

INFORMATION REPORT REPORT INFORMATION

CENTRAL INTELLIGENCE AGENCY

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OUNTRY	East Germany		REPORT		
	Ministry of Coal a	and Power: and Personnel for Decentralization	DATE DISTR.	21 MAR 1958	# %
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	6. Following the	32nd plenary session of the decentralization aree new commissions we	of the SED Cent	ral Committee, at	which aratus was

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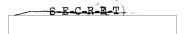
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Power, as follows: a commission for labor, professional training and work competitions, headed by Johann Dumbel, the chief of the Central Department of Labor; a commission for the structure of the governmental apparatus, head unknown; and a commission for planning and material procurement, headed by Fritz Wolf, the chief of the Main Administration of Planning. These commissions were given the assignment of preparing concrete proposals on the subject of decentralization, to be completed and submitted to the Minister's office by 1 December 1957.

- 7. However, the proposals of the three commissions were never completed because the decisions reached at the 33rd plenary session of the SED Central Committee changed the complexion of the proposed reorganization. A meeting of the Party leadership of the Ministry of Coal and Power formed the conclusion that the Ministry was apparently to be reduced to a small organization, probably of the approximate size of a main administration, which would be physically located in or near the State Planning Commission. At that same meeting the following policy decisions were also made to cover the situation at the moment: no new employees would be taken on until further notice; dismissals would be frozen until further notice for female secretaries, technicians and members of the "intelligentsia; special permission for changes of jobs would have to be obtained either from the State Commission for Governmental Organization and Job Assignments (Staatliche Stellenplankommission) or the Central Commission for State Control.
- 8. Further clarification of the planning for decentralization made it apparent that the former main administrations would be redesignated "industrial administrations" (Industrieverwaltungen) and would be located at the points in East Germany where the industry concerned was most concentrated. This meant that the Industrial Administration of Pit Coal would be at Zwickau, the Industrial Administration of Lignite at Borna and Senftenberg and the Industrial Administration of Hydrocarbons somewhere in the Halle/Merseburg area.
- 9. As for the physical location of personnel, the only thing that was certain was that Minister Goschuetz would be located in the State Planning Commission, where he would be in charge of the Production Area of Coal and Power.
- 10. Deputy Minister Rolf Jeczmionka was especially perturbed over the projected reorganization of the former Main Administration of Electric Power and the former Main Administration of Gas, which were to be broken up and parcelled out as departments of the Bezirk Councils. Jeczmionka opposed this proposal vigorously, describing it to Minister Goschuetz as "absolute folly". His argument was that his organization had striven for many years to centralize as strictly as possible the production and distribution of power in order to keep abreast of the power situation and be prepared to handle any sudden emergencies. Now it was planned to demolish this organization at a blow, making possible any number of unforeseen eventualities and difficulties. Furthermore, it was not merely a question of the distribution of power but also of the distribution of capital investments. Heretofore it had been possible, by assigning capital investment funds to key installations and by cutting through bureaucratic red tape at appropriate times, to keep the power installations operating. It would be totally impossible, however, for the Bezirke to overcome all the various possible bureaucratic hindrances and restrictions and keep the power program going as it has in the past.



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