

“A PLACE IN POVERTY WAS A GOOD PLACE FOR THE SEAFARERS”

AN INSIGHT INTO THE TOPIC OF CZECHOSLOVAK SEAFARERS’ SMUGGLING ACTIVITIES IN THE 1970S AND 1980S

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The International Covenant on Civil and Political Rights stipulates that ‘everyone shall be free to leave any country, including his own’.¹ This basic right of free movement was considered to be exceptional in Czechoslovakia after the communist coup d’état in 1948. Generally, denying this freedom is a significant characteristic of authoritarian regimes. They restrict free movement for several reasons, but the motivation is not to allow the regime’s weakening. Thus the restrictions create an integral part of the control of citizens; they limit access to information, to know about other people, other countries, and other regimes. There is also a practical reason for such an arrangement to prevent people from emigration. The fact of emigration itself undermined the authority of the regime. However, in the case of emigrating experts or skilled workers their leaving the home country causes also economic losses. For all these reasons in Czechoslovakia during the people’s democracy and later the state socialism period (1948–1989) traveling was not a right but rather a privilege.²

As a consequence of the traveling limits (and also weak economy which did not allow to import foreign, mainly “Western” goods in a sufficient amount), in Czechoslovakia before 1989 everything that was “foreign” had a touch of something special or attractive (especially if “foreign” implied “non-socialist”). People remember, for example, that a plastic bag with a logo was worn as a fashion accessory. Thus a man or a woman who got an opportunity to travel or work abroad for business had a number of advantages: they could know foreign countries, visit tourist attractions, and get Western (i.e. luxury) goods, typically clothes,

¹ Part III, Article 12/2. International Covenant on Civil and Political Rights. In: United Nations Human Rights, [online] [2017-10-10], <http://www.ohchr.org/EN/ProfessionalInterest/Pages/CCPR.aspx>.

² The most important milestone in setting limits for free traveling was the communist coup d’état in 1948 which “closed” the boundaries. During the 1950s, traveling abroad was highly limited and journeys to other socialist countries were restricted, too. In 1963, an important breakthrough towards liberalization in traveling occurred – “trouble-free” Czechoslovak citizens should be allowed to travel to other socialist countries. It was also possible to travel to Western (capitalist) countries but in this case, the conditions were much more restricted, and people were not allowed to go abroad individually. While the democratization period in Czechoslovakia (the second half of the 1960s) brought a significantly greater freedom to travel, the time after the invasion of Warsaw Pact armies into Czechoslovakia in August 1968, the period of so-called normalization, was characterized by imposing new limits on traveling. Journeys to Western countries were prohibited through a strict travel policy. As a way of “compensation”, traveling within the Comecon (Council for Mutual Economic Assistance) countries was enabled and supported in some way. But even these journeys were subject to a complex administrative procedure. The approval process for traveling to socialist countries was simplified in 1980; visiting Western/capitalist countries was still much more complicated. Abolishment of all barriers to travel came just before the Velvet Revolution – in the face of the Berlin Wall fall (9 November 1989) all restrictions on movement through borders did not make any sense.

cosmetics, or electronics. With these goods and foreign currency which they earned, people traveling abroad for business achieved a higher standard of living and in this sense, they were privileged in comparison with “ordinary” people. Within the context, the main impetus for smuggling was getting more money, more foreign currency, more goods.

In this paper, I will follow the topic of smuggling and black marketeering as they were experienced by a specific group of workers – Czechoslovak seafarers. The facts and conclusions I present here are based on a primary archival research and seventeen oral history interviews which I made with former seafarers. In the introduction, there will be outlined circumstances of establishing the Czechoslovak Ocean Shipping Company. Then I will describe the main components of seafarers’ remuneration and in the core of the paper, some facts about the phenomenon of smuggling in a given historical and economic context will be presented. Two principal questions are followed in the paper: Which were the main reasons for smuggling activities run by Czechoslovak seafarers? How did they relate to and fit into the grey economy of socialist Czechoslovakia?

