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INTERNATIONAL ECONOMIC RELATIONS

ON CEMA'S TREATY-MAKING POWER

Moscow SOVETSKOYE GOSUDARSTVO I PRAVO in Russian No 6, Jun 79 pp 98-106

[Article by Ye. T. Usenko, doctor of juridical sciences, professor, and Worthy Scientist of RSFSR]

[Text] History's first international organization of the new socialist type--the Council for Mutual Economic Assistance--is this year celebrating its 30th anniversary. The Council's activity represents a unique experiment in international cooperation on an equal footing, a harmonious combination of national and international interests of countries, and a practical implementation of the principles of socialist internationalism. The principles, forms and methods in the Council's organization and activity, which have demonstrated their indisputable vitality under the difficult conditions of the genesis and development of the world socialist system and have repeatedly been tested by the socialist countries when they set up other international organizations, have played and are continuing to play an important role in shaping international relations of the new type. They are also having a definite impact on the development of general principles and norms governing relations among states in the contemporary world.

During its existence CEMA has made an inestimable contribution to development of multilateral cooperation among its members, thereby promoting faster planned economic growth and a stronger material foundation for the unity of these countries. The role of the Council has grown particularly in the period of efforts to implement the Comprehensive Program of Socialist Economic Integration. At present the commonwealth of CEMA member countries is the most dynamic and the most closely knit economic system in the world. Yet the significance of the Council's activity extends far beyond the realm of economic cooperation among its members. Its activity is helping the world socialist system to achieve new success along the decisive lines of competition of the two world systems and is conducive to a growth of the economic might of the commonwealth of socialist countries, which has now become the principal factor for peace, to relaxation of international tension, and to assurance of conditions favorable to development of the worldwide revolutionary process.

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As an open international organization CEMA favors development of relations not only with the socialist countries which are not members of the Council, but also with other countries, which is in line with the objective needs of international economic life. CEMA is playing and unquestionably will play an ever greater role in this important area. The growth of the international prestige and importance of CEMA is being vividly manifested in the geographic expansion of the sphere of its activity. From the regional international organization it was in the initial period of its existence CEMA has become an organization whose members are states located on three continents of the globe. Entry of the Socialist Republic of Vietnam into CEMA was one of the notable events of last year. Under an agreement with CEMA, Yugoslavia, a socialist country, takes part in the proceedings of its bodies and organs on an equal footing. On the basis of a special agreement cooperation is developing between CEMA and Finland--a country with a different social system than the member countries of the Council. Iraq and Mexico have similar special agreements with CEMA. A large number of international organizations have established and are maintaining relations with the Council in various forms. In 1974 CEMA was accorded the status of an observer in the UN General Assembly. Negotiations are being conducted concerning development of relations between CEMA and the European Economic Community.

The broader the development of CEMA's external relations which must be set forth in the form of a treaty, the greater the urgency of the question of the Council's treaty-making power. It has assumed particular urgency in connection with the initiative shown by CEMA on the question of establishing treaty relations with the EEC and the campaign waged about this in the western, especially West German, press to the effect that CEMA supposedly does not possess the status of an international person in international law (mezhdunarodnaya pravosub'yektivnost'), at least not an international person with power to make treaties, or even that it is not capable of being a proper partner to negotiations at all.¹ For all the insubstantiality of such assertions, it obviously would not be wise to let them pass unnoticed. The main thing is that the questions of the competence of CEMA to conclude treaties have still not been sufficiently studied in our literature on international law. The present article is aimed at filling this gap to some degree.

CEMA is an international and intergovernmental organization. An organization of that kind is characterized by the following features:

- a) it has been created by agreement among states, as a rule by intergovernmental treaty;
- b) its members are the states themselves;
- c) it possesses its own will which is relatively autonomous with respect to the will of the member states. Relatively autonomous because its competence is based on the intergovernmental treaty, and consequently can be altered by the member states, and second, because its will is shaped by the member states.

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Nevertheless, its will is autonomous, since it does not constitute the mere sum of the wills of its members, but constitutes a new attribute in just the same way as the organization itself is not reducible to the mere sum total of the states, but constitutes a distinct intergovernmental creation. For that reason the member states have no right either separately or all together to issue any sort of prescriptions to the organization. They can only participate through their representatives in the proceedings of its bodies and organs in the forms and in accordance with the procedure set forth in its charter, and thereby participate in shaping its will;

d) the organization must have organs to express its will;

e) it must be lawful; neither its goals and principles, nor its activity may contradict the goals and principles of the UN Charter.

In our opinion one other criteria should be added to the characteristics we have enumerated:

f) the organization promotes cooperation or organizes cooperation of states in the domain of their exercise of their sovereign rights.

This addition is necessary since, as the practice of socialist economic integration has specifically demonstrated, states may set up organizations which meet most of the criteria mentioned and, nevertheless, are not international persons in international law, but are juridical persons in civil law. Their activity does not lie in a domain in which cooperation of states is related to the exercise of their sovereign rights by those states. Here we have in mind so-called international economic organizations (MKhO) in the realm of civil law. This last characteristic could also be important in cases when there is a need to separate international (intergovernmental) organizations from supranational organizations.

So, if an organization meets the objective criteria we have enumerated, which were formulated on the basis of the practice of states, then beyond all doubt it is an international (intergovernmental) organization and consequently an international person in international law.

This statement differs from what is not infrequently asserted in the West. Opinions are expressed to the effect that an international organization must be recognized as an international person in international law by third states before it may attain that status.² However, it is not difficult to grasp the correctness of the opposite point of view, which holds that every organization meeting the criteria noted above possesses the status of an international person in international law. We must above all recall what we mean in general when we say that a person is the subject of a right. By subject of a right we mean a natural or legal person who participates or is capable of participating in legal transactions.³ Taking this proposition into account, we can say that every international organization which possesses its own will is involved in international legal relations--with the

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member states at the minimum. This itself is sufficient for it to be treated as a person in international law.⁴ It is quite obvious that neither third states nor other international organizations can have an influence on this proposition in either a positive or negative sense. Consequently, recognition of an international organization by third states or other organizations has declarative, but not constitutive character. It does, of course, have significance, since it opens up possibilities for relations between the organizations and the relevant third parties, but it is not constitutive.

Speculation in the western juristic literature, then, to the effect that "recognition" of CEMA by the EEC would give the Council some sort of advantages with respect to establishing its status as an international person in international law,⁵ are without basis.

Matters stand differently with supranational organizations. These organizations lay claim to rights far exceeding the limits of international law. Without going deeply into this issue, we can clarify this idea with the following simple illustration. Let us suppose that a supranational organization has expressed a desire to take the place of its member states in a multilateral treaty or in an international organization. It is quite clear that this could not take place without recognition of those powers by the other participants in the international treaty or international organization notwithstanding that the member states of the supranational organization have consented to this replacement. As a rule the subject of a right may not be replaced in legal relations by another subject unless this is consented to by all other participants in the given legal relation.

This example shows that supranational powers require on the outside recognition by third parties which are subjects in international law; otherwise such powers do not really exist. Insofar as supranational organizations, as we conceive it, have a dual nature (an international organization on the one hand and supranational on the other), to that extent there are grounds for the view that their recognition could also have dual significance. They might be recognized solely as international organizations. In that case recognition has declarative significance, as we have already pointed out. But if the organization is recognized in its supranational dimension, such recognition becomes constitutive in nature.

Statement of the principle that an international organization that meets certain criteria ipso facto possesses the status of an international person in international law signifies establishment of its "objective status as an international person," i.e., recognition that it is an international person in international law erga omnes (with respect to all), and not only with respect to the founding states and third states and international organizations which have recognized it. Recognition by third parties signifies no more than their desire or readiness to enter into those relations with a given organization, assuming its consent, which it is empowered to conduct and which might be of interest to the two parties.⁶

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As an international person in international law every international organization possesses a certain legal capacity. Though the status of an international person in international law is indivisible (one cannot imagine a semi-person or quarter-person), international legal capacity may indeed be limited. International organizations possess only limited legal capacity, which is defined by the goals of their creation. The scope of the legal capacity of any given organization is established by its act of founding or other normative acts. The legal capacity of international organizations as a rule also includes their power to conclude treaties in international law. The questions of the subject, the scope and the other subjects of international law with which they can conclude such treaties--all these matters are defined directly or indirectly in the founding documents of the relevant organization or in decrees of its official bodies. Since the charters of many or even a majority of organizations do not refer to this at all, this legal capacity is understood to be implicitly granted, and its content is derived from the general purposes, functions and tasks of the organization.

Now let us examine CEMA's legal capacity and status as an international person in international law on the basis of what we have said. Since CEMA does meet the criteria indicated by the letters a, b and d at the beginning of the article, it is self-evident that we are analyzing the other criteria. First of all--the question of CEMA's own will: in what forms is it expressed, how does the process of formation of its will take place, and what significance does its independent will have for the member states?

All discussions, consultations and studies undertaken within the framework of an international organization ordinarily have as their ultimate purpose the adoption of specific legal acts in which its will is expressed. In CEMA the principal acts of this kind are recommendations and decisions. The term "resolution (postanovleniye)" (see Rule 27 of the Rules of Procedure of the CEMA Session) is used as a general term to cover both these acts, as well as certain others. No resolution (this refers above all to recommendations and decisions) may be adopted without the consent of the interested member countries. Moreover, any country is entitled to declare its interest in any particular matter being discussed in the Council. If a country declares that it is interested in an issue which is to be the subject of a resolution, and if it opposes, then the resolution cannot come into being (Paragraph 3, Article 4, of the CEMA Charter). Consequently, the principle operative in CEMA is not unanimity of all the member states, but unanimity of only the interested states. A resolution may therefore be adopted not only by the votes of 10 countries, i.e., of all the member countries participating in the proceedings of CEMA, but also by those of 9, 8 or even 3 countries, if the other member countries of the Council declare themselves not to be interested. The resolution does not extend to the countries who have declared themselves to be uninterested in this question. But any of these countries can later join in the resolution adopted in the Council (Paragraph 3, Article 4, of the CEMA Charter).

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The legal procedure we have sketched here, which is the basis for shaping the will of CEMA, shows that the attempts which have been made in the West to cast doubt on CEMA's status as an international person in international law because it supposedly does not possess its own will, but is an instrument of the foreign policy of the Soviet Union, can only be termed unscrupulous fabrications.⁷ It is simply impossible in this context to prevail over an individual state. Everyone familiar with the principles of law and the methods of operation of CEMA knows that no resolution can be adopted in any of the bodies or organs of the Council against the will of even one individual state.

Certain western authors have tried to picture this legal procedure for formation of the will of CEMA as a shortcoming of that organization,⁸ which is also erroneous. This procedure motivates the states only to seek mutually acceptable solutions, and a resolution adopted on this basis unquestionably has greater moral force than one which does not take into account the will of the minority. It is also erroneous to suppose that the enactments of CEMA are not legally binding.

