Dániel Luka

Land Policy in Hungary 1944–1967

Abstract

The topic of this study is land legislation and its implementation in Hungary between 1944 and 1967. In the paper, the different types of communist land policy methods were analysed, focusing on abolishing private land ownership and private land use. In this context, the fundamental elements and development of land legislation, furthermore basic trends and changes in land structure are assessed. The land law was not codified in the communist dictatorship, but the attempts of such codification are explored in the paper, which occurred during the “new course” (1953/1954–1955), started around the revolution in the autumn of 1956, and a third in 1962 after mass collectivization. As a result of political change and the aftermath of the revolution, private farmers received twice land back in private ownership and private use. The analysis points out that strengthening private land ownership had a better chance in the “new course” than after the revolution in 1956. Land transfer and lease were restricted from 1948 but increased between 1953 and 1955, and again between 1956 and 1959 during the relaxed agrarian policy. The regulations were implemented in a radical fashion between 1948/1949 and 1953 generally, and legislation on land use, land consolidation, and “waiver” multiplied efforts to abolish private farms. Because of this reason, the idea of the gradual transformation of the countryside was abandoned, “kulaks” were discriminated and their estates liquidated. Imre Nagy and others recognized the paradox situation and initiated corrections, which paved the way and did result in a whole new economic policy in July 1953. On the other hand, after 1956, the new regime set a new upper limit of private farms and started another wave of expropriation. The records indicate that the main method of taking private land in state ownership was “waiver” of land and expropriation until 1967. Private land ownership was finally abolished by creating cooperative ownership. The study can be considered a case study to the account of the legal, economic, and social history of the communist dictatorship.

Keywords: land legislation, collectivization, nationalization, land tenure, property

Introduction

What happened to the Hungarian agriculture in the 20th century? Many different changes occurred in the land tenure system and the process affected the whole Hungarian society. The land reforms represented a European experience; they were accelerated or decelerated by necessity and various political, economic and social interests. The main subject of this paper is state intervention and its forms and methods in legal-, property- and land tenure system in Hungary from 1944 to 1967. I focus on basic features and principles of land legislation and tendencies. After the Second World War in the countries of Central and Eastern Europe Soviet institutions were adapted in politics, economy and culture, and the violent transformation had impact on all aspects of life. The dictatorship had a basic element: communism on the Soviet pattern. How was law in the Soviet power sphere altered? Which parts of the Soviet law and how were they adapted? Written primary sources of national and local agricultural administration bureaus will be evaluated. This topic was not put in focus of historical researches and was not analyzed in detail, nor compared to other cases transnationally. I emphasize legislative process.

1 In the paper I use hectare (ha) to measure agricultural area. In Hungary katasztrális hold (kh) was used to measure different areas until the end of the 1960s. 1 kh is equal to 0,575 ha.

and implementation of land law regarding land ownership and land use. In the time period of 1944 and 1967 general land code did not come into force, however it was planned twice.


The land reform in 1945 was ordered from above. The reform was for the communist party an opportunity to interfere into property relations in the countryside, as for the Bolsheviks in 1917 in Russia. The communist party supported the reform for political and tactical purposes. One part of expropriated land was used to create state model farms, and another part of the land was kept in reserve to distribute it among prisoners of war who returned home later. The land reform was declared as completed by law No. 24 of 1949 about the questions of completing the land reform and internal colonization. After this law came into effect it was officially prohibited to distribute ownership rights to private persons in agricultural land, meadow and woodland. On allocated lands unviable small-farms were established. What did the land reform determine from the perspective of general land law? Farmers could own maximal 115 ha (200 kh) agricultural land; landed property of private persons with profession not related to agriculture could not exceed 57,5 ha (100 kh). A state land fund was created and lands were redistributed from this fund. The new farmers could their newly acquired land not sell, burden for 10 years, just with approval of a specific land reform organ. Inheritance of distributed land was restricted and the farmers should have paid a contribution, a redemption fee for the state. These regulations and restrictions served for the MKP’s legal policy in the long term partly as control of land tenure system. Reallocated land could have transferred to another person just with approval of state organ, so these lands were from the beginning of land reform under state control. It did mean that limiting right of disposal and it was the same for building sites, houses and another buildings which were redistributed during the land reform. The MKP did not make propaganda to organize agricultural cooperatives on the Soviet pattern. After the decision of the Cominform in June 1948 the preparations began to create “socialist large-scale” farms, so called cooperatives.

