

No.477 "B-8" FACESHEET AND RATING

Vienna

July 1957

1. V-53
2. [REDACTED]
3. --
4. 64
5. Male
6. Jewish Hungarian
7. Roman Catholic (formerly Jewish)
8. Jewish
9. married
10. 2 (married daughters), ages: 32, 36
11. Home craft (Knitting)
12. Cartonage factory owner
13. --
14. Middle-class
15. --
16. France, Italy, Germany
17. Austria, before 1939
18. --
19. Abitur of Gymnasium
20. Budapest
21. Budapest
22. Pest
23. --
24. March 20th, 1957
25. Vienna
26. Canada
27. --
28. --
29. --
31. 8
32. 10
33. 10
34. 9

I am 64 years old, former factory-owner.

Before 1944, I had a workshop, manufacturing cardboards for boxes, in which I employed 40 to 50 workers. In 1945, an order was issued according to which each workshop, employing 20 or more workers, had to elect a factory Committee. This Committee was to have free control of the book accounts and also its say in the management of the factory. In order to avoid the necessity of putting up with such a Committee, I resumed manufacturing in August 1946 with 19 workers. (During the great inflation within May 1945 and August 1946, I worked only with 2 or 3 employees, just to keep our household going). Since I did not want to over-step 19 in the number of my employees, but at the same time I was trying to satisfy the orders of my customers, I gave work to people who would do it at their home, whom I did not register with the Department of Labor. Besides this, during the greatest season, I could keep 5 or 6 more employees with the special permission from the Union.

I had a large and dependable circle of buyers. My business prospered wonderfully up to the Spring of 1948. At that date namely, even factories with 100 employees had been nationalized and, for example, at the competitive bidding, held by the Administration of the Tobacco Monopoly in May 1948, in spite of the fact that they were satisfied with my previous deliveries and that my price offer was 100% fair according to the regulations applied for orders, given by public bodies, and in fact, I was

three per cent cheaper than the two other factories which had been already been nationalized, <sup>L</sup>in spite of all this, I did not receive any more orders from the Tobacco Monopoly and thus I lost my greatest customer. Moreover, I lost even my last delivery at the Tobacco Monopoly, which was ordered from me before the above competitive bidding happened, namely, on the intervention by the two nationalized factories, the factory, which supplied me with raw material, did not fulfill <sup>his</sup> ~~this~~ obligation and I was unable to manufacture and deliver the last order of the Tobacco Monopoly.

This same process repeated itself with regard to my other nationalized customers. A secret order was sent out to each nationalized workshop and factory, which forbade them the buying of anything from the so-called MASZEK. The procuring of raw material supplies became more and more difficult, since they belonged to the rationed goods which were given out first of all to the nationalized industry. The volume of my trade decreased considerably. In spite of this, during my whole business career, the first time in 1949, my tax returns were not accepted by the Tax Bureau. <sup>instead,</sup> They have raised my taxes to three times as much as I have paid the year before in 1948.

By January 1950, I knew that, because of losing my customers and because of the lack of raw material available to me, and besides, because of the impossibly high taxes, they made me pay, I would not be able to continue my business. Therefore, I looked up the highest authority in my business line and with the responsible

man there, I had a personal talk, in which I requested the nationalization of my enterprise. He refused this and assured me, that the State is in need of such qualified craftsmen as I was and I should not have anymore fears about the survival of my business. However, I saw perfectly clearly that their intention was to strangle me and take over my business without my presence.

I was forced to continue the work, since I couldn't get my business nationalized. During this period I was harassed day and night. Within one month, auditors were sent to me twice to check upon my book-keeping and when they couldn't find anything wrong with it, I was summoned to appear before the Foreign Currency Control Department of the Police Headquarters at Lipot Boulevard. They accused me with procuring raw material on the black market. However, since they could not produce any evidence against me after two days of questioning, they set me free.

On October 30th 1950, two men appeared in my office and requested me to leave everything there immediately. In this simple way I lost everything which I have worked for a lifetime.