As already noted, the will of CEMA can be expressed in recommendations and decisions. Under the Council's Charter decisions are made on organizational and procedural questions. They may be taken by all organs of CEMA: principal and auxiliary organs, standing and ad hoc organs, including work groups-- but only, it goes without saying, within the limits of the competency of the relevant organ. A decision immediately acquires legal force and becomes binding on the relevant organs of CEMA and upon the state from the moment of its adoption.

Recommendations are of a different character with respect to their content and legal effect. They are adopted on questions of the economic and scientific-technical cooperation among member states. Only the principal organs of the Council have the power to adopt them. In order to make the legal significance and legal consequences of CEMA recommendations clear, we must distinguish between adoption of a recommendation in the Council and acceptance of its recommendation by the states to which it is addressed. Adoption of a recommendation in the Council by representatives of member states, regardless of its specific content, does give rise to certain formal legal relations between CEMA and those countries to which it is addressed. These legal relations come about by force of the constitution and the rules of procedure.

The Council is required to submit the recommendation for consideration of member countries. A country to which a recommendation is addressed must within 60 days examine it and notify the Council of the results of this examination. If the countries accept a recommendation of the Council, which as a rule does occur, then new legal relations come about which are based partially on the Charter, but mainly on the content of the recommendation.

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Under the Charter acceptance of a recommendation gives rise to the state's duty to carry out the recommendation and inform the Council about progress in its execution. Consequently, the legal obligation of a recommendation accepted by a country comes about by the force of the Charter itself. A recommendation casts off the attribute of a unilateral enactment of CEMA and becomes a form of legal relation between the Council and each country separately which has accepted the recommendation. Moreover, acceptance of a recommendation may give rise to a treaty in international law among the member countries if by virtue of its content it creates rights and duties for the member states with respect to one another. As an example of treaties of this kind, which we refer to as sui generis treaties,⁹ we might point to the General Conditions of Deliveries of Commodities Among Organizations of CEMA Member Countries and the Comprehensive Program for Further Extension and Improvement of Cooperation and Development of Socialist Economic Integration of CEMA Member Countries. A recommendation of the Council accepted by the countries is carried out in each country by decision of its government or other competent authority in accordance with its legislation, i.e., by transformation of the obligations envisaged in the recommendation into municipal law. All CEMA recommendations accepted by the countries have the same legal nature and juridical force. But the norms they embody may by their nature be recommendations, directives or specific obligations.

It follows from all we have said about the legal enactments of CEMA that this international organization possesses its own will, which is distinct from the will of the member states, and that this will may have (and actually does have) great significance to development of economic cooperation of the member states both among themselves and also with third countries.

As an international person in international law CEMA possesses international legal capacity and competency (pravo- i deyesposobnost'), including the power to conclude international treaties. CEMA's legal capacity is defined, to be specific, in Article 3 of the 1974 version of the Charter. Paragraph 1 of that article indicates its functions, while Paragraph 2 indicates its powers. The second paragraph states that CEMA is empowered: 1) to make recommendations and decisions, which has already been discussed above, and 2) in accordance with the Charter "to conclude international agreements with the member countries of the Council, with other countries and with international organizations."

The provision concerning the treaty relations of CEMA with third countries is elaborated in Article 11 of the Charter. Among other things, it states: "The conditions for the participation of countries which are not members of the Council in the proceedings of organs of the Council or their cooperation with the Council in other forms shall be defined by the Council in agreements with those countries--as a rule by the conclusion of agreements." As for relations with other international organizations, Article XII has this to say: "The character and forms of these relations shall be determined by the Council in agreement with the relevant organs of the United Nations and international organizations, specifically by conclusion of agreements."

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It follows from the provision cited that CEMA's power to conclude international treaties is set forth in its Charter *expressis verbis* in an altogether clear form. We should add to what we have said that CEMA has repeatedly exercised this power. For instance, it concluded with the Soviet Union an agreement regulating matters related to location of CEMA institutions in the USSR. It has concluded similar agreements with other member states, specifically with Hungary, GDR, Poland, Czechoslovakia and Bulgaria.

CEMA has established treaty relations with a number of states which are not its members as well. We are referring to treaties mentioned above with Yugoslavia, Finland, Mexico and Iraq. The Council has treaty relations with specialized organizations of the socialist countries, with the Danube Commission, with the International Agency for Atomic Energy, maintains intensive treaty and nontreaty relations with various organs of the United Nations, with its specialized institutions, and also with other international organizations: for example, with the Center for Industrial Development of the Arab States.

The content of all the treaties we have mentioned is diverse: from establishment of the scope of contacts among the countries entering into the treaty to regulation of matters concerning cooperation between CEMA member countries and a third country, as is the case in the treaties with Finland, Mexico and Iraq.

Now let us turn to the question of the scope of CEMA's treaty-making power or competency in its essence. The CEMA Charter does not spell out the specific cases in which CEMA is empowered to conclude international treaties. Paragraph 2 of Article III of the Charter has decisive importance to determination of the scope of CEMA's treaty-making power. It follows from this paragraph that CEMA has the right to conclude any international treaties which are in conformity with its Charter. The requirement that the treaty be in conformity with the Charter is the only limitation on CEMA's treaty-making power. But what does "in conformity with the Charter" mean? It means above all that it must be in conformity with the organization's functions. It is noteworthy that the functions of CEMA are defined in the same article in which the question of its powers to conclude international treaties is dealt with. And its functions are defined very broadly. I will name only the most important ones: organization of comprehensive cooperation of member countries in the direction of the most rational utilization of their natural resources and accelerated development of the productive forces, and also promotion of the development of socialist economic integration; promotion of improvement of the international socialist division of labor by coordinating economic development plans and through industrial specialization and cooperation of the member countries; assistance to the member countries in drafting, coordinating and performing joint measures in the field of development of industry, agriculture, transportation, and capital investments, development of commerce in commodities and services among the member states and also of the member states with third countries, as well as exchange of scientific-technical advances and progressive manufacturing know-how.

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In spite of this broad definition of the organization's functions, Paragraph 1 of Article III of the Charter does not provide a complete list. The last sentence of that paragraph states that the Council is also empowered to undertake "other actions necessary to achievement of its goals." Consequently, in all those fields to which its functions and goals extend the Council has the power to adopt both decisions and recommendations, as well as to conclude international treaties. This idea can also be expressed differently: on all matters on which the Council is empowered to adopt decisions and recommendations, it also possesses the power *mutatis mutandis* to conclude international treaties.

It is absolutely necessary to give this conclusion special emphasis because it demonstrates the erroneousness of the hypotheses expressed in the western literature concerning the insufficiency of the capacity of CEMA to conclude treaties with the EEC.¹⁰ Perhaps it would be more legitimate to ask: Is the EEC for its part empowered to conclude such a broad treaty as is called for in the interest of promoting broad economic cooperation between the countries belonging to the two organizations?

The relatively narrow treaty-making power of EEC is to be explained by the supranational character of this organization. Such an organization limits the sovereign rights of the member states and therefore can possess only those powers which have been altogether clearly granted it on specific matters. This has been pointed out by Professor (A. Blekman): "The competency of other international organizations is very broad, they do not possess the supranational rights of, say, the European communities, and there is therefore no need to restrict their competency in the interest of the sovereignty of the member states and their constitutional considerations." For the European communities, on the other hand, "the principle of individual powers also operates with respect to the right to conclude treaties, by contrast with international organizations."¹¹

What they have said makes it clear why the attempts of certain western authors to find in the CEMA Charter a list of its individual treaty-making powers was unsuccessful. There are no such provisions there, nor should there be. Accordingly, the conclusion to the effect that the absence of these individual powers makes the competency of CEMA with respect to subject matter unclear, should also be seen as without basis.

It is a quite different question that CEMA does not possess exclusive competency, i.e., that its competency does not exclude the competency of the member states, as is the case in the EEC. The CEMA Charter to some extent creates a parallel treaty-making power of the organization and of the member states. This not only does not detract from the effectiveness of the treaty-making power of CEMA, but on the contrary opens up broader opportunities for its exercise.

Let us suppose that CEMA is concluding an international treaty in its own name and the subject matter of that treaty are not only the acts of the

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organization as such, but also the relations of the organization's member states with one another and also with third countries. What are the legal means which CEMA possesses to discharge its obligations arising out of such a treaty? The same as it possesses in general--recommendations and decisions. It follows from what we said earlier that these are effective means. But if the desire is to make the treaty directly binding on the member states as well, then there are two ways to achieve this. Either such a treaty, before its adoption by the CEMA Session, should be approved by the member states, as was the case with the agreement between CEMA and Finland, or that same treaty should be simultaneously signed both by CEMA and also by the member countries. If in the latter case the treaty is to be signed with some organization, then naturally the question would arise of its being signed on that side not only by the organization, but also by the member state.

The question of the participation of the member states in a treaty also arises in the specific case of the possible treaty between CEMA and the EEC. Matters are unclear and debatable as to what extent the EEC is competent to conclude a truly broad treaty concerning cooperation. The competency of the EEC to conclude treaties with third states (leaving agreements concerning association to one side) has been clearly provided for in the Rome Treaty Establishing the EEC solely with respect to trade policy (Article 113). As for other fields, the treaty is silent about them. Indeed, Article 113 itself speaks only about the shaping of a joint trade policy on the basis of uniform principles. It would seem that it is not mandatory that the joint trade policy be implemented through the EEC. This does not follow by necessity from the article indicated. But even if we assume that Article 113 of the Rome Treaty does actually grant the EEC exclusive competency on this matter, there still remain many other fields where there exist either parallel competencies of the Community and the member countries, or the competencies of the member states alone.

In the light of this it would seem most sound if a possible treaty were signed on the EEC side as a joint treaty, i.e., by the organization and by the member states. That solution would also eliminate the issue of the sufficiency of powers of either organization. It has indeed been proposed by CEMA. If attempts are, nevertheless, made to represent the competency of CEMA as insufficient so as thereby to open up the road to direct treaty relations between the EEC and the individual CEMA member states, then quite naturally the supposition could arise that the EEC wishes to derive unilateral benefits. But the EEC should take into account that under the Comprehensive Program the member countries of CEMA have assumed an obligation "to coordinate their foreign economic policy in the interest of normalizing international trade and economic relations, above all to eliminate discrimination in this area" (Paragraph 3 of Section I).

Invigoration of economic relations between CEMA member countries and states with a different social system is an important condition for expansion and reinforcement of constructive tendencies in world politics and for strengthening the material foundation of peaceful coexistence and peace throughout

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the world. That is why in the preamble of the CEMA Charter the member countries confirmed "our readiness to develop economic relations with all countries regardless of their social system and government...." The treaty relations of CEMA, whose legal foundations have been examined in this article, play an important role in that important effort.

