

7

CLASSIFICATION RESTRICTED  
 SECURITY INFORMATION  
 CENTRAL INTELLIGENCE AGENCY  
 INFORMATION FROM  
 FOREIGN DOCUMENTS OR RADIO BROADCASTS

REPORT   
 CD NO.

STAT

COUNTRY Rumania  
 SUBJECT Political - Workers party  
 Economic - Organization, production, plan fulfillment  
 HOW PUBLISHED Bimonthly periodical  
 WHERE PUBLISHED Bucharest  
 DATE PUBLISHED Sep - Oct 1951  
 LANGUAGE Rumanian  
 DATE OF INFORMATION 1951  
 DATE DIST. 11 Jul 1952  
 NO. OF PAGES 9  
 SUPPLEMENT TO REPORT NO.



THIS DOCUMENT CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE OF THE UNITED STATES WITHIN THE MEANING OF ESPIONAGE ACT 50 U. S. C. 31 AND 32, AS AMENDED. ITS TRANSMISSION OR THE REVELATION OF ITS CONTENTS IN ANY MANNER TO AN UNAUTHORIZED PERSON IS PROHIBITED BY LAW. REPRODUCTION OF THIS FORM IS PROHIBITED.

THIS IS UNEVALUATED INFORMATION

SOURCE Lupta De Clasa.

THE 1951 PLAN FULFILLMENT, PROBLEMS, AND TASKS  
OF PARTY GROUPS IN RUMANIAN ENTERPRISES

Carol Loucear

The Rumanian Workers Party supervises and encourages the fulfillment of plans by enterprises and individuals.

During the first half of 1951, fulfillment in the metallurgical industry was 112.7 percent, in the machine-building and metalworking industries 115 percent, by Sovrometal 112.8 percent, by Sovromtractor 113.6 percent, and by the nonferrous metallurgical industry 115.6 percent. During the third quarter 1951, important successes in fulfilling and exceeding the plan requirements were achieved. Industries under the Ministry of Electrical Energy fulfilled plans 105.1 percent, and the electrical equipment industry 102.9 percent. The petroleum and coal industries fulfilled plans 102.9 percent. Chemical and metallurgical industries achieved 105 percent fulfillment, and industries under the Ministry of Transports 118.7 percent.

This year, moreover, Rumanian industry has also achieved success in the manufacture of new products. Rumania is manufacturing for the first time high-pressure boilers, high-precision machine tools, complex specialized equipment for the petroleum industry, equipment for coal industry, bimetallic electric cables, passenger and freight elevators, drilling machines of Soviet design, large-capacity tank cars for alcohol, and other items.

Workers, engineers, and technicians of enterprises have followed the example of Soviet Stakhanovites. Such workers as Ion Furtuna, Teleki, Alexandru Decsei, and others are already working on tasks assigned them for 1952, 1953, and even 1954.

By following the suggestions of the party organization, workers and technicians of the Steagul Rosu /Steagul Rosu Railroad Car Plant? have won a significant victory in the field of production.

- 1 -

CLASSIFICATION		<u>RESTRICTED</u>		DISTRIBUTION													
STATE	<input checked="" type="checkbox"/> NAVY	<input checked="" type="checkbox"/> NERB															
ARMY	<input checked="" type="checkbox"/> AIR	<input checked="" type="checkbox"/> FBI															

RESTRICTED

STAT

By organizing labor more efficiently and applying advanced Soviet methods, including high-speed metal cutting and contractual utilization of machinery, the collective of Steagul Rosu succeeded in fulfilling its 1951 plan on 10 October.

By mass application of Stakhanovite methods, several enterprises of the electrical engineering sector such as Dinamo [Dinamo Cotroceni Electric Plant?] Electrotehnica [makes electrical equipment?], Electromotor, and Acumulatorul [makes electrical equipment?], fulfilled the 1951 production plan 102 percent and the plan in kilowatts for electric motors 123 percent. As of 1 November [sic]; note that source is dated Sep - Oct 1951<sup>7</sup>, the electrical engineering sector of the Ministry of Electrical Energy has been working on its 1952 quota.

