

TO MR COPH HOOD WALFOLE

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RE SPECIAL VIENNA FEBRUARY KOCH

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REFUGEES ARRIVING IN AUSTRIA REPORT ON THE LABOR SITUATION. PRIOR TO THE GENERAL STRIKE. THERE IS A GROWING FEELING OF APATHY AND A CONTINUING TENDENCY TO WANT PEACE AND QUIET. THE WORKERS ARE RESPONDING LESS AND LESS TO LOCALLY PROPOSED PROTEST MARCHES OR WORK STOPPAGES. WHEN A VOTE IS TAKEN ON SOME SUCH MEASURE, THE TREND IS TO QUIETLY DROP THE MATTER AND FORGET ABOUT IT. THE WORKERS FEEL THAT THEY CAN'T DEPEND ON THE UN FOR HELP AT ALL. EVEN WHEN THEY NEEDED HELP, AND WHEN THE UN COULD HAVE DONE SOMETHING EFFECTIVE, IT WAS AFRAID, NOW EVEN IF THE UN WANTS TO HELP, IT CAN'T, FOR THE ONLY EFFECTIVE AID IS ARMED INTERVENTION, WHICH IN THE PRESENT STATE OF AFFAIRS, IS IMPOSSIBLE.

ALMOST ALL WORKERS APPEARED LAST WEEK AT THEIR PLACE OF WORK, BUT OVER ALL PRODUCTION PROBABLY AMOUNTED TO NO MORE THAN 25 PER CENT OF NORMAL EXCEPT IN HEAVY INDUSTRY WHICH IS STILL SHUT DOWN DUE TO AGE OR FROZEN OVENS. WHERE THERE IS STILL ENOUGH RAW MATERIAL AND CURRENT, SOME WORK IS DONE, BUT ONLY ON A PARTIAL PARTICIPATION BASIS. FOR EXAMPLE, IF THERE ARE 40 MACHINES IN A SHOP, ONLY TEN ARE WORKED ANY ONE DAY, THE REST OF THE MACHINES STANDING IDLE AND THEIR WORKERS LOAFING AROUND THE PLANTS.

THE NEXT DAY, THE OTHER MACHINES ARE OPERATED BY OTHER WORKERS. ALL WORKERS APPEARING AT THEIR PLACES OF WORK ARE PAID ON AN hourly scale AND ARE GIVEN CREDIT FOR A FULL EIGHT HOUR DAY, WHETHER THEY WORK OR NOT. THE OWNERS OF THEIR MACHINES ARE PAID THE SAME AS THE IDLE WORKERS, AND THEIR CHANCE TO LOAF COMES NEXT DAY. PUNCTUALITY IS ALMOST UNHEARD OF BECAUSE OF THE

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DIFFICULTIES OF COMMUNICATIONS, BUT NOBODY REALLY PAYS ANY ATTENTION TO TARDINESS. ANYBODY APPEARING AT HIS PLACE OF WORK, WHICH IS INTERPRETED AS A SIGN OF WILLINGNESS TO WORK, IS PAID A FULL DAYS PAY. WORKERS WHO ARE NOT ABLE TO APPEAR DUE TO TRANSPORT PROBLEMS ARE ALSO GIVEN FULL CREDIT IF THEY MANAGED TO SHOW UP ONCE IN A WHILE, AS A SIGN OF GOOD FAITH.

BUDAPEST WORKERS ALSO REPORTED A VASTLY IMPROVED PROGRAM OF SICK BENEFITS LAST WEEK. PLANT DOCTORS NOW WILL CERTIFY ANYBODY AS SICK WHO IS SICK. PREVIOUSLY A WORKER HAD TO HAVE A FEVER OR MORE THAN 38 DEGREES BEFORE A DOCTOR WOULD EVEN LOOK AT HIM, BUT NOW DOCTORS ARE WILLING TO CERTIFY ANY REASONABLE SYMPTOM. MOREOVER, DOCTORS ARE NO LONGER AFRAID OF PRESCRIBING EXPENSIVE OR RARE MEDICINES, SOMETHING THEY WERE FORBIDDEN TO DO PREVIOUSLY EXCEPT IN GRAVE EMERGENCY. OF COURSE, ALL THESE MEDICINES ARE NOT ... ALWAYS AVAILABLE, BUT AT LEAST A MAN NOW HAS A CHANCE TO GET IT IF HE CAN FIND IT.

BUDAPEST FACTORIES ARE REGULARLY VISITED BY SOVIET OFFICIERS, WHO COME TO THE PLANT TO SEE FOR THEMSELVES THE CONDITIONS AND LISTEN TO THE COMPLAINTS OF THE WORKERS. NATURALLY THE WORKERS, WHEN URGED TO SPEAK THEIR MINDS FREELY, GIVE THE SOVIETS A HARD TIME, THE MOST COMMON QUESTION BEING, "WHY DON'T YOU PEOPLE GO HOME AND LEAVE US IN PEACE?" THE NORMAL ANSWER IS "WE ARE PROTECTING YOU FROM THE FASCISTS AND REACTIONARIES," BUT SOMETIMES AN HONEST SOVIET OFFICER SAYS, "LOOK, WE'RE SOLDIERS. WE'D RATHER BE HOME, TOO, BUT WE HAVE TO DO WHAT WE'RE TOLD."

A WORKER OF THE CABLE FACTORY IN THE FIRST DISTRICT OF BUDAPEST REPORTS A CONVERSATION WITH A SOVIET DELEGATION MAKING THE USUAL ROUNDS ASKING THE USUAL QUESTIONS. THE SOVIET OFFICER HELD A SPEECH AND URGED EVERYBODY TO TAKE UP WORK AGAIN.