FOOTNOTES

1. For more, see: Lebahn, A., "Sozialistische Wirtschaftsintegration und Ost-West-Handel im sowjetischen internationalen Recht," Berlin (West), 1976, pp 368-369.
2. For instance, in the opinion of Seidl-Hohenveldern this recognition is indispensable to establishment of the status of all international organizations as international persons in international law with the exception of those which possess "objective" status of international persons in international law, as defined by the UN International Court concerning the United Nations (see: Seidl-Hohenveldern, J., "Das Recht der internationalen Organisationen einschliesslich der Supranationalen Gemeinschafften," Cologne, 1967, p 701).
3. "In the concept of the subject of a right as traditionally understood," writes R. O. Khalfina, "are merged two basic characteristics: the possibility of participating in various legal relations and actual participation in them" (Khalfina, R. O., "Obshcheye ucheniye o pravootnoshenii" [General Doctrine of Legal Relations], Moscow, 1974, p 114). This position was expressed straightforwardly in the well-known definition of the subject of a right given by S. F. Kechek'yan (Kechek'yan, S. F., "Pravootnosheniya v sotsialisticheskome obshchestve" [Legal Relations in Socialist Society], Moscow, 1958, p 84). The Soviet doctrine of international law takes this as its point of departure. "However the definition of the subject of international right or international person in international law is defined," R. L. Bobrov writes, "it must reflect two organically interconnected elements: 1) the ability to participate in international legal relations and 2) actual participation" (Bobrov, R. L., "Osnovnyye problemy teorii mezhdunarodnogo prava" [Basic Problems in the Theory of International Law], Moscow, 1968, p 68). Some authors, including western authors, define the subject of a right as the person able to have rights or actually possessing them ("competent person"). But this does not alter the essence of the matter. "Legal capacity," writes H. Mosler, "is an inseparable constructive element of legal relations of any kind" (H. Mosler in Strupp-Schlochauer, "Woerterbuch des Voelkerrechts," Vol III, Berlin, 1962, p 665). It is an attribute of a person who is the holder of the rights, duties and powers of a person (Ibid.).

The term "subject of a right" is one of those general terms without which international cooperation would be extremely difficult.

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4. "... Any international (intergovernmental) organization created and operating lawfully is a person in international law, since its act of establishment necessarily regulates relations between the organization and the member state ..." (Ushakov, N. A., "Persons in Contemporary International Law," "Sovetskiy Yezhegodnik mezhdunarodnogo prava 1964-1965" [Soviet International Law Yearbook 1964-1965], Moscow, 1966, p 68). "The number of participants ... or its recognition by states which are not within it have no effect on its status as a person" (Ibid.).
5. On this, see: Lebahn, A., Op. cit., pp 367-368.
6. Ye. A. Shibayeva, who originally adhered to the opinion that recognition by third states "has constitutive significance for an international organization" (Shibayeva, Ye. A., "On the Problem of Recognition of Specialized United Nations Institutions in International Law," PRAVOVEDENIYE, No 2, 1968, p 110), later came to the conclusion that this recognition "does not have constitutive significance...." "In this case the role of recognition, just as in the recognition of sovereign states by one another, consists in establishing the appropriate juridical basis for relevant mutual relations among the parties" (Shibayeva, Ye. A., "Pravovoy status mezhpavitel'stvennykh organizatsiy" [Legal Status of Intergovernmental Organizations], Moscow, 1972, p 103).
7. See the debates in the European Parliament, VERHANDLUNGEN DES EUROPAEISCHEN PARLAMENTS, No 203, p 153 ff.
8. See, for example: Pommer, H. I., "Politik und Wirtschaft im Sowjetblock," Mainz, 1966, pp 30-31; Caillot, J., "Le CAEM. Aspects juridiques et formes de cooperation economique entre les pays socialistes," Paris, 1971, p 95.
9. For more detail, see: Usenko, Ye. T., "Legal Aspects of the Comprehensive Program for Socialist Economic Integration," SOV. GOSUDARSTVO I PRAVO, No 7, 1973, pp 63-69; "Sovet Ekonomicheskoy Vzaimopomoshchi. Osnovnyye pravovyye problemy" [Council for Mutual Economic Assistance. Basic Legal Problems], Moscow, 1975, pp 225-227, 233-235.
10. On this, see: Lebahn, A., Op. cit., p 369.
11. EUROPARECHT, No 2, 1977, p 121.

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MANPOWER: LABOR, EDUCATION, DEMOGRAPHY

INTER-REGIONAL USE OF LABOR RESOURCES DISCUSSED

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[Article by A. Khaytun: "Inter-Regional Use of Labor Resources"]

[Text] The organizational forms of the inter-regional use of labor resources and of the social infrastructure* connected with the development of the eastern regions of the country have at the present time developed into a system which is united by the concept of "the special duty expedition method." The employment of this method is a result of an acceleration of the processes of drawing natural resources, above all the petroleum and gas deposits of Western Siberia, into economic turnover. The necessity has arisen for sharply shortening the time involved in constructing the most important production facilities; for ensuring the attraction of qualified labor resources to areas with difficult natural and climatic conditions; and for achieving a high level of mobility for construction and for the organizations of the petroleum and gas industry, of geological surveying, and of other branches.

*The "social infrastructure" is regarded as a system of institutions, enterprises, and organizations which provide the conditions for the life and for the satisfaction of the material and spiritual needs of a population. The material-physical basis of the social infrastructure is made up of the buildings and structures of the housing fund, public health, trade, domestic services, cultural services, and others. With regard to the tasks of developing new territories the social functions of the enterprises and organizations of the branches of material production and of the infrastructure (transportation, communications, the system of energy communications, waste removal, professional training, supplies, and so forth) are included to the extent to which these branches cover services for the population and the satisfaction of social needs directly in the process of labor. The social infrastructure of the territories which are being developed is interpreted as a resource which creates the general conditions for the production work of the basic branches.

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While it is the initial stage in accomplishing the social task of settling territories which are favorable for habitation, the development of the social infrastructure of resource regions is at the same time a condition for attaining production goals, stabilizing production collectives, and increasing labor productivity.

A program for developing new territories is characterized by a definite uncertainty with regard to the times a goal can be achieved, the needs for resources, and final results. For this reason, before making large capital investments there has to be a realistic confirmation of their high effectiveness and, thereby, the establishment of the priority of a given investment program over analogous national economic projects. For example, in the petroleum and gas areas of Western Siberia the construction of cities and settlements took on a wide scope only after the fields of the Middle Priob'ye had begun to ensure an annual increase in petroleum extraction of 33 million tons.

Frequently the infrastructure of new areas begins to develop rapidly only after the commissioning of production facilities and is created simultaneously with them as a result of the coincidence of peaks in the workloads of production and civilian housing construction and of the overloading of the capacities of the construction industry and, therefore, lags behind basic production. The greatest difficulties are connected with the satisfaction of the needs of the population for new cities and settlements which, in its turn, influences the rates of production development and reduces the economic effectiveness of a program. The conception of a special duty expedition method has been advanced as a means of eliminating these local contradictions between the production and social goals of the development of new areas.

The special duty expedition method provides for the performance of work in remote areas and areas being newly developed by regular shifts of the subdivisions of construction and installation organizations and industrial enterprises which are located in inhabited areas. This method is used in the petroleum, gas, and timber industries, in geological surveying, and in construction by the Ministry of Construction for the Petroleum and Gas Industry. Despite the fact that its organizational forms are in the stage of establishment, the dimensions of the use of this method are quite wide. According to expert estimates, more than 50,000 people are employed in the petroleum, gas, and timber industries, in geology more than 130,000 people perform 25 percent of the work, and in the construction of petroleum and gas industry facilities around 80,000 people perform 43 percent of the construction work.

It is useful to perform an analysis of the effectiveness of the special duty expedition method on the basis of the materials of the organizations of the Ministry of Construction for the Petroleum and Gas Industry, since in this branch its use determines the basic work program. The organizations of this ministry have accumulated unique experience in the rapid

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concentration of resources, capacities, and qualified cadres at such large objects of national economic importance as the Central Asian-Center system of gas pipelines and the "Soyuz" gas pipeline. The Ministry of Construction for the Petroleum and Gas Industry is the basic contracting ministry for the petroleum and gas complex of Western Siberia where construction schedules are, as a rule, extremely condensed.

The construction of the linear part of main pipelines is performed by mobile subdivisions. For pipeline tracts and the construction of surface structures workers who were employed during the construction season are billeted in field towns. Their families usually live in cities and settlements far from the construction site. Regardless of where they are located, the contracting organizations of the branch perform work in many areas of the country. Thus, in 1977 the "Shchekingazstroy" trust performed construction work in 26 oblasts. At the most important construction projects of the petroleum and gas complex of Western Siberia (for example, the Vyngapur-Chelyabinsk gas pipeline), along with territorial organizations, workers from trusts in the European part of the country and Central Asia are employed in the expeditions.

The block-sets method which signifies the shifting of the basic amount of construction work to the plant area and the concentration of the production capacities of construction organizations and their permanent territorial assignment is acquiring ever increasing importance in the construction of pumping and compressor stations. The assembling and adjustment of equipment blocks is performed at the construction site. Since the construction schedules are greatly shortened and the number of construction sites and the zone in which the construction and installation organizations operate increase, the special duty expedition method has proven to be the only possible method of organizing the work.

In 1978 more than 30 percent of the employees worked on the basis of the inter-regional use of labor resources at the objects of the Ministry of Construction for the Petroleum and Gas Industry in Western Siberia. In the future it is planned to enlist 70,000 to 80,000 construction workers here. Given the creation of the proper conditions, the scope of the inter-regional use of labor resources in petroleum and gas construction could be increased. Nevertheless, the basic forms of using labor resources in the rapidly developing areas of Siberia are still the traditional ones to which, however, the specific nature of a region adds important correctives.

Sociological surveys have shown that in the territorial trusts of the branch which are located in the petroleum and gas areas of Western Siberia more than one-third of the workers who are signed up for the period of the labor contract do not have the possibility of visiting their families which live near the place of their new work. It is very difficult for these categories of workers to enter the established nucleus of the collective. Labor turnover in such organizations reaches 60 to 80 percent.

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The specific nature of construction work in the north makes it necessary to attract seasonal and temporary workers during periods with favorable weather conditions. As a rule, they perform seven to eight percent of the annual construction program during the summer season. The construction of the linear part of the pipelines, on the contrary, is performed during the winter when the swamps freeze. Frequently unskilled workers who resign after the winter construction season move as team members to more southerly objects only to return to the north at the beginning of the new season.

The tasks of the development of new territories demand an improvement of the organizational forms of attracting labor resources. Sociological surveys of the branch's construction organizations in Western Siberia, Central Asia, the Povolzh'ye, and other areas of the country which were performed by the Institute of Economics of the Ministry of Construction for the Petroleum and Gas Industry in 1975-1978 have shown that most of the line workers regard the special duty expedition method as useful.

At the same time, in tract construction the conditions which are necessary for the effective use of this method are far from fully ensured. The replacement of collectives is carried out irregularly and frequently workers are employed at a facility until the completion of construction and rest only episodically at their permanent residences, and trips for rest occupy a large amount of time and are connected with serious organizational difficulties. The social and every day conditions at the tract and, first of all, the quality of mobile housing and domestic services in field towns and special duty settlements give rise to criticisms.