As of 3 November [sic], 14 enterprises of the chemical industry had fulfilled their 1951 plans. Many of these enterprises, moreover, succeeded in lowering manufacturing costs. Spic [Spic Chemical Plant?] has reduced manufacturing costs 27.87 percent, and the 13 Septembrie plant 4.1 percent. Moreover, as of 7 November [sic] the plan had been fulfilled by many other enterprises in all branches of industry.

In the Grivita Rosie District of Bucharest, party organizations, under the guidance of the District Committee of the Rumanian Workers' Party, took part in extensive political activities in connection with production problems. The party organizations also gave special attention to the problem of wider application of Stakhanovite methods. The Nina Nazarova method is used by 260 workers of Grivita Rosie [Grivita Rosie Railroad Locomotive Plant?], by 45 in Laminorul [Laminorul Rolling Mill?], etc. Competitions are led mostly by party members such as Iosif Dragomir of the Grivita Rosie Factory, Stefan Tone, Elizabeta Bolocan of Filatura Dacia [Textile mill?], and many others. They have been working on their 1952 quotas since July 1951.

The results of the political activities of party organizations of the Grivita Rosie District are conspicuous in the production field. During the third quarter, 26 of the 28 heavy industry enterprises in this district exceeded their plans as much as 36 percent, while seven of eight light industry enterprises surpassed theirs as much as 50 percent.

The Melnikov method of changing rollers is now used at Partizanul Rosu [Partizanul Rosu Wool Mill?]. One hundred fifty female workers, organized in quality brigades, are at present using the Shchukin method. The wide use of Soviet work methods has enabled the enterprise to fulfill its 1951 plan well ahead of schedule.

Over 60 mining teams of the Jiul valley coal fields of the Sovromcarbune enterprise are extracting coal for their 1952 quota. The leading teams are those of Stakhanovites Geza Kopetin, Ion Szilagy, and Petre Boredi.

At Energo-Utilaj [metal plant?] the collective of the enterprise, mobilized by the party organization, has fulfilled the 1951 plan ahead of schedule and, as of 24 September, is working on its 1952 quota. At the Combinatul Siderurgic Hunedoara (Hunedoara Metallurgical Combine), as a consequence of the adoption of the Soviet Matulinet [S?] method, the average time for completing a charge has been reduced from 8-9 hours to only 6-7. Similarly, 3,000 lathe operators, using the Bortkevich-Bykov method, have increased the speed of cutting metal from 50-60 meters per minute to 300 meters per minute.

Although the gross-production plan has been fulfilled in many important branches of industry, several enterprises have been unable to fulfill either their gross-production plans or their plans for specific products. To fulfill the plan in 11 months, it will be necessary to complete 63.6 percent of

- 2 -

RESTRICTED

RESTRICTED

STAT

the annual requirements during the first 7 months of 1951. Nevertheless, several enterprises such as IMS [IMS Metallurgical Plant?], Steagul Rosu, and Vulcan fulfilled only 54.9 percent, 59.7 percent, and 56 percent, respectively, of their annual quotas by 1 August 1951.

On the other hand, some enterprises which fulfilled and even exceeded their gross-production plan in 11 months have fallen behind in their plan for specific products. Unio [Unio Railroad Equipment Plant?] fulfilled only 29.8 percent of its annual quota for elevators and conveyer belts as of 1 August, while the 23 August plant, which has also exceeded its gross-production plan, fulfilled only 33.3 percent of its plan for transmission pumps.

The party organizations must make a critical analysis of the factors hindering plan fulfillment in their respective enterprises and, on the basis of their findings, must assist the enterprise managements in drawing up a plan for organizational measures and a production schedule designed to eliminate all difficulties and assure fulfillment of all plans on time. In addition, the party organizations must mobilize the working masses and, above all, party members, for the successful fulfillment of the tasks assigned to various enterprises.

To achieve all these tasks successfully it is further necessary to adopt an "active working spirit," to do away with endless meetings which often lead to no practical result, and to strengthen the feeling of personal responsibility of all those engaged in enterprise management.