Land legislation and transformation of land structure 1948/1949–1967

In August 1948 Mátyás Rákosi, the general secretary of the communist party, announced that the “socialist transformation” of the countryside should occurred by voluntary cooperation of peasantry. Three types of “cooperatives” existed, the third type was considered as the most developed form of “socialist cooperation”. Legal provisions were drafted in the time period from 1945 to 1967 mostly by the main department of land organization/land policy in the Ministry of Agriculture. The regulations were not compiled in a general land code. Furthermore, land legislation aimed to abolish private ownership of land. This situation did result a land law that “according to the actual economic- and social development of socialism”, determined short-term or long-term aims and tendencies. Private ownership was reinforced and strengthened twice, first during the “new course” between 1953 and 1955 and after the revolution and freedom fight in 1957.

3 Prime Ministerial Decree No. 600/1945 (III.18.) on the abolition of large agricultural estates and land redistribution to tillers. Magyar Közlöny, 10. szám, 1945. március 18. The first draft was prepared by the communist agrarian expert Imre Nagy in September 1944.
6 Hungarian Communist Party (MKP), from June 1948 Hungarian Working People’s Party (MDP), from November 1956 Hungarian Socialist Workers’ Party (MSZMP).
State’s pre-lease right and land transfer

After the speech of the general secretary in August 1948 two measures linked to land legislation came into effect by end of August: one about cessation of any further land transaction until the regulation of state’s pre-emption right, and another on leasing agricultural land. The decree on land lease made possible for instance to provide land for lease cooperatives (later transformed to and called as cooperative groups which were based on collective farms in the Soviet Union) organized from above. Leaseholds from 14,4 ha (25 kh) or if the leaser possessed more than 23 ha (40 kh) own and leased lands, then all of them which were used by lease was claimed by state’s pre-lease right. It meant a forced land lease, and the pre-lease lasted at least 5 years long. The lease contracts were designated by decree and not by the voluntary agreement between land owner and land user. Private land was taken in lease by force (state’s pre-lease right, waived lands, abandoned lands were cultivated by forced lease, or by “cooperative” members: when land users joined “cooperatives”, these “cooperatives” stepped in the leaser’s place, and the lease contract was extended automatically with 3 years). From the end of August to December 1948 land transfer was stopped by a decree. The planned legal provision on state’s pre-emption right was not issued; instead, land transfer was regulated in general. According to the regulation state could exercise its pre-emption right, but its exact way was not detailed. Sale of agricultural land or forest could take place just with permission of a special committee at the county level, later of the department of agriculture of the county council. The communist leadership had the intention to stop land transactions between private persons in the long-term, and possibly permanently. Internal orders which were sent to local state organs indicate that one of the basic goals of land legislation was to prevent any form of land transfer between private persons. The party state could not prevent people to sale or buy land in the examined period completely.

Land use and obligatory utilization

After the Second World War cultivation of all arable land should have been ensured for common good, which meant basically feeding the population, reconstruction of the country and fulfilling reparations. In March 1947 a decree was promulgated on securing cultivation of abandoned and not properly cultivated soil. Soil which was abandoned or not entirely cultivated was taken in forced utilization, either through trustees, or through compulsory lease. Such lease contracts could not exceed one year. Soil which was in state’s ownership was tilled from 1947 uniformly and permanently under the supervision of the Ministry of Agriculture. The land fund which was created to reallocate land was dissolved in 1948. After the dissolution, a state land fund existed with the purpose to allocate and control land owned by the state, furthermore to boost further transformation in land structure. After 1948 new land legislation regarding land use
and forced utilization was promulgated, it aimed to abolish private ownership of land. The decrees from 1949 and 1951 stipulated that (state or privately owned) land, which was not cultivated ordinary or was abandoned, should be utilized by the same guidelines. According to the regulations such soil should have been given primarily to the “socialist sector”, so to state farms and “cooperatives” basically for free use. This process was described later in the communist dictatorship as the “socialization of land use”. Details of land utilization were further regulated in 1953, 1957, 1961 and 1965, but the basic principles remained the same, based on the decree on land use in 1949.