The wages of workers who are employed in pipeline and surface construction in the northern areas are quite high, however, a number of the privileges and pay additions for expedition workers depend upon the place of the official location of the management apparatus, and not upon the place of work. For this reason, in areas where pay additions have not been established or are relatively low and where insufficient account is taken of the specific nature of tract work, of the conditions of living in special duty settlements, and of the long trips in special duty motor vehicle transport along tract roads difficulties arise with attracting qualified cadres.

A hindrance to the wide introduction of the special duty expedition method is the lack of well-built housing at places of permanent residence as a result of which the families of workers are sometimes put up in field towns. The inter-regional use of labor resources mitigates this contradiction to a certain extent on the basis of the use of the developed social infrastructure of inhabited areas, but it does not eliminate it completely.

The discrepancy between the social needs and the working and living conditions of the expeditionary workers employed at the sites of the petroleum

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and gas complex leads to a relatively large labor turnover, especially among young workers. At the same time, the occupational prestige of a participant in the development of the petroleum and gas in other areas of Siberia is quite high and it is only necessary to reinforce it with economic and social advantages.

An improvement of the system of wages for expedition workers requires the application to them during the period of their actual work in a remote area of all of the regional pay additions, belt coefficients, and privileges which are designed for persons who permanently live in this area and are employed in the same work with regard to the character of the work which is connected with a long separation from families. Rest between expeditions or employment in an expedition in average belt areas should not interrupt privileged seniority. It is also important to stimulate workers who provide the conditions for viability in an expedition, engineering preparations and transportation. Today these services are considered auxiliary. The regular mass movement of workers over large distances requires an increase in the reliability of communications and in their capacity and the optimization of the methods of managing transportation flows.

The special duty expedition method meets the needs of workers only in the event that the possibility of regularly returning from the developing areas to their places of permanent residence is ensured. The existing labor legislation permits the totalling up of work time; for this reason a lengthened work day and work week are established on the expedition (on special duty) within physiologically valid limits and with regard to the specific nature of the work performed so that the total work time during the accounting period (length of the expedition plus rest at places of permanent residence) corresponds to the approved norms.

A special duty regimen has been adopted in drilling in the petroleum industry which is reminiscent of the one established in the Navy; that is, three-shift continuous work with an eight-hour work day (according to the data of medical research, this regimen requires a relatively frequent replacement of personnel). In construction a six-day fifty-nine-hour week and ten-hour work day is regarded as advisable. In this case for every two weeks of work in an exhibition a worker is given a week of rest. Other regimens within the framework of the limits established by law are also permitted.

The duration of an expedition, that is, the full number of days at a work site, including time en route, depends upon the specific nature of the production, the natural and climatic conditions, the length of the distance from a place of permanent residence, and the reliability of communications. With partial acclimatization the duration of an expedition has to be the longer, the greater the contrast between the natural and climatic conditions of the places of residence and of work. The following work and rest cycles were recommended for workers employed in the

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construction of main pipelines in the north: ten weeks of an expedition (October-December), three weeks of rest, then ten weeks of an expedition (January-March), and 1.5 months of rest; in less severe areas--nine weeks of an expedition and 1.5 months of rest regardless of the season. With work by the special duty method near places of permanent residence (for example, the construction of fields at the petroleum deposits of the Middle Priob'ye) a ten-day duty is possible.

The optimal regimens of the prolonged work day and work week and of the length of an expedition still have to be made more precise for the various types of jobs, natural conditions, and adaptation processes by means of systematic economic and medical studies. Although they are connected with a certain improvement of existing practices, the payment and privileges methods being proposed do not go beyond the payment systems which have been established for various branches and regions. The largest changes have to be made in the organizational forms of the pioneer work to develop remote areas.

The forced development of the petroleum and gas areas of Western Siberia requires the creation and organizational design of a territorial petroleum and gas complex. The realization of a single technical policy for the branches which are members of this complex makes necessary interdepartmental cooperation in the production base, warehouse work, transportation, and so forth due to the fact that the development of the production and social infrastructure in the northern areas of Tyumenskaya Oblast is the common task of all of the branches of the petroleum and gas complex.

At the same time, the overall development of a region does not negate the branch character of management since enterprises preserve their operational independence and the vertical structure of their hierarchical subordination. It is only possible to rapidly concentrate skilled labor resources and specialized production capacities in an area which is being developed on the basis of the branch management principle. The special duty expedition system, in our opinion, makes it possible to realize the advantages of branch management in the specific conditions of territories under development. The production aspects of this method are connected with transferring labor consuming processes (preparation, batchings, assembly, and others) to inhabited areas and with using the production base of branches regardless of their location.

The territorial division of areas of labor activity and of the social infrastructure of places of permanent residence creates the greatest difficulties in the process of management. To a certain extent difficulties are created in the interaction between a branch (enterprises, organizations) and the territorial agencies of state administration which bear responsibility for the overall nature of socio-economic development. We are speaking about the contradiction between the needs of a territory being developed for permanent cadres and the necessity of using the labor of temporary workers. Practice has shown that when work is conducted in

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areas with extreme natural and climatic conditions it is necessary to have special skills in operating machinery and mechanisms and in the technology of work which are acquired during a long process of adaptation to natural and climatic and social and everyday conditions. Reverse migration is highest during the first half-year to year after arrival in a new area. This contradiction is eliminated by the specialization of expedition organizations. Although he lives in the developed areas of the country, a worker who works regularly over a period of many years in the northern areas of Siberia may be regarded as a specialist who knows local conditions. At the same time, regardless of its production structure, in providing the conditions for the functioning of an expedition the expedition organization has to participate in the development of the social infrastructure of the area being developed. In particular, the creation and operation of special duty settlements has to be included in its production work.

The contradictions in a basing region are a result of the fact that the agencies of state power, regardless of their branch subordination, control the production results of the enterprises located on their territory. At the same time, while these agencies are not directly responsible for the accomplishment of the production tasks which are set for an expedition organization, they are obliged to manage its social and economic development (providing the families of the expedition personnel with housing, social and everyday services, and so forth). For this reason, there has to be a clear legal definition of the special duty expedition system which is based on the use of the advantages of branch and territorial management and which ensures their interaction. The dimensions of the use of the special duty expedition method at the present time and for the future period are such that they make it possible to raise the question of improving the forms of management and of economic and socio-economic decisions.

The basic tasks of managing the construction of petroleum and gas facilities in Western Siberia and in the other areas of the country with difficult weather and climatic conditions are:

--in economic management--the creation of a system of norms for price setting which reflects the special characteristics of the formation of expenditures for construction in the areas of the north with a high mobility of production and service subdivisions and a poorly developed production and social infrastructure. In our opinion, the estimated norms for overhead expenditures must also include direct expenditures to provide for the life and work of workers, for the relocation of equipment, the construction of temporary roads, and so forth;

--in the management of the processes of social development--the recruitment and training of cadres in developed areas for work in expeditions, and the development of the social infrastructure in the expedition (mobile housing, medical, social, and cultural services, providing for food,

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and others) and in places of local residence;

--in the management of construction--a rise in the level of engineering preparations, providing for the life and work of workers on an expedition, and the organization of transportation.

An analysis of these tasks testifies to the necessity for developing a number of existing organizations which are engaged in pioneer work into expedition trusts--enterprises for mobile construction in remote areas. The expedition trust will operate like a contracting organization and, regardless of its place of location, it will be advisable to plan primarily the fulfillment of work at construction sites in remote areas for it. The structure of such a trust, the disposition of its cadres, and the content of the jobs in it will take account of work in remote areas in accordance with the special duty expedition method. The trust will replenish and train its cadres in the country's developed areas. The basic idea of the expedition trust which makes it different from the existing forms of construction enterprises consists in the fact that it is designed for continuous pioneer work.

It is of fundamental importance to decide the question of the place of expedition organizations in the structure of branch management which is basically based on territorial and functional principles. In particular, in the construction of petroleum and gas industry facilities there is an interaction between territorial production main administrations whose trusts perform work in regions which are specific for them and specialized main administrations which perform such contracting operations as welding and installation or underwater work in many areas of the country. Special duty expedition mobile construction does not fit into this scheme. On the one hand, expedition trusts are located outside of the region of their work and can change it without moving their bases in a developed area and, on the other, the special duty expedition method does not require functional specialization. On the contrary, the tasks of pioneer development lead to the overall coverage of work at an object.

The expedition trusts can probably be included within the territorial specialized main administrations. The operational leadership of such trusts, regardless of the area where they are based, can be made the responsibility of a territorial executor production administration or of another agency of a ministry in the area being developed which decides upon the objects to be built by the special duty expedition method, establishes the schedules for the commissioning of start-up complexes, and coordinates the work of expedition and territorial organizations, including engineering and social and everyday support for the construction, the regular transportation of labor collectives, and the relocation of equipment.

The use of the special duty expedition method is a result not only of the lagging of the social infrastructure. A number of territories which

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are rich in natural resources (the northern areas of Tyumenskaya Oblast, the north of Eastern Siberia, Chukotka, and so forth) are among the areas which are unfavorable for permanent residents. The creation there of permanent settlements is inexpedient. Secondly, in many cases the character of the distribution of natural resources does not permit the rational siting of populated points in a given area on the traditional basis. It is hardly necessary to develop the petroleum and gas areas of Tyumenskaya Oblast in the way that the old petroleum areas of Tatariya, Bashkiriya, and so forth were developed--by means of the construction of settlements at all of the fields. In Western Siberia the deposits are distributed over a vast swampy territory and the center of gravity of the mining is shifting to the north, to a zone which is unfavorable for permanent residence; the effective operational period of the field is limited to 10 to 15 years, with the result that the prospects for the use of the labor resources and the housing fund which is constructed with enormous difficulty are indefinite. Experts from the State Committee for Civil Construction have calculated that with the traditional scheme of developing petroleum and gas areas in Western Siberia the investments for the construction of small settlements at fields would come to 5 to 6 billion rubles. The inter-regional use of the social infrastructure makes it possible to limit the construction of permanent settlements in the northern areas. At the same time, it becomes possible to shorten the "peak" period of development: there is a decrease in the size of population (since the family members of the expedition workers live outside of the region) and in the number of people employed in civil housing construction. In order to satisfy the need for the housing fund through the traditional methods in the petroleum and gas areas of Western Siberia there would have to be, according to minimum estimates, 80,000 workers in civilian housing construction. It would be necessary to provide these workers and their families with housing.

In addition to an overall decrease in the number of workers, the special duty expedition method makes it possible to enlarge populated points and to achieve a concentration of construction in a few large cities which are located in zones that are relatively favorable for permanent residents.

