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PROVISIONAL INTELLIGENCE REPORT

CONTROL OF THE LABOR FORCE AND TRADE UNIONISM IN THE EUROPEAN SATELLITES 1945-55



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CIA/RR PR-116

(ORR Project 41.712)

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FOREWORD

The immediate goal of current labor policy in the European Satellites is to raise labor productivity, quantitatively and qualitatively. Of the manifold devices used to achieve this objective -- economic incentives, ideological indoctrination, coercive and penal measures, and forced labor -- two have been chosen as subjects of this report: governmental control of trade unionism and of the labor force. Discussion of trade unions in this report covers primarily organization, membership, and functions. Discussion of labor-force controls includes (1) devices for recruiting manpower and allocating workers to industries and geographic areas in accordance with over-all economic plans, (2) methods of controlling the employment of trained workers, (3) measures for reducing absenteeism and labor turnover, and (4) enforcement of labor discipline.

A report like this may be arranged by subjects or by countries. To make it equally useful for readers who are interested in over-all developments of the Soviet Bloc and for readers who wish to understand policies in specific countries, a middle course has been chosen. Section I presents an analytical examination of pertinent features common to all European Satellites. Section II is devoted largely to a factual description of labor-force controls and trade unionism in the various countries.

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CONTROL OF THE LABOR FORCE AND TRADE UNIONISM
IN THE EUROPEAN SATELLITES*
1945-55

Summary

The implementation of postwar economic goals in the European Satellites** has resulted in fundamental institutional changes affecting the labor force. Economic planners not only have had to develop a labor supply of the required size and skill but also have had to direct workers into the desired industries and areas and attempt to insure their cooperation in fulfilling planned production goals. In carrying out these tasks, the Satellite governments for the most part have adopted laws and practices very similar to those in effect in the USSR.

To accomplish desired manpower allocations, various kinds of labor-exchange networks have been established in each Satellite. In addition, 4 of the 6 countries have adopted formal arrangements for organized recruitment. To insure the requisite supply of skilled workers, all of these countries have established extensive training programs, which, except for East Germany, involve large elements of compulsion and regimentation. Soviet-type labor-reserve programs in effect in several countries entail draft of a specified number of young persons for training in special schools and compulsory work assignments for 3 to 5 years. Graduates of all types of technical schools and universities are also generally subject to such compulsory assignments.

In Communist ideology the concept of "discipline" pervades all aspects of the working relationship. In their attempts to carry out manpower and production plans, the Satellites have waged constant war against "lax discipline." With rare exceptions a worker's freedom

* The estimates and conclusions contained in this report represent the best judgment of ORR as of 15 May 1955.

** Unless otherwise noted, the term Satellites in this report refers to Bulgaria, Czechoslovakia, East Germany, Hungary, Poland, and Rumania.

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to change jobs at will has been eliminated or sharply curtailed through the use of labor books and the provision of various types of penalties for unauthorized quitting. Absenteeism has been an especially serious problem, calling for special penalty devices to combat it. Finally, a number of breaches of "work discipline" are punishable by dismissal, which generally means that the dismissed employee can be forced to accept jobs assigned by the state. The development of these various types of labor-force controls has been progressive throughout the postwar years and seems to have been little affected by events of the "new course" during 1953-54. There is little reason to expect that these controls will become less stringent in the near future.

To tighten their control over the working population, the Satellites have converted existing trade unions into unions of the Soviet type, which are completely controlled by the Communist Party. In all Satellites these unions have become mass organizations whose primary function is to "educate" their members in Socialist principles and exert pressure on workers to fulfill production tasks required by state plans. In addition, trade unions administer state social insurance programs and supervise enforcement of industrial safety and health laws. The organizational structure of the unions is virtually identical in all six Satellites. About 18.7 million workers belong to these unions, which comprise from three-fourths to more than nine-tenths of the industrial labor forces in the six countries.

I. Some General Comparisons.

A. Recruitment and Allocation of Manpower.

Economic plans introduced in the European Satellites in recent years have emphasized industrial development at the expense of the agricultural and service sectors of the economy. In each of the Satellites, operation of these plans has entailed, to a greater or lesser extent, a forced shift of the labor force from agriculture into industry and a redirection of the existing industrial labor force in accordance with the specific requirements of the Plans. In addition, each country has had the problem of training workers in the needed skills, steering them into the desired industries

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and areas, and obtaining their cooperation in fulfilling manpower and production goals. In order to cope with these problems, the Satellites have established new institutional arrangements, most of which are similar to those in effect in the USSR, and have introduced a variety of "coercive-persuasive" devices for controlling the labor force.

In each Satellite, annual economic plans detail the number of workers needed to fulfill the plan, the industries and areas in which they are to work, and the number who are to be trained in various skills. In East Germany, recruitment and allocation of manpower is carried out by various economic ministries assisted by specially created "Labor Sections" of the city and county governments. These sections also function as local employment exchanges where employers must report vacancies and where unemployed workers may be referred to jobs. In the other Satellites, with the exception of Poland, special programs for the organized recruitment of workers have been set up under the Ministry of Labor or its counterpart in addition to a network of labor exchanges. These arrangements are similar to the organized recruiting methods in effect in the USSR. In Poland, all persons of working age are required to register and are subject to 2-year compulsory work assignments, evasion of which can result in imprisonment. In nearly all Satellites, workers are subject to obligatory temporary labor service in the event of national disasters or to prevent "danger" to the economy.

To insure the requisite supply of trained workers, all Satellites have instituted extensive training programs, and all except East Germany have surrounded these programs with measures involving compulsion and regimentation. Bulgaria and Rumania have established a formal system of labor-reserve schools, faithfully patterned after those in the USSR. Young people graduating from these schools are compelled to work for 4 years in jobs assigned to them by the proper authorities. In Czechoslovakia, graduates from similar schools must accept compulsory work assignments lasting from 3 to 5 years, and all persons graduating from schools of any kind must accept jobs to which they are assigned by the appropriate authorities. In Poland, vocational training is compulsory for all young persons, who must also serve 6 months in the labor service organization, "Service for Poland." In most of the Satellites, graduates of universities and technical schools are also obligated to accept compulsory work assignments for periods ranging from 18 months to 3 years. Finally, certain categories of skilled workers may be transferred from one job to another at the

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option of the responsible authority. Failure to accept obligatory transfers of this kind is considered a breach of work discipline and is severely punished.

For the most part, the existing laws and institutional arrangements relating to allocation of manpower were adopted during the years from 1950 to 1953 and represent the efforts of the various regimes to direct a recalcitrant labor force into desired channels. Developments in this field do not seem to have been greatly affected by the events of the "new course" put into effect in the various countries in 1953. It seems probable that as long as Communist-type economic planning and controls exist in the European Satellites, direction and allocation of workers will continue to be carried out by methods involving large elements of compulsion and regimentation. The laws and institutional arrangements established for this purpose should serve to facilitate reallocation of manpower that would be required to support a program of full or partial economic mobilization.

B. Enforcement of Labor Discipline.

In Communist ideology the concept of "work discipline" or "socialist discipline" pervades all aspects of the working relationship, and the Satellite regimes in recent years have had to wage constant war against "lax discipline" on the part of the workers. Their greatest efforts have been directed at reducing labor turnover or job-changing, eliminating unjustified absenteeism, and reducing the amount of poor-quality or defective output. A worker's freedom to change jobs on his own initiative has been eliminated or sharply curtailed in all countries except, possibly, East Germany, and job-changing there probably has been curtailed somewhat by the existence of some unemployment. In all countries employees are required to have labor books or comparable documents and employers are forbidden to hire workers who do not possess these documents "properly" filled out. In Hungary and Rumania the laws against job-changing are particularly severe. Employees are forbidden to quit without the employer's permission, and "arbitrary" leaving of employment is punishable by imprisonment or corrective labor. In Poland, employers may suspend a worker's right to quit for a period of 2 years and may order transfers at their discretion. Similar laws were enacted in Bulgaria and Czechoslovakia in 1953 but were promptly repealed because of widespread worker resistance. Some of the Satellites have also sought to reduce labor turnover by making various social-welfare benefits dependent upon the length of continuous employment by a worker in one enterprise.

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Unwarranted absenteeism has been a serious problem in the Satellites throughout most of the past few years, and all have taken steps to combat it. Some of the measures adopted are extremely severe. In Poland, for example, unjustified absence of 4 or more days per year is considered "malicious and stubborn infraction of labor discipline" and is punished with fines and imprisonment. In Hungary, absentees are deprived of lunch periods and trade union membership for designated periods of time. Other breaches of labor discipline, such as violation of work rules or refusal to transfer, are punishable by dismissal without notice. This punishment generally means also that the dismissed employee must seek his new job through the state labor exchanges, where he is subject to assignment to a job at the will of the authorities. In all countries except East Germany, employees receive no pay for totally defective production, and partial rejects are paid for in accordance with the usability of the product.