Main methods of abolition of private land ownership

The communist party applied direct and indirect methods in order to realize abolition of private ownership of land. In 1949 beside of the mentioned ones more decrees, presidential council’s decree and law came into force as part of “socialist land policy measures”: a presidential council’s decree on land consolidation, and a decree on waiving land. Exercising state’s pre-emption right in larger scale was not on the agenda, because the MDP wanted to take most of agricultural land in state ownership free of any charge. First of all the so called “kulak” landowners were devitalized and forced by violence and other administrative measures to hand over their land to state as “waiver”. The „waiver“ was based theoretically on voluntarism, but in reality on constraint and abusive administrative measures. Land which was taken over by “socialist sector” was incorporated into the large-scale agricultural fields of state farms and “cooperatives”. The “voluntary waiver” of land ownership became main method of abolition of private ownership of land. Farmers who received land during the implementation of “land reform", and those who were already landowners and their land tenure was not considered as “kulak estate” (up to 14,4 ha, 25 kh) and tenants fled the countryside too and abandoned their farms, left land uncultivated. In case the “waiver” was conducted as a rent or lease to state, the lease lasted at least 5 years long. This process, despite limiting and halting waiver temporarily partly in the second half of 1952 and in the first half of 1953 from above, led to catastrophic circumstances in the countryside. Agricultural land was taken in state ownership by other methods, for instance expropriation, nationalization, confiscation and “requisition for public utility”. Expropriation and requisition for public utility had almost the same meaning. In 1955 new regulation was announced on expropriation and it annulled former legislation on “requisition for public utility”. Between 1958/1959 and 1961 most of the landowners and rural population were forced to join “cooperatives”.

Massive collectivization and cooperativization of villages meant that the communist regime could declare officially that collectivization of means of production for common use and partly for common property ended, although land consolidation and forcing of peasants to join agricultural

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15 Extreme ideas existed about this matter, among others to complete collectivization within 3 or 4 years and to nationalize all land by amending the constitution or in a new constitution.


collectives continued after 1961. The main mean of production, land remained private property of landowners, who were forced to join or to lease land to “cooperatives”. From this point of view the process of “socialization” of land ownership cannot be considered as completed, because it represented one of the main elements of “socialist transformation of agriculture”. From 1957 lands which were pre-leased or waived as lease to state, and lands including abandoned and not given back to landowners were expropriated without compensation. One part of private land ownership of “kulaks” was permanently liquidated in 1957 and after that year by this method. In 1965 the next step was initiated regarding land use legislation: uncultivated lands were expropriated without compensation even retrospectively, when landowner did not meet the conditions prescribed by decree. Land legislation, land ownership and use were “developed” further to “cooperative land ownership”. “Cooperatives” could own building sites from 1957 but not agricultural land. In 1967 a law was promulgated on „developing land ownership and land use”. “Cooperatives” could acquire land in various ways, and this process determined abolition of private ownership of land in the long-term.

The “new course” in 1953 and revolution and freedom fight in 1956

The economic situation in the country generally, the change in political direction and power struggle in Moscow changed Hungarian politics in 1953. The general secretary Mátyás Rákosi was from power partly removed, and the Soviet communist leadership chose Imre Nagy as Prime Minister. Private land ownership was reinforced in the short-run, agrarian and land policy measures were taken to give compensation to landowners. In August and in September 1953 decrees were issued on land policy, which regulated among others returning of “waived” and abandoned land to landowners in private ownership and use. From the autumn of 1953 began a huge wave of codification of different branches of law, including land law. A thematic draft of general land code was prepared in 1954 and almost the whole text of a new civil code was finished. Some parts of land legislation on land ownership and land tenure system were incorporated into the civil code. The main aim of the general land code would not be the complete transformation of property relations in the countryside; on the contrary, it would have probably secured private property in the long-term, although it contained main elements of communist land legislation, such as state land fund and “cooperative” land use rights. The main aim of legislator was to secure agricultural production by consolidating property relations and land structure. This codification would have been one of the most important measures of the “new course”.