The institutes of the State Committee for Civil Construction are now correcting the area layout plans and the general plans for cities in the northern zone of Tyumenskaya Oblast with a view toward the special duty expedition scheme. The aggregate of cities and settlements in a region is being looked upon as comprising a single settlement system "city-special duty settlements" which are united by transportation communications and which have a common production base. The following settlement types are being distinguished:

--the support city which serves as a base for the expedition method and is located in a zone favorable for residents (including the city structure outside of the limits of the region). The families of workers, including the families of construction workers and workers in other branches who are

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employed in the inter-regional use of labor resources live in the support cities;

--the base city--the center of the special duty settlements and the transportation point for the expeditions. It is lived in by the families of the special duty workers who are employed in the intra-regional use of labor resources;

--special duty settlements of the stationary type near fields and in communication centers--roads and the routes of main pipelines,--and also field towns for construction workers and geologists at oil and gas fields and near other facilities during the period they are being developed. Only those people employed in production live in these settlements which are made up of mobile homes and pre-assembled and temporary buildings. This kind of scheme is economically efficient and ensures the flexible development of the system of settlements.

It should be noted that additional architectural-layout and socio-economic studies are necessary in order to increase the comfort of the special duty settlements and organize a rational system of settlement in the areas of the north which are being developed. First of all, it is necessary to work out architectural-layout norms for the special duty settlements. The norms also do not take account of changes in the functions of the base city when the expedition method is introduced: these norms become much more complicated and include services for the special duty settlement and the development of transportation facilities in order to provide for the replacement of expeditions and special duty detachments. The social aspects of the special duty method provide for satisfying the cultural and social and everyday needs of the special duty workers and their families. Yet, the possibilities of expedition organizations regarding civil housing construction at places of permanent residence are limited beforehand because the basic construction work is performed far away from inhabited territories. In particular, the construction trusts have the right to distribute up to 10 percent of the housing space which has been commissioned for a client, thereby receiving an additional source for supplying their workers with comfortable apartments. Under these conditions certain difficulties arise in attracting qualified cadres into expeditions. It would be logical to carry out housing construction in the middle zone in accordance with the title lists for Siberia and other northern areas in which expedition organizations are employed and to include the appropriate structures (microrayons, settlements) in the general plans of cities. This kind of construction may be regarded as a new form of attracting the country's productive forces into the development of the key economic areas of the north.

The economic efficiency of the special duty expedition method is high and is determined above all by a shortening of the time involved in construction and development: in the petroleum and gas complex a shortening of construction time for the Western Siberia-center main pipeline by a half year yields an economy of more than .5 billion rubles.

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An enormous economy in developing a region is achieved by decreasing the cost of expensive construction in the north through the attraction of labor resources on an inter-regional basis (providing living arrangements for a single person in the northern areas costs 21,000 rubles in capital investments, that is, 4 to 6 times more than in the central zone of Russia).

A broad and timely use of the special duty expedition method will make it possible in the future to decrease costs for the development of the petroleum and gas complex of Western Siberia by 2.5-3 billion rubles. The annual economy per 1,000 people employed in basic production will be: for capital investments--15 to 17 million rubles, and for operating expenditures--.8 million rubles (account is taken of the increased expenditures of construction organizations for transportation, increased wages, and the maintenance of field towns).

Calculations show that for pipeline construction organizations in Tyumenskaya Oblast there may be an increase in expenditures of approximately 800 rubles per year per person and that the wage fund will increase by five to six percent.

The use of the special duty expedition method requires a rise in the level of the organization of production: today under field conditions, chiefly due to the unrhythmical nature of material supplies and a lack of coordination in the construction process, there are concealed stoppages which (with the agreement of collectives) are compensated for by overtime work and are frequently not recorded. The introduction of a summary account of working time excludes the possibility of such a "maneuver." The introduction of the special duty expedition method without its support by the corresponding organizational measures would require an increase of 15 to 20 percent in the number of people employed in line construction, drilling, the organization of fields, and so forth. Given the overall shortage of labor resources it is impossible to overestimate the importance of raising the organizational level of work performance in pioneer construction.

The rapid development of the key economic areas of Siberia and the Far East practically excludes any alternative to the special duty expedition method. If, for example, the northern area of Tyumenskaya Oblast where the basic petroleum and gas resources of the country are concentrated were to be developed by the traditional method, it would be necessary to settle 3 million people there and to build more than 40 million square meters of housing. This is hardly possible or expedient within the time which has been assigned for the development of the social infrastructure. For this reason, the social effectiveness of the special duty expedition method results precisely from the fact that its use makes it possible to create the necessary social and everyday conditions for the workers employed in pioneer work in the areas of Siberia and the Far East being developed and also for their families.

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The inter-regional use of labor resources in the development of the most rapidly developing region of Siberia--the petroleum and gas areas of Tyumenskaya Oblast--can now be regarded as an objective reality. The creation of the planning, organizational, and legal preconditions for increasing the efficiency of this method is now of topical importance. In this connection, it would be advisable in the national economic planning of the use of labor resources and in the composition of cadre balances to take account of their inter-regional use in the new organizational forms and to allocate capital investments at outstripping rates for the development of the social infrastructure in the inhabited areas where expedition organizations are based.

It is essential to improve the economic, organizational, and legal forms of enlisting labor resources for the development of the country's key economic areas. The basis here is government decisions on the creation of construction associations for mobile construction and the corresponding privileges for the workers of these associations, and also on privileges for the workers of the petroleum industry who are employed according to the expedition method in the areas of the far north. It is desirable to reflect in comparable legal documents the specific nature of the work of the mobile enterprises of other branches in areas which are being developed, including organizational forms, payment, the management of the processes of the social development of collectives, and also the economic mechanism of the special duty expedition method.

In working out the schemes of area layout and of the development of the productive forces of remote territories with severe natural and climatic conditions account should be taken of the wide scope of the inter-regional use of labor resources. This requires that work be begun on developing normative documents on layout and town-building solutions in base cities and mobile settlements and, above all, on the composition of such documents for the socio-economic substantiation of general plans for new cities in the petroleum and gas areas of Western Siberia.

Finally, the scope of the inter-regional use of resources in the development of Siberia is such that it is probably necessary to unite the scientific collectives which are working on this problem. It would be advisable to place under the leadership of the USSR Academy of Sciences (with the participation of the Academy of Medical Sciences, the Institutes of Gosplan USSR and Gostroy USSR and of interested branches) overall scientific-experimental studies of the social, economic, organizational, production, transportation, and medical and biological aspects of the use of the special duty expedition method in developing Siberia and the Far East.

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WAYS TO IMPROVE EFFICIENCY OF LABOR DISCUSSED

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Article by A. Dadashev: "Economic Mechanism of Increase in the Efficiency of Labor"

Text The accountability report of the CPSU Central Committee to the 25th party congress stressed that, in connection with the aggravation of the problem of labor resources, the solution of the overall problem of increase in the efficiency of utilization of manpower and a rapid growth of labor productivity will become especially urgent in the future. Insufficient rates of labor productivity growth can lead to the need to involve comparatively large contingents of labor resources in material production sectors, thereby hampering the expansion of the nonproductive sphere. Therefore, under present conditions and over a long-term period labor productivity growth and increase in the efficiency of utilization of manpower in material production sectors acquire paramount importance and appear as an indispensable condition for the economic development of the USSR.

The mobilization of intraproduction manpower reserves in the part not requiring capital investments is connected with an improvement in the organization of labor and the system of its stimulation and depends on the degree of adjustment of the economic mechanism in the area of utilization of labor resources. This mechanism on a wide plane represents the effect of the totality of factors of an economic planning, social, legal and organizational nature forming in interconnection a single whole and encompassing all the stages of reproduction of labor resources--personnel training, distribution and redistribution (retraining) of manpower throughout the spheres and sectors of the national economy and an indirect utilization of labor resources.

The planning indicators and standards approved in a directive manner and the economic levers (incentives, sanctions and conditions) that are to ensure the maximum possible increase in the efficiency of labor at the present level of development of productive forces represent the economic planning aspect of the economic khozyaystvennyy mechanism.¹

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In our opinion, the following should be included among the most important elements of the economic mechanism: providing incentives to collectives for fulfilling production assignments without increasing the size of personnel (Shchekino method and its modifications);² planning the indicator of labor productivity and providing incentives to collectives for fulfilling stepped-up labor plans (dependence of incentive funds on the level of fulfillment of approved plans and counterplans for labor productivity growth); existing standards of recalculation of the wage fund as the production assignment is fulfilled.

During the first years of implementation of the economic reform, of the four labor indicators (wage fund, labor productivity, size of personnel and average wages), only the wage fund was planned for enterprises in a directive manner. Having granted enterprises the right to independently plan the size of personnel, the reform directed them toward the disengagement of surplus manpower under the conditions of fulfillment of the most important directive indicators. Enterprises, having gained independence in this matter, began to increase the number of workers, at the same time, overstating the need for personnel.

Work experience has shown that it is necessary to refine the individual elements of its mechanism and to increase the interest of enterprises in raising production and labor productivity with a simultaneous reduction in the size of personnel. An experiment began at the Shchekino Chemical Combine (now the Azot Association) in 1967, which then spread to a number of enterprises of other sectors of industry and the national economy. The long-term practice of managing enterprises according to the Shchekino method confirmed the efficiency of the improved incentive system directed toward a better utilization of available manpower and disengagement of its surplus.

However, despite the obvious advantages of the Shchekino method ensuring a combination of personal, collective and social interests, the scale of its dissemination is obviously insufficient. The introduction of advanced experience proceeded satisfactorily only in the ministries of chemical industry and of petroleum refining and petrochemical industry, in the system of which "Shchekino commissions" were established especially. A total of 150 enterprises turning out about 70 percent of the volume of sold output operated according to the Shchekino method in the USSR Ministry of Chemical Industry at the end of 1975. At these enterprises the rates of labor productivity growth exceeded the average sectorial level by 15 to 20 percent and wages were 10 to 12 percent higher. More than 350 new shops and production facilities put into operation in 1974-1975 were fitted out ahead of schedule by means of collectives using the Shchekino method.

Enterprises employing more than two-thirds of the industrial and production personnel and turning out 78.1 percent of the volume of output operated according to the Shchekino method in the USSR Ministry of Petrochemical Industry as of 1 January 1978. A total of 37,100 people were disengaged at these enterprises in 1969-1977, as a result of which the savings of the wage fund totaled 91.2 million rubles, of which 38.4 million rubles were spent on additional payments and bonuses.

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A wide dissemination of the experience of Shchekino workers was hampered by the rather passive attitude of many ministries toward this valuable undertaking, lack of solution of individual methodological problems and cumbersome and lack of clarity of some points of the repeatedly refined conditions for the transfer of enterprises to operation after the example of the Shchekino Chemical Combine. The new "Procedure for the Application of the Shchekino Method of Improving the Organization of Labor, Material Incentives and Planning"³ (instruction) was approved in April 1978. It simplified the transfer of collectives of enterprises to work according to this method, greatly expanded their rights in the utilization of the savings of the wage fund and raised the role and responsibility of ministries in the dissemination of the Shchekino experiment. The ministry must establish stable standards of wage expenditure per ruble of output or stable wage funds with a breakdown throughout the years of the five-year plan for the enterprises that began operating according to the Shchekino method.