An interesting characteristic of Satellite labor law is the fact that employers as well as employees are made responsible for maintenance of work discipline. In general, the laws make managers of enterprises personally responsible for enforcing disciplinary rules and for reporting violations to the appropriate authorities. Fines and imprisonment are prescribed for those who fail to exercise these responsibilities. In dealing with problems of labor discipline, moreover, all Satellite governments have recourse to criminal law as well as to ordinary civil and labor law. The economic plans have the force of law, and severe punishments are provided for such offenses as "sabotage," "diversionism," "offenses against the economic plan," and "undermining work discipline." These laws have, in fact, been used to a considerable extent in the enforcement of labor discipline.

C. Trade Unionism.

Free trade unionism of the type in effect in the Western democracies does not now exist in any of the European Satellites. Trade unions in existence before the assumption of power by the Communists have been converted into unions of a type identical in almost every respect to those in the USSR. Trade unions, whose structure and functions are essentially the same in all Satellites, are the largest of the Communist-controlled mass organizations and as such are the principal links between the government and the workers. The basic terms and conditions of employment are fixed in the labor

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laws and the economic plans. The unions, therefore, have no power to negotiate concerning them, nor have they the right to strike. They are "schools of Communism," which are completely controlled by the Party through placement of its members in all key positions.

In each of the Satellites, primary control over the day-to-day operations of the trade unions is vested in a national council, which functions through a presidium and a department for each major activity. Members of the council are elected by delegates to a congress which meets every 4 years and which also serves to rubber-stamp policies and programs already decided upon by the Party and the government. Counterparts of this structure exist in the industrial trade unions which have been organized in each major economic field. Individual workers belong to plant and office locals of these industrial unions. These unions are established and function in accordance with the basic Communist principles of "democratic centralism." Their general policy is to invest theoretical control in elected parliamentary bodies while reserving actual control to small executive bodies functioning through a bureaucratic apparatus. Union membership is not legally compulsory in any of the countries. Workers are virtually forced to join, however, in order to receive various kinds of welfare payments and to enjoy certain other benefits reserved for union members. The latest available membership figures for the union organizations of the Satellites are as follows:

<u>Country</u>	<u>Trade Union Organization</u>	<u>Number of Members</u>	<u>Percent of Total Industrial Labor Force</u>
Bulgaria	General Workers Trade Union	920,000	95
Czechoslovakia	Revolutionary Trade Union Movement	3,500,000	97
East Germany	Free German Trade Union Federation	5,300,000	92
Hungary	National Council of Trade Unions	2,000,000	81
Poland	Association of Trade Unions	4,500,000	76
Rumania	Central Council of Trade Unions	2,500,000	86

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The functions of these trade unions may be best described as "transmission belts." Their role is restricted to intensifying production, organizing and intensifying work competition, and making secure the leadership of the Party. In carrying out their educational functions, the unions organize schools and courses and supervise plant libraries and "Red Corners." They also organize sports and recreational activities and build and operate vacation resorts and sanatoria. In addition, they provide financial assistance to their members through mutual aid funds. Each year they "negotiate" collective agreements with the managers of individual enterprises. These Soviet-type agreements bear no resemblance to the collective bargaining contracts negotiated by trade unions and employers in the West. They set forth, rather, the production goals to be met by the factory during the year, mutual pledges to fulfill these goals, and commitments by management to adhere to labor laws and regulations and to provide certain types of working conditions. The unions also participate in settling worker grievances and labor disputes in all Satellites except Czechoslovakia.

The governments in all Satellites have assigned two important functions to the trade unions. The first function is the administration of the social security system (not including pensions). Even here, however, basic policies concerning eligibility and benefit amounts are set by the government. The unions serve only in an advisory capacity and perform the administrative tasks in connection with the operation of the system. A second function given to the trade unions is that of enforcing basic regulations concerning work safety and the protection of the health of workers. Finally, trade unions are also generally permitted to participate in the formulation of annual economic plans in matters relating to labor and in the drafting of labor laws and regulations.

II. Situation in Individual Satellite Countries.

A. Bulgaria.

1. Control of the Labor Force.

a. Recruitment and Allocation of Manpower.

The Bulgarian government has adopted a variety of measures to bring about the industrial and geographic distribution of manpower required by its various economic plans. Most of these

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measures involve large elements of compulsion. A 1949 law on labor mobilization provides that any worker may be "mobilized" without his consent to perform tasks assigned by the government to meet designated types of "emergencies." In addition, all men of military age are subject either to compulsory military service or to compulsory labor service, the latter being required of all men who cannot be inducted into the Bulgarian Army because of limitations put on its size by the peace treaty of 1947. Inductees into units of the Compulsory Labor Service serve for a period of 3 years and work on production, construction, and "other" projects as assigned. The program is administered by the Main Administration for Labor Service, attached directly to the Council of Ministers. 1/*

Two other agencies have been established in Bulgaria to carry out plan directives concerning the size and industrial allocation of the labor force. The first is a network of Bureaus for Registering and Allocating Manpower. All new workers and unemployed persons must register with these local bureaus, whose function is to assign workers to available jobs and to steer them into labor-short industries and areas. The bureaus are attached to the okrug offices of the Main Administration for Labor Reserves.

The second agency is the Main Administration for Labor Reserves, which is subordinate to the Ministry of Culture. Created in 1952, this agency is responsible for obtaining manpower for the fulfillment of economic plans (1) by establishing programs for the organized recruitment of workers from farms and villages for work in factories and on construction projects and (2) by administering labor-reserve schools, where young workers are trained in industrial skills. Graduates of labor-reserve schools are required to work for a period of 4 years in enterprises assigned to them in accordance with directives of the Council of Ministers. 2/ According to a recent decree, an obligatory work period of 3 years is required of graduates of universities and technical schools. Moreover, by explicit provision of the Labor Code, trained workers in certain job categories specified by the Council of Ministers "may be transferred without their consent to other work in the same or another undertaking or to work in another locality by decision of the Minister concerned." The Labor Code also gives the manager of the enterprise the right to transfer an employee to work in another area if production needs require it. 3/

* For serially numbered source references, see Appendix B.

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b. Methods of Enforcing Labor Discipline.

Because labor turnover and absenteeism have deleterious effects on production, the Bulgarian government has sought in various ways to reduce migration of workers from job to job and to curtail unjustified absences. Workers are required to sign written employment contracts, which may be for definite or indefinite periods. In Bulgaria, unlike the situation in certain other Satellites, employment contracts with indefinite duration may be terminated at the will of the worker after giving appropriate notice. 4/ A statute entitled "Law to Establish Manpower Stability in Factories and Offices," dated 17 February 1953, established a virtual job freeze and provided severe penalties for unauthorized changing of jobs. This drastic law, however, like a similar one in Czechoslovakia, was repealed within the year. 5/ Since individual passports and travel visas are required for internal travel in Bulgaria, undesired labor migration can still be prevented merely by refusing travel visas.

Another device designed to reduce turnover is the use of labor books, which have been required of all workers in Bulgaria since 1949. 6/ These books provide a continuous record of a worker's employment, including training, awards, and reasons for dismissal or leaving. Employers must report to local people's councils all cases of "arbitrary" (not defined) leaving of employment. Finally, a recent decision of the Council of Ministers concerning payment of social security benefits strengthens the government's hand in its attempts to reduce labor turnover. The decision makes the amount of certain sickness and welfare benefits dependent upon the length of "uninterrupted service" in a single enterprise. 7/ If an employee quits his job, his service is considered to be interrupted. Likewise, if he is dismissed from his job and fails to report to the local labor office or to accept a suitable job offered him by the office, his service is also considered to be interrupted.

The Bulgarian Labor Code and various criminal laws prescribe punishments for violation of labor discipline. The following are listed in the Labor Code as breaches of discipline: arriving late for work or leaving early, absence, refusal to accept a transfer ordered by management, failure to work during working hours, and violation of work rules. Punishments prescribed in the Labor Code range from warnings and reprimands to downgrading and dismissal without notice. 8/ In addition, offenses against labor discipline are punishable under

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Sections 117 and 124 of the 1951 Criminal Code. 9/ Section 117 refers to "noncompliance with a legal provision calling for performance of actions or delivery of goods in connection with the Economic Plan," and Section 124 defines the punishments for "undermining labor discipline in government offices or nongovernmental institutions or enterprises." Those convicted under these provisions are fined or sentenced to terms of correctional labor.