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18 Decree No. 52 of 1957 of the Presidential Council of the People’s Republic on the amendment of Decree No. 10 of 1957 of the Presidential Council of the People’s Republic on the settlement of relations of ownership and use of agricultural lands. Magyar Közlöny, 94. szám, 1957. szeptember 3.
In 1955 the general secretary of the MDP, Mátyás Rákosi came again into power. General and partial land consolidations took place partly without exchanging lands; “cooperatives” were violently established. As in the cities, economic and social policy of the communist party led in October 1956 to revolution in the countryside too, the peasantry insisted to its land. The new government from November 1956 led by János Kádár relaxed hardliner policies. Private land ownership was reinforced again, but private lands were parallel expropriated without compensation as mentioned above.\(^{23}\) Former landowners could take back “waived” and abandoned soil in private use upon request, though the process was limited as in the “new course”. At the level of agrarian policy an agricultural thesis was prepared by the department of agriculture of the MSZMP, which envisaged a long-term cooperation between private farmers and the state.\(^{24}\) Implementing land policy measures continued. A new upper limit of land ownership was set, a family was allowed to possess, so to own and use maximum of 14,4 ha (25 kh).\(^ {25}\) Land transfer and lease were restricted as earlier. Selling agricultural soil required permission of state organs; a person could purchase maximum 2,8 ha (5 kh) within the upper limit. The state was granted a pre-emption right in case of inheritance the maximum limit of land per family was exceeded. The Ministry of Justice drafted in 1957 a “cooperative land law”, but it did not come into effect.\(^ {26}\) This law would have regulated some parts of general land law, and it would have allowed the “cooperatives” to acquire agricultural land. The codification was related to the preparations of the civil code and the new “cooperative” law. In 1962/1963 there was another attempt to codify land law generally, but the communist leadership decided to make further changes to land structure instead of consolidate it by such codification.\(^ {27}\) In the 1960s two so called land laws were promulgated, one in 1961 and one in 1967. The first regulated protection of arable land and land use, the second was the mentioned land law on “developing land ownership and land use”.

### Land tenure and rural society

In 1949 a census was carried out in Hungary. According to official statistical data, 41,3% of the whole population were active in agriculture. Some of the landowners were not farmers; furthermore farmers did use partly leased land. From this point of view the land structure contained obviously different land tenure forms, but land ownership was the main core of rural economy. Almost 1 400 000 farms existed in Hungary in 1949 with a total area of 5 608 160 ha (9 753 323 kh). Almost 61 922 landowners were considered as “kulaks”.\(^ {28}\) During the implementation of the above mentioned regulations the land tenure system experienced fundamental changes in 1949, and the radical transformation continued in the following years.

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I put emphasis on Southern Transdanubia and mainly on Baranya County in the following brief analysis on land tenure. The area consists of four counties: Zala, Somogy, Baranya and Tolna. In 1949 1 355 350 people lived in these counties, of which 255 833 private persons had farms, but only 204 144 were working in their farms as private agricultural producer. Overall 239 445 people owned arable land, of which 2 553 landowners had arable land of more than 14,4 ha (25 kh), which means they were automatically considered by the state as “kulaks” or “large landowners”. In Baranya County 750 landowners possessed more land than 14,4 ha in 1949. How much agricultural area did they possess, is unknown. The number of persons who were included in the land tenure category “kulak” was much higher, because all other cultivated or non-cultivated area (forest, meadow, pasture, viticulture, horticulture, building area, houses) should be added to the total owned and used area.

The statistical data gives an insight into land use relations, in the four counties 113 had leased (in 1949) more than 14,4 ha (25 kh), in Baranya County 40 land users. In the autumn of 1948 in Baranya County 3 485 ha (6 062 kh) was taken from land users by the state’s pre-lease right, in the four counties a total of 12 532 ha (21 796 kh). Claimed land was partly owned by smallholders and medium-sized farmers, landowners, and this led to disputes in the countryside. The records of the committee which was established to deal with appeals regarding pre-leases indicate that this measure did not lead to intensified “class struggle”, as it is stressed in the literature, and in many cases organizing lease cooperatives had priority. Some landowners wanted to take back their lands which were leased and claimed, and then pre-leased, in order to cultivate it themselves.

