22378

Directorate of Intelligence

(M)

~~Secret~~

Foreign Labor in the USSR

An Intelligence Assessment

[redacted] 83-10096X

Copy

22378

Directorate of Intelligence

~~Secret~~

Foreign Labor in the USSR

An Intelligence Assessment

~~Secret~~

83-10096X

Warning Notice	Intelligence Sources or Methods Involved (WNINTEL)
National Security Information	Unauthorized Disclosure Subject to Criminal Sanctions

Dissemination Control Abbreviations	NOFORN (NF)	Not releasable to foreign nationals
	NOCONTRACT (NC)	Not releasable to contractors or contractor/consultants
	PROPIN (PR)	Caution—proprietary information involved
	ORCON (OC)	Dissemination and extraction of information controlled by originator
	REL	This information has been authorized for release to...
	FGI	Foreign government information
	WN	WNINTEL—Intelligence sources or methods involved
	A microfiche copy of this document is available from OCR/DLB (351-7177); printed copies from CPAS/IMC (351-5203). Regular receipt of DDI reports in other microform or printed form can also be arranged through CPAS/IMC.	Classified by: Declassify on: Derived from multiple sources

All material on this page is Unclassified.

Foreign Labor in the USSR

An Intelligence Assessment

This report was prepared by the Office of Soviet Analysis.

Comments and queries are welcome and may be directed [redacted]
SOVA

Foreign Labor in the USSR

Key Judgments

Information available as of 1 March 1983 was used in this report.

Foreign workers in the USSR—almost totally absent as recently as the mid-1960s—in our estimation numbered about 135,000, and conceivably as many as 365,000, by 1982. The great range is due largely to uncertainty over the number of Vietnamese workers in the USSR. In any event, foreign workers represent no more than a quarter of 1 percent of the total labor force of 147 million.

Most foreign workers come from Communist countries. Laborers from these countries are employed primarily on construction and timber-cutting projects in remote areas of the USSR and are generally kept isolated from the populace. The few Western workers are for the most part skilled specialists and technicians engaged in the installation of imported machinery and the construction of turnkey projects.

The Soviets hire workers from abroad for a number of reasons:

- To facilitate construction work in areas where it is difficult to attract Soviet workers.
- To reduce the strain on their own resources in undertaking joint investment projects in the USSR.
- To help in the assimilation of technically advanced plant and equipment imports.
- To help Communist countries keep their financial accounts with the USSR in balance, with labor exports helping to pay for present and future imports and to repay debt.
- To make certain Soviet resources—such as timber and natural gas—available to other Communist countries.

The USSR has not used foreign labor on a large enough scale to relieve its overall labor shortage significantly. Furthermore, despite a report that the USSR may be interested in increasing the number of East European workers in the Soviet Union in the 12th Five-Year Plan (1986-90), foreign labor will most likely continue to be used only on a limited scale. Other Communist countries—except for Vietnam—are suffering from labor shortages of their own and are thus unwilling to send their workers abroad in substantial numbers. Furthermore, the Soviets themselves are reluctant to greatly expand their use of guest workers, partly because of the cost, but mainly because of the political problems that Soviet leaders fear a markedly enlarged body of foreign labor could cause.

Secret
SOV 83-10096X
June 1983

The economic impact of foreign labor has been commensurate with its small share of the total Soviet labor force. Even in construction and timber—where most foreign labor is concentrated—it accounts for a very small proportion of total employment. In no economic sector or region has foreign labor played more than a minor role, and only in rare instances—such as on the Orenburg pipeline between 1974 and 1979—has foreign labor played a key role in a major construction project.

Foreign workers generally labor in the USSR on a voluntary basis, although some Vietnamese refugees believe that some of their countrymen are there as forced labor. Foreign workers, except for the Vietnamese, earn higher wages than they would at home. By exporting labor, Communist countries are in effect bartering manpower for goods, including energy and raw materials that might be much more expensive if obtained elsewhere through conventional trade.

We estimate that from 1982 to 1985 the number of foreign workers exclusive of the Vietnamese will rise only slightly. Joint investment projects on Soviet soil that issue from the Council for Mutual Economic Assistance—such projects are major users of foreign labor—in 1981-85 will use no more, and probably fewer, foreign laborers than projects during the 1970s. The East European additions are likely to consist mainly of East Germans on the West Siberian–Western Europe natural gas pipeline. According to reports, the number of Vietnamese scheduled to work in the USSR and Eastern Europe by mid-decade ranges from 100,000 to 500,000. In our view, the 1982 figure of fewer than 20,000 Vietnamese in the USSR will increase by 1985 to no more than 100,000 workers and will very likely be well below 100,000.

Contents

	Page
Key Judgments	iii
Introduction	1
Estimate of the Use of Foreign Labor in 1982	2
Nature of the Evidence and Assumptions	2
The Estimate	2
Soviet Motives in Using Foreign Labor	5
The Economic Impact of Foreign Labor	6
Projects Using Foreign Labor	6
Why Other Countries Supply Labor to the USSR	8
Conditions of Work	9
East Europeans and North Koreans	9
Vietnamese Workers	10
Prospects	13
Inhibiting Factors	13
Future Additions Through 1985	14

Table

Foreign Workers in the USSR in 1982	3

Appendix

Vietnamese Labor in the USSR	17

Secret

Foreign Labor in the USSR

Introduction

The presence of Vietnamese workers in the USSR has aroused much interest in the Soviets' use of foreign labor.[1] This assessment estimates the composition and size of the foreign labor force in the Soviet Union today, analyzes Moscow's motivations for using foreign workers, and investigates the reasons that countries send workers to the Soviet Union. It also evaluates the importance of foreign labor to the Soviet economy and describes the working conditions of different groups of foreign workers, including compensation arrangements and recruiting practices. The paper concludes with a discussion of the prospects for future Soviet use of foreign labor.[2]

Estimate of the Use of Foreign Labor in 1982[3]

Nature of the Evidence and Assumptions. Neither the Soviet Government nor other Communist governments sending workers to the USSR publish figures on the number of foreign workers in the Soviet Union. We are therefore compelled to make our own estimates, which are based on fragmentary evidence from both Western and Communist publications [redacted] Estimating the number of Vietnamese workers in the USSR is particularly difficult, both because of the nature of the evidence and the wide range of figures that various sources have given. We therefore treat this subject separately at the end of this section and again, in greater detail, in an appendix.[4]

Estimating the size of the foreign labor force excluding the Vietnamese presents fewer difficulties, although the estimates are imprecise and often simply educated guesses. Our objective, therefore, is only to arrive at figures that, while inevitably inexact, give reasonable orders of magnitude. For the national components, we used (a) unpublished figures provided mainly by Communist-country officials and (b) published data, most of it from the media in Communist countries.

We believe that our heavy reliance on Communist-country sources is most unlikely to lead to an understatement of the number of non-Vietnamese foreign workers in the USSR. The Soviet Union has openly acknowledged its labor shortage for many years, so the use of foreign labor would hardly be surprising or embarrassing. Indeed, the USSR can cite the use of workers from elsewhere in the Communist world as a demonstration of socialist integration.

For most countries, the estimates of workers in the USSR come from a single source who has provided a total figure or a single figure covering a large number of projects. For example, our estimate of 50,000 Bulgarian workers in the USSR was provided in late January 1982 by the late N. N. Inozemtsev, then director of the World Economic and International Relations Institute in Moscow. This figure was probably reasonably accurate. Inozemtsev's institute had access to such information, and—moreover—the number he gave is not inconsistent with earlier figures for Bulgarians in the USSR—30,000 in 1977, according to a Yugoslav publication. The number of Bulgarian workers in the USSR evidently has been increasing in recent years (see following discussion).

For Czechoslovakia and Poland, our estimate is largely accounted for by numbers provided b [redacted] He stated that, over the past year, Bulgaria, Czechoslovakia, and Poland had each supplied 10,000 workers for

[1] The term "foreign" or "guest worker" is used to designate those individuals of non-Soviet citizenship who are present in the USSR solely for employment and who contribute to Soviet production. The term includes scientists and researchers, but students, foreign government officials, representatives of foreign media, exchange visitors, industrial trainees, and business negotiators are excluded. Although foreign students in vocational-technical training programs are often employed at agricultural and industrial enterprises, those training programs are a form of Soviet aid to LDCs and probably provide little economic benefit to the USSR. Between 1975 and 1979 approximately 12,685 students from LDCs entered the USSR for technical training. The usual length of stay for such students is one to three years.

[2] The estimate reflects the maximum number of foreign workers who we believe were in the USSR at any time in 1982.