Finally, regulations issued in April 1953 established harsh rules relating to "work stoppages" (meaning "down time," not strikes) and defective production. 10/ Bulgarian workers receive no wages during stoppages for which they are at fault, and failure to inform management of factors that may cause work to cease is to be considered a breach of labor discipline. In cases of defective output for which the worker is to blame, no wages are paid for total rejects, and work resulting in partial rejects is compensated for at varying rates, depending upon the usability of the defective product, but in no such case will an employee be paid more than 70 percent of his normal wage.

2. Trade Unionism.

a. Organization and Membership.

The only trade union organization permitted in Bulgaria is the General Workers Trade Union (or the General Workers Professional Union) (Obsht Rabotnicheski Profesionalen Suyuz), a monolithic organization patterned after those in the USSR. According to the Bulgarian trade union statutes, the supreme organ of the General Workers Trade Union is the Trade Union Congress, which meets every 4 years and is composed of delegates elected by congresses of the 18 or more industrial and professional unions that make up the General Workers Trade Union. Like its counterpart at the governmental level, the Trade Union Congress has little real power except to approve the policies and programs for the General Workers Trade Union already decided on by higher authorities and to elect members of the Central Council of Trade Unions. The Central Council functions through an executive bureau, a secretariat, and various branches and supervises the carrying out of the basic activities assigned to the trade unions. Provincial councils of the trade unions coordinate the work of the individual unions at the regional level.

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Bulgarian workers belong to basic trade union organizations established in each plant and office. According to the Trade Union Statutes, the task of these "locals" is "to mobilize all workers and employees in the enterprise and institution for the fulfillment and overfulfillment of the production plan, to strengthen labor discipline, and to develop socialist competition." 11/ Although membership in these organizations is not legally compulsory, nearly all workers belong to them, since those who do not join receive only half of the amount of sickness benefits payable to union members. In early 1954 the General Workers Trade Union claimed a total membership of 920,000, 12/ or about 95 percent of the total industrial labor force. Membership dues are fixed at 1 percent of a worker's monthly wage.

b. Functions.

The basic role of trade unions in Bulgaria, as in other Communist countries, is well expressed in a 1951 Resolution of the Bulgarian Communist Party: "The most important role of the trade unions in a proletarian dictatorship is, therefore, their organizational-economic and educational role, their role as schools of communism." 13/ And again, quoting the trade union newspaper Trud, "The basis for the activity of the trade unions in the people's democracy can be the coordination of the personal interests of the workers and employees within the common interests of our Socialist Fatherland. The working class must be constantly taught that the only correct road is the organization of patriotic socialist competitions and the fulfillment of the state economic plans." 14/ More specifically, according to provisions of the Labor Code the trade unions (1) represent the workers in all matters relating to labor and state social insurance; (2) propose laws and regulations concerning such matters; and (3) represent the workers before courts, state authorities, and third parties.

Bulgarian trade unions administer the state social insurance system, which is set forth in detail in the Labor Code, through local and national social insurance councils. They may organize and maintain sanatoria, rest homes, and vacation resorts for their members. They help to plan and enforce state regulations concerning safety and health of workers in factories and offices. They organize "Red Circles" and conduct courses in Communist theory and practice in order to educate the masses to their political and

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economic obligations under socialism. They organize and supervise recreational and sports activities in the enterprises and render legal and financial assistance to their members.

The local Bulgarian unions "negotiate" collective agreements with managers of the enterprises. These agreements set forth reciprocal obligations of the workers and management in fulfilling and exceeding the production plan, improving the organization of work and protection of labor, and improving the material and cultural facilities for the workers. Furthermore, the unions participate extensively in the settlement of grievances and disputes. Each enterprise is required to establish a conciliation board, which works under direction of the plant committee of the trade union. Composed of an equal number of representatives of management and union, these boards have authority to examine and issue decisions on disputes concerning a wide range of subjects, including transfers of employees to other employment; payment for defective work and cases involving nonattainment of norms; dismissals for specified reasons; certain obligations specified in the collective agreement; "down-time" pay; overtime pay; and, in general, all matters not expressly excluded or covered under other regulations concerning disputes. Appeals from decisions of conciliation boards may be made to the district committee of the trade union, whose decision is binding.

B. Czechoslovakia.

1. Control of the Labor Force.

a. Recruitment and Allocation of Manpower.

Throughout the period of the Five Year Plan (1949-53) and the "new course" the Czechoslovak economy has been plagued with the twin problems of manpower shortages and an "undisciplined" labor force. The government has taken drastic measures in an attempt to cope with both these problems, thereby establishing institutional arrangements in the labor field quite similar to those in effect in the USSR. The investment goals of the revised Five Year Plan meant a substantial shift of manpower from agriculture and light industry into heavy industry, mining, and construction. Because methods of "voluntary" recruitment had proved inadequate to accomplish the required manpower goals, the government decreed establishment of a program of organized recruitment of manpower. ^{15/} Recruitment is conducted by local and

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district agencies directed by the Ministry of Manpower in accordance with plans for organized recruitment drawn up by the State Planning Department and approved by the Council of Ministers. Detailed plans specify the number of workers to be obtained by organized recruitment in each district and commune and also the number to be released by various enterprises and industries. The decree states: "The programs of organized recruitment and the allocations thereunder shall be binding on the central authorities, people's committees, and undertakings, and must be carried out." Although workers are to be recruited "by direct contact and persuasion," thus giving an appearance of freedom of choice, workers without employment or those declared "surplus" and releasable by the central authorities probably would have little choice but to be "recruited." Enterprises may themselves seek to obtain needed workers, provided their efforts do not interfere with organized recruitment plans.

In the past the Czechoslovak government has taken measures involving the arbitrary transfer and assignment of workers and presumably would do so again if the occasion arose. In June 1951 the Cabinet established a special commission whose function was to effect the transfer of 77,500 employees from administrative work to production work. Staffs were to be reduced in accordance with quotas established for each ministry and enterprise. Employees declared "surplus," if they did not volunteer for production work, were to be "assigned to work in accordance with the requirements of the Manpower Plan." 16/

Through a series of decrees issued during 1951-54 the Czechoslovak government now dictates and controls completely the assignment of young people to their first jobs and compels them to remain in these jobs for designated periods. Upon completion of compulsory schooling at age 14, young people have the choice of taking a job or continuing their education. If they elect to go to work, they are to be recruited and given employment in an enterprise according to a scheme directed by government authorities, "planned according to the needs of the national economy." 17/ If they wish to continue their education, they may attend labor-reserve schools administered by the Ministry of Manpower. These are of two types: technical colleges with courses lasting from 2 to 3 years and factory training schools with courses lasting from 6 to 12 months. Graduates of labor-reserve schools must work in undertakings specified by the

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Ministry of Manpower for a period of from 3 to 5 years, as prescribed by the Ministry. 18/ With few exceptions, all graduates of universities and vocational-technical schools must work for 3 years at places assigned to them by the responsible authorities, and enterprises are forbidden to accept any such graduates who have not been properly assigned. 19/ In addition, graduates of the 11-year secondary schools and students who have been expelled or who have dropped out of technical schools and universities may accept employment only with the approval of the competent central office having jurisdiction over the school, given in accordance with the government economic plan. 20/ Finally, a 1952 decree provides that certain categories of skilled workers, mainly graduates of engineering, scientific, and technical institutions, may be transferred from one job to another without their consent for a period up to 3 years, if the competent central authority deems such transfer to be in the interest of the national economic plan. 21/

b. Methods of Enforcing Labor Discipline.

Absenteeism and high rates of labor turnover, termed "labor fluctuation" by the Czechoslovaks, have been prevalent in Czechoslovakia throughout the period of the successive Plans, with admittedly serious effects on output and labor productivity. Various measures, apparently none of them too successful, have been introduced in an effort to eliminate these evils. In July 1952 the government introduced what amounts to the use of labor books. Although workers were previously required to have identity papers, the new law provided that all changes of employment must be noted on the identity card and that employers could not hire any one without documentary evidence that his previous employment had been lawfully terminated or his training properly completed. 22/ According to newspaper statements, this measure was designed to "preserve voluntary work discipline" and to correct situations where "people could change employment as they pleased." 23/ A network of employment offices was established to facilitate and control the employment of workers. Enterprises had to report the names of dismissed workers to these offices.