Several enterprises have failed to fulfill their plan as a result of certain deficiencies in the procurement of materials. The principal reason for this is the failure of certain enterprises to understand adequately the organic relationship existing among the various enterprises of the national economy, and to understand that what constitutes final production for a certain enterprise constitutes raw material or semifinished products for another.

Otelul Rosu [Otelul Rosu Steel Plant?] exceeded its gross-production plan, but scheduled the rolling of metal required for pontoons as late as 25 September. This caused Flamura Rosie, which needed this sheet metal, great difficulties in fulfilling its plan for August and September. It is time to put an end to the incorrect and harmful concept that the only thing that matters is producing as much as possible. It is detrimental to follow the policy of manufacturing certain types of products at the expense of others.

Enterprise party organizations must give special attention to the scheduling of production and assume responsibility not only for the plan fulfillment in their enterprises but also for the fulfillment of the state plan for the entire national economy. The internal planning agency of an enterprise must consider not only the fulfillment of its own production plan but also that of enterprises which it supplies by delivering all the contracted goods on schedule.

There is also no doubt that supply problems would not constitute barriers to plan fulfillment if the principles of planned management were strictly observed and enterprises worked for more economic consumption of raw materials and fuel in a more efficient and scientific manner.

In fall, 1950, by government decision, surplus stocks were removed from enterprises. But, only a few months later, some enterprises had accumulated new surplus stocks. Thus, at the end of the second quarter 1951, the 23 August plant exceeded the norms for materials 120 percent, and Progresul [Progresul Railroad Equipment Plant?] 144 percent. This policy of useless surplus stocking is most damaging, not only because it aggravates the financial condition of

- 3 -

RESTRICTED

RESTRICTED

STAT

the enterprise but also because it creates supply problems for other enterprises which are unable to acquire materials stockpiled by overcautious enterprises eager to assure their supplies for 2-3 years in advance.

Another thing which has prevented certain enterprises from fulfilling or exceeding their production programs has been violations of contractual discipline. In a socialist economy, enterprises interconnected by a production and exchange process are obliged to deliver products and services to one another.

The contract is especially important in socialist planning because it strengthens the suppliers' responsibility to fulfill their obligations. It prevents the manufacture of useless products not called for in the contract and prevents the acquiring of surplus stocks of goods. Thus, the economic contract becomes an instrument in the struggle for the qualitative and quantitative fulfillment of plans and for the strengthening of plan discipline.

Many enterprises have shown that they realize both this special significance of the contract and the fact that rigorous execution of contracts not only means fulfillment of their own production programs, but often is the determining factor in the plan fulfillment of enterprises supplied by them. Thus, the Nicolae Cristea Uzina [steel mill] delivered on time and in good condition the sheet metal required by the 23 August plant for the manufacture of oil drilling equipment. Timpuri Noi [Timpuri Noi Iron and Metals Plant?] delivered on time the Duplex pumps required by Vulcan, thus substantially assisting Vulcan to deliver the boilers which it had to manufacture.

However, a series of violations of contractual discipline have caused damage to several enterprises and to the national economy. The Ilie Pintilie plant had concluded contracts with Centrocoop for pliers, wrenches, anvils, and similar items. The manufacturing enterprise failed to observe the terms of the contract and delivered the products 4 months late. As a consequence, the Centrocoop had difficulty in supplying villages with the above-mentioned objects and the manufacturing enterprise is now paying fines.

It must be understood that observing contractual discipline is not a mere "bureaucratic formality," as several enterprises are inclined to believe, but a most important obligation.

The interdependence of our enterprises is so great, and the production relationships so close that the violation of contractual discipline by one enterprise alone can cause serious difficulties not only to the enterprise supplied by it but also to a series of enterprises linked together in a related production process.

The 1951 Decision of the Council of Ministers on measures for regulating and assuring the observance of contractual discipline must be justly and rigorously enforced by all our enterprises.