Secret

employment in power stations and on the Siberian railroad (BAM). The totals we list for Poland and Czechoslovakia are slightly above 10,000 because for each country there are reports of Polish and Czechoslovak workers on projects probably not included in those referred to by the diplomat.[3]

Where a single figure has not been furnished or seems less than complete, the total is either derived from or includes the sum of workers on individual projects. In several cases, we have reports that note the use of foreign workers on a project but do not give their number. In these instances we have estimated the average complement of foreign workers per project at 500.[4]

The basis for this figure is the following: with respect to workers from Communist countries, the use of foreign workers will be mentioned and, at some point, the number is likely to be revealed also if the contingent is large—that is, in the thousands. As noted, large projects using Communist-country workers exemplify the economic integration that the USSR encourages. Much publicity, including that of the number of non-Soviet workers employed, was given to the construction of the Orenburg natural gas pipeline, the major Council for Mutual Economic Assistance (CEMA) integration project in the 1970s (see the following discussion). Projects in which the number of foreign workers is unspecified, on the other hand, are likely to be of a smaller scale. Of the 18 instances, excluding that of the research workers, in which we used "the rule of 500," all but one were construction projects.[5] For example, many of the projects using foreign labor involve the construction of hotels. The new US Embassy in Moscow—comparable to a large hotel—is being built by Soviet construction workers whose number varies from 250 to 500. A Soviet handbook on capital investment provides additional perspective. It indicates that the average number of workers per construction project was about 50 in 1961. Although the average project size has probably increased since then, by assuming an average of 500, we run little risk of understating the number of foreign workers per construction project.[6]

The estimates for Western workers in the USSR are based on an accumulation of information from press reports [redacted] on specific projects. For Western technicians, we assumed 100 per project—the highest average for technicians that we considered plausible

Problems of source reliability are most acute in the estimate of Vietnamese workers.[7] There have been several conflicting reports on the number of Vietnamese workers for 1982, and these vary widely from 5,000 to 250,000. We have [redacted] statements, Western press articles, and reports [redacted] involving [redacted] officials suggesting that the program is very large. Communist press reports and most reports based on statements by Vietnamese officials indicate that the program is relatively small. A precise estimate of the Vietnamese contingent is not possible yet, but we think it likely that the total is well toward the lower end of the range of 5,000 to 250,000, probably around 11,000 to 15,000

The Estimate. Our best judgment, based on the sources listed in the table is that in 1982 about 135,000 foreigners worked in the USSR. This estimate combines the assumptions that there were 20,000 Vietnamese laborers in the Soviet Union, a figure somewhat higher than the range of 11,000 to 15,000 that we consider most plausible, and that the number of non-Vietnamese workers was 115,000. Foreign labor would thus represent about 0.1 percent of the total estimated Soviet labor force of 147 million. If the highest reported figure for Vietnamese workers were correct, the total number of foreign workers in the USSR of about 365,000 would represent about a quarter of 1 percent of the labor force

[3] In a few cases, there are conflicting reports of the number of foreign workers on given projects. In such instances, we use the higher number.

[4] Of the total estimate of 135,000 workers we estimate 16,000 using the rule of 500.

[5] The rule of 500 was also applied to estimate the number of scientists at 14 research institutes for which we have no numbers (1)

[6] Hungary and Romania are the only two countries where we have exclusively relied on "the rule of 500" in computing the total. Since these two countries have strongly—and successfully—resisted Soviet efforts to enlist their participation in integration schemes of all kinds, the low numbers thus derived seem plausible.

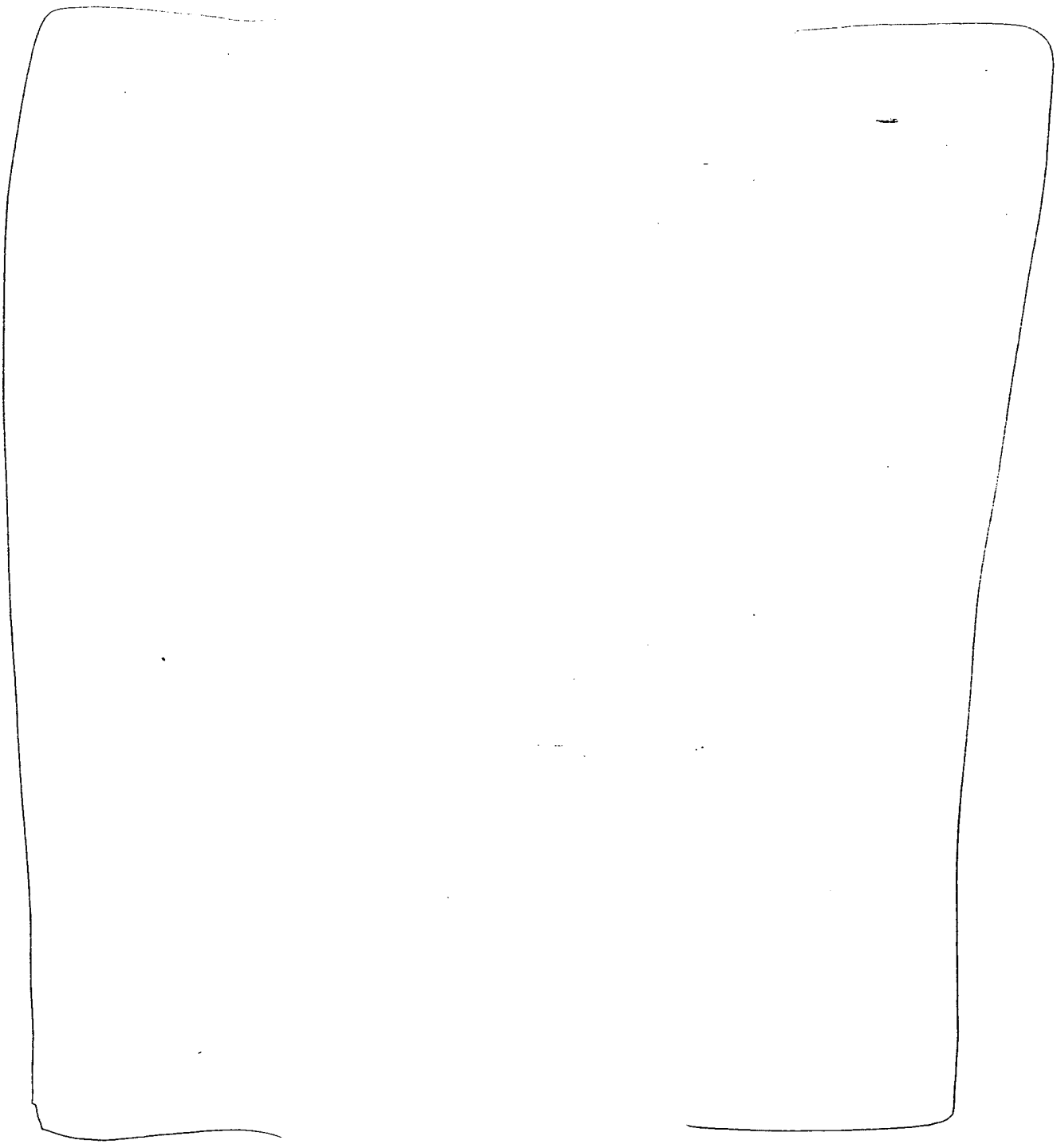
[7] For details on sources and estimates of the number of Vietnamese workers in the USSR, see the appendix

Foreign Workers in the USSR in 1982

Communist countries	
Bulgaria	50,000 [a]
Cuba	500 [b]
Czechoslovakia	10,500 [c]
East Germany	7,000 [d]
Hungary	1,500 [e]
North Korea	10,000 [f]
Poland	11,000 [g]
Romania	500 [h]
Yugoslavia	2,000 [i]
Vietnam	5,000-250,000 [j]
Other [k]	13,000 [l]
Western countries	
Finland	7,000 [m]
Other countries	2,500 [n]
Totals	
Without Vietnamese	115,500
With fewer than 20,000 Vietnamese	135,000 (approx.)
With highest estimate of Vietnamese	365,000 (approx.)

Except possibly for the Vietnamese, the largest contingent of foreign workers comes from Bulgaria. According to Inozemtsev, the 50,000 Bulgarians were working in Soviet oilfields, on timber projects, and at construction sites.[a] Moscow may find Bulgarian workers most acceptable because of close Soviet-Bulgarian ideological and economic ties. Most of the remaining guest workers come from other Communist countries: North Korea, Vietnam, possibly Cuba, and other East European countries. The East Europeans generally are skilled construction workers. Those working in timber settlements, however, are largely unskilled, as are the North Koreans and any Cubans employed in woodcutting. The Vietnamese workers have a basic general or vocational education, although some also have had training or on-the-job experience, according to a Vietnamese press article

[a] Inozemtsev apparently was referring to construction workers in oilfields



(PART OF ORIGINAL FOLDED PAGE)

BLANK PAGE

Less than 10 percent of the foreign workers are from Western countries—mainly Finland. Most of the Finnish workers are skilled construction workers. Workers from the other countries are highly skilled specialists and technicians employed in the USSR to supervise the installation of equipment and to construct turnkey projects.