Apparently these devices proved ineffective in controlling labor "fluctuation," and absenteeism continued high. Rude Pravo, the Communist daily newspaper, reported that during the second quarter of 1953, 11 percent of the gainfully occupied missed their shifts every day and "every tenth person changed his or her job." 24/

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Even the currency reform of May 1953, which virtually wiped out workers' savings, apparently did not substantially reduce absenteeism and labor turnover. On 30 June 1953 the Czechoslovak government promulgated a new decree establishing drastic penalties for infractions of labor discipline. Among other things the law provided (1) that employees who quit their jobs without their employers' permission must be reported to the Office of the Prosecutor for court action, (2) that enterprise managers who failed to report such employees or who authorized an employee to quit without good reason were subject to criminal prosecution, and (3) that employees absent without excuse for 4 or more days per year were to be reported to the public prosecutor for court action. This last decree was suddenly rescinded on July 6, in part, at least, because of the hostile reaction of workers, and it was announced that the trade unions would assume the responsibility for waging war against lax labor discipline. 25/ Despite the fact that absenteeism was almost as serious a problem in 1954 as in 1953, 26/ efforts to combat it seem to have been confined largely to agitation and propaganda, 27/ although the government has recently ruled that workers' annual leave benefits are to be reduced by 2 days for each day of absence without acceptable excuse during the year. 28/

In enforcing labor discipline, the Czechoslovak government also has recourse to the Penal Code and to laws dealing with sabotage and offenses against the state. Czechoslovak law makes it the duty of all citizens to work, and individuals who evade work may be confined to labor camps. Section 135 of the Penal Code provides punishment for any one who by negligence obstructs or impedes the Unified Economic Plan, especially by evasion or failure to perform duties required in connection with work. Under this provision, absenteeism and job-changing could be punished if they hindered the successful functioning of the government's economic Plan. 29/

2. Trade Unionism.

a. Organization and Membership.

The organization responsible for furthering trade unionism in Czechoslovakia is the Revolutionary Trade Union Movement (Revolucni Odborove Hnuti -- ROH). In theory, the highest responsible body within it is the All-Union Congress, made up of delegates elected by member unions of the ROH and meeting once every 4 years. Aside from approving policies already decided upon by the Communist Party

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and the government, the main function of these congresses is to elect the 120 members who make up the Central Trade Union Council, which administers the affairs of the union in accordance with established policy directives of the Congress. The Council functions through a central board of 25 members and a secretariat, and, since the reorganization of 1952, conducts day-to-day union affairs through the medium of 16 departments, each concerned with a major aspect of union functioning. 30/ Counterparts of the Congress and Council exist on the regional and district levels. In addition, certain special organizations have been established for the territorial division of Slovakia.

The ROH is made up of 27 separate unions organized along industrial lines and corresponding closely to the economic ministries of the government. 31/ The organizational structure of the member unions is similar to that of the ROH itself. The basic unit of each member union is the work group, which must be organized in any establishment employing as many as 20 workers. These groups elect work councils, whose function is to carry out ROH directives, especially those relating to fulfillment and overfulfillment of the government's plan for the enterprise.

Although trade union membership is not legally compulsory, members enjoy certain economic benefits which afford strong inducement for workers to join. The latest available membership figures are for early 1953, and they indicate a total ROH membership of 3.5 million, 32/ or about 97 percent of the total industrial labor force. Union dues vary with monthly income and average about 1 percent of a worker's monthly wage.

b. Functions.

The ROH is the largest mass organization in Czechoslovakia, and as such its primary task is to "educate" the workers in the principles of the building of socialism. In practice, this means that the trade unions must see to it that workers perform the tasks required of them by the economic plans of the state. To this end, they organize socialist competition, support innovator and stakhanovite movements, and exhort and coerce the workers into observing labor discipline. They promote the political and economic education of workers by conducting schools and special courses, by publishing various kinds of house organs, and by supervising "Red Corners" and libraries in individual enterprises.

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Czechoslovak trade unions are responsible for the conclusion and enforcement of collective agreements with managers of individual enterprises and the first real impetus for this Soviet type of activity by a decision of the Central Trade Union Council in November 1953. 33/ In 1954 a vigorous campaign was launched to conclude such agreements, and a similar campaign is apparently being conducted in 1955. These agreements, which are primarily a device for implementing state economic plans at the enterprise level, include (1) a detailed statement of the production plan; (2) a description of methods of wage-fixing, bonuses, and wage and piece rates to be in effect; (3) an outline of methods to be taken by management and the union in the enforcement of labor discipline; and (4) standards to be applied in setting up socialist competition programs and in dealing with inventions and workers' suggestions. Trade unions in Czechoslovakia, unlike those in other Satellites, do not participate in the settlement of grievances and disputes at the plant level.

Czechoslovak trade unions have been given responsibility for the enforcement of measures designed to protect the safety and health of workers in plants and offices. This task is carried out through departments and committees set up for the purpose. By decree of 27 December 1951, 34/ the ROH was assigned responsibility for administering the social insurance system, not including pensions. According to the decree, the physical payment of benefits, the collection of contributions, and the handling of employee appeals were to be decentralized insofar as possible. Regulations of the ROH concerning the amount of benefits, conditions under which benefits are payable, and rates of contribution are first subject to government approval.

Finally, Czechoslovak trade unions supervise sports and recreation activities, build and maintain vacation resorts and clubs, operate factory canteens, and supervise the Unified Workers' Fund. This Fund is financed by compulsory contributions of the enterprises, and expenditures from it are made for purposes of improving the social, health, and cultural welfare of workers and for granting financial assistance to deserving workers.

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C. East Germany.

1. Control of the Labor Force.

a. Recruitment and Allocation of Manpower.

Recruitment, training, and allocation of manpower in East Germany is an integral part of the process of economic planning. The annual economic plans specify the number of workers to be employed in each industry and in each factory and also the number of skilled workers and apprentices to be trained during the year. Since 1951 the various industrial ministries have been responsible for obtaining and training the workers called for by the plans for their respective industries. The Ministry of Labor exercises jurisdiction in general labor matters, carrying out its functions in cooperation with the economic ministries and serving more or less as an executive agent of the State Planning Commission in the labor field. The Ministry's Main Administration for Labor is responsible for (1) assisting in the procurement of labor for important industries and enterprises; (2) improvement of the manpower exchanges; and (3) research, planning, and statistical reporting with respect to manpower requirements and resources. The Ministry functions through local offices, or labor exchanges, in the cities and counties. Since 1951 these offices have been attached to the city and county governments, although their transfer back to the jurisdiction of the Ministry of Labor reportedly has been recently under consideration. 35/

With certain specified exceptions, all men aged 14 through 65 and all women aged 15 through 50 are required in East Germany to register with the labor exchanges. Employers must report any change in a worker's employment status. The labor offices are required to distribute the available supply of labor among the enterprises and to carry out recruitment directives issued by the Ministry of Labor in furtherance of the manpower plans established by the State Planning Commission. In performing these duties, the offices formerly were permitted to issue compulsory work assignments, but this right has recently been withdrawn, allegedly because it had not proved necessary to issue such compulsory assignments. 36/ Since job-seekers must register with the exchanges, various kinds of less direct methods no doubt suffice to steer workers into the desired industries and enterprises.

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To obtain the number of skilled workers called for by the Five Year Plan (1951-55), the East German government has developed extensive facilities for training workers. This training is carried out through the regular educational system, through a large-scale apprenticeship program, and through establishment of factory and technical schools. Although various incentives have been provided to induce workers to undergo training, the government has not resorted to some of the compulsory methods used by other Satellites, such as the drafting of young persons into labor-reserve schools or the requirement of obligatory work assignments for graduates of technical schools. A recent decree provides that graduates of universities and technical schools who intend to continue in their chosen profession may sign contracts with enterprises to participate in a kind of industrial internship program. Signing of such an agreement is not compulsory. 37/

b. Other Methods of Labor Control.

As a measure to curb labor turnover, the East German Labor Code requires that workers, with a few exceptions, must have labor books, which give a record of their employment history, including salaries, training, and remarks of the employer. Employers are forbidden to hire employees who do not have a labor book, and fines and imprisonment may be meted out to employers who disobey this rule and to employees who accept employment without submitting their labor books. An unemployed person must have a control card, which is issued by the local labor office with which he is required to register. Although the Labor Code states that employees cannot leave their jobs without good reason, it does not specify what reasons may be considered "good." The employer's permission is not required for an employee to terminate his employment legally. In this respect the worker's freedom to change jobs is greater in East Germany than in the other Satellites, but this freedom has been tempered by the presence of some unemployment.

The East German government attempts to maintain work discipline through a combination of incentives and penalties. The overriding emphasis is on maximum production, and violations of "discipline" which result in reduced output, such as absenteeism, inefficiency, tardiness, or strikes, may be punished by fines, reduced benefits, or dismissal. Workers may also be punished under the criminal laws as "diversionists" or "economic saboteurs." If a worker is judged to be at fault for defective production (rejects), his wages

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are reduced, but in no event may his wage be reduced below 0.50 Deutsche Mark (East) per hour. ^{38/} The regulations concerning work discipline in East Germany appear to be less harsh and less rigid than those in effect in the other Satellites, and the East German Communists appear to have been forced to proceed with more caution in introducing Soviet methods of manpower management. For example, in 1952 a decree which in draft form provided stringent disciplinary methods was reported to be circulating among the ministries. When the decree was finally issued, however, it was much milder than originally projected. ^{39/} The relatively liberal nature of the East German labor law, in comparison with the other Satellites, probably can be attributed to the fact that Germany has been traditionally an industrialized region and the German worker is habituated to discipline by nature and background. The regime also may fear that the adoption of stringent control and disciplinary devices may goad the workers into the adoption of active or passive resistance measures which would hamper production goals or frustrate various political objectives.

