

CENTRAL INTELLIGENCE AGENCY

## INFORMATION REPORT

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COUNTRY Rumania

REPORT

SUBJECT Reduction of Allowances of Military Personnel

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This is UNEVALUATED

THE SOURCE EVALUATIONS IN THIS REPORT ARE DEFINITIVE.  
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(FOR KEY SEE REVERSE)

1. Sums corresponding to the cost of food allowances, uniforms and individual equipment, as well as money paid for rent for housing, have been withheld from the pay of all officers and noncommissioned officers. All these items were formerly free. The withholdings now in effect on the above allowances amount to a reduction of 15 percent in their pay.
2. To justify their action, the Rumanian Government announced that this reduction lay within the framework of rigid economies which the Government intended to make to enable it to meet other demands, including primarily:
  - a. Restoration of the foreign commercial balance; and
  - b. Purchase of the Soviet shares of the SOVRON enterprises now under liquidation.

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