The success of the struggle to fulfill the 1951 plan in 11 months is also contingent on observance of the enterprise cooperation plan. The majority of our enterprises, realizing the importance of this plan, make sustained efforts to improve use of their equipment by jointly executing orders placed with them, and contribute to the plan fulfillment of enterprises supplied by them by delivering needed products on time and in good condition. The Cugir plant manufactured equipment required by Steagul Rosu, as well as various tools for Victoria in Arad [Victoria Machine Tool Plant?] at the same time, the Cugir plant, in accordance with the cooperation plan, received the support of Unio, which cast the parts for the lathes which the Cugir plant being manufactured for Electro-Carbon [electrical equipment].

- 4 -

RESTRICTED

RESTRICTED

STAT

The improper attitude toward filling orders by enterprises participating in the cooperation plan, as well as the defective organization of this plan, are responsible for the incomplete utilization of production capacity. At the Bucharest 23 August plant 4.15 percent of the working time in January 1951 was wasted for lack of orders, with the result that the plant's production capacity was not utilized fully during that period. Vasile Roaita [Vasile Roaita Machinery Plant?] failed to deliver on time the necessary drums for threshing machines to LMS, preventing the latter from fulfilling its first quarter 1951 plan for threshing machines.

Thus, it is evident that the failure of one or more enterprises participating in the cooperation plan to fulfill obligations can prevent fulfillment of the plan by dependent enterprises. The observance of plan discipline in the cooperation plan is an important link in the early fulfillment of the state plan for the national economy.

Another problem of great importance in plan fulfillment is improvement of skills and proper utilization of personnel. Many party organizations do not pay sufficient attention to providing sufficient specialized training to meet the new demands of industry. Rumanian industry has made efforts to train new specialists. During 1950 - 1951 alone, over 5,000 trade school graduates, 38,000 graduates of courses to improve skills, and more than 2,000 graduates of technical schools entered the metallurgical industry.

The need for qualified personnel for industry is increasing very rapidly. For this reason, proper utilization of available personnel is of primary importance. Certain enterprises suffer from a serious shortage of personnel caused by improper organization of shifts, in particular the second and third shifts. Some technicians of Phoenix [Phoenix Chemical Plant?] of the Baia Mare Combine, for instance, are of the opinion that their presence is not required during the second and third shifts. During the night shifts, therefore, only one technician is available for the entire plant. The use of the most skilled personnel during the day shifts and the neglecting of the night shifts causes serious difficulties in production. Some of the machines are idle, products are of poor quality, and manufacturing costs increase. Another example of improper utilization of available personnel is to be noted at Flamura Rosie, where there is a serious shortage of personnel on the second shift. On the other hand, many graduates of skilled-trade schools are performing unskilled jobs. This unwise personnel policy may discourage the workers who are doing their best to gain new skills.

Another deficiency in the distribution of skilled personnel is that although in certain sectors production is hampered by a lack of manpower, in others there is a surplus of workers, who are not transferred to positions where they are needed on the grounds that everybody should be allowed to work in his own field. The management of the Bucharest Grivita [metallurgical plant], in order to allow workers "work in their own field" asked them to make nails regardless of the fact that the enterprise has no orders for nails whatsoever. It is true that the enterprise must use available personnel according to skills because only thus can the highest labor productivity be assured; it is equally true, however, that proper utilization of personnel requires the abandonment of rigidity and formalism by enterprise managements. Personnel must be utilized in a manner which will satisfy the demands of both the enterprises and the national economy.

In enterprises where party organizations have trained new specialists and assured proper use of available personnel, the manpower problem has been solved satisfactorily. A good example is the construction project for the V.I. Lenin Electric Power Station in Bica. Through the efforts of the party organization

- 5 -

RESTRICTED

RESTRICTED

STAT

and the enterprise committee, several courses for improvement of skills have been offered in various sectors of the construction project since February. At present, a large number of workers are being trained as miners, bricklayers, machinists, etc., in 13 courses. Improvement of their technical qualifications entitles workers to substantially higher wages. The party organization and the enterprise committee are paying special attention to wide adoption of the Kotlyar method for improving skills. A substantial number of contracts for improvement of skills have already been concluded between production leaders and unskilled workers, and others are in process.