The characteristic of the new instruction also lies in the fact that enterprises are granted the right to transfer all the unutilized savings of the wage fund obtained as a result of the disengagement of workers (provided the annual plans for the volume of production, labor productivity and profit are fulfilled) to the material incentive fund at the end of the year. The amount of additional payments was increased (up to 50 percent instead of the maximum level of 30 percent) for certain categories of production personnel, the composition of workers to whom additional payments were established (repair and piece-rate workers) was expanded and so forth. Additional payments are also paid (within 70 percent of the savings of the wage fund as a result of the cut in personnel) if the number of workers is lowered as compared with the labor standards in effect at enterprises, standards whose intensity is lower than that of intersectorial or sectorial standards. For newly commissioned enterprises, shops and facilities all the savings obtained as a result of the fulfillment of planned assignments with a smaller size of personnel as compared with the planned one (with due regard for the standard periods of mastering) can be assigned for additional payments.

Thus, it can be considered that with the introduction of the new instruction the "economic" barriers standing on the path of a wide dissemination of the Shchekino method have been basically removed.⁴ This makes it possible to count on an increase in the efficiency of utilization of manpower under the conditions of a mass introduction of the experience of Shchekino workers within a certain sector, that is, along the "vertical line." Now there is the task of transferring enterprises in the sphere of material production to the Shchekino method along the "horizontal line," that is, within a city or oblast (kray). Specific experience was accumulated in Shchekinskiy Rayon, Tul'skaya Oblast, where 20 enterprises turning out more than 80 percent of the total volume of industrial output operate according to this method. About 700 workers were disengaged there during the first half-year of 1978 alone. Preparatory work on the transfer of the remaining eight enterprises in the rayon is being carried out. More than 100 production collectives turning out more than 60 percent of the total volume of output worked according to the Shchekino method in Tul'skaya Oblast at the end of last year.

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It seems that a systematic organization of work on the introduction of the Shchekino method requires a single coordinating center. In our opinion, S. Shkurko, who proposed that these functions be entrusted to the Interdepartmental Commission under the USSR State Planning Committee, is right.⁵

Beginning in 1972 the indicator of labor productivity in annual plans (and as of 1975 in quarterly plans as well) again became directive. Thereby, the USSR State Planning Committee, when assigning labor productivity plans to ministries, indirectly "arrives" at the estimated number of workers and employees with due regard for the expected increase in labor resources.

Practice showed that, despite the indirect regulation of the number of workers, the shortage of manpower did not decrease, but, conversely, increased. Whereas in 1971 the combined number of workers and employees in the total plans approved by enterprises, organizations and institutions exceeded the estimated level determined by the USSR State Planning Committee by 1.4 million people, in 1975, by 2.5 million people. The number of workers and employees in the total plans of enterprises exceeded the actual number by 1.3 million people in 1971, by 1.9 million in 1975 and by more than 2 million in 1977.

The increase in the gap is the direct result of establishment of understated plans for labor productivity growth for subordinate enterprises by many ministries as compared with the approved assignments. For example, according to the data of the USSR State Planning Committee, in the total plans of enterprises of industrial ministries for 1978 the increase in labor productivity comprised 2.5 percent, whereas in the state plan the increase taken into account by the USSR State Planning Committee during determination of the estimated number of workers and employees was approved at the rate of 3.8 percent. Ultimately, such "scissors" lead to an overstatement by enterprises of the planned need for manpower and to an artificial increase in the shortage of personnel. (Incidentally, we would like to note that, according to the data of the USSR Central Statistical Administration, the increase in labor productivity in industry in 1978 comprised 3.6 percent).

Simultaneously with the planning of labor productivity the mechanism of formation of incentive funds for the stimulation of qualitative indicators of the economic activity of enterprises and industrial associations was also improved. Ministries and industrial associations were granted the right to select three (in individual sectors four) fund forming indicators for practical utilization. At the same time, they should include, as a rule, indicators of labor productivity growth and improvement in the quality of output. The amounts of incentive funds are now made dependent not only on the level of labor productivity growth as compared with the previous year, but also on the indicators of fulfillment of the assignments of the five-year plan envisaged for the appropriate year. In particular, a special standard was established. According to this standard, the material incentive fund increases (or decreases) per point of increase (or decrease) of the rates of labor productivity growth in annual plans as compared with the assignments of the five-year plan for the corresponding year. This standard is equal to

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2 percent of the amount of the planned material incentive fund of an enterprise for 1975 (in light, food, meat-dairy and fish industry, 1 percent). At the same time, additional deductions are made from the profit per percent of overfulfillment of the assignment according to the standard increased by no less than 30 percent if only labor productivity growth is taken into account in the counterplan adopted by an enterprise and, conversely, are lowered by 30 percent if the indicator is not included in it, or if the counterplan is not adopted at all.

However, as an analysis shows, the indicator of labor productivity growth plays a negligible role in the system of fund forming indicators, because the material incentive fund appears not as a tool of economically accountable stimulation of the mobilization of intraproduction manpower reserves, but rather as a guaranteed addition to wages for the fulfillment (and even underfulfillment--in this case its amount will be lowered slightly-- of planned assignments for fund forming indicators. One would think that the stimulating role of the indicator of labor productivity in the formation of the material incentive fund should be increased.

In 1975 a total of 17,000 enterprises, or one out of three production collectives in industry, operated according to counterplans. Labor productivity at these enterprises rose by 8.6 percent (which is 2 points higher than the state assignment), owing to which 85 percent of the increase in industrial production was obtained. It should be noted, however, that in 1975 only one-third of the counterplans envisaged an increase (as compared with the assignment) in labor productivity. In 1978, on the whole, the collectives of 7,400 enterprises worked according to counterplans.

Two factors hampered the mass introduction of the indicator of labor productivity growth into the practice of counterplanning. First, in accordance with the established procedure of stimulation, the enterprises that adopted stepped-up plans for labor productivity growth did not have advantages in the formation of material incentive funds. Therefore, the bulk of the enterprises were not sufficiently interested in the adoption of high obligations for this indicator and its inclusion in counterplans.

Second, the management of the enterprise that adopted a counterplan is not insured against numerous changes in its indicators often made by a superior organization. Often such changes in initially approved planned indicators for volume (sales and gross output) and labor (wage fund and labor productivity) are made without taking into account the capabilities of an enterprise. The planned assignments for the volume of production and labor productivity were corrected more than once even for the Shchekino Azot Association operating under the conditions of realization of the second stage of the experiment as of 1971.

Similar practice lowers the responsibility of enterprises for the fulfillment of the initially established plan and creates conditions under which, instead of organizing work on uncovering intraeconomic reserves and drawing

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them into production, some managers strive for a reduction in planned assignments.⁶ "As a result, the plan loses its mobilizing force and is transformed into a screen covering shortcomings in work," L. I. Brezhnev noted in his speech at the festive meeting in Minsk (June 1978).

The fulfillment and overfulfillment of initially established plans corrected toward reduction without an appropriate reduction in the size of the wage fund enable enterprises not only to cover the overexpenditure of this fund arising in connection with the nonfulfillment of the initial assignment, but even to have relative savings. This enables enterprises to maintain a size of personnel exceeding the planned need. However, as practice showed, permission to cover the overexpenditure of the wage fund connected with the maintenance of an above-plan number of workers is often given enterprises freely. To eliminate such practice, in October 1976 the USSR State Planning Committee, the USSR State Committee for Material and Technical Supply and the USSR Central Statistical Administration gave an instruction not to take into account an untimely correction of plans.

However, this joint instruction not reinforced by real sanctions for a violation of the stability of planned assignments is fulfilled inefficiently. According to the data of the Armenian SSR Central Statistical Administration, the 1977 plan was lowered for 168 industrial associations and enterprises in the republic. During the first half of 1978 the planned assignment of the enterprises of Union ministries was corrected toward reduction by 13 million rubles. Often such corrections are adjusted to the actually attained volumes of production for the purpose of creating a semblance of operation of subordinate enterprises "without lagging ones." For example, the Ministry of Machine Tool Building and Tool Industry reduced the sales volume by 130,000 rubles for two Yerevan enterprises--the artificial diamond and diamond tool plant and the experimental equipment accessories plant--where the fulfillment of the planned assignment was threatened. At the same time, the plan for the Leninakan Grinder Plant was increased by the same amount. In the same way 9 out of the 17 enterprises of the All-Union Soyuzekskavator Production Association, which were lagging, turned out to be among those that fulfilled the planned assignment for 1977.

Nor did the standards of distribution of wage funds per percent of overfulfillment of the assignment for gross output (or sales volume) approved in 1959 and used up to the fourth quarter of 1976 interest enterprises in uncovering and utilizing intraproduction potentials for saving labor. The system in effect during that period did not reflect the true need for an additional wage fund and, as a rule, led to the formation of superfluous funds at enterprises, funds which, in practice, were used mainly for various additional payments connected with shortcomings in labor organization and with the maintenance of an above-plan size of personnel.

The somewhat lowered sectorial standards of correction of the wage fund of industrial and production personnel, when production (sales) plans are overfulfilled (underfulfilled), introduced as of 1 October 1976 are also used as an economic sanction. For the enterprises ensuring above-plan output as a

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result of labor productivity growth the standards remain in force and, conversely, are lowered to 50 percent if the above-plan increase in production is ensured as a result of an additional (above-plan) number of workers, when the assignment for labor productivity growth is not fulfilled.

Overfulfilling planned assignments for the volume of production, enterprises continue to maintain an above-plan size of industrial and production personnel. An analysis of the operation of 20 industrial enterprises and associations, which in the fourth quarter of 1976 had 5,334 workers in excess of the plan, showed that at 12 of them this situation "was justified" by the overfulfillment of planned assignments for the volume of production (there were even savings of the wage fund--191,600 rubles) and at 8 enterprises the production plan proved to be unfulfilled, in connection with which the overexpenditure totaled 131,600 rubles. Of the enterprises that did not fulfill the plan only at the Moscow Neftepribor Plant the overexpenditure was caused by the use of a standard reduced in one-half. In the fourth quarter of 1976 this enterprise fulfilled the assignments for the volume of production by 100.2 percent and for labor productivity growth by 79.4 percent and maintained 33 workers (or 2.6 percent) in excess of the plan. The additional amount of deductions into the wage fund due for the overfulfillment of the volume indicator by 0.2 percent according to the standard established for the sector (0.5 percent per percent) should have totaled 0,600 rubles. In connection with the nonfulfillment of the plan for labor productivity growth this standard was lowered in one-half and the enterprise was able to additionally obtain only 0,300 rubles. The amount of wages calculated in the fourth quarter for industrial and production personnel totaled 530,500 rubles, which is 0,200 rubles more than the amount due the enterprise with consideration for the overfulfillment of the plan for the volume of production and application of a lowered standard to it. Thus, reduction in the standard does not stimulate enterprises to disengage an above-plan number of workers.

