carried away and started to shout at the top of my voice against the management, which encouraged the others, and our chiefs withdrew in haste. They told me I was dismissed, but I insisted on receiving a proper letter of dismissal stating the reasons for terminating my employment. Instead of getting it, a man called for me the next day asking me to come with him and inspect a roadworks on the outskirts of the city which was designed by me. He drove me in the right direction, until suddenly in Jaszai Mari Square he turned the car and drove me straight into the basement of the AVH headquarters. They started to beat me immediately, and continued on and off for 3 days. At the end of 3 days, they quietly told me to accept my dismissal and not to be awkward about such things in the future. I followed this sound advice, and started looking for another job. I came up against blank walls everywhere, until finally, through a

"reactionary" connection, UVA-Terv (Road and Railway Works Designing Office) gave me a temporary job on a monthly contract. During the Revolution, I was not courageous enough to risk my skin against tanks ~~like~~ ~~but~~ as others did, but I felt the least I could do was to agitate and make propaganda. I wrote leaflets and mimeographed them on the roneo machine <sup>of</sup> UVA KND and stepped up this activity after the fourth of November. One of the leaflets called for a boycott against Kader supporters, another against spineless turncoats (such as the distinguished building engineer Bela Guddig, who concealed the most delicate Kader <sup>file</sup> ~~file~~ material during the Revolution and saved it for them), - yet another of my leaflets asserted that "America has not let us down", - I am now sorry that I have written this one. In December my monthly contract was not renewed. My chief told me, that in view of my propaganda activity, he can no longer cover me, and it is better if I leave. So I left altogether and went to Austria.

(University.)

<sup>subterfuge</sup>  
By a ~~xxxxxxxxx~~ I succeeded in enrolling at the university in 1951. (A woman in the personnel department at my job had a sick child. I wangled aureomycin for her through a connection. This medicine was normally available for Party high-ups only, and she was not in that class. She was very <sup>grateful</sup> ~~grateful~~ to me and wrote a "positive" endorsement on my application for university admission.) In

the same academic year, I was expelled because of my refusal to join the DISZ. I thought the membership even of this organization might be held against me later, and would be a blot on my record. (1) In 1954, the changes associated with the Nagy regime had gone far enough for me to be able to secure admission again. At that time, the general mood was much the same as during the Revolution, - the Communists lost courage, and if one shouted loud enough about one's rights, they at once gave in and disclaimed every responsibility. In that year, most of the new admissions, at any rate to the evening course, were my sort of former expellees, "reactionaries" of one sort or another. By a sort of putsch ~~xxxx~~ I was elected secretary of the student body, and <sup>the</sup> we ran place much as we liked, intimidating the few opportunists. Those enrolled in the year after mine did not have it so good. Genuine elections of student functionaries were only possible in 1954, in the following year they were nominated and the "election" was a pure formality. I enjoyed being at the university, it was a haven of like-minded people and the professors and teaching staff felt and thought the same way as we did. On the other hand, the load was fairly heavy, I worked at the designing office from 8 a.m. to 4.30 p.m., and attended lectures from 5.30 p.m. to 9.p.m. The nights and Sundays were spent in study.

(Waste.)

One of my early jobs was to survey the building and grounds of the Serenyi Mansion at Vaaduka. This place was supposed to be developed into a "shadow" repair plant for automatic weapons and machine guns of the internal security forces, under the Ministry of Interior, to be put into use in case of war. It cost 70 000 forints to survey it, 100 000 to prepare the blueprints, and with the earth works the cost of the work done had already reached half a million forints when the whole project was suddenly called off. The roof was already demolished, no new roof was put up, and the mansion must be crumbling and falling down by now.

Another job of mine was to survey the ground for several blocks of apartment houses projected in Lagymányos, (South South-West Budapest) I saw enormous quantities of pre-fabricated steel parts, all quite rusty, piled up on the vacant lots. On inquiry, these turned out to have been brought there after they were deemed unusable for the underground tube. I estimated the quantity and worked out the cost, and found that the value of this steel, rusting away slowly in the open air, was equal to 30 000 two-room flats. (Interviewer's remark: For confirmation see interview No. 466.)

(MTS + Machine and Tractor Stations.)

The establishment of tractor stations in Hungary received great impetus in 1952, when Soviet advisors took the program in their hands. The projected number of MTS was over 200. They were meant to serve a double purpose, being intended for tractor stations in peacetime and tank repair shops in case of war. Their location was irrational. The location committee always had a silent Russian member who had quite precise instructions, who paid no attention to the discussion, but whose word decided the location in the end. I participated in the picking of the location of the Villány MTS (South-East of Pecs). In the ~~committee~~ <sup>committee</sup> discussion, we hammered out a proposal, the Russian advisor brushed it aside and pointed to the spot at which the MTS had to be built. That location was low ground and was flooded out each autumn and spring. After 1953, Hungarian engineers and surveyors began talking more freely, - e.g. there was much criticism of why an MTS has to extend to 30 or 40 acres of ground. The reason, of course, was that they wanted a dispersion of buildings against possible air attack. Very few MTS were projected for the North, North East and East of the country. They appeared to be heavily concentrated in the West, South-West and South, - their density was quite absurd in the Southern third of the territory between the Danube and the Tisza. This openly

revealed a plan to have a large number of tank bases for a possible attack against Yugoslavia.