Foreign workers are overwhelmingly concentrated in the timber and construction industries. We estimate there were some 32,000 North Koreans, Bulgarians, Finns, and possibly Cubans involved in timber cutting in 1982—almost a quarter of a foreign labor force of around 135,000 that we consider our best estimate. We estimate that about 64,000 foreigners were employed in construction. This figure excludes the Vietnamese and those foreign workers employed in timber cutting, in research, or as technicians. The Vietnamese are employed in construction as well as a variety of other industries—textiles, chemicals, machine building, coal mining, irrigation, and land reclamation. We have no breakdown of the number of Vietnamese by industry or sector. However, if—as is possible—a large proportion of the Vietnamese were in construction, then the size of the foreign labor force in that sector could have approached 80,000.

Soviet Motives in Using Foreign Labor

The use of foreign labor in Communist countries is not new. Several East European countries went through periods of slow growth of the labor force in the 1960s and 1970s, and substantial numbers of foreign workers were employed to alleviate manpower shortages. East Germany, for example, employed an estimated 60,000 to 70,000 workers from other East European countries in the late 1970s, according to an Austrian authority on labor migration in CEMA. The Soviet Union began to bring in large groups of foreign workers in the post-World War II era in 1967, when Moscow signed timber agreements with North Korea and Bulgaria. Later that year the USSR contracted for up to 5,000 unemployed Finnish construction and timber workers.

The Soviet Union has used foreign labor to:

- *Facilitate construction work.* Foreigners are sought in large measure to provide labor for construction projects in forbidding and remote areas of the country, where it is difficult to attract Soviet workers. Skilled foreign construction workers are in particularly strong demand to help offset the generally low-level skills of Soviet construction workers. Construction work by foreigners in these areas is not limited to the primary mission—such as the building of pipelines—but includes housing, roads, public utilities, and the like to support the primary project.

- *Help assimilate imported plant and equipment.* A small number of highly trained technicians, generally though not exclusively from Western countries, is hired to ensure that the facilities operate according to specifications and to instruct the Soviets in their use.

- *Help keep the USSR's external financial accounts with other Communist countries in balance.* Foreign labor services can be used to pay for current Soviet exports of goods and services, for future deliveries, or to repay debt, and the Soviets frequently prefer to import labor as the balancing item or as payment for future deliveries. But in some instances the initiative for exporting labor rather than goods apparently comes from the partner country. Examples include Yugoslavia, Poland, and possibly Vietnam (see section entitled "Why Other Countries Supply Labor to the USSR").

- *Accommodate the needs of other Communist countries.* Some of the foreign labor in the USSR is performing work that seems of only marginal benefit to the USSR. For example, the timber that the USSR receives from the cutting done by foreign labor is a relatively small share of total Soviet timber production.* The Soviets clearly are not giving anything away—they are receiving timber and construction of infrastructure in return for the timber that the foreign labor ships home—but the timber-cutting arrangements may be set up at the initiative of the labor-exporting countries and could be another example of the USSR's subsidization of its CEMA partners.

* Timber exports are a major source of hard currency earnings for the USSR. But even if all of the timber the Soviets receive as their share of these timber projects were sold to the West, the annual hard currency receipts would be about $80 million or 0.2 percent of total hard currency receipts of $33,489 million in 1981.

The Economic Impact of Foreign Labor

So far the Soviets do not seem to have relied on foreign labor to help relieve the general labor shortage they have been experiencing in recent years. The number of workers imported has been too small and the uses of these workers too restricted to have served that goal.

The impact of foreign labor cannot of course be gauged only by the share of this labor in the total work force. The economic benefits provided by guest workers could have been far larger than their total number indicated if, for instance, they had constituted a large share of the work force or otherwise made a decisive contribution to individual economic sectors, regions, or projects. Our evidence indicates that, with rare exceptions (see following), foreign labor has not done this.

As noted, a very great share of foreign workers has been concentrated in the timber and construction sectors—almost 25 percent in the former, from about 50 to 60 percent in the latter. In neither of these sectors, however, has foreign labor been a large share of total workers. In 1982 foreign timber workers were slightly over 1 percent of the overall timber labor force of 2.5 million. For construction the figure was slightly less than 1 percent of 11.3 million.

There is evidence, furthermore, that the amount of timber contributed to the USSR has been small in relation to the total produced there. From about 1969 to 1979 Bulgaria cut 20 million cubic meters of timber, giving 60 percent, or 12 million cubic meters, of it to the USSR. This was 0.4 percent of the timber produced in the USSR in that period. Bulgaria accounts for the bulk of timber cut by foreigners in the USSR, so the contributions from other countries—Finland, Cuba, and North Korea—would not materially alter the picture.

In construction, foreign workers have played an even smaller role in terms of their share of the work force. But in construction, in contrast to the timber industry, there have been reports that many of the foreign workers are skilled and that their skills are one reason that the Soviets sought them. Nevertheless, the contribution of foreign labor to Soviet construction is limited by both supply and demand circumstances.

Eastern Europe, faced with shortages of its own, has been reluctant to send skilled construction workers to the USSR. Furthermore, the main problems in Soviet construction are not the quantity or quality of the work force. In recent years, construction has been victimized by shortfalls in the production of building materials. And the sector has suffered chronically from systemic distortions that have produced an enormous accumulation of unfinished construction, while encouraging poor-quality building.

Regionally, the data indicate that most foreign workers have been located in Siberia and other eastern parts of the USSR and that most appear to be in relatively isolated and underdeveloped areas. Even so, no region appears to have depended heavily on foreign labor. On specific projects, Western technicians have occasionally played a critical role in helping the Soviets implement introduction of new technology. East European labor, furthermore, played a prominent role in the premier Soviet–East European joint investment project of the 1970s, the Orenburg natural gas pipeline. With these exceptions, we know of no major projects that critically depended on foreign labor.

Projects Using Foreign Labor

The best examples of major construction projects on Soviet soil in which foreign workers have participated have been the joint investment projects with other CEMA countries. The biggest of these was the Orenburg pipeline, begun in 1974 and completed in 1979. Though East European countries provided only half the number of workers they originally promised and also reneged on commitments to furnish skilled labor, participation was substantial. In 1977, for example, according to a Soviet newspaper, 13,550 guestworkers from Czechoslovakia, East Germany, Hungary, and Poland were employed on the project. Foreign workers also participated in the construction of the Ust-Ilim pulp and paper complex on the Angara River in central Siberia. According to a 1975 Soviet newspaper article, 2,000 foreign workers were to help build these facilities. Construction began in 1974, and operations commenced in 1980.

Less celebrated Soviet construction projects also employ foreign workers. Bulgarian construction workers are working throughout the Soviet Union. The first group of Bulgarian construction workers arrived in the USSR in 1970 after the two countries had concluded their 1969 agreement on the building of a natural gas pipeline from the USSR to Bulgaria. Since then, according to numerous Soviet and Bulgarian press articles, the Bulgarians have participated in the construction of gas-processing plants and compressor stations in Turkmenia and Uzbekistan; iron ore concentration complexes in Lebedi, Mikhailovsk, Zheleznogorsk, Gubkin, and Staryy Oskol; machine-building plants in various areas; a pulp-paper combine in Arkhangel'sk; a meat-processing plant, an automatic telephone exchange, a motor depot, and an iodine factory, and various hospitals, schools, and housing projects in Turkmenia. In 1976, a Soviet radiobroadcast said that Bulgarian construction workers were also working in the Tyumen' region on oil and gas pipelines and that the number of Bulgarians in this area would reach 2,000 in 1977. The number of Bulgarians in Tyumen' is probably higher now, as suggested by a 1982 radio report that new airflight services were to open between Sofia and Tyumen'.

Despite East European reluctance to send skilled workers, Soviet construction projects have benefited from the higher quality of construction by workers from Eastern Europe—and those from Western countries, such as Finland, France, and Sweden, as well. Workers from these countries often bring their own equipment and supplies. [redacted] contrasting Polish and Soviet construction efforts on the Orenburg pipeline, for example, said that the quality and pace of work on the Polish section was much better because of superior Polish construction skills and equipment. According to a Soviet press article, many of the East German workers on the natural gas export pipeline have previous experience from working on the Orenburg project.

The timber settlements on which foreigners work are in remote areas. Since 1967, from roughly 7,000 to 10,000 North Koreans have been cutting timber in the Soviet Far East for export to North Korea.[10] Some 19,000 Bulgarians also are cutting timber in Siberia, according to a 1980 statement by Soviet officials in the Komi ASSR [redacted] For supplying labor, the countries participating in the forest projects receive part of the timber. A 1967 article on the Soviet-Bulgarian timber agreement indicates that the Bulgarians retain 40 percent of the cut. The remainder goes to the Soviet Union. [redacted] hat the North Koreans working in the area keep 50 percent of the timber they cut.

Whether working in construction or the forest products industry, a sizable share of foreign labor is devoted to developing infrastructure. According to a 1982 Polish press article, Polish workers building the Surgut oil pipeline in the USSR also have built housing facilities, a training complex, and electric transmission lines. [redacted] said that Bulgarians at the settlement have built three small towns; a fourth is in progress.