During the first half year of 1977, according to the data of the RSFSR State Bank, in the republic there were 2,099 industrial enterprises and associations, which overfulfilled the assignments for the volume of production and whose above-plan number of workers reached 44,300. Measures of economic effect (50 percent reduction in the standard) were applied only to 193 enterprises, which had 9,300 people in excess of the plan and did not fulfill the planned assignments for labor productivity growth. Economic sanctions were not applied to the other enterprises that fulfilled the assignments for labor productivity growth, but, at the same time, maintained an above-plan size of personnel (35,000 people).

No economic sanctions for the maintenance of an above-plan size of industrial and production personnel are applied to enterprises and associations not fulfilling the established assignments for the volume of production. If it is kept in mind that in the RSFSR industry in 1976 a total of 7 percent of the enterprises did not fulfill the assignments for the sales volume and 16 percent, for labor productivity growth (during the first half year of 1977, 8.6 and 18 percent respectively), the need for introducing direct economic sanctions with regard to enterprises maintaining a superfluous number of workers

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as compared with the planned need becomes obvious. According to the data of the USSR Central Statistical Administration, the above-plan number of workers at the enterprises of 11 machine building ministries totaled 28,700 at the beginning of 1978.

Hence the need for improving economic sanctions against enterprises that maintain an above-plan size of personnel, regardless of the degree of over-fulfillment of the assignments for the volume of production (sales), is obvious. In our opinion, the enterprises that have an above-plan size of personnel and that overspend the wage fund should make up for this overexpenditure, but not at the expense of the enterprises that attained savings. If the overexpenditure is not covered by savings during the previous quarter of the year under review, the amount of the planned wage fund for the next quarter is lowered by the amount of overexpenditure (it is withdrawn into the budget).

In our opinion, it is advisable to experimentally establish a system in accordance with which the wage fund is not recalculated for the enterprises that overfulfill the assignments for the volume of production (sales), but maintain an above-plan size of personnel, in connection with the nonfulfillment of the assignment for labor productivity growth. The standards reduced by the local organs of the State Bank to 50 percent applied in these cases should be used only with regard to enterprises having an above-plan size of personnel, even when the assignment for labor productivity growth is fulfilled and overfulfilled (which is possible with an outstripping increase in the volumes of production as compared with an increase in labor productivity).

In the economic literature an opinion is expressed about the need to introduce a payment for labor resources. In our opinion, this measure will not give the expected effect. First, according to the calculations for 260 industrial enterprises made by the Scientific Research Institute of Labor (according to three variants of the standard of deductions from the disposable balance of profit, that is, 25, 15 and 5 percent of the wage fund), most of them do not have financial opportunities to cover payments for labor resources. Second, the disposable balance of profit cannot serve as a source of payments, because it makes no difference to an enterprise in what form this balance is withdrawn into the budget.

Improvement in working conditions plays an ever greater role in the structure of the economic mechanism of increase in the efficiency of utilization of manpower. It is well known that the state spends large sums on these purposes, expecting a social and economic return--reduction in absenteeism due to sickness and, as a result of this, an appropriate increase in the annual work time available. Practice shows that, where constant attention is paid to the creation of safe working conditions and reduction in the sick rate and injuries, the results have an immediate effect--whole-day work time losses due to temporary disability are reduced. However, purposeful work in this direction is by no means carried out at all industrial enterprises. It

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is necessary to develop an economic lever that would stimulate economic managers to pay attention to the efficiency of utilization of the annually growing expenditures on improvement in working conditions and labor protection.

At the enterprises that increase work time losses as compared with the amount calculated in the planned work time balance the wage fund should be reduced (with a transfer to the budget) by the amount of payments connected with temporary disability for above-plan losses resulting from absenteeism due to sickness. In such a case enterprises have lesser possibilities of maintaining an above-plan number of workers. (However paradoxical this is from economic standpoints, an increase in work time losses owing to absenteeism due to sickness is the source of savings of the wage fund that makes it possible to maintain a greater size of personnel within the same fund). In our opinion, the proposed measure will be the economic lever that will make managers evaluate in a different way the purposefulness and efficiency of the funds annually allocated for improvement in working conditions and labor protection.

Acceleration of the rates of labor productivity growth on the basis of an increase in the efficiency of utilization of manpower is extremely important for the country's national economy. The solution of this major problem requires from financial planning and economic organs the implementation of further measures for improving the economic mechanism in the area of labor and creation of a single system of measures directed toward an increase in the efficiency of utilization of manpower.

FOOTNOTES

1. Subsequently, economic ekonomicheskii mechanism.
2. At the stage of mastering newly built enterprises economic levers should be directed primarily toward the attainment of the planned level of labor productivity and the size of personnel.
3. See EKONOMICHESKAYA GAZETA, No 21, 1978.
4. The problems of the periods of effect of established additional payments, of economic "security" for disengaged workers (those that remain at an enterprise, changing their occupation, and those that are redistributed beyond its limits) and so forth remained unsolved.
5. See VOPROSY EKONOMIKI, No 4, 1979, p 55.
6. During 1975 the Ministry of Chemical and Petroleum Machine Building alone made changes (as a rule, toward reduction) in the planned assignments for the volume of sales for 68 associations and plants and for labor productivity growth, for 139 associations and plants.

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MANPOWER: LABOR, EDUCATION, DEMOGRAPHY

PART-TIME EMPLOYMENT IN ESTONIA

Moscow VOPROSY EKONOMIKI in Russian No 6, Jun 79 pp 133-137

/Article by L. Kuleshova, T. Skal'berg (Tallin): "The Part-Time Work Schedule (Based on the Example of the Estonian SSR)"

/Text The improvement of the structure and use of the total available working time in conformity with the developing needs of the national economy is one of the most important conditions for the increase of the efficiency of social production and the solution of the problems of increasing the standard of living of the people. In solving the immediate socio-economic tasks at the present stage the more extensive adoption in all spheres of social production of part-time work schedules is necessary.

The tightness of the budget of manpower resources, the progressive tendency for the number of retirees to increase, the introduction of compulsory secondary education (which undoubtedly will slow the influx of young people in the sphere of social production) and the increase of the need of workers for additional free time require the study and use of more flexible work schedules.

The increase of free time is of particular importance for working women. As is known, in our country as compared with other highly developed countries the degree of employment of women in social production is the highest--44 percent. Here the level of employment of women 20-49 years old, which is the most favorable age for childbearing, is especially high--88.5 percent of the total number of this age group. This means that 9 out of every 10 Soviet women combine labor at a works with household duties, which for them take up 3.5-4 times more time than for men.

The Communist Party is pursuing a policy of guaranteeing the genuine equality of women with allowance for the workload of women at the works and at home. "In the approach to this question we have in mind not an arithmetical identity of a number of characteristics which pertain to the position of women and men, but the equal social consequences in the position of women and men at the works, in daily life, in the family and in public life," V. Nikolayeva-Tereshkova noted at the International Meeting of Women in

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Moscow in 1977. The new USSR Constitution calls for in the future (Article 35) "the gradual decrease of the working time of women who have young children." The more extensive use of part-time work schedules might be one of the stages on the way to the standard reduction of the working time for this category of women. The social program of the 10th Five-Year Plan, which was adopted by the 25th CPSU Congress, stipulates the need for the use of work schedules which make it possible to sensibly combine labor in social production with motherhood.

Part-time work schedules help to lengthen the period of active labor of middle-aged people, as well as facilitate the involvement in social production of disability recipients. This is of great social and economic importance, since at present, on the one hand, the tightness of the budget of manpower resources is intensifying and, on the other, the proportion of people of retirement age is increasing.

The Estonian SSR Ministry of Light Industry, the republic Council of the Trade Union of Light Industry Workers and the administrations of enterprises in the 1960's began the extensive introduction of part-time work schedules. Whereas for the country as a whole the employees with part-time work schedules constituted 0.41 percent of all workers in 1976, in Estonia they constituted 1.4 percent, including 3.6 percent at personal service enterprises, 2.0 percent at local industry enterprises and 2.1 percent at communications enterprises. At the enterprises of the Estonian SSR Ministry of Light Industry the part-time workers constituted 2.1 percent.

The Estonian light industry enterprises under the orders of the republic ministry are constantly checking questions of part-time job placement. All the information on occupations, the number of workers, the categories of the population, which work according to such a schedule, on the shift system and length of work and the average wage is sent from the enterprises to job placement bureaus and the ministry, where it is brought together in uniform "Proposals on the Provision of Employment in a Job With a Partial Working Day-Week for the Year..." Moreover, the enterprises periodically supply information to the ministry on the employment of part-time workers with an indication of the occupation, the length of the workday, the output norm and the wage.

The overwhelming majority of part-time employees is made up of those who prior to this worked full time at the enterprise. With a request for a transfer to convenient work schedules the administration tries not only to shorten the shift, but also to adjust the schedule of appearance at work to the needs of each specific worker. If there is a need to work during two shifts a schedule of shiftworks is drawn up, which stipulates the procedure of rotating shifts.

At Estonian enterprises the majority of part-time employees (workers of the main occupations make up 90 percent of their number) belong to brigades, in which workers with both a full and a partial shift work.

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Table 1

Part-Time Employees for Enterprises of the Estonian SSR
Ministry of Light Industry on 1 January 1977

(1) Предприятия	(2) Профессия	(3) Продолжительность рабочего дня (в часах)	(4) Количество рабочих по данной профессии	(5) Средняя рабочая плата (в руб.)	(6) Средний процент покрытия нормы выработки
(7) Фабрика «Кейла»	(8) дублер	4	33	86	109.7
	(9) токарь	4	4	64	—
	(10) лаборант	4	6	51	—
			(11) 43 чел.		
(12) ШПО «Балтика»	(13) швея-мотористка	4-6	127	105,8	122,6
	раскладчик-об-				
	(14) мелозшик	4	2	125,4	136,8
	бухгалтер (15)	5	2	87,3	—
	(16) бригадир	6	1	100,0	—
прочие (17)	1-6	6	100,0	—	
			(11) 138 чел.		
(18) ШПО имени В. Клементи	(19) швея	2	1	20,0	108,5
	(19) швея	4	43	79,0	130,2
	(19) швея	5-7	52	143,0	149,5
	комплектовщица	6-7	2	119,0	126,0
	(20)				
			(11) 98 чел.		