In March or in April of 1951, I received summons from the District Presidium's Tax Bureau. Their first question to me was, when I appeared there, that, since I was paying taxes in 1948/49 on the basis of a considerable property, why did not I pay any more property taxes? I told them that my property was partly consumed by my business, since due to the lack of buyers and raw material

during the last two years, I was working with deficit and that part of the property which still survived those years was taken away from me subsequently. They put this down on the record and never bothered me again.

As a characteristic story for the Hungarian economic life during the recent years, I want to tell you about one of my most interesting experiences.

I had a buyer in the XIII. borough. It was a nationalized factory, producing metall mass products. I delivered goods to this factory for many years. The manager of the factory called on me at the end of 1949 or the beginning of 1950 and told me that there would be some trouble since a representative from the nationalized cartonage factory was visiting them and insisted that they should break ~~up~~ business connections with me. However, he had a pity with my situation and still gave me an order which I have delivered for his factory promptly. When I presented to him the bill for this delivery, he showed me the price offer given to him by the nationalized cartonage factory. Thereupon I asked him how much cheaper I ought to be in order that I could receive orders from him. He sadly answered that, even if I would give my products without charge, he could not give me any more orders, since he received instructions, that he could buy only from the nationalized factories. However, he asked me just out of curiosity, how much, if any, difference was there between our prices. When I told him that the nationalized factory was 70%

more expensive than I was, he became angry and said that this was an impossible situation. When I showed him my bill and asked him to compare it with the price offer from the nationalized factory, he exclaimed that he would not tolerate such a thing and he would do something about it. However, I was scared and I asked him not to do any steps because the only consequence would be that they would take away my business right away. On the other hand I asked him that he should keep his orders with me and he should file his order with the nationalized factory only 48 hours before the need and demand them to deliver in 48 hours, which the nationalized factory would not be able to do and in that case he could order it from me and I would deliver in 24 hours.

We continued on this basis for two months, when the manager called me again and asked me to go with him into the store-room and look at the stock of supplies which were delivered by the nationalized cartonnage factory without he ever having ordered it. From an item<sup>of</sup>/which he needed 10.000 pieces monthly, he received 5000 pieces, but from another item of which 1000 pieces was the whole year's need, he received 10,000 pieces, but in spite of all this, he had to<sup>d.s.</sup> continue the placing of orders with me.

In 1948, when I lost the Tobacco Monopoly as my customer, I withdrew that part of my capital from my business which we needed before for the Tobacco Monopoly's deliveries. Out of this, I bought a house in the residential section of Buda under the name of my daughters<sup>With</sup> /my wife and with my two married daughters and



their families we lived then there and this house remained the only object I managed to save from my whole lifetime work.

In 1951, however, almost all our neighbors from the residential districts had been deported from Budapest and their houses, apartments and even their furniture were seized by the police. We were also afraid of deportation and to prevent this, we left Budapest voluntarily. I found a job in the restaurant business in Dunapentelle. Dunapentelle, which later was re-named Sztalinváros, was just built that time. We lived on the third floor of a house, which did not have on its staircase as yet banisters. Our room did not have any windows, only a door on to a balcony, but the balcony did not have yet railings.

It was a custom those days, that the workers of Budapest Sundays, instead of taking a rest, were brought down to Dunapentelle in order to help the building of the new industrial city. One Sunday, the workers of a Budapest machine factory arrived and were ordered to carry several wagons of bricks from the side of the road to a wall which was already in the process of being built. This job was done by several hundred workers, sweating under the hot sun before the night fell. Since that building project was just opposite of a window of my working place, next morning I showed to a colleague of mine that the great mountain of bricks was now ordered again to be carried back on the side of the road where it was before, which has taken up two and a half days work of the workmen in Penttele.

On another day, a colleague of mine motioned me to come to the window and look across the street. He was watching already for hours what was happening there. I took a look and saw that two workers had been standing in a ditch and throwing up the earth which they had digged. Up on the side of the ditch were standing two other men <sup>who</sup> threw back with their shovels the same earth which was thrown up by the man standing down in the ditch. This went on for hours and hours without increasing or decreasing the amount of the earth either in the ditch or on the surface. Apparently the whole thing was done only in order to show themselves occupied and busy working when the haven't done any productive work at all.