Western technicians have participated in major projects such as the construction of the Tol'yatti automobile plant and hotels for the Moscow 1980 Olympics. American, Italian, West German, and French technicians helped build the Kama River truck factory. US companies also participated in construction of the Orenburg gas pipeline and various chemical plants. Recent or current projects using Western technicians include:

- Construction of the Kostamuksha town and mining complex in Soviet Karelia by Finnish construction workers.
- Construction of the Novolipetsk and Kursk steel plants, with the help of French and West German technicians.
- Exploration and development of the Sakhalin oil and natural gas fields with help from the Japanese.

Researchers from CEMA countries also are participating in projects conducted at joint research institutes such as the International Center for Scientific and Technical Information, the CEMA International

[10] Koreans who were interned on Sakhalin Island during World War II and remained there after the war are not considered guest workers; rather, they are permanent members of the Soviet labor force

Institute of Economic Problems, and the Institute for Atomic Physics in Dubna near Moscow. A 1978 Soviet publication on cooperation within CEMA in the fields of science and technology said, for example, that more than 6,000 scientists from 10 socialist countries were working at the institute at Dubna.

Why Other Countries Supply Labor to the USSR

Most Communist nations and Finland provide manpower to the USSR as payment for present or future deliveries of goods, notably raw materials and energy. For example, in return for work on the Orenburg pipeline, each of the five East European participants is guaranteed annual supplies of 2.8 billion cubic meters of gas over a 20-year period; a portion of these was to be supplied by the USSR free of charge, according to a Western article on the project. Polish work on an atomic electric power station at Khmel'nitskiy and a connecting powerline to Poland will be repaid by deliveries of electric power. Bulgarian help in building an iron ore concentration plant in Zheleznogorsk was paid for with iron ore exports. Finnish construction services and other exports are credited against imports of Soviet raw materials and goods, particularly oil, natural gas, electricity, and lumber.

It is difficult to determine whether a country is getting a good deal by exporting workers in return for Soviet resources, because data on the terms of these goods for labor exchanges are not available. Many countries trading on bilateral accounts with the USSR would find it difficult to pay hard currency for much-needed energy and raw materials if they turned to Western suppliers.[11] On the other hand, some of the East European countries that are short of labor face a substantial cost in lost production resulting from the export of workers. Promised supplies of labor for the Orenburg pipeline were cut in half by the participating CEMA countries, according to a variety of Communist press articles, probably because of complaints that labor commitments would interfere with domestic production plans.[12] A Bulgarian official had complained in 1974 that the employment of Bulgarians in the USSR was aggravating the domestic labor shortage. [redacted] East German leaders have indicated disappointment with earlier exchanges of capital and labor for deliveries of Soviet raw materials. But when faced with the option of sending workers to the USSR or accepting cuts in deliveries of natural gas, East Germany agreed to send several thousand skilled workers to the West Siberia–Western Europe pipeline [redacted]

For some countries, exporting labor may be the most expeditious way to reduce trade deficits with the USSR. Yugoslavia prefers to export labor rather than consumer goods, which can be sold to the West for hard currency. An April 1982 Yugoslavian newspaper article expressed indignation that instead of accepting increased construction services, the USSR insisted on an increase in exports of food products and consumer goods to reduce the Soviet trade surplus with Yugoslavia. Several Polish firms such as Budimex and Energopol specialize in construction activity abroad; Energopol is currently responsible for Polish participation in the construction of the Surgut-Polotsk oil pipeline in the USSR. The export of Polish construction labor allows Poland to make full use of available construction capacity at a time when domestic investment has been scaled back, according to a study by a Hungarian emigre and specialist in East European labor economics.

For Vietnam, exporting labor may be a relatively painless means of repaying the Vietnamese debt to the USSR. Portions of the wages earned by Vietnamese

[11] The actual mechanism by which a country's bilateral trade account with the USSR is credited for the value of labor exported varies. In some cases, foreign workers are paid, except for a ruble per diem, in the currency of the labor-exporting country. Under these circumstances, the labor-exporting country pays the wages of its workers and in return receives an agreed upon amount of raw materials or a credit against the bilateral trade account. In other cases, the foreign workers receive at least a substantial portion, and sometimes all, of their salary in rubles. These workers are allowed to exchange some of their rubles for the native currency. Thus the foreign country obtains rubles (in addition to any raw materials or credits agreed upon in the initial contract), which are probably used to purchase Soviet goods or are credited to the country's balance of payments with the USSR. In effect, the second method gives the labor-exporting country a larger claim on Soviet resources.

[12] These countries compensated the USSR for the reductions in labor supplied. Hungary, for example, delivered more Ikarus buses, according to a Hungarian press report.

workers are being withheld in repayment of Hanoi's debt to the USSR, according to diplomatic [redacted] and other reports. The Vietnamese are paid in rubles at Soviet wage rates, according to the Soviet press. The Vietnamese Government collects a portion of workers' wages as a tax that is used to pay Hanoi's import bill to the Soviet Union.[11]

Conditions of Work

East Europeans and North Koreans. Questions of selection and compensation of workers and labor codes are decided beforehand in agreements between the USSR and the country or firm supplying the labor. The home country is responsible for hiring individual workers or groups of workers, according to the Hungarian emigre study. In Eastern Europe, for example, youth organizations, such as the Free German Youth or the Socialist Polish Youth Union, often do the recruiting and pay the wages.

Workers are enrolled for a specific project in the USSR. The length of stay, according to reports from East Europeans who have worked in the USSR, is specified in contracts signed beforehand. A foreign laborer works in the USSR until his contract expires or the project is completed. Foreigners are not free independently to seek employment in the USSR. Hungarians on the Orenburg project signed three-year contracts, [redacted] A [redacted] worker on the Surgut-Polotsk oil pipeline said that the minimum contract period was one year and could be renewed until the project was finished. According to a [redacted] in Khabarovsk, North Koreans stay two to three months at the timber settlements before going back to North Korea on special trains.

A 1977 Soviet article on legal regulations for foreigners in the USSR declared that when laborers work in a national team isolated from the local populace, the regulations of the home country apply. Bulgarians and North Koreans, who cut timber in their own settlements in Siberia, work under the labor regulations of their own countries and depend on authorities from their own countries for their daily maintenance.

When a foreign team works with Soviet workers, however, the labor code is a hybrid. For example, during construction of the Orenburg pipeline, questions of hiring, dismissal, and trade union rights were handled in accordance with foreign laws, while regulations on the length of working time, holidays, vacations, and labor protection followed Soviet practice.

Foreign workers are offered substantial material and financial benefits to work in the USSR because the conditions under which they labor are frequently harsh. Food is cheap, medical care free, and lodging is available either free or for a nominal rent. Wages are higher than in their native countries and often higher than Soviet pay rates. Payment is made either in rubles, in the worker's home currency, or in special checks denominated in dollars, entitling the user to shop at stores closed to ordinary consumers; the last two forms of payment are supplemented by a ruble per diem. Wages of Hungarian workers for work on the Orenburg pipeline, for example, were double the domestic rate and were supplemented by a nine-ruble per diem for food and lodging. Polish specialists on the same project received half their wages in rubles for on-the-spot expenditures and half in special checks that were deposited in bank accounts at home. Wages and bonuses per worker amounted to approximately 13,000 to 15,000 zlotys a month; the average monthly wage of construction workers in Poland was 3,876 zlotys. Some additional benefits are at times extended to laborers upon their return home. Bulgarian construction workers, for instance, receive priority in buying a car or building a house when they return from the USSR, according to a 1971 Bulgarian recruitment notice.

Contact between foreign workers in the USSR and the local populace is often limited. Foreign workers are not allowed to travel freely in the USSR, and they live apart from the populace [redacted] observing work on the Orenburg pipeline said that East Germans on the pipeline in the Ukraine, for example, were housed in their own settlement and had their own school, store, and other amenities. Any East German–Ukrainian social contact was relegated to

[11] This contribution to the reduction of the Vietnamese trade deficit with the USSR would be in addition to any foreign exchange obtained from Vietnamese workers' remittances home.

meetings of Soviet-sponsored friendship societies. Polish workers on an oil pipeline were housed in fenced camps guarded by Soviet militia.

One major reason for the separation is to prevent Soviet workers from comparing notes with the foreign workers. A 1973 Soviet article on regulations for foreign workers in the USSR said that "sharp differences in the wages paid to Soviet and foreign workers for the same tasks are undesirable . . . all possible measures should be taken to alleviate the hardship of working in another country by giving foreign employees bonuses and other perquisites not at the place of employment, but in the home country." Payment of wages and bonuses in the home country is probably meant to reduce Soviet workers' resentment of foreigners' higher wages and living standards.

Soviet leaders also may hope to prevent "political contamination" of the populace. In 1979, a Leningrad economics lecturer, when publicly asked about importing foreign labor to meet the Soviet labor shortage, answered that "ideological and security considerations placed limits on this approach." Indeed, Soviet officials react swiftly when there is a possibility that unrest among foreign workers will spread to Soviet nationals. Ten Polish members of Solidarity working on the Surgut-Polotsk oil pipeline were deported from the USSR in 1980 for staging a strike in sympathy with the protests in Poland.