Key:

- | | |
|--|---|
| 1. Enterprises | 11. People |
| 2. Occupation | 12. Baltika Clothing Production Association |
| 3. Length of workday (hours) | 13. Sewing machine operator |
| 4. Number of workers for the given occupation | 14. Spreader and chalker |
| 5. Average wage (rubles) | 15. Accountant |
| 6. Average percentage of fulfillment of the output norms | 16. Brigade leader |
| 7. Keyla Factory | 17. Others |
| 8. Standby operator | 18. Clothing Production Association imeni V. Klementi |
| 9. Lathe operator | 19. Seamstress |
| 10. Laboratory worker | 20. Parceller |

Brigades of 25-40 people, in which the part-time employees make up from 5 to 40 percent, work at the Baltika Clothing Production Association and the

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Clothing Production Association imeni V. Klementi. The average length of the incomplete shift at these enterprises is 6 hours 5 minutes. The part-time employees, depending on their personal circumstances, can either finish working earlier or appear at work later than the start of the shift. For example; the first shift at the Baltika Clothing Production Association begins at 0620, while kindergartens admit children at 0700. Therefore mothers (45 percent of the part-time employees have children up to 7 years old) can begin work at 0800, finishing their shift together with all the workers at 1530. At the Sulev Factory in the carpet shop the workers with a 4-hour shift work from 0600 to 1000, from 1030 to 1430, from 1700 to 2100, in the sewing and textile shops--from 0800 to 1200 and from 1430 to 1830. The 6-hour shift in all the shops of the factory lasts from 0800 to 1430 and 1430 to 2100.

It is important to note the great flexibility of the part-time schedules, which make it possible (especially when there are vacant work places) to effectively take into account the desires of female workers. If necessary, some female workers are allowed to work 8 hours for a number of days in a row with several days off.

At the same time the creation of special brigades consisting only of part-time employees is made difficult by a number of circumstances: the different length of the incomplete shifts (4 hours--27 percent of the employees with part-time schedules, 5 hours--24 percent, 6 hours--47 percent, 7 hours--2 percent); the great variability of the schedules of appearance at work, which does not make it possible to realize the advantages of the uniform brigade; the flexibility of the composition of part-time employees (during 1977 at the Baltika Association and the Association imeni V. Klementi of the 340 employees with these schedules 20 people worked with an incomplete schedule only several months in the middle of the year, 55 people returned to the usual schedules, 56 people converted from a full-time work schedule to a part-time work schedule); the reluctance of female workers to be transferred during the period of part-time employment to another brigade.

In these instances the technologist-rate setters have to plan the distribution of inseparable operations among the groups of female workers in the brigade so that the daily assignment would take into account the available working time of each group. For example, two sewing machine operators belong to one of the groups of the Stella Brigade of the Clothing Production Association imeni V. Klementi: for one the length of the shift is 480 minutes, for the other it is 420 minutes. In all the available working time of this group is 900 minutes. The daily assignment, which consists of four inseparable operations, takes up 1,077 minutes. When issuing the assignment the technologist-rate setter establishes on the basis of the level of skill of the workers a 119.7-percent fulfillment of the output norms. If the time allocated for the fulfillment of the assignment considerably exceeds the available working time of the group to which the seamstresses working a partial shift belong, some of the operations are turned over to other groups, in which more skilled workers work, or to the reserve workers, who are present in each brigade at a rate of 7-10 percent of the size of the brigade. In

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some instances, especially with unplanned absences from work, the brigade leader or the foreman, whose duties do not include the performance of this job, occupies the vacant work place.

When transferred to shortened schedules the part-time employees continue to work, as a rule, at their own work places. Therefore, the individual form of the organization of labor on part-time schedules exists at the same time as the schedule of full-time employment. For example, in the carpet shop of the Sulev Factory there are individual work places with portable stands for those working an incomplete shift, while in the sewing and textile shops the female workers also work in brigades. The instances of a change in occupation and the mastering of related occupations when transferred to shortened schedules are rare.

The analysis of the activity of the indicated enterprises attests that the majority of women work on part-time schedules for 1 month to 2-3 years in connection with family circumstances (for example, the placement of a child in a kindergarten or nursery, the completion by children of the first and second grades, the improvement of the state of health, the completion of an educational institution). People of retirement age, who, as a rule, work on shortened schedules for a longer period, are an exception. Usually the administration of the shop, the foremen and the brigade leaders have talks with the people of retirement age, suggesting they think about continuing to work under part-time conditions, if circumstances do not allow the worker to work on the usual schedules. In this case the benefits connected with part-time schedules are explained to the worker and the possibility of being transferred to another work place in the same or another specialty is indicated. However, about 80 percent of the people put on a pension during the year continue to work on the usual schedules. Of the entire number of working retirees 10-15 percent are transferred to a part-time work schedule. Skill, discipline and workmanship help them to be just as good in labor indicators as younger workers.

In some cases newly hired workers are also provided with employment on these schedules, but for different enterprises their percentage is different. It should be noted that not a single instance of refusal of those who need these schedules has been observed, although the enterprises are constantly experiencing a shortage of a regular labor force and, of course, are more interested in workers who could work full time.

The labor productivity of female workers employed part time at all the enterprises is considerably higher than the average for the occupation. The fact that the working time has been reduced is the main reason for this. People working a partial shift spend on a basic operation on the average 5-7 percent less time than female workers with an 8-hour shift, who are engaged in a similar operation, which attests to the higher labor intensity on part-time schedules.

Moreover, another factor is in effect here: in working a partial workday, the female worker completes her labor process before the body reaches that

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degree of fatigue, where at the end of the work shift the labor productivity declines. As a result, the average hourly output of those working a partial workday is higher than the average hourly output of those employed for a full work shift.

The data on the output of workers with a different length of the partial shift at the Baltika Clothing Production Association and the Clothing Production Association imeni V. Klementi attest to the dependence of the fulfillment of the output norms on the length of the shift, as well as show the amount of compensation of the reduction of working time per hour by means of the increase of labor productivity:

Table 2

Length of shift (hours)	Percent of fulfillment of output norms	Percent of compensation of a 1-hour reduction
4	148	20
5	141	20
6	136	28
7	130	52
8	121	--

Thus, the increase of the average hourly labor productivity in the case of part-time employment is the result of the increase of its intensity, which at the same time, according to studies of physiologists of the Center of the Scientific Organization of Labor and Management of the Estonian SSR Ministry of Light Industry, will not entail changes in physiological functions, which exceed the limits of normal changes.

With the partial workday the extensive use of working time also improves, its direct and indirect losses are reduced. In most cases the female workers with a partial shift prefer to shorten the regulated breaks for rest and personal needs, thereby reducing the time for the production of a unit of output, which leads to an increase of the proportion of operating time in the available time of the shift. The operating time for a seamstress with a partial workday is 91-93 percent of the length of a shift, while for a seamstress with an 8-hour day it is 85-87 percent.

The experience of the Estonian enterprises also attests to the fact that for workers who have been transferred to shortened work schedules there are no losses of working time at all due to violations of labor discipline, the instances of failure to appear due to illness and absence from work with permission of the administration are considerably rarer. This is explained by the flexibility of the part-time work schedules, which makes it possible if necessary to change the schedules of appearance at work for a certain period.

The improvement of the extensive and intensive use of the available working time of those employed on part-time schedules is leading to a substantial

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increase of labor productivity. This, in turn, has an influence on the size of the wage fund. For example, at the Baltika Association and the Association imeni V. Klementi with a 40-percent reduction on the average in the working time worked in 1977 the average monthly wage of the female workers decreased only 25 percent and was according to piece-rate estimates 109.6 rubles, and along with payments from the economic incentive fund--115.7 rubles.

Table 3

Absences Per Worker (in Man-Days; October 1976)

(1) Предприятия	(2) Неявки по болезни у рабочих		(3) Прогоулы у рабочих		(4) Неявки с разрешения администрации у рабочих	
	(5) с полн. временем	(6) с непол. временем	(5) с полн. временем	(6) с непол. временем	(5) с полн. временем	(6) с непол. временем
(7) Кожевенно-галантерейный комбинат «Линда»	0,70	—	0,03	—	0,30	—
(8) ШПО «Балтика»	0,84	0,76	—	—	0,05	—
(9) ШПО имени В. Клемента	1,16	1,30	—	—	0,12	—
(10) Кожевенно-обувное производственное объединение «Коммунар»	0,94	—	0,12	—	0,04	—

Key:

- | | |
|---|--|
| 1. Enterprises | 7. Linda Leather and Haberdashery Combine |
| 2. Absences due to illness for workers | 8. Baltika Clothing Production Association |
| 3. Absences for workers | 9. Clothing Production Association imeni V. Klementi |
| 4. Absences with permission of the administration for workers | 10. Kommunar Leather Shoe Production Association |
| 5. Full-time | |
| 6. Part-time | |

Thus, the use of part-time work schedules gives enterprises a certain economic impact: it decreases the labor turnover, helps to avoid a decrease in the level of skills, which occurs with a break in labor activity and a change of the place of work, reduces the losses of working time and increases the labor productivity, stimulates the continuation of labor activity by people of retirement age.

In our country the introduction of part-time work schedules is regarded above all as a benefit which is granted to some categories of the population and above all to women who have children. The reduction of the workload, which follows the decrease of working time, makes the situation of the woman as

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a mother and a housewife easier, decreases nervous strains and affords an opportunity to devote more time to the raising of children and to relaxation.

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TRANSPORTATION

TU-144: NEW MOTORS MAKE 7,000 KM FLIGHT RANGE POSSIBLE

Paris AIR & COSMOS in French Vol 776 1 Sep 79 p 14

[Text] According to the NOVOSTI press agency, the new TU-144 (version "D") is equipped with turbopropellers which allow a 50 percent fuel reduction. These new motors of engineer Pyotr Kolesov equipped the TU-144D which connected Moscow to Khabarovsk (6,000 km) in 3 hours 21 minutes, on 23 June (see AIR ET COSMOS No 772). This linkage, perfected by the Soviet "technical flight regulation and commissioning" agency, was the first "commercial" connection with passengers between Moscow and Alma-Ata, begun in December 1975 and then suddenly interrupted. It represents only a step in TU-144's development, "and had the real purpose of giving the crews, ground crews, and research agency a profitable experience!"

Let's accept the explanation, but a 50 percent reduction in fuel consumption appears incredible. However, the astonishing percentage is probably true, inasmuch as the motor replacing the Kuznetsov NK-144 (on the TU-144 and perhaps also on the "Backfire" bomber) delivers a larger dry thrust, which is sufficient to avoid using post combustion during a large part of the supersonic cruise, as was disclosed to us at the 1973 salon by the pilot of the machine, shortly before its accident. In this case, in effect, the specific mileage can be doubled, for even "light" post combustion over long periods is extremely expensive.

But the Piotr Kolesov motor would be, besides, a variable geometry motor. A regulating by-pass device lets the motor act like a "turbo-fan" in subsonic flight and like a turbopropeller with direct flow in supersonic flight. The Soviets would have then made a substantial improvement in the TU-144 and would have effectively achieved a variable geometry motor, a much discussed solution on both sides of the Atlantic, but never achieved, although NASA and American motor companies are doing basic research in this area.

The use of such motors makes the new 7,000 km "flight range" announced for the TU-144 completely believable. Let's hope that this time it's not just propaganda, a term which a Soviet engineer used frankly several years ago, when we had shown our astonishment at the enormous difference between his admission of the TU-144's real weight of some 180 tons and the 150 tons which was written on the presentation panel on the bottom of the machine.

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