"WHAT HAPPENS IF WE DONT?" SAID ONE MAN

"WE WILL DECLARE THIS FACTORY AS NECESSARY FOR WAR PRODUCTION,
AND WE CAN THEN LEGALLY FORCE YOU TO WORK."

"AND IF WE DONT, WHAT HAPPENS THEN?"

"THEN THE RAILROAD WAGONS WILL COME AND TAKE YOU AWAY," SAID THE
TRUCLANT SOVIET.

"AND AFTER YOUVE TAKEN US AWAY IN THE RAILROAD WAGONS, WHO WILL
YOU GET TO WORK IN THIS FACTORY?"

"PEOPLE WILL COME BACK ZERE IN THE ZAGONS WHICH TOOK YOU AWAY,
AND THEY WILL BE HAPPY TO WORK WHERE WE TELL THEM TO." HERE
THE CONVERSATION ENDED.

OTHER REFUGEES FROM BUDAPEST REPORT THAT EMPTY DWELLINGS ARE
ALMOST IMMEDIATELY OCCUPIED BY HOMELESS PEOPLE OR PEOPLE WHO
SIMPLY NEED LARGER OR BETTER PLACES TO LIVE. ALTHO THE
GOVERNMENT HAS ORDERED ALL DWELLINGS SEALED AND HELD THEIR
OWNERS UNTIL
31 MARCH 1957 NO OBJECTS ARE BEING MADE TO PEOPLE WHO MOVE
INTO EMPTY PLACES. THE ONLY LEGAL FORMALITY IS REGISTERING WITH
THE POLICE AFTER A NEW RESIDENCE IS ESTABLISHED. ACCORDING TO THE
EVICTIVE LAW, ANYBODY ONCE REGISTERED IN A FLAT CANNOT BE THROWN
OUT, SO THIS AMOUNTS TO GOVERNMENT CONDONED CONFISCATION OF
DWELLINGS, AND ASSURES ALL REFUGEES WHO HAVE LEFT OF NOT HAVING
A PLACE TO LIVE IN IF THEY SHOULD WANT TO RETURN. END PL CONFIRM

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EVALUATION COMMENT:

Official sources claimed that 80-90 percent of the workers had returned to their jobs before the recent 48-hour general strike began. They were moved to do so in the first place because of stringent economic necessities though "a growing feeling of apathy and a continuing tendency to want peace and quiet" probably also played a role in the decision. It is also claimed by official sources that many workers were hindered in returning to their jobs by the shortcomings of the communication system. The fact that day after day Radio Budapest broadcasts appeals by various enterprises to their workers and employees in which a deadline is set for their return under penalty of losing their job if they did not comply shows that some workers are still unwilling to take up their former jobs. Some of them escaped the country; others may have gone "underground" to join the groups of armed resisters.

Actual work in a large number of factories is being hampered by lack or scarcity of power, fuels, raw materials. These factors are likely to bear heavily upon iron and steelmaking which is probably referred to in the report as "heavy industry". According to official statements such plants are being operated on a very reduced scale. It was rumored in earlier reports that some blast furnaces "froze" in at DIOSGYOR. It is not possible to establish how many of Hungary's eight blast furnaces are in production at this time. But some at least e.g. the one at DUNAPENTELE, are believed to be operating. The country's Martin (open hearth) furnaces are being operated on a small scale only. The fact that they are not working at full capacity was admitted by official sources.

Not all the workers present in the factories can be given regular occupation for the full working time because of lack of materials is the main reason for which the workers must stay idle. On the other hand, it can be assumed that large section of the workers who returned to their jobs out of economic necessity are engaged in a sort of passive resistance manifesting itself in a "go slow" drive. It seems that the regime is trying to fight this passive resistance differentiating its treatment of them and those workers whose activity is actually slowed down by "objective" reasons. On December 11, for example, a delegation of the BUDAPEST XX. district factories called upon the Government in the building of the Parliament and protested, among other things against the payment of wages and salaries to such workers who, instead of working, just "loaf around in their place of work. The delegation urged "financial reprisals" against such elements.

There are, moreover, signs that measures are taken also against tardiness whenever it is not warranted by "objective" reasons. Workers living next to the factory are judged more severely than those who must walk for hours to get there owing to the shortcomings of communications.

It is well known from available information that in the Rakosi-Gero times factory doctors used to be under serious pressure from the authorities in exempting the least possible number of workers from work because of sickness. It can be assumed that this practice will be mitigated now that the Kadar regime is making efforts to obtain the support of the proletariat by economic concessions. This fact however, is so far unconfirmed specifically by other sources.

"Regular visits" of Soviet officers to factories are not specifically confirmed by earlier information but in keeping with the close watch of the Soviet occupiers over the country's economic situation and their keen interest in the resumption of normal production. Radio Gyor reported on November 27 that Soviet officers attended as "guests" a meeting of the Gyor-Sopron county workers councils. One of them explained the Soviet armed forces could not be withdrawn from Hungary until the Hungarian armed forces were reorganized.

The "cable factory" mentioned in this report is located in the eleventh district of Budapest.

On November 28, Radio Budapest protested against the "arbitrary" occupation of premises and declared that such action may be declared "criminal". The Government decree of December 11 on the handling of "abandoned goods" belonging to persons who left for "unknown destination" or for abroad, declared that such goods will be listed in inventories and kept in custody by the local councils. Those who return to their former place of residence before March 31, will be given back such goods. The authorities will dispose over the abandoned flats according to the rules laid down in the respective legislation. This regulation seems to indicate that the regime is trying to keep both the goods and the flats of the people who left for "unknown destinations" under close control.

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