Total isolation is often impossible, though, and conflicts between Soviet and foreign workers have been reported.

East German workers were deeply resented by the local populace, which envied the Germans' higher standard of living. Food, clothing, and equipment were stolen from the East Germans.

The salaries of the Bulgarian workers were twice those of the Soviets.

Despite the substantial financial and material incentives, some countries, especially the more affluent East European nations, find it difficult to recruit and retain laborers for work in the Soviet Union. Families are not usually allowed to accompany workers, unless the spouse also agrees to work. Conditions in remote areas are primitive, housing is cramped, water supplies scanty, the climate harsh, and the work strenuous.

50 percent of the Bulgarians who signed for work did not stay to fulfill their two-year contract. Workers who left early had to pay a penalty and reimburse the Bulgarian organization running the settlement for all clothing, training, and travel expenses.

Vietnamese Workers. The USSR recently began importing Vietnamese workers on a substantially larger scale under labor cooperation agreements signed in early 1981 (the program may have begun on an experimental basis as early as 1979).[11] Although Soviet publications have stated that the current program is for training, the Vietnamese Minister of Labor in the Vietnamese press referred to it as "a new form of labor cooperation," distinct from earlier programs. Another stated that, while the 1981 program ostensibly exported workers for practical vocational training, it was actually intended to provide laborers for the USSR and other CEMA countries.

the SRV initiated the export program to:

- Pay back foreign aid debts to the USSR and East European countries.
- Resolve unemployment problems in the SRV by sending Vietnamese abroad.
- Lessen the impact of food shortages in the SRV by having fewer people dependent on the consumer market.
- Bring in foreign exchange.

[11] Vietnamese students had previously participated in academic and vocational-technical training programs in the USSR, which may have involved substantial on-the-job training. A press article reported in late 1981 that 4,500 Vietnamese students were in Soviet higher education establishments at that time.

[10] The semi-isolation may be intended in part to discourage illegal activity. Young Russians cut holes in the fencing to buy clothing from the Polish pipeline workers, and a told American officials that North Koreans cutting timber in the area engaged in various illegal activities such as practicing acupuncture, massage, and "oriental medicine" without licenses.

The information available indicates that the use of Vietnamese workers differs from that of other groups of foreign workers in three respects—the kinds of industries in which Vietnamese work, the wages paid, and the length of stay in the USSR. As with the East European laborers, questions of wages, social benefits, living conditions, and length of service are decided beforehand in intergovernmental agreements—in the case of the Vietnamese, under the April 1981 accord on labor cooperation

Although the primary motives for Hanoi's export of workers to the USSR probably are debt repayment and alleviation of domestic unemployment, the SRV Government also would like Vietnamese youth to learn skills that will be useful when the workers return to Vietnam. Possibly for this reason, Vietnamese workers are found in a variety of industries in the Soviet Union, whereas other foreign workers are concentrated in timber or construction work. According to Soviet labor official Kostin, Vietnamese are working in enterprises producing textiles, chemicals, and machinery as well as in irrigation and land reclamation; the Vietnamese Minister of Labor revealed that Vietnamese also work in coal mining and construction. Vietnamese are also working on the Baikal-Amur Mainline railroad, as is indicated in a letter from one Vietnamese laborer on the project. To date, however, we have no evidence that Vietnamese are helping to construct oil or gas pipelines in the Soviet Union.[*] Nonetheless, we cannot judge the value of the training received by Vietnamese in the USSR. Workers in land reclamation and construction are probably largely engaged in manual labor.

Contrary to East European experience and Soviet press reports that wages of Vietnamese workers equal those of their Soviet counterparts, Vietnamese earnings are probably less than those of their Soviet coworkers and therefore less than those of other foreign workers. The size of the deduction for debt repayment is not known—estimates from diplomatic, refugee, and other sources range from 30 to 70 percen[redacted] whose brother went to the USSR said that after a deduction for living expenses, debt repayment, and a monthly allowance, the remainder of workers' wages is deposited in Vietnamese

[redacted] Soviet and Vietnamese publications in Hanoi that showed pictures of Vietnamese shoveling snow in Siberia. The caption did not specify which project in Siberia they were working on, and there is no reason to assume that it was the West Siberia–Western Europe natural gas pipeline. Rumors in the Western press regarding the possibility that Vietnamese work on the West Siberia–Western Europe natural gas pipeline originate with Vietnamese refugee Doan Van Toai, who, in a *Wall Street Journal* article and testimony before a Senate subcommittee, cited as evidence letters from Vietnamese friends. However, Van Toai never made these letters available for inspection, and it is not certain whether these individuals were in the USSR or whether they were writing from Vietnam and citing rumors that workers were to be sent to the pipeline (see appendix).

Secret

banks. These arrangements are spelled out for workers before their departure. Because we do not know the ruble-dong exchange rate used to convert workers' wages, it is difficult to compare the salaries of Vietnamese workers, partially paid in dong, with those of Soviet workers, who are paid in rubles. A favorable exchange rate would compensate in part for the rubles deducted in debt repayment. Opportunities to purchase and send home consumer goods in short supply in Vietnam provide an additional material incentive to work abroad as do incentive bonuses that are paid directly to the worker without deductions. (

Reports of the time spent working in the USSR range from four to seven years, according to [redacted] eports, with a two-week vacation at home, partially at the USSR's expense, after three or four years. Workers cannot choose the location of their work. Furthermore, although Vietnamese workers sign pledges requiring the worker to abide by all financial arrangements and obligations of work and living areas, the nature of these conditions may not be made clear to recruits. Letters from Vietnamese complaining about the cold, the difficult working conditions, and low allowances have been received in Vietnam—and in a few instances even in the West. The Soviet press has said that Vietnamese are working in the European USSR or southern Siberia ("where the watermelons and muskmelons grow"), areas which would still seem exceedingly cold to a Vietnamese.

A review of the often contradictory evidence indicates that Vietnamese workers are not coerced into working in the Soviet Union.[1] Claims that workers from other countries constitute forced labor contingents also seem suspect [redacted] workers branded as "unpure elements" by the North Korean Government were being forced to work in the Korean timber settlement of Siberia. Two other reports suggest that this practice—if it exists—is infrequent. [redacted] in 1982 reported seeing a group of North Korean laborers at a Khabarovsk train station; the workers did not appear to be guarded in any manner, suggesting absence of coercion. [redacted]

[redacted] that Koreans cutting timber in the area were unsupervised to the extent that they also engaged in illegal activities. (

For its part, the USSR probably would be reluctant to accept a large number of "politically unreliable" workers, if only because of the difficulty of totally isolating workers from the local populace. Indeed, all accounts of the lives of foreign workers in the USSR indicate that they have at least some contact with Soviet nationals. East European workers on the Orenburg pipeline were required to be of "sound political beliefs"; many were Communist Party members. [redacted] as many as 90 percent of the Polish workers participating were Communist Party members; the others were highly skilled specialists who could not be replaced by party members. Furthermore, despite [redacted] rumors that Vietnamese political dissidents are being sent to the USSR, there is no firsthand evidence that this is true (see appendix). Although foreign workers are kept apart as much as possible from the populace, some groups, such as the Vietnamese, work daily with Soviet laborers; control of any unreliable workers would be difficult under such circumstances. (

[redacted] sources who have obtained their information directly from participants or officials involved in the labor cooperation program say that it is voluntary in nature. These reports seem on balance more reliable than the reports—largely based on rumor—that the program is involuntary. [redacted] selection is limited to individuals free of collaboration with Americans or the former government of Vietnam. Top priority is given to members of reliable revolutionary families—that is, those with relatives in the SRV military or government or those whose fathers died in the war. In addition, reports [redacted] Western press, and other sources indicate that young Vietnamese bribe their way into the program. [redacted] family paid 10,000 dong (approximately $1,110) to ensure his brother's selection for the program. The export program is reportedly popular with Vietnamese as a

[1] See the appendix for a more detailed discussion of reporting on the issue of coercion of Vietnamese workers. See also "Vietnamese Export of Workers to the USSR and Eastern Europe" included in the interagency report to Congress, *Forced Labor in the USSR*.

Secret

means of legally escaping unemployment and the low standard of living in Vietnam. Vietnamese families are eager to have family members go abroad and send home consumer goods that are in short supply in the SRV or that can be sold on the black market.

Prospects

As additions to the working-age population continue to decline, the Soviet labor shortage will intensify through much of the 1980s. We doubt, however, that tightening labor conditions in the USSR will lead to a significant increase in the use of foreign labor—with the exception of a possibly large increase in the Vietnamese contingent—during the balance of the 1981-85 Plan. Nor, despite a recent report that indicates Soviet interest in boosting the number of East European workers in the 12th Five-Year Plan, do we believe that a substantial expansion of the foreign labor contingent after 1985 is likely

The report, [redacted] suggests that Moscow wants to call a meeting of party leaders from CEMA countries at which the USSR will push for greater CEMA integration, including participation by the members in development projects in the USSR. According to the report, the Soviets are expected to "raise the question of transferring workers from the CEMA countries to the USSR, specifically to work in problem areas within the Soviet Union." Mention was also made of employment of foreign labor on road construction. No figures were given on how many CEMA country workers the Soviets want "transferred."