Party organizations of enterprises must explain to workers the great importance of observing strict labor discipline. Lateness and absenteeism, which seriously damage the national economy, must stop. The class enemy is trying to paralyze the working people's constructive efforts by weakening labor discipline. Party organizations must also strengthen their revolutionary vigilance in this respect by unmasking and fighting the class enemy wherever he appears.

The duty of party organizations is to mobilize the broad working masses, the managers of every enterprise, all technicians, and all engineers for the make more efficient use of internal reserves. There are huge internal reserves in industrial enterprises which have not yet been used at all, or have been used insufficiently. The struggle to discover and mobilize internal reserves has not been carried out according to well-organized plans. Also, the reserves of socialist industry are not static but dynamic, which means that use of certain reserves never leads to a reduction in their volume but rather to an opportunity to discover new ones. Technical progress and the raising of the cultural level of personnel assure a virtually inexhaustible supply of internal reserves.

Several enterprises have mobilized internal reserves by reducing the consumption of raw materials, fuel, and power. In 1951, fuel consumption of the Siemens-Martin furnace of Steagul Rosu was reduced 37 percent below the 1950 average. Likewise, due to reduction in the specific consumption of raw materials, the manufacturing cost of the motor produced by Timpuri Noi was reduced from 618,000 lei to 420,000 lei.

Nevertheless, many enterprises have not yet achieved all possible reductions in the consumption of raw materials and fuel. The IMS uses only 3.7 cubic meters of wood for each threshing machine manufactured, whereas Vasile Roaita uses 5 cubic meters for the same type of thresher. This great difference in consumption by two enterprises manufacturing the same type of threshing machine reveals the wasteful ways of the Vasile Roaita Plant and also the great reserves for economizing on wood which exist at that enterprise.

Similarly, wide discrepancies have been observed in the consumption of fuel required for producing electric power at various enterprises. Whereas the IMS consumed 3,200 kilocalories of fuel per kilowatt-hour, the Cugir plant consumed 5,765, and Flamura Rosie 7,880. No "objective reasons" can justify such huge discrepancies, which reveal great possibilities for reducing fuel consumption and, thus, for stringent economies.

Finally, the waste of labor which still prevails at several enterprises must be noted. Vulcan requires 5,000 man-hours to manufacture a 15-atmosphere boiler, while Progresul in Braila needs 8,000. Even if Vulcan is better equipped for manufacturing high-pressure boilers than Progresul, the discrepancy is still inexcusable.

- 6 -

RESTRICTED

RESTRICTED

STAT

If industries consumed fuel and raw materials in a more rational and scientific manner, such discrepancies would no longer exist. It is the duty of the party organizations to mobilize the technicians' collectives for establishing technical consumption norms in a scientific manner, thus enabling enterprises to reduce specific consumption to a proper level.

In connection with mobilization of internal reserves, managerial personnel should keep in mind at all times during the struggle to fulfill and exceed the 1951 plan that the struggle for quality, for fewer rejects, is in fact the struggle for quantity.

Although almost everyone appreciates the importance of saving fuel and raw materials, there are still many who do not fully realize the important contribution which a mobilization of other internal reserves would make to the national economy.

During the past 2½ years, important successes in mobilizing internal equipment reserves have been achieved by the machine-building industry, but there are still many untapped internal reserves in this industry. The high-speed metal-cutting method devised by the Soviet Stakhanovites Bortkevich and Bykov has so far been adopted by only a relatively small number of lathe operators; it certainly cannot be considered a widely accepted method in the machine-building industry. The fact that a few lathe operators have achieved a cutting speed of 1,300-1,400 meters per minute is of limited economic significance since the average speed in the entire field of metalworking does not exceed 40 meters per minute. The extraordinary significance which the adoption of high-speed cutting methods has for the mobilization of internal equipment reserves is revealed by Victoria in Arad, where the average cutting speed has reached 100 meters per minute. In view of the average speed attained throughout the industry, this achievement represents a 100-percent increase in the effectiveness of the machine-tool production capabilities of this enterprise.

As a consequence of the intensive efforts made to propagandize Soviet methods by the party organization of Sovromtractor, Emerik Karacsonyi was the first to suggest adoption of the Nazarova method at Sovromtractor. The method has since been adopted by all enterprises in Stalin City, and by many others throughout the country.