2. Trade Unionism.

a. Organization and Membership.

The only trade union allowed to exist in East Germany is the Free German Trade Union Federation (Freier Deutsche Gewerkschaftsbund -- FDGB), which was established in 1945 and now claims a membership of 5.3 million, ^{40/} or approximately 92 percent of the total industrial labor force in East Germany. The FDGB is comprised of 21 member unions, each representing a major industry or economic activity. According to the FDGB statutes, the supreme policy-making authority is the Trade Union Congress which meets every 4 years. Actually, however, the Congress merely rubber-stamps decisions that have already been made by the trade union, Party, and government hierarchy. Heading the FDGB structure is a 9-man secretariat, which runs the day-to-day affairs of the union through 21 departments. There is also a presidium consisting of the secretariat and a representative from each of the 21 member unions, as well as a supreme executive body elected indirectly by the membership. To insure maximum control by the central leadership, individual workers hold membership, not in the constituent unions, but in the FDGB itself.

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The FDGB has 15 district organizations. Local committees are also established in the counties and major cities. At the plant level the workers are organized into Trade Union Groups (Gewerkschaftsgruppen), and the affairs of the plant trade unions are controlled by the Trade Union Directorate (Betriebsgewerkschaftsleitung -- BGL). These plant councils are responsible for putting into effect the drives for worker "enlightenment" and for the increased productivity decreed by the upper echelons of the FDGB, Party, and government.

Membership in the FDGB is not compulsory, except for public employees, but constant political pressure coupled with the more generous social security benefits given union members make it difficult for a worker to remain outside the trade union. Dues, which vary with the amount of the worker's weekly wage, are collected, not by the check-off method but by union functionaries in the plant. From time to time, workers have refused to pay membership dues, in concerted protest against labor policies of the trade union and the government. In 1953, for example, this type of action resulted in a substantial drop in union membership, causing the FDGB to respond by making certain social insurance benefits applicable only to union members in good standing and by instituting a systematic check of the dues books of all members. 41/

b. Functions.

The FDGB is the largest mass organization in East Germany and as such is completely subservient to the Communist Party and the East German government. The President of the FDGB has stated the matter most clearly: "We acknowledge the leading role of the Socialist Unity Party The trade unions set for themselves the goal of helping the Party win the entire working class for the building of socialism The trade unions are schools for socialism." 42/ Within this broad framework the two basic tasks of the trade unions are to promote high levels of output at whatever cost to the worker and to conduct programs of "cultural enlightenment" to secure worker support for the Party's domestic and foreign policies. In addition, the unions have been given the task of administering the state social insurance system.

In promoting the production drives of the regime, the trade unions sign collective agreements with individual enterprises. These agreements are patterned after master contracts drawn

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up by the economic ministries and the Ministry of Labor and bear no resemblance to the collective bargaining contracts traditional in the West. In the collective agreements the plant managers obligate themselves to create the necessary conditions for carrying out the production goals which have already been set forth in the over-all economic plans. The unions agree to organize socialist competitions, to cooperate in the setting of work norms, and to indoctrinate workers in the necessity for maintaining work discipline. Pledges by individual workers to fulfill or overfulfill certain specified output goals were also included in the plant agreements until recently. These individual pledges were omitted in the 1954 master contracts, however, because of widespread worker resentment. Because all basic conditions affecting the economic well-being of the worker are determined by state planning authorities, the collective agreements are not basically economic in nature, despite surface appearances to the contrary. The agreements are merely propaganda devices. Indeed, at the 16th session of the FDGB Executive Committee in early 1954, local union officials were severely criticized for emphasizing economic matters, thereby failing to realize that the agreements are primarily designed to promote the political indoctrination of the workers. 43/

Trade unions have been given at least a nominal voice in the formulation of decisions that affect labor. Representatives of the appropriate industrial union must be consulted by the ministry in drawing up the labor aspects of the economic plans. They are also given the right to complain directly to the ministries concerning any measure which they consider to be adverse to the interests of workers. They see to it that management fulfills its obligations under the collective agreement and may report flagrant violations to the ministry. The union participates at various levels in the settlement of grievances of workers, the primary device being the Factory Conflicts Commission, which was established in most public enterprises in 1953. 44/ These commissions, consisting of two representatives each from management and the trade union, may settle disputes concerning employment contracts, shift and holiday work, leave, and the like. They may not consider disputes relating to work norms, manpower distribution, or dismissals ordered by state control authorities. The unions have also been given authority to enforce basic safety regulations at the plant level.

In the declining private sector of the economy, trade unions are expected both to protect the interests of the worker and to foster the conversion of private enterprises to socialism. The FIGB

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insists that its locals in private firms must exercise vigorously their right to "codetermine" business policies, including such activities as checking of tax payments, control of price policy, and supervision of the performance of contracts with publicly owned enterprises. Unions may strike to enforce their demands against private employers. Local union officials and members, however, instead of following the policy dictated by the FDGB leadership, have frequently helped private employers to keep their businesses by tailoring their demands to fit the ability of the enterprise to meet them without endangering its existence. As a result, wages and working conditions in private firms have sometimes been better than those in the public sector.

D. Hungary.

1. Control of the Labor Force.

a. Recruitment and Allocation of Manpower.

The emphasis on industrial development inherent in the Hungarian Five Year Plan (1950-54) meant a rather drastic expansion and redeployment of the Hungarian labor force. Although the Communist regime has not resorted to a labor draft to obtain the desired shift of workers from agriculture into industry, various measures, some of them involving compulsion to a greater or lesser extent, have been taken to facilitate the expansion of the industrial labor force. In 1951 the Council of Ministers established by decree a system for the organized recruitment of industrial workers. ^{45/} A national manpower recruitment plan is to be prepared each year by the National Planning Office in cooperation with interested ministries and the Office of Manpower Reserves.* On the basis of the plan, recruitment quotas are established for various local areas, and the actual recruitment is organized and controlled by the executive committees of the county and district councils assisted by the interested enterprises. Individuals who have been recruited under the plan sign employment contracts with the enterprises for a period of 1 or more years. Special recruitment bonuses are paid to those entering the

* There is no Ministry of Labor in Hungary. The Office of Manpower Reserves, which is attached directly to the Council of Ministers and whose President is Janos Peisi, administers the labor recruitment and employment exchanges and also has responsibilities for directing worker training programs.

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mining and building industries. Because of the failure to meet manpower goals for 1951, the Hungarian government decided to make a special effort to recruit peasants for factory work. By confidential decree, local councils were instructed to determine what agricultural workers were "surplus" in their area and to assign these workers to factory jobs in the cities. 46/

In early 1952 the Hungarian government promulgated a decree which is tantamount to establishing a period of compulsory labor service under state direction for graduates of universities, technical institutes, and secondary professional schools. 47/ Immediately after the completion of their training, graduates of these institutions are assigned to work in their professional fields at enterprises determined by the appropriate ministry. The "obligatory practicing period" is 2 years for university and high school graduates and 18 months for secondary professional school graduates. Severe penalties are provided for infractions of the rules governing the "obligatory practicing period."

Various other devices exist by means of which the Hungarian government can exert authority over the allocation of manpower. A system of labor exchanges is operated by the Office of Manpower Reserves, and these agencies were implemented in September 1954 by the establishment of 49 manpower directing offices. These organizations function as centralized employment offices. Although workers are not normally compelled to seek jobs through these offices or to accept the jobs offered them, their only alternative in most cases is to find their own jobs or remain unemployed and become subject to arrest for "loafing." Persons violating "labor discipline" in certain ways, such as by arbitrarily quitting their jobs, may not be employed except through the intermediary of the labor exchanges, thus affording the government the opportunity to assign such workers wherever it wishes. In addition, various kinds of crimes and infractions of "discipline" are punishable by assigning the guilty persons to labor battalions, which work solely under the direction of the state. Finally, the Hungarian Labor Code provides that citizens may be called up for temporary labor service in the event of a natural disaster "or in order to avert any other danger to the economy or to the country."

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b. Methods of Enforcing Labor Discipline.

Managers of enterprises in Hungary are forbidden to employ any one eligible for military service unless he has registered with the military authorities and possesses a military identity card. 48/ In addition, no person may be employed who does not possess a labor book properly filled out. 49/ Rigid rules govern the use of labor books, which provide a continuous record of a worker's employment and are designed to discourage migration from one job to another. Employers who habitually hire persons without labor books or persons who have "arbitrarily" quit their previous job without the employer's permission are subject to a maximum punishment of 5 years' imprisonment.