The MTS were built to a standard plan. There was one major repair shop, 2 store buildings, one of them 500 meters apart from the main shop, - this latter was the munition's store. Then there were a few open machine sheds, and quarters for the crews. They were built in three sizes, for 50, 75, and 100 tractors. Later, when the strategic obsession became less strong, more rational planning of the outlay, as well as of the location, became possible. At the building of the MTS in Deszk, the original plan was such as to involve the utter waste of 1 1/2 million forints. <sup>I</sup>~~They~~ succeeded in talking <sup>the</sup> customer (the Ministry of Agriculture) into objecting to this. They were scared. They thought they are still up against a Soviet veto, but this was no longer the case, and a change of plan was allowed and some perfectly sound old farm buildings were saved. My chief edged me on to push through this change, although he did not have the courage to do it himself. When everything was being decentralized, (e.g. transferred to county and local councils) the MTS were not. Their details planning was still kept under rigid central control. To my mind, this proves their military purpose. Moreover, their design was done on such a scale as to prove that nobody cared about the cost. On the occasions when I ventured to point to the waste-

fully large scale, I was told that "Socialist enthusiasm knows no bounds". In fact, most of the WPS were only half completed, water <sup>mains</sup> ^ were laid down in the WPS grounds without being connected with any water supply. Sewage <sup>mains</sup> / were built without any provision for sewage disposal. These WPS, besides their military purpose, were also supposed to be nuclei of "re-towns". Only the best would be good enough for them, for instance bitumen access roads were planned, ~~xxx~~ gravel roads would not do, but since there were no resources to build elaborate roads, no access roads were built at all.

(Giant projects.)

In 1955, I was supervising the "Plan correspondence" of the road network being built at Komlo. The building trust (main contractor) erecting Komlo just did not know what was going on and where. A special new department had to be set up for the sole purpose of keeping track of the work in progress. This was the case in ~~xxxxxx~~ Dunapentele too. In Dunapentele, incidentally, the subsoil was of a much weaker ~~xxxx~~ structure than the Russian chief surveyor said it was. We knew this but our objections were ridiculed, and as a result, the mains were breaking all the time. There were at least one hundred such collapses. Both in Komlo and in Dunapentele, there was incredible chaos

and jungle, there were so many different enterprises working on one and the same project, each being subject to a different higher authority, that supervision was just a farce. When I arrived in Komlo, I called on the chief engineer of the building trust asking for the location where road works were going on. He laughed in my face saying that he, too, would like to know what was going on where. Eventually I resorted to the method of wandering around, and asking everybody what he was doing and for whom. Gradually, I pieced together such bits of information as that the no. 25 roadbuilding enterprise is engaged on doing this 100 meter stretch, another is doing another stretch somewhere else, and so on. Execution, and responsibility for it, was being shifted all the time, so that the firm responsible for the time being knew that some other trust or firm will be made responsible in 6 months' time, so that it will be impossible to pin down shortcomings to anyone. Huge blocks of apartments have been built for the "miners" in Komlo. In fact, they were allotted to petty functionaries. These blocks were cut into the mountain slope (a terrace was cut out of the side of the mountain), and this was done at such a steep angle, that in the spring the water practically carried the mountain down on top of the houses. The damage was repaired during the summer and next spring the same thing happened again. Somebody had had collec- (Continued next page.)



ted the money for the work of cutting out the slope behind the houses, - he had done it at a much steeper angle than he was supposed to, - but the matter had to be hushed up because he was a Party member.

Konlo was a great disappointment, because the coal reserve eventually proved to exist was ~~much~~ much smaller than it was originally believed. It seems that there is a large reserve in the Nökönyös Mountain, but by the time they detected this, a new miner's village had already been built on its slopes, and it was not feasible to sink shafts. The structure of the mountains was unstable and the village might have been endangered.

(State of the roads)

The amount of resources devoted to road maintenance was greatly reduced compared to pre-war. The maintenance personnel was reduced by at least the half, and they hoped to make up for this by higher norms in road maintenance work. The state of the roads is certainly much worse than pre-war. But a more serious matter is the fraud of not laying proper foundations for new roads. (Strown, instead of laid foundations.) The road building firms could not even if they would, because the permitted wages fund is inadequate for building a proper bed. A macadam road with a strown foundation costs 60 forints per square meter, whilst one with a laid foundation would cost 65 forints. Since the

building firm has higher costs all round than those permitted it (wages, cartage, etc.), it is making a poorer job and reports having done a proper one; it saves, say, 25 forints per square meter and uses the difference thus saved to cover the higher unit costs. From the surface, a road with a strewn end with a laid foundation looks much the ~~same~~ same. Of course, in 6 months' or a year's time, the difference will be plain enough, but where will the personnel of the building firm be by then! Besides, they have to cope with inexperienced workers. A road brigade (gang) I once met consisted of 2 ex-officers, some clerks, sho keepers, a pastry cook, but there was not a single road worker among them.

(Engineer kolkhozes.)

Before the abolition of private practice, an average architect or building engineer earned about 6000 - 8000 forints a month. By the end of 1948 or so, pressure was put on them to join cooperative designing bureaus, which came to be called engineer kolkhozes. On entry, they were given a once for all 10,000 forint gratuity. They were put on a flat salary plus bonus according to norm fulfilment. The norms were creeping upwards, and the per diem payable on fieldwork was creeping downwards. After Rakosi himself promised that there will be no further norm revision, the so-called "factor" was intro-

duced. This meant that the norm for a particular surveying and engineering job was kept unchanged and so was the bonus payable for its fulfilment, but the sum theoretically due was then multiplied by a "factor", say 0.8 <sup>or 0.7</sup> ~~xxxxxxx&xxxxxxx&xxx~~, - this "factor" was variable at the discretion of the heads of the designing bureaus, and they could force us to work more by announcing lower and lower factors each month or each quarter. Eventually, the average architect ended up by earning 2 300 forints, - taking all things (norm revision, factor, inflation) my colleagues used to say that their real wage for a particular job in 1956 was one ninth of the wage they would have earned in 1949. To maintain their real earnings, they would have had to work nine times as hard as they did then, but that was quite impossible to achieve.