The Soviets almost certainly have in mind the 1986-90 Plan period because a CEMA summit designed to promote integration would presumably be setting its sights on an upcoming plan period. In addition, the countries involved would be primarily in Eastern Europe because the Soviet interest in economic integration is directed primarily at fellow Warsaw Pact members. (The other members of CEMA are Cuba, Mongolia, and Vietnam.)

Despite the report, we doubt that a major expansion in importing foreign labor will occur either in the short or the long term.

Inhibiting Factors. First, the USSR's ability to increase its foreign labor force is restricted by labor shortages in Eastern Europe—until recently, the main source of foreign labor for the Soviets. Only in Vietnam is the domestic economic situation conducive to shipping labor abroad

Second, despite the [redacted] report, there is evidence that the Soviet regime is opposed to large-scale expansion of labor from abroad. The Leningrad lecture cited earlier alluded to "ideological and security considerations," and a *Komsomolskaya pravda* article in April 1982 noted that ". . . it is simply disadvantageous for us to widely enlist worker strength from other countries because this would hinder the intensive development of our economy and the raising of its effectiveness. The labor potential of our country is so great, it will allow for the successful solution of all the tasks of social economic development. . . ." Although this argument is not particularly persuasive, because foreign labor could prove helpful while the economy tries to transit from an extensive to an intensive pattern of development, the article suggests that some Soviets do not want sharply stepped-up recruitment of foreign labor.

The real reasons for the negative Soviet attitude toward broad application of foreign labor are partly economic but probably mainly political. On the economic side, the recruitment, transportation, deployment, and accommodation of foreign workers on a significantly expanded scale could be very disruptive. Politically, the Soviets would view a major jump in the size of the foreign labor force as risky because of the potential that guest workers have for causing discontent among the local populace. Though relatively isolated, foreign workers inevitably have some contact with the Soviet population. Consequently, Soviet citizens get firsthand reports of the higher standard of living enjoyed by the workers from many of the labor-exporting countries and thus may become even more dissatisfied with their own. The higher wages frequently paid to guest workers can also spark local resentment toward the Soviet leadership.

cause of the low standard of living in their home untry and the low wages the Soviets pay them, etnamese workers would seem less politically reatening. Even so, any substantial diversion of nsumer goods to Vietnamese workers while they re in the USSR could also arouse discontent among rkers, particularly at a time when their standard of ing is rising less rapidly than before.

ture Additions Through 1985. The largest increent in foreign workers during the 1983-85 period ll come from Vietnam. Information on planned creases in Vietnamese workers in the Soviet Union d Eastern Europe comes from various conflicting reports, wever (see appendix). The reported number of etnamese being sent to Eastern Bloc countries from 81 to 1985 ranges from 100,000 to 500,000, accordg to these sources.[1] The higher figure would represent about 0.5 percent of the projected labor force in 85. We believe that the actual number will be oser to 100,000 than 500,000 and probably no more an 100,000. The wide range of the reported numrs, ambiguities as to the time frame or the destinan (USSR, Eastern Europe, or both) referred to in e reports, and the possibility that plans or quotas ill be changed prevent a firm estimate.

me additional workers may come from Eastern urope. But the ability of these countries to export bor to the USSR will be limited by domestic labor ortages, particularly of skilled workers, as well as the lack of workers willing to work in the Soviet nion even for substantial financial benefits. Furthere, the scope and number of CEMA joint investent projects on Soviet soil during the 11th Five-Year lan appear to be more limited than during the 1970s, ccording to a 1982 Western study on joint investent schemes in CEMA. Projects planned for the riod 1981-85 are using no more, and possibly even wer, foreigners than projects under way during the 970s.

he only current or planned joint investment projects sing foreign laborers are the nuclear power stations nd powerlines using Polish workers and the West Siberia–Western Europe natural gas pipeline. Under a long-term program of cooperation between the USSR and Poland signed in 1980, for example, Polish construction organizations will work on a variety of projects in the USSR, including nuclear power plants, mining enterprises, and pipelines. Poles are already working on the Khmel'nitskiy nuclear power plant and powerlines and the Kursk and Smolensk nuclear power plants; there may be 4,500 Poles on these projects in 1983, according to a Polish trade journal. The Soviet Union may have decided to offset part of its trade surplus with Poland by using Polish construction services. A Polish radiobroadcast in August 1982 stated that Poles would be involved in other energy projects. We have not seen any reports on specific projects planned, however, and therefore estimate that the number of Polish workers by 1985 will not exceed current levels by a large amount.

The largest increase in non-Vietnamese workers in the next two or three years could come from East Germans working on the West Siberia–Western Europe natural gas pipeline. At least 4,000 East Germans are already assigned to this project, and the original commitment of 5,000 that the Soviet press reported was doubled to 10,000 by GDR party leader Honecker in a speech in December 1982. Whether this total will be reached is problematical. Given the strains in the East German economy, GDR leaders may yet decide to reduce their commitment, as they did in the case of the Orenburg project.

The number of Finnish workers in the USSR probably will not greatly exceed current levels. Expansion of Finnish construction activity in the Soviet Union may be limited by Finland's bilateral trade surplus with the Soviet Union; the USSR has been unable to increase exports to Finland to balance imports of Finnish goods and services. Planned projects include construction of three hotels, meat processing and cheese plants in Yaroslav, milk plants in Noril'sk and Kostamuksha, a railroad car depot near Leningrad, a hospital equipment plant, a wallpaper plant, modernization of the Vyborg pulp plant, and expansion of the port at Tallinn. Three Finnish companies have received orders to supply construction camps for workers on the West Siberia–Western Europe pipeline.

[1] One highly unlikely estimate was given by [redacted] who claimed at 500,000 workers had already been exported in 1980 and that a million more were to be recruited in 1981

Whether these contracts include labor or merely materials and equipment is as yet unclear. [redacted]

The USSR may also be preparing to accept Chinese workers on timber settlements in the Khabarovsk and Primorski areas of the Soviet Far East. [redacted]

[redacted] Soviet and Chinese officials are negotiating a trade arrangement whereby the Soviets would export lumber in exchange for Chinese textiles and foodstuffs. To facilitate the export of Soviet lumber, the Soviets have requested the Chinese to supply the labor to cut the lumber. The Chinese tentatively agreed to provide labor. [redacted] May be some time before the arrangement is in place. [redacted]

To sum up, we foresee at most a slight increase—perhaps a few thousand—in the number of non-Vietnamese foreign workers by 1985. The increment would come largely from additional foreign labor on the West Siberia–Western Europe pipeline and possibly from some Chinese. Furthermore, no change is apparently planned in the role of non-Vietnamese workers. They apparently will continue to be largely restricted to construction and timber cutting.

The only sizable increase in foreign labor would come from Vietnam. The number of Vietnamese workers could conceivably reach a few hundred thousand by 1985, although we think it much more likely that the number will not exceed 100,000. The distribution of Vietnamese labor among several industries, not just within construction, will apparently continue. Consequently, foreign workers probably will remain a small fraction not only of the total labor force but of the work force in the sectors and regions where they are concentrated.

BLANK PAGE

Appendix

Vietnamese Labor in the USSR

Since late 1981 we have accumulated a large body of often conflicting information on Vietnamese labor in the USSR and Eastern Europe. The information is to be found [redacted] The purpose of this appendix is to present and evaluate the evidence with respect to three key questions:

- Are Vietnamese workers or political dissidents forced to work in the USSR?
- Are portions of workers' wages withheld to help pay off Vietnamese debt to the USSR or pay for Soviet exports?
- How many workers are or will be involved in the labor export program?

Are Workers Coerced Into the Labor Export Program?

