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CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

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COUNTRY	Hungary	REPORT NO.	[REDACTED]	25X1
SUBJECT	MEH Scrap Collecting Enterprise, Debrecen	DATE DISTR.	29 March 1954	
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- The MEH scrap collecting enterprise (MEH Vas Es Fegyujto Vallalat) in Debrecen is engaged in the collection of metal scrap, waste paper, scrap rubber, phonograph records, feathers, and rags. The central office, at 3 Szepsegi Utca, directs the collection of scrap in Debrecen and surroundings, the Hajdu and Bihar districts (Hadjumegye, Biharmegye). The enterprise maintains one collection station in each of the 23 villages, and 16 collection stations in Debrecen. The main depot for the scrap material collected, which employs 300 workers, is also located at 3 Szepsegi Utca, in Debrecen. The general manager of the enterprise is Racz (fnu), about 50 years old, a one-armed Party member who was formerly a laborer in a leather factory in Debrecen. The Party secretary is Hasz (fnu), about 40 years old, a former textile and feather merchant from Sarretudvari.
- Each village collection station, with one storeman and one collector, receives from the central office a monthly quota of scrap to be met. In addition to materials voluntarily brought to the station by the inhabitants, the collector must obtain the remainder of the scrap more or less by force. The collector visits private homes and decides which articles must be handed in as scrap, regardless of whether they are still in use. This method is applied especially in the collection campaigns, which take place every four to six months.
- Each article collected is registered along with the owner's name. Prices paid by the enterprise are as follows:

	Forints per kg.
Wrought iron scrap	.12
Machine castings	.30
Commercial castings (household articles, etc)	.20
Brass	4.00
Br-onze, copper	7.00
Aluminum	3.00
Aluminum parts (airplane wrecks, etc)	1.50
Rubber	.60
Phonograph records	.40
Feathers	10, 20, 40.00

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Rags	.60 to 1.00
Newspapers, books	1.00
Wastepaper	.60

4. At least 20 percent of the articles collected can be resold as secondhand goods. They are separated from the rest of the scrap in the central store and sold at 30 percent less than the market price for secondhand goods.
5. Scrap paper is brought to a separate depot on Teleki Utca, which is equipped with three paper presses. The enterprise owns a small paper bag factory near the depot which employs approximately 30 workers, 20 to 25 of them women.
6. The average monthly turnover is 700 tons of scrap. It is sorted by the storemen and either forwarded to the central depot in Debrecen or sent directly to Budapest. The enterprise owns two trucks and 12 horse-drawn wagons, used for transporting scrap from private homes and from the collection points to the central depot.
7. The yearly plans of all state enterprises, such as factories, industrial cooperatives, etc., include a certain quantity of scrap to be delivered by them. These quotas are collected without payment by another enterprise, but are sometimes collected by the MEH, which gives a receipt specifying that the scrap is part of the yearly quota of the enterprise concerned. Any surplus in excess of this quota must also be delivered without payment, although when it is delivered to MEH, it is sometimes paid for in cash and registered in the name of the manager of a cooperative or of the storekeeper of a collective farm, etc., as if received from private individuals.
8. A Soviet major from the airport near Debrecen once called the MEH office and offered to sell some scrap. He delivered in person several truckloads of new aluminum airplane parts and was paid the normal price of aluminum scrap.
9. Three special scrap collecting campaigns were conducted in 1953, compared with one or two in the preceding years. Village councils, Party members, teachers, schoolboys, etc. are mobilized for this purpose. Each one is assigned specific areas and norms. The unusually high quotas imposed on the villages and town districts, along with the great zeal of the campaigners, result in actual confiscation of household goods, appliances, etc. from private homes, especially if the owner is a kulak, a former bourgeois, or is generally considered hostile. The high percentage of serviceable articles, which are sorted out in the scrap depots and resold at enormous profits compared with the scrap price paid for them, comes mainly from these organized campaigns. The plan for the scrap collection campaign in May 1953 in the Debrecen district, which lasted four to six weeks, included approximately 3,000 tons of paper. The result was 60 percent above this plan, which meant premiums for the enterprise, the collectors, and for everyone who participated in the campaign.

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