Freedom of a worker in Hungary to change jobs on his own initiative has been virtually eliminated by provisions of the Hungarian Labor Code and various implementing decrees. The Labor Code stipulates that employment contracts between a worker and his employer may be either oral or written, but in either case employment may be legally terminated by the worker only if he (1) becomes eligible for an old-age pension, (2) becomes eligible for advanced education or training, or (3) has compelling personal reasons. In the latter case, the employer's permission is required before he may quit. An employee who "arbitrarily" quits his job or who is discharged for cause may secure employment for a period of 6 months only through the use of the government labor exchanges. 50/ Furthermore, workers leaving their jobs without permission suffer reduction in sick leave and sickness benefits on their new job. 51/ A worker is considered to have quit "arbitrarily" if he refuses to work overtime when directed to do so or if he refuses to transfer to another job in the enterprise. These measures relating to "arbitrary" quitting, together with use of the labor book, would seem to provide fairly effective measures for chaining workers to their jobs or compelling them to work at the direction of the state labor exchanges.

Chronic absenteeism among industrial workers has been a perennial problem in Hungary, and a variety of measures have been taken to combat it. A Cabinet decree issued in 1951 instituted drastic measures against absentees. Workers absent without good reason are deprived of trade union membership and other benefits, perhaps for as long as 1 year. 52/ A subsequent decree deprives workers of their scheduled lunch periods during any month in which they are found guilty of unwarranted absenteeism. 53/ Absenteeism has been particularly prevalent in the mining industry, and the Communist regime has sought

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to prevent it by providing rewards as well as punishments. As part of the milder "new course" of 1953-54, the government issued a decree in August 1953 establishing a "loyalty" bonus for miners who had not missed a single shift during 1 year. Those who had missed only 1 shift received half the bonus, and those who had missed more than 1 shift received no bonus at all. 54/

Hungarian labor law also provides suitable punishments for a variety of offenses against "state discipline." A series of decrees issued in 1950-51 established penalties for "violation of labor discipline." This term is very broadly defined to cover such offenses as inefficient or defective work, violation of employers' work regulations, immoral or scandalous conduct, and other actions detrimental to planned economy and "socialist ethics." 55/ Penalties for violation of labor discipline range from oral reproof to immediate dismissal. Fines were also included in early decrees but were abolished in November 1953 as part of the "new course." 56/ Other decrees specify the punishments applicable to specific kinds of offenses. Decree No. 100 of 1952, for example, makes an industrial trainee or his parents liable for repayment of training expenses and fines if the trainee violates labor discipline or arbitrarily terminates his employment. A worker's wages are withheld if it is determined that production rejects are the result of his negligence. All disciplinary punishments must be posted on bulletin boards at the place of work. Responsibility for enforcing labor discipline rests with enterprise managers, who are prohibited from meting out "unreasonably lenient punishments" and who are subject to punishment for failure to execute their responsibilities properly. 57/ In addition to these more concrete measures for enforcing "discipline," the regime attempts to force workers to "cooperate" by "correctional education" and by devices subjecting workers to social pressures, such as stakhanovism, socialist competition, and the establishment of "norms" and pledges.

2. Trade Unionism.

a. Organization and Membership.

Following the complete subversion of the Hungarian trade unions in 1948-49 by the Communist Party and the arrest of their former leaders in June 1950, the trade union structure was remade along lines similar to those in use in the USSR. 58/ At the top of the structure is the National Congress of Trade Unions, which is

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composed of delegates from the individual trade unions and is supposed to meet every 4 years. The real control over union affairs, however, is exercised by the National Council of Trade Unions (Szakszervezetek Országos Tanácsa -- SZOT) elected by the Congress and scheduled to meet every 6 months. This body functions through permanent committees and a secretariat and has county and local counterparts responsible to it. Individual industrial-type unions, of which there are 20, are organized on an industrial basis and include such unions as the Trade Union of Chemical Industry Workers, the Trade Union of Railroad Workers and Boatmen, and the Trade Union of Agricultural and Forestry Workers. These organizations also function through a congress, a council, and committees. At the plant level the workers belong to the shop organization of the trade union, which functions through factory committees elected by open ballot.

Although membership in a trade union is not compulsory, it is to the financial interest of a Hungarian worker to join in order to be eligible for the higher social security benefits and other privileges reserved to union members. Latest figures available place total union membership at 2 million, 59/ or about 81 percent of the total industrial labor force. There are reported to be 450,000 "activists" among the union membership. 60/ Membership dues range from 15 to 50 forints per month, varying with the worker's wage. 61/

b. Functions.

Like trade unions in all Communist countries, the primary function of Hungarian unions is to serve as a device for carrying out the will of the government and Party leadership. Unions are expected "to mobilize the workers ... for the fulfillment and overfulfillment of the production plans, ... to organize socialist labor competitions and the Stakhanovite Movement, ... to fight ... for the consolidation of labor discipline." 62/ In carrying out these basic duties, the unions have been given a number of specific tasks to perform. Ministerial Decree No. 36, promulgated on 23 September 1950, transferred responsibility for the state social security program from the Minister of Public Welfare to the National Council of Trade Unions. 63/ Another decree issued on the same day gave the trade unions responsibility for enforcing rules for the prevention of industrial accidents. This function is to be accomplished through individual shop committees, but basic safety regulations are to be drawn up

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jointly by the Ministry of Health and the National Council of Trade Unions. 64/

Hungarian trade unions also conclude collective contracts with the managements of enterprises. Agreements are drawn up by the enterprise manager and the shop committee representing the workers and must be approved by the appropriate ministry and the National Council of Trade Unions. 65/ These contracts generally specify the production goals to be fulfilled by the factory, mutual pledges to accomplish these goals, and pledges by the enterprise to supply the workers with specified tools and facilities. The National Council of Trade Unions is responsible for organizing workers' vacations and is given appropriate financial aid by the state.

Hungarian trade unions also participate in settling grievances and disputes. Although the basic grievance committee at the factory does not include union members -- it consists of **representatives** of management and of the plant Party committee -- the unions have been enjoined nevertheless to "improve the work of the grievance committees" and were criticized for neglect in this area. 66/ The unions do participate, however, in the settlement of disputes. The Labor Code provides that disputes concerning the classification of workers in wage categories, hours of work, leave, transfers, food, work clothing, and termination of a work contract must be brought before a conciliation committee composed of representatives of the National Board of Wages, the trade union, and the local government. Major questions of principle arising in connection with the grievance procedure are dealt with by industry-wide conciliation committees made up of two members each from the appropriate ministry and the trade union. 67/

In addition to these major functions, Hungarian trade unions are reported to do the following: operate the enterprise cafeterias and nurseries; supervise the workers' recreation program; arrange for housing for the workers; run the factory library and club room; and make small, personal loans to workers. 68/

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E. Poland.

1. Control of the Labor Force.

a. Recruitment and Allocation of Manpower.

To achieve its over-all objectives of a higher degree of industrialization and greatly increased total output, the Communist regime in Poland has established and attempted to enforce far-reaching controls over the labor force, which have largely destroyed the worker's freedom of choice and action concerning his employment. The direction of available manpower into appropriate channels is carried out by the Ministry of Labor and Social Welfare in accordance with the requirements of over-all economic plans. The Ministry operates through a network of employment exchanges, which refer workers to vacant jobs and also cooperate with other agencies in vocational training. Employers are required to report all vacancies to these exchanges. The offices also send recruiting agents out into the country to recruit labor for industrial plants.

A series of decrees issued in Poland during the period from 1946 to 1950 established the legal framework for compulsory labor service. A decree of 8 January 1946 imposed on every man aged 14 through 55 and every woman aged 18 through 45 "the duty to engage in socially useful employment." With certain specified exceptions, all Polish citizens were required to register and were made subject to compulsory work assignments for a period of 2 years. Persons evading compulsory work were liable to imprisonment for terms up to 5 years. ^{69/} Under certain conditions, compulsory work on projects "necessary to defense or the economic plan" may be substituted for military service (law of 4 February 1950). It is reported that in practice this type of forced labor is reserved for political unreliaables. ^{70/} A law of 25 February 1948 established a system of compulsory labor service for boys and girls (Sluzba Polska -- Service for Poland). This compulsory service may last up to 6 months, and for men it normally precedes military service.