Another problem which must be seriously considered by all enterprise party organizations in their struggle to fulfill and exceed the plan is proper planning of the wage fund.

The party and government encourage the granting of higher wages to workers, but only in accordance with the socialist principle of distribution of the wage fund according to quality and quantity of work performed. Otherwise, any increase in the wage fund leads to higher manufacturing costs and is contrary to the interests of both the workers and the national economy.

During February, the metallurgical plant in Targoviste exceeded its production plan 2 percent, while the labor productivity of the individual wage earner was 6 percent below that established by the plan, yet the average wage increased 12 percent. Such a "wage policy" actually prevents an increase in labor productivity and constitutes an obstacle to plan fulfillment.

It is the duty of enterprise party organizations to guide and support managerial personnel so that application of the socialist principle of pay according to work will become a guiding force in the struggle to increase the workers' standard of living and labor productivity.

- 7 -

RESTRICTED

RESTRICTED

STAT

In many enterprises the struggle to discover and mobilize internal reserves is not carried out in a planned manner. The "hit-and-miss" method of solving problems still prevails in many sectors of industry.

The successes achieved reveal that most of the nation's enterprises have already attained a considerable degree of technical and organizational maturity. Nevertheless, certain shortcomings in the internal planning of enterprises are still conspicuous.

A few months ago Victoria in Arad adopted a plan for technical and organizational measures and improved methods of internal planning. Results were soon forthcoming: The enterprise fulfilled its production objectives for the year as early as 22 August. There were no bottlenecks in production, and the enterprise has informed its responsible economic authority that it is in a position to accept additional orders from other enterprises under the enterprise cooperation plan.

Another factor influencing successful plan fulfillment is thoughtful and proper internal planning of the enterprise. Certain enterprises are deficient in this respect. As a result of defective planning, the practice of last-minute speed-up at the end of the various plan periods has been widely adopted throughout industry.

As an example of how uneconomical and unplanned this is, during August the following statistics on plan fulfillment for rolling mills were released by the ISCT steel plant: first 10 days, 67 percent; next 10, 62 percent; last 10 days, 171 percent. The consequences of this late rush work were serious. The monthly planned overtime was exceeded 62 percent, the proportion of rejects increased from 0.3 percent to 0.93 percent, and the excessive use of equipment resulted in the damaging of several rollers in rolling mill No 2.

Among the measures considered essential for successful fulfillment of 1951 plan and the Five-Year Plan is the adoption of production schedules for eliminating last-minute speed-up, and for assuring uniform execution of the production program. This must be a primary concern of the party organizations of enterprises.

These party organizations must make certain that all technical and organizational conditions required for successful execution of the competition in honor of the 34th anniversary of the October Revolution are properly fulfilled. The proper supply of work stations with the necessary materials, the precise distribution of tasks to every brigade and even every worker, the proper organization of shifts, careful and thorough internal planning, and the keeping of accurate records of the results of the competition must be assured. All these measures are essential for the practicing on an increasingly large scale the principal of socialist competition.

The struggle for economizing on nonferrous metals, for economies in general, for better utilization of equipment, and for the strengthening of socialist labor discipline, which will to a large extent determine the success of the struggle for plan fulfillment ahead of schedule, should be joined by all enterprises.

In the struggle for early fulfillment of the 1951 plan, the party organizations of enterprises must carry out serious and intensive political work, mobilizing all workers, technicians, engineers, and employees.

- 8 -

RESTRICTED



RESTRICTED



STAT

The party organizations must actively pursue their tasks of mobilizing and guiding the Rumanian working people, and raising their political, ideological, and professional level. It is the great duty of the party organizations to see that every working man becomes an active force in the production process, a basic factor in the struggle for the fulfillment of the Five-Year Plan, in the struggle for socialism, and for peace.

It is also the duty of party organizations to give unconditional support to the managements of their enterprises, to guide their activities, and to guide and control the work of the enterprises. Thus, the party organizations will truly become the political leaders in enterprises.

- E N D -

- 9 -

RESTRICTED