At the time when I arrived to Penttele and got a job as the storekeeper of the restaurant industry there, we had a so-called production meeting in the great hall of our restaurant in the presence of a representative sent down from Budapest. The speaker brought to the attention of the workers that at the unloading of the ship, too many bricks are broken and had become rejects. The dock-workers have promised thereupon that they would reduce their rejects for the minimum. This offer, made by the dock-workers, was carried out successfully for weeks. It was discovered only later why there had been no more brick rejects. The explanation was quite simple, namely the rejects were simply thrown into the water, in such quantities that at the end the ships coming down on the Danube, bringing the necessary raw



material for the building could not anchor anymore in the harbour of Dunapentele because the whole harbour was filled with broken bricks.

When I heard that working in Dunapentele would not save the rest of my family from deportation from Budapest, because in many cases the members of the families of deportees had been deported too whether <sup>they</sup> have been in Budapest or not at the time, I left Dunapentele after 8 weeks of work and returned to Budapest. Being a class-alien, I could not find any suitable occupation in the economic field.

After the famous speech by Imre Nagy in 1953, I was thinking about starting my business anew, but when I thought it over more thoroughly, I saw the great economic difficulties in which the whole country laboured and, in addition, I realized that Imre Nagy himself was still only a Communist who would dance according to the whistles of the Kremlin. Thus, I did not think that the time arrived for me to start again in my old line.

Since at this time the majority of the former middle class, who could not find any other employment, was making a living in some home industry, very often doing knitting for the State Companies, I decided to follow their example. I commissioned a small craftsman to execute for us a so-called Buksi-Knitting-machine and I bought also a flat-Knitting-machine. We received work from the Budapest Knitting and Weaving Corporation, which has employed about 5000 people. We received full wool material

for work such which couldn't be seen and bought in Budapest, because it was made for export only. As I learned, the raw material came from Russia and after we had worked it up, the Corporation have attached tickets written in Cyrillic characters on it and exported it not only to Russia, but also for the Western World as Russian made products.

With the whole family working on this knitting, we could make in the beginning 2000 to 2500 forints monthly. However, in 1954, the prices or rather the wages had been depressed in such a way, that all of us could not bring out more than 1000 forints in a month from this work. I still continued to work in this knitting up to the end of 1955, when, due to the heavy work, I have contracted heart trouble and my doctor ordered me to stop.

In the meantime, one of my daughters found a job in the restaurant business, the other did migratory bee-keeping, while their husbands were working almost all the time in steady jobs in Budapest, still, even so, the salary of all of us was not always enough to take care of all our household needs.

In the Spring of 1956, we tried to sell our house in Buda. I reported this intention to FIK, the State Real Estate Agency. The Agency, instead of advertising it, has offered me right away 400.000 forints. Since I was not willing to sell our house for this price I have withdrawn my commission.

After  
~~Up to~~ the Revolution, in February 1957, we decided to give a new try. I asked the FIK for a permission to advertise the sale of

the house. After receiving the permission, my add was accepted for publication in three weeks' time. After the add finally made its appearance in the papers, there was a great interest and I received already offers going as far as 700.000 forints. (In this connection I have to mention that my house was a beautiful villa in the most fashionable part of the residential district of Buda, just below the place where Rakosi and the other big-shots were living).

Just when we were weighing the different offers, we received a new offer which did not promise any money, but proposed to give to all members of my family, including my two sons-in-law, who had been still in military age, passports to leave the country if we would give over to this person our villa with all its furniture. I have accepted this offer in order that we could escape that hell and so we left behind the work of my whole life, our house, our furniture, our knitting equipment and even the bees of my daughter in order to be able to breathe more freely.

As an epilogue to my story, I want to remark, that in the same measure as we have learned to hate and to detest the Communist Soviet System, at least to the same degree did we suffer disappointment in the West, because of the treatment and procedure employed against us.

(Respondent and his family did not receive immigration permits neither to the United States nor to Canada, because they left Hungary with legal passports and thus they were not considered as refugees -

No.477

"B-8" INTERVIEW

LL

p.12

At the time of the interview, they were still in refugee Camp and very bitter, because of their frustrated hopes to get Overseas and start a new life).