The Evidence

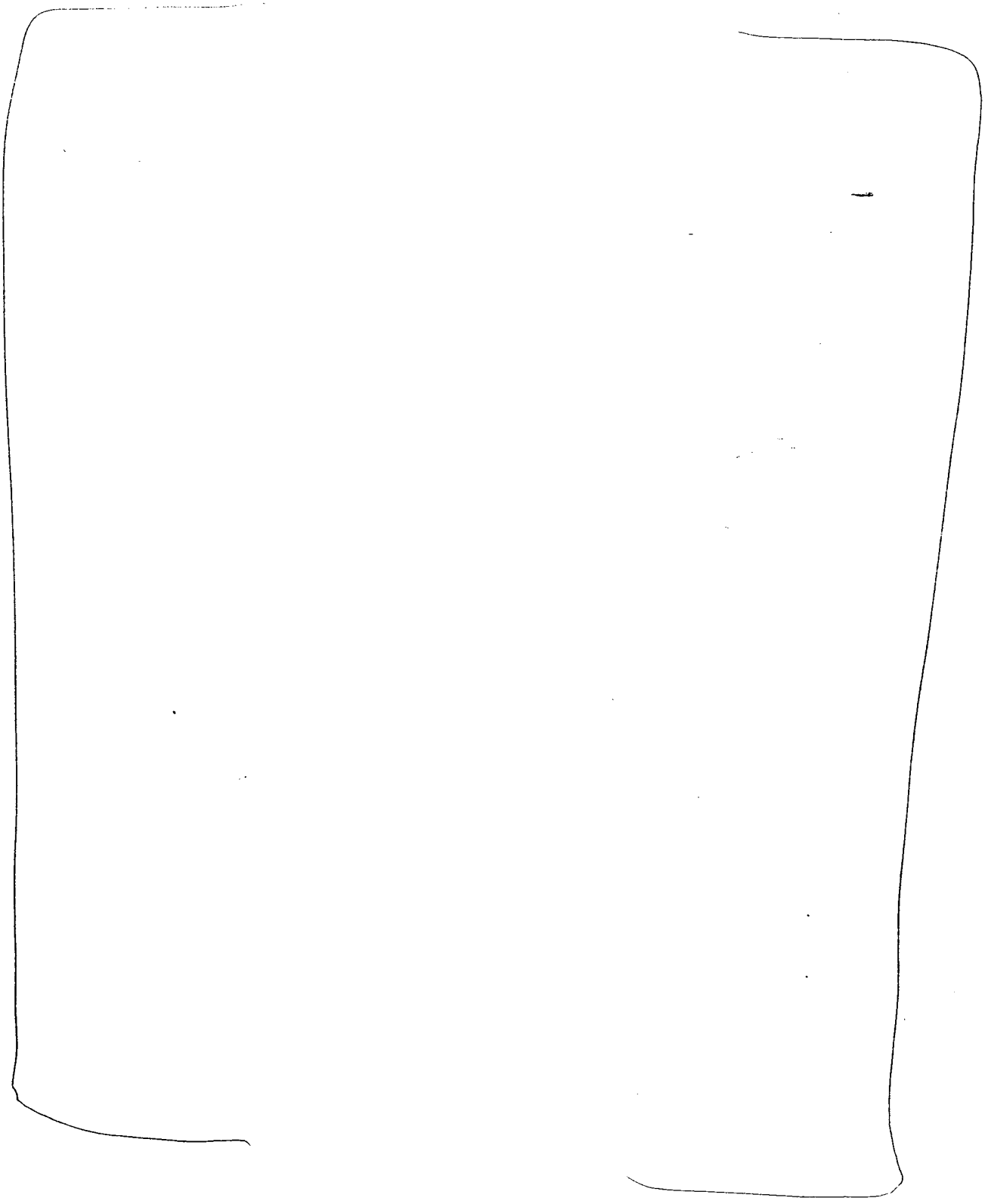
Sources indicating that the program is voluntary in nature include:

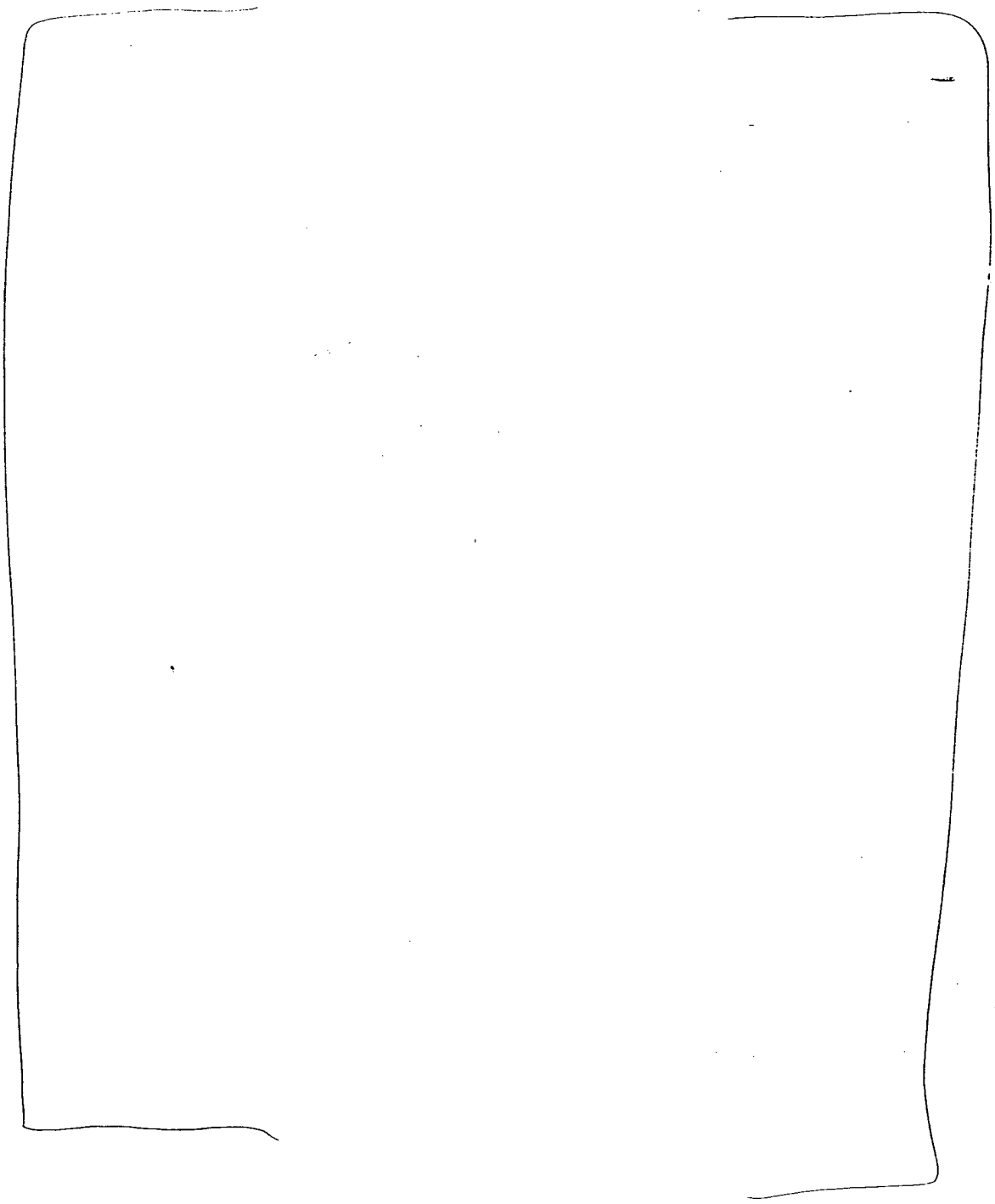
[redacted]

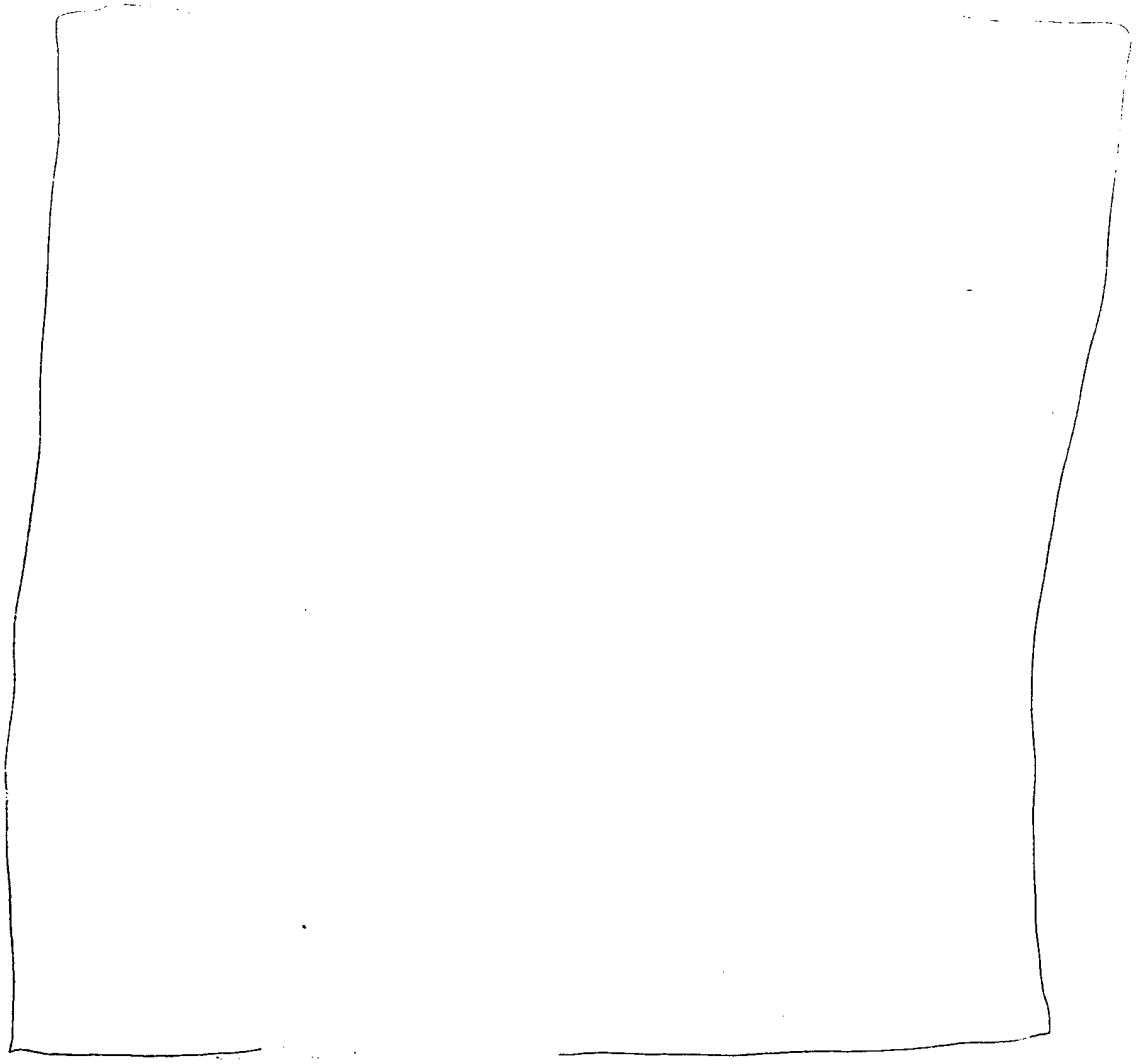
[a] The Orderly Departure Program allows Vietnamese to legally apply for emigration from Vietnam.

