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CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

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COUNTRY	Bulgaria	REPORT	
SUBJECT	Economic Conditions in Bulgaria; Wages, Prices, and National Loans	DATE DISTR.	8 September 1954
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This is UNEVALUATED

THE SOURCE EVALUATIONS IN THIS REPORT ARE DEFINITIVE.  
THE APPRAISAL OF CONTENT IS TENTATIVE.  
(FOR KEY SEE REVERSE)

1. The average monthly wage of a manual laborer or of a semi-skilled worker is 450-500 leva. Up to 25 percent of this sum is withheld every month for the following:
  - a. Social insurance and security;
  - b. Income tax;
  - c. Subscription to the national loan (10 months per year);
  - d. Union, cultural, and party organizations; benefits;
  - e. Political organizations (Bulgaria-USSR Association, etc.); and
  - f. Subscriptions to newspapers and magazines.

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2. The following prices were current in Bulgaria as of June 1954:

<u>Article</u>	<u>Price in Leva</u>
Dark Bread	1.50, 2.10, or 3.00 per kilogram (depending on the percentage of bran)
White Bread	3.80 per kilogram
Table Cheese	13 per kilogram
Grating Cheese	19 per kilogram
Butter	25.60 per kilogram

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STATE	<input checked="" type="checkbox"/>	ARMY	<input checked="" type="checkbox"/>	NAVY	<input checked="" type="checkbox"/>	AIR	<input checked="" type="checkbox"/>	FBI	<input checked="" type="checkbox"/>	AEC					
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<u>Article</u>	<u>Price in Leva</u>
Sunflower Seed Oil	12 per kilogram
Lamb, Choice	14 per kilogram
Lamb	12 per kilogram
Veal	11 per kilogram
Beef	10 per kilogram
Sugar	9.60 per kilogram
Sugar, Lumps	10 per kilogram
Rice, First Quality	10 per kilogram
Rice, Second Quality	9.20 per kilogram
Eggs	0.65 (summer) 0.80 (winter)
Milk	2.40 per liter
Yoghurt (from cow's milk)	2.50 per liter
Yoghurt (from sheep's milk)	2.90 per liter
Potatoes	1 per kilogram
Cherries	2.15 - 2.25 per kilogram
Kerosene	2.40 per liter

3. In Bulgaria there are very few unemployed. In order to create work for all, the Bulgarian government has resorted to a simple solution which turns out to the detriment of the workers. The government increased considerably the bureaucratic apparatus and methods of work in order to create new jobs. An infinity of new offices have been created and in those nationalized enterprises where a private owner previously employed one or two workers at the most, now seven or eight workers are employed to produce the same quantity of articles. For example, prior to the Communist regime a private baker may have produced 2-3 quintals of bread per day, with the assistance of a helper and a delivery boy. Today, with nationalization, the same quantity of bread is produced by 6-7 workers with the following jobs: kneader, accountant, sales clerk, bakers, etc.
4. The situation outlined in Para. 3 above has resulted in a plethora of workers who are poorly paid and a need for large sums of money in order to give work to all. In order to face the problem of managing all these workers, the Bulgarian government has resorted to national loans which are floated each year and which, through the years, are given names in order to justify them, such as: liberty loan, reconstruction loan, industrialization of Bulgaria loan, land reclamation and irrigation loan, agriculture loan, building reconstruction loan, and so forth.
5. In 1954 a loan was floated and was called the "Building Reconstruction Loan." Subscription to it is obligatory for all Bulgarian workers at the rate of 400 to 450 leva to be paid in 10 monthly payments. In May 1954 the Bulgarian press announced that the goal of 100 million leva had been exceeded by 10 million leva and this sum will probably increase still further since subscription to the loan is open from March to 31 December 1954.

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6. The Bulgarian government calls workers' subscriptions to national loans "voluntary." The sum of 400-450 leva is a large one for the ordinary Bulgarian worker who receives a wage of 450-500 leva per month. He thus has to pay approximately one month's salary yearly toward the national loans.
7. The working hours of the Bulgarian worker are carefully checked. He can be fired for being late two or three times for work and his negligence as to time or as to work is entered in his worker's booklet. A worker with such entries in his booklet will thus only be able to be employed in hard or in manual labor.
8. All stores have open to the public a book in which customers write their complaints or praises and can comment on the merchandise produced by a company or on service by the sales clerks in a store. These books are examined from time to time by the local authorities and by union organizations. This innovation has been looked upon with favor by the public which frequently makes use of it.
9. All companies have been nationalized as have retail stores. The only exception in the case of retail stores are those who lost a son in the partisan war. These can acquire a permit to run their own store, purchasing merchandise from the State at a six percent discount.
10. In addition to Sundays and New Year's, 1 May, 9 September, and 7 November are national holidays. These are the only holidays Bulgarian workers receive.
11. Frequent exchanges occur between Soviet and Bulgarian "Stakhanovite" workers. New methods of work and production are studied during these exchanges.

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