The drive to industrialize Poland meant that large numbers of unskilled workers had to be trained in mechanical and technical skills. Although Poland has not adopted a formal labor-reserve system comparable to that of the USSR, an extensive network of

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training facilities has been established, and a law of 1948 made vocational training compulsory for all young persons between the ages of 16 and 21. This training may be taken simultaneously with enrollment in "Service for Poland" organizations and may be done in connection with on-the-job training plans in factories or in special vocational schools. Young people who enter the preparatory vocational schools must sign an agreement either to work for a period of 2 years following their graduation at an enterprise designated by the training institution or else to refund the cost of their training. 71/ Graduates of basic trade schools are obligated to work at their trade at a state-designated enterprise, and those who try to evade such compulsory assignments are liable to fines and imprisonment. 72/ The length of the assignments, not to exceed 3 years, is determined by the Central Board of Vocational Training or by the economic ministry concerned. Finally, a recent decree relating to special scientific training courses for professional workers requires graduates of these special courses to work for a period of 3 years in a position designated by the "institution employing them." 73/

b. Methods of Enforcing Labor Discipline.

High rates of absenteeism and labor turnover have been a chronic problem in Poland throughout the period of forced industrialization, and the government has taken drastic measures in an attempt to enforce "socialist discipline" on the workers. A statute of 7 March 1950 established the legal basis for a job "freeze" on all workers in state undertakings, and it also legalized the arbitrary shifting of workers from one job to another. Under this statute, directors of state enterprises were given authority to suspend an employee's right to quit for a period not to exceed 2 years and also to order compulsory transfers in the interest of promoting the "socialist economy." Arbitrary "freezes" and transfers could apply to teams and brigades as well as to individuals. Persons who violated work-assignment orders were made subject to 6 month's imprisonment, severe fines, or both. The principle of the labor book has also been introduced in the form of the "release card" which a worker must obtain from his employer in order to change jobs. The extent to which these drastic provisions have actually been used is not known, although controls over assignments and quitting are reported to be particularly stringent for various kinds of professional and technical workers and workers employed by the railroads. 74/

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Employees cannot quit without their employers' permission, and employers are not supposed to hire workers who have not been properly released from their previous jobs. The tight labor market in Poland, however, apparently has fostered the development of various means for evading these regulations. 75/

A Polish statute of 19 April 1950 "on the safeguarding of labor discipline" imposed stringent penalties for "unjustified absenteeism." 76/ Absences of 1 to 3 days per year without adequate reason are punishable by reprimands and deductions from wages. Unjustified absences of 4 or more days per year are punished by the courts as "malicious and stubborn infractions of labor discipline." Fines ranging up to 25 percent of annual wages may be imposed, and an employee is forbidden to leave his job until the deductions are paid off. Should he do so, he may be imprisoned. Plant managers and supervisors who fail to punish guilty employees are also subject to heavy fines and imprisonment.

Severe punishments are provided in Poland for those convicted of "crimes against socialist property," and a recent decree on "intensification of struggle against poor quality products" establishes a system of fines and imprisonment for workers judged responsible for rejects. 77/

Other devices adopted by the Polish regime to get workers to do its bidding are (1) programs of propaganda and education, (2) various forms of socialist competition, (3) differential pay scales, and (4) a system of rewards. Some of these rewards supplement the system of punishments described above. For example, according to the statute on labor discipline of 19 April 1950, employees who have no unjustified absences for a period of 3 years are to be rewarded by management with honorary titles, decorations, and money prizes. Similarly, more generous leave and other benefits are available to persons who remain on one job than those available to employees without continuous service in one enterprise.

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2. Trade Unionism.

a. Organization and Membership.

The trade union structure in Poland is headed by the Central Council of Trade Unions (Centralna Rada Zwiaskow Zawodowych -- CRZZ) which is elected every 3 years by the Congresses of the Association of Trade Unions (Zrzeszenie Zwiaskow Zawodowych -- ZZZ). These Congresses, which are composed of delegates elected by member unions, serve merely to approve decisions concerning trade union policy laid down by the Communist Party and the Polish government and to elect the members of the Central Council. The affairs of trade unions are conducted by the Central Council according to the directives concerning union functions laid down by the Party through the trade union congresses. The Central Council functions through an elected presidium and through provincial councils whose task it is to coordinate the work of the unions at the local level.

In 1949 the Association of Trade Unions consisted of 31 industrial trade unions. A series of mergers in 1953, however, reduced the number to 21. ^{78/} These unions are organized on an industrial basis and represent all major segments of the economy. Each one is organized along lines similar to the organizational structure of the Association. Individual workers belong to plant locals of these industrial unions. Their mission is to put into effect policy decisions handed down by higher organs in accordance with the principle of "democratic centralism."

According to reports submitted to the Third Trade Union Congress in May 1954, there were 4.5 million members in Polish trade unions, ^{79/} or about 76 percent of the total industrial labor force. Although membership is not legally compulsory, most workers are compelled to join in order to be eligible for certain types of welfare allowances available only to trade union members in good standing. Membership dues, which vary with a worker's earnings, are assessed on a graduated scale starting with 1 percent of the worker's monthly wage.

b. Functions.

As in the other Satellites, trade unions in Poland bear no resemblance to those in the West but rather merely represent a mass organization whose function is to promote the will of the Communist

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Party among the working population. The trade union's function is most clearly stated in a resolution of the Central Committee of the United Polish Workers' Party concerning the work of trade unions, issued in April 1954: "The Party sees in the trade unions its most important means of communication with the worker masses; it considers them to be a school of socialist education and a reservoir of cadres, a school teaching how to manage and govern, a school constructing a new system and a new life." 80/ The union, in turn, inserted in its revised statutes the following: "Trade unions realize their tasks under the leadership of the United Polish Workers' Party, the vanguard of the working class, the leading power of the Polish nation." 81/

In carrying out their mission to assist in the realization of the government's economic plans, Polish trade unions (1) organize and supervise programs of socialist competition or "rivalry in work" in the individual enterprises, (2) take measures within their area of responsibility to insure that work commitments are fulfilled by plants and by individual workers, and (3) "educate" workers to observe work discipline and protect socialist property. They conduct cultural and recreational activities at the plant level through supervision of reading rooms and libraries, organization of classes, and supervision of athletic activities. They provide benefits to members as follows: (1) free legal advice, (2) organized vacation rest homes, (3) priorities for admission to sanatoria, (4) special accident benefits and family allowances, and (5) the right to participate in benefit-loan societies.

In recent months, Polish trade unions have been given several functions formerly performed by the Ministry of Labor and Social Welfare, functions which had been delegated to trade unions much earlier in other European Satellites. On 1 December 1954 the unions took over responsibility for enforcing laws and regulations concerning work safety and hygiene, implementing their new authority by establishing a uniform system of technical inspection. 82/ In March 1955 the unions also took over administration of the state social insurance system, except for pensions and retirement benefits. The revised statutes adopted at the Third Trade Union Congress in May 1954 emphasized the right of unions to participate in drafting regulations affecting the working and living conditions of the workers and gave the Central Council of Trade Unions the right to issue regulations under current labor legislation and to give official interpretations of labor law. 83/

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Polish trade unions participate extensively in the settlement of disputes and grievances. A decree of 24 February 1954 established arbitration boards in all socialist enterprises. ^{84/} The boards, whose decisions have the validity of those of a court of law, are composed of 2 members representing management and 2 representing the workers through the factory works council. Their jurisdiction is limited to matters arising out of the work contract.

By an April 1954 resolution of the Central Committee of the Communist Party, Polish trade unions were given all functions entrusted by law to the factory works councils. Finally, the local trade unions conclude collective agreements with the managers of the enterprises. Provision for these Soviet-type collective agreements was made by order of the Council of Ministers, dated 5 February 1954. The new type of agreements includes mutual pledges of workers and management to fulfill the production goals set by the economic plan for the enterprise and commitments by management to adhere to labor laws and regulations, provide measures for the safety and protection of workers' health, implement plans for training employees, and the like. On their part, the trade unions agree to assist in maintaining labor discipline, participate in developing means for raising the quality and quantity of output, and fulfill their obligations to provide specified welfare benefits and facilities for workers.

F. Rumania.

1. Control of the Labor Force.

a. Recruitment and Allocation of Manpower.

The Communist government of Rumania adopted during the period from 1950 to 1954 a series of measures which give it fairly complete control over the industrial and geographic distribution of the labor force. The most important ones include (1) a system for the organized recruitment and distribution of unskilled labor, (2) control over the training and allocation of skilled workers through labor-reserve schools, and (3) provision for compulsory temporary labor service by nearly all able-bodied citizens.