[redacted]

[a] The Ministry of Interior and the Public Security Office are responsible for conducting background checks and security clearances on candidates for the program.







Are Workers' Wages Withheld in Repayment of Vietnamese Debts To the USSR and Eastern Europe?

[redacted] consistently indicate that wages of Vietnamese workers are withheld in payment of Vietnamese debt to the USSR and Eastern Europe. Although the Soviet press maintains that Vietnamese receive wages equal to those of Soviet workers, the Vietnamese press admitted in a September 1982 article that Vietnamese workers "are

obliged to pay from 10 to 15 percent of their basic income to the state to compensate for farewell and homecoming party costs and to resolve future claims, contributing to building and defending the fatherland." The actual amount of wages deducted, however, is unclear—estimates range from the 10 to 15 percent reported by the Vietnamese press to 70 percent, according to several [redacted] Vietnam's war debt to the USSR, according to [redacted] countries, was excused by Moscow in 1975, and Vietnamese Foreign Minister Thach said in a West German publication that debts up to 1978 had been excused. Nonetheless, neither side has directly denied that workers' wages are being credited against current or future Vietnamese imports of Soviet goods that, according to Soviet foreign trade statistics for 1981, exceeded by almost 600 million rubles Vietnam's exports to the USSR.

It should also be pointed out that the share of wages deducted from Vietnamese workers' pay is only an accounting issue. The key questions are whether the Soviet Union is paying less for the services of Vietnamese labor than it would for the services of Soviet workers and whether the difference is being credited toward a reduction of Vietnam's debt to the USSR. Whether the burden of such debt repayment falls on the Vietnamese workers or the Vietnamese Government is up to the government of Vietnam. The Vietnamese Government could make up for the "deductions" from the pay the Vietnamese workers receive in rubles with payments to these workers in Vietnamese currency.

How Many Workers Are or Will Be in the Program?

We have approximately 30 reports—[redacted]—on the number of Vietnamese workers now in the USSR and Eastern Europe and the number scheduled to be there by 1985. We find it impossible, on the basis of these reports, to arrive at a firm judgment as to the number of Vietnamese workers now in Warsaw Pact countries or projected to be there in the future. Our uncertainty stems in large measure from:

- The wide range of the reported numbers.
- Frequent ambiguity about whether the numbers refer to (a) the present or the future, (b) a projected total for 1981-85—which would not necessarily involve 500,000 Vietnamese workers ever being in Warsaw Pact countries at one time—or a projected total for 1985 alone, (c) the USSR alone, Eastern Europe alone, or the USSR and Eastern Europe combined.
- The possibility that, with respect to the future, there is no firm plan or that, at any rate, plans are subject to constant and substantial change.

Despite their highly varied character, the reports can be roughly grouped into two broad categories: (a) those that indicate that the Vietnamese in the USSR and Eastern Europe now number fewer than 100,000 and are expected to number on the order of 100,000 by 1985, and (b) those that indicate that the number of Vietnamese now in the USSR and Eastern Europe is or might be 100,000 or more and may rise to about 500,000—or at least 300,000—by 1985.[11] As we explain, we place more credence in the first than in the second group of reports and believe the program is on a smaller rather than on a larger scale.

Reports of Limited Program Summarized

- Official Communist press reports indicate that there are at least 45,000 Vietnamese workers in the USSR and Eastern Europe: 11,000 in the USSR (up from 7,000 reported in *Izvestiya* in May 1982), 26,000 in Czechoslovakia (up from 14,000 reported in April in the Prague press), and 7,500 in East Germany. (No figure has been published for the number of Vietnamese workers in Bulgaria, although a Vietnamese-Bulgarian agreement was signed in November 1981.)

[11] We include in this group a report—see following section—indicating that half a million Vietnamese went to the USSR in 1980 and a million more were to go in 1981. We dismiss this report because of (a) its being so far out of line with all the other reports, (b) the extremely low probability that so vast a migration could have gone undetected, and (c) the implausibility that the Warsaw Pact countries would want to or could accommodate so large a number of Vietnamese.

Secret

- A pro-Hanoi publication in Paris stated in a December 1981 article that 50,000 Vietnamese are in East European countries and that the number could double by 1985. (It is not clear whether the term "East European countries" also includes the USSR. The article specifically cites the Soviet Union, Bulgaria, and the GDR as examples of countries that have helped the Vietnamese train workers.)

- [redacted] told [redacted] in June 1982 that there were 3,000 Vietnamese there.

[redacted]

- Western diplomats in Southeast Asia reported in June 1982 that there were 40,000 Vietnamese in the USSR and Eastern Europe, and that this number could reach 100,000. They did not give the source of their information.

- [redacted] the Soviet military attache in Hanoi said that up to 100,000 Vietnamese would be working in the USSR by 1985.

- A British publication in November 1981 quoted a Vietnamese Embassy spokesman in Bangkok as saying that the number of Vietnamese workers in the USSR, East Germany, and Bulgaria might reach 100,000 by 1986.

- A September 1982 Vietnamese article on the labor program stated that there were "tens of thousands" of Vietnamese youth in the USSR, East Germany, Bulgaria, and Czechoslovakia.

- A Vietnamese [redacted] reported that an official in the Ministry of Interior declared that "as many as 30,000 North Vietnamese may be sent under this program" to CEMA countries. (This source also stated that most recruits would come from North Vietnam.)

- A Vietnamese [redacted]

[redacted]

Secret

[redacted] stated that "tens of thousands" of workers had already left for CEMA countries.

- A Vietnamese [redacted] reported that 6,000 workers would be sent annually to the USSR over a five-year period.

- [redacted] that there were 15,000 Vietnamese in the USSR around November 1982.

- [redacted] said some time between 1980 and September 1981 that there were about 55,000 Vietnamese in Eastern Europe [redacted] East European ambassador had told [redacted] there were 50,000 Vietnamese in the Soviet Union.

- The government of Singapore reported that [redacted] there were 5,000 Vietnamese in Siberia in late 1981.

- Soviet Ministry of Foreign Affairs officials told [redacted] officials that there were a few thousand Vietnamese in the USSR in early 1981 and that the total would not exceed 20,000 by the end of 1986.

- Soviet Ministry of Foreign Affairs officials [redacted] officials in March 1982 that 7,000 Vietnamese would come to the USSR annually

Reports of a Large-Scale Program Summarized

- A report in the *Economist* in September 1981 asserted that, according to "authoritative Eastern European sources," 500,000 Vietnamese workers would work in the USSR and Eastern Europe in 1981-85. It is not clear whether this means there would be 500,000 in 1985 or that 500,000 would work at some point during the period. The BBC reported the same figure in a November 1981 broadcast, as have refugee organizations in France and the United States, individual refugees, and

Western press reports. It seems highly likely that the *Economist* article was the source of all these reports.

- A report

was rumored in Vietnam that 50,000 to 100,000 workers had already gone abroad and that this number could reach 300,000.

- A senior Soviet diplomat in a West European capital said offhandedly that there were then 100,000 Vietnamese workers in the USSR. He was aware that his remarks would reach the US Government.

Evidence Evaluated

As noted earlier, we consider the reports of a modest program more reliable than those of a larger one. Communist press reports and most reports—from the press, —of statements by Vietnamese officials give relatively low figures. The Communist press and Vietnamese officials would have access to reliable information. Moreover, the issue of how many Vietnamese labor in the USSR and Eastern Europe is not politically touchy in the Communist world; the program is voluntary and furthermore is represented as beneficial because of the valuable training it is supposed to provide. The circumstances surrounding the use of foreign labor are therefore not likely, in our estimation, to give rise to official understatement of the number of participants in the program