In many cases the state’s pre-lease right was not exercised because no claimants did apply for land lease, and no lease cooperatives were organized. In Baranya, land pre-leasing committees were not formed in many municipalities in September/October 1948 to exercise state’s pre-lease right, for instance in Lothárd, Kisbattyán, Mecsekjánosi, Mecsekfalú, Mecsekpölöske, Csonkamindszent, Bosta, Regenye, and Gödreszentmárton. In Baranya County from July 1949 to January 1951 at least 134 residential buildings and 219 other agricultural buildings were nationalized among others by “waiver” of ownership, and some of the buildings were given in “cooperative” use. Agricultural equipment, machines and livestock were handed over as “waiver”. Between June 1949 and September/October 1951 approximately 1 920 waiver of land were registered and the landowners “waived” 22 203 ha (38 626 kh). In most cases (1 251), land was given to state free of charge, in 181 cases for a fee, in 2 cases for free use, and in 227 cases as lease. In 259 cases the form of “waiver” is unknown. Agricultural lands of churches were also nationalized (approximately 619 ha, 1 076 kh), while agreements were made between the state and the churches. Detailed records are available for the period from September 1950 to September/October 1951. During this period, 9 004 hectares were handed over as “waiver”. The fields of “waived” agricultural lands were not radically fragmented, 384 “kulaks” “waived” 3 461 hectares (6 020 kh), which consisted of at least 2 212 parcels, the landowners, who did not cultivate their lands themselves and were not farmers, “waived” 834 hectares (1 450 kh), which consisted of at least 149 parcels, and smallholders and medium-sized farmers “waived” 882 hectares (1 534 kh), which consisted of at least 491 parcels.

Ibid. 52–53.
Ibid. 56–57.
Magyar Nemzeti Levéltár Baranya Megyei Levéltára (MNL BáML), XXIV. Tanácsok 201. a) Baranya megyei Ingatlanforgalmi Bizottság iratai 1949–1953 (XXIV. 201. a.). 25. ö. e.
In this period for instance 39 harvesters, various processing plants and mills.
In 570 cases land was surrendered to state free of charge. Primary sources indicate that the rural society resisted land consolidation and “waiver” was generated by violence and force.

Land transfer was reduced but it was not completely and immediately stopped; state control did not achieve this aim of land policy probably in the rigorous Stalinist years (1950–1953), although there was a drastic reduction in the number of land sales and buys. Presumably the total area of land that was sold or bought decreased, as did the number of applications for permission of land alienation. Protocols of land transfer and waiver committees at the county level show that in January 1950 in Somogy and Tolna counties more applications were accepted than rejected. In Baranya County, many applications were accepted in the first few months of 1951. But the total area of land which was sold was tiny. At the same time, more land was sold and used without permit and illegal land transactions contributed to chaos in the land register. The agrarian and land policy measures triggered flee in rural areas and people left agriculture, in Baranya County in 1949 a total of 96 774 people were employed in agriculture, but in 1960 fewer, 77 045, and it should be noted that collectivization was not finished yet, so this number continued to decline later.

Results and conclusions

The communist agrarian and land policy evoked radical changes in the countryside. The “socialization of means of production” and the creation of “socialist production relations” were part of transformation of economy and society. The “kulak” estates were liquidated basically by land policy measures. Private landowners of every agricultural estate were restricted in various ways as part of abolition of private property. Security of private property was threatened entirely by the state. In most cases the “kulaks” did not receive compensation for land and for other means of production which were in fact nationalized, while “working peasants”, smallholders and medium-sized farmers did partly receive compensation. In 1953 the relaxing measures to change agrarian and land policy were introduced obviously because in that situation it was inevitable. After June the new Prime Minister Imre Nagy accelerated the process. In terms of land policy, it meant limited restitution, mainly to secure regular and proper cultivation of all agricultural land. It is questionable whether and how the Soviets intervened in the process. Nagy’s government intended to codify land law generally parallel with codification of the civil code to strengthen property relations and thus to secure cultivation of all land. This codification attempt can be considered as a special part in history of land legislation. After 1956 the “cooperative land law” and (until 1967) general land law were not promulgated, so further “development of land ownership and land use” remained possible. In 1967, when the deadline for redeeming “land reform” lands expired, which was regulated in 1957, was the above mentioned land law issued in the official Hungarian gazette. This law was essential to dissolve private land ownership by creating “cooperative land ownership”.

35 MIR I/a register No. 3 from 1 000 to 1 500. MNL BaML, XXIV. 201. a. 22. ő. e. “Kulaks” tried to waive parts of their agricultural estates in order to become medium-sized farmers and to reduce burdens that way. During land consolidations their less-fragmented lands were occupied first and they were forced to waive those lands. It was internally restricted, then forbidden for state organs to accept waiver in case landowner wanted to lease or sell land to state. It explains that such cases multiplied from 1949/1950, when landowners gave their land to state free of charge.


37 MNL BaML, XXIV. 201. a. 22. ő. e. i.n.