Late in 1952 the Rumanian government introduced a system for the organized recruitment and distribution of unskilled workers for industrial enterprises, to be administered by the General Directorate

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of Labor Reserves (subsequently transferred to the General Directorate of Recruitment and Distribution of the Labor Force under the Council of Ministers). Recruitment of workers for agriculture and forestry is to be conducted by the appropriate ministries with the authorization of and under the general direction of the General Directorate. ^{85/} The actual recruiting and assigning of workers is done by local organs of the General Directorate in cooperation with local people's councils, in accordance with labor force recruitment plans prepared by the State Planning Committee, the economic ministries, and the General Directorate. The General Directorate recruits workers on the basis of a written contract signed with the appropriate ministry or other central organ. Individual work contracts are also signed with the recruited workers. The hiring of unskilled labor for a period exceeding 6 months may be done only through the local bureaus of the General Directorate, and permission of these bureaus is also required for the recruiting of seasonal and temporary workers.

In 1951, Rumania introduced a draft of young persons for training in labor-reserve schools, patterned after the system in operation in the USSR. ^{86/} As now in effect, ^{87/} the plan provides for the annual draft of from 45,000 to 55,000 persons between the ages of 14 and 25 for training in various types of labor-reserve schools. Training periods range from 6 months to 3 years. Upon graduation from the schools the young workers are assigned to enterprises by the General Directorate of Manpower Reserves on the basis of manpower plans prepared by it and the ministries concerned. Graduates must sign contracts agreeing to work for 4 years at the enterprise to which they are assigned. Failure to report to the designated enterprise is punishable by imprisonment and restitution of training expenses. Breaking a work contract is also subject to punishment. It appears that graduates of higher educational institutions and professional schools, except those administered by the General Directorate of Labor Reserves (under the Ministry of Education), are also subject to compulsory assignment, transfer, and stipulations for minimum length of service.

With certain specified exceptions, all Rumanian men aged 16 to 50 and all women aged 16 to 45 may be called up for temporary labor duty. Calls for labor duty are to be made only by decision of the Council of Ministers "in exceptional cases, to avert and combat calamities and to cope with a lack of manpower in carrying out important tasks of the State, or to perform certain temporary

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obligations of labor." 88/ These provisions, it would seem, give the government full authority to institute a draft of workers for any purpose and for any length of time deemed necessary.

b. Methods for Enforcing Labor Discipline.

By government decree issued early in the period of the Communist regime, all Rumanian employees are required to possess labor books, which constitute a continuous record of the worker's employment. The labor book must be given to the employer by the employee when he is hired and is returned to him with appropriate entries when he leaves. Detailed regulations govern the use of these labor books, which are designed to reduce the migration of workers from job to job. Employers are forbidden to hire workers who do not possess labor books or those who have left their previous jobs without their employers' consent. 89/

Freedom to change jobs voluntarily has been virtually eliminated in Rumania by provisions of the Labor Code and various decrees. Employment contracts may be either oral or written and of definite or indefinite duration. A work contract may be terminated by the employee without his employer's consent only (1) upon completion of the period for which the contract was signed; (2) for reasons of health, as certified by medical authorities; (3) upon admission to a training school; (4) upon becoming entitled to old-age or disability pensions; or (5) for various specified reasons related to family circumstances. Enterprise managers who hire workers who have left their previous jobs without consent are subject to imprisonment of from 3 months to 1 year. Presumably the employees who quit arbitrarily are also subject to this penalty and, in addition, probably must also seek a new job through government employment bureaus. 90/

Any Rumanian employee is subject to arbitrary transfer anywhere within the country for reasons of disciplinary action. In addition, certain classes of technical, skilled, and professional employees may be transferred anywhere at any time by order of the minister of the industry concerned or by order of another "competent central agency." 91/ Certain benefits are provided for such transferred workers, but failure to report to the place of assignment is punishable with imprisonment.

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These various regulations governing labor books, termination of employment contracts, and transfers would seem to provide the Rumanian government with adequate means of minimizing labor turnover. At the same time, these measures and those relating to recruitment, training, and allocation of manpower also mean almost complete loss of freedom by the individual worker to choose his job.

Violation of labor discipline is punishable in Rumania under both civil and criminal law. For various types of infractions of the internal work rules of the enterprise, a worker may be transferred to a less desirable job or locality, or he may be dismissed. If a worker is judged to be at fault for producing work that is rejected by inspectors, he loses all or a part of his wages covering that work. The Labor Code states: "Employed persons are responsible for losses caused to the respective units in connection with their work." 92/ When losses are the result of negligence or violation of regulations, fines not to exceed 3 months' wages may be imposed. When the reason for the loss is of a penal nature, the employee may be fined by an amount not to exceed double the amount of the loss. In addition to these more concrete methods, the government also exerts great pressures on workers to conform to its dictates through such means as propaganda and education, establishment and enforcement of work norms, and various forms of socialist competition.

2. Trade Unionism.

a. Organization and Membership.

Trade unions in Rumania are organized under the Central Council of Trade Unions (Consiliul Central al Sindicatelor -- CCS), and the organizational structure is patterned after that in the USSR. 93/ At the top of the structure is the General Congress of Trade Unions, meeting every 4 years and composed of delegates elected by the congresses of the individual trade unions. The General Congress selects the members of the Central Council of Rumanian People's Republic Trade Unions, which is the controlling body for the trade union movement. The Council functions through a presidium and a secretariat and exercises general direction over and supervision of the carrying out of the functions assigned to the trade unions. At present there are 20 or 21 individual trade unions, each having a general congress meeting every 2 years and a council. These unions are organized along industrial lines, generally paralleling the economic ministries. Coordination and common

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action of the individual trade unions of a region are effected through regional Trade Union Councils, which are directly subordinate to the Central Council. Delegates to these regional councils are selected at inter-union conferences at the city or rayon level. The basic unit of the trade union structure is the local union at the enterprise, which functions largely through committees elected by the workers.

Trade union membership in Rumania is open to all workers and students who are Rumanian citizens. Although membership is not compulsory, it is to the economic interest of workers to belong to a union, since, among other things, social security benefits given to union members are double those given to nonmembers. Monthly trade union membership dues amount to 1 percent of the worker's monthly wage. The latest available data show that the total trade union membership is 2.5 million, 94/ or more than 85 percent of the total industrial labor force.

b. Functions.

Like all Communist trade unions, the primary function of Rumanian unions is to serve as a major transmission belt between the government and Party and the country's labor force. The unions have been assigned two major functions by the government. The first responsibility is the Communist education of workers, and the second is the management of the state social insurance system. 95/ The educational function is performed through the establishment of trade union schools; the supervision of libraries and "Red Corners" in the enterprises; the publication of a newspaper, Munca, and other literature; and the constant verbal propaganda activities of "activists." With respect to social insurance, the union (1) "elaborates draft laws, which are submitted to the government, in problems of ... social insurance"; (2) conducts the actual payment of pension and other social insurance benefits; and (3) participates in the planning of the state budget for social insurance. Another important task allotted to the trade unions is the supervision of measures to protect the safety and health of workers in the enterprises.

Rumanian trade unions participate in settling disputes between workers and the managers of enterprises. The basic dispute-settling mechanism is the Commission for Settling Labor Controversies in the local enterprise. This commission is made up of an equal

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number of representatives of management and the trade union. Disputes involving a collective contract or a matter of principle are handled by boards on which higher echelons of the trade unions are represented. The local unions sign collective contracts annually with the enterprises and oversee their implementation. According to the Labor Code the collective contract "establishes the commitment of both parties with respect to (1) the carrying out of production in the implementation of the state plan; (2) the improvement of working and living conditions of the workers." 96/ These collective contracts are reviewed by the appropriate trade unions and ministries.

In addition to these more general functions, Rumanian trade unions also perform the following tasks: (1) give financial aid to individual workers, (2) render legal assistance to workers, (3) conduct recreational activities, (4) organize the details of socialist competitions, and (5) help to develop and introduce rationalization measures and other devices to improve labor productivity.

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APPENDIX A

GAPS IN INTELLIGENCE

The major gap in intelligence concerning manpower controls in the European Satellites is lack of detailed knowledge of the extent to which legally permissible controls are actually applied in practice. There is reason to believe that at least some of the controls are not well enforced and that various means of circumventing them have been devised by enterprises and employees.

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APPENDIX B

SOURCE REFERENCES

Evaluations, following the classification entry and designated "Eval.," have the following significance:

<u>Source of Information</u>	<u>Information</u>
Doc. - Documentary	1 - Confirmed by other sources
A - Completely reliable	2 - Probably true
B - Usually reliable	3 - Possibly true
C - Fairly reliable	4 - Doubtful
D - Not usually reliable	5 - Probably false
E - Not reliable	6 - Cannot be judged
F - Cannot be judged	

"Documentary" refers to original documents of foreign governments and organizations; copies or translations of such documents by a staff officer; or information extracted from such documents by a staff officer, all of which may carry the field evaluation "Documentary."

Evaluations not otherwise designated are those appearing on the cited document; those designated "RR" are by the author of this report. No "RR" evaluation is given when the author agrees with the evaluation on the cited document.

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