WHY INLAND CZECHOSLOVAKIA OPERATED A MERCHANT FLEET

Speaking about the Czechoslovak merchant fleet, I have to start in the period after the WWI. Basic conditions for all activities in the field of maritime transport have been embedded in the Treaty of Versailles, the Covenant of the League of Nations (1919);³ and the Barcelona Convention (1921). Based on these arrangements Czechoslovakia got the right to register and operate its own merchant ships⁴ (Prague was their place of registration). However, the interwar period was not very successful for merchant shipping business. There were operated only several (smaller) ships, some of them for smuggling alcohol to Finland. Two most important ship owners of those times, the Bata company (two vessels)⁵ and the Bank of Czechoslovak Legion (one ship), quit their activities in the maritime branch at the beginning of the 1930s, as the consequence of the Great Depression.

At the turn of the 1940s and 1950s, shortly after the communist takeover in 1948, the first impetus for the Czechoslovak merchant fleet growth was given by political reasons – Czechoslovak ships were used to provide a “cover” for ships of the People’s Republic of China (PRC), whose fleet was affected by embargo and naval blockade. These measures had been adopted by the United States and their western allies because of the PRC’s inclusion

³ The right to operate shipping business was primarily based on the provisions of Article 23e) of the Covenant of the League of Nations (1919) which stipulated freedom of transport and transit as well as fair trade conditions for any member of the League. (The Covenant of the League of Nations, in: Yale Law School, The Avalon Project – Documents in Law, History and Diplomacy [online] [2015-07-04]. [Http://avalon.law.yale.edu/20th_century/leagcov.asp#art26.](http://avalon.law.yale.edu/20th_century/leagcov.asp#art26))

⁴ 102/1924 Sb., Vládní nařízení ze dne 15. května 1924, jímž se provádí zákon ze dne 15. dubna 1920, č. 316 Sb. z. a n., o vlajce a rejstříku lodí námořních [online] [2015-07-31]. [Http://ftp.aspi.cz/opispdf/1924/055-1924.pdf](http://ftp.aspi.cz/opispdf/1924/055-1924.pdf) [Government Regulation on a Flag and Register of Naval Ships].

⁵ Herman, Jan: Czechoslovak shipping in the inter-war period: The maritime transport operations of the Baťa Shoe Company, 1932–1935, in: *The International Journal of Maritime History*, 2015, vol. 27 (1), p. 84.

into the Soviet sphere of influence and also Communist China's involvement in the Korean War on the side of North Korea). The cooperation between Czechoslovakia and the PRC in the merchant fleet operation was terminated in the first half of the 1960s.

In the meantime, Czechoslovakia ascertained that running a fleet for a maritime trade could be advantageous – especially when transporting “special” cargo (weapons, military goods, explosives, dangerous chemicals, etc.) or when using the ships for transport of Czechoslovak goods for saving scarce foreign currency spent on transport costs.⁶ Based on these initial considerations the Czechoslovak Ocean Shipping Company (following as COS) was established in 1959 (the first Czechoslovak ship *Republika* [Republic] was purchased in 1952). In the period from 1952 to 1989, Czechoslovakia operated from eight (1967) to fourteen (1984) ships.⁷

After the Velvet Revolution, the business environment changed. Market economy conditions together with privatization and several bad management decisions led to selling off the fleet in 1998. During the 46 years of its existence (1952–1998), the Czechoslovak Ocean Shipping (after splitting the federation in 1992 the Czech Ocean Shipping) operated 44 ships altogether, being for a long time the second largest merchant fleet among inland countries.⁸

SEAFARERS' REWARDS – SALARY, SURCHARGE AND OTHER “EARNINGS”

A seafarer's salary was composed of three parts: basic tariff, general extra pay,⁹ and additional pay for staying in the tropics. Beside this, overtime work was paid in a flat rate 30 percent (with the exception of captains and first officers) as well as loyalty surcharge¹⁰ and 20 percent surcharge for a man in deputy of higher function. Repair and service work and other “dirty” work were rewarded in a form of additional payment. This way of remuneration was often much cheaper for the company than paying a shipyard service. Finally, seafarers got (as other Czechoslovak employees) some bonuses according to the

⁶ Later the Czechoslovak state, via the Czechoslovak Ocean Shipping Company, successfully employed its ships in time charters on the capitalist market.

⁷ For more detail on the COS history and see Krátká, Lenka: *A History of the Czechoslovak Ocean Shipping Company, 1948-1989*. Stuttgart, ibidem-Verlag, 2015.

⁸ Lenka Krátká, *A History of the Czechoslovak Ocean Shipping Company, 1948–1989*, ibidem Verlag, Stuttgart, 2015

⁹ Extra pay for difficult conditions at work on ships – noise, vibration, climatic changes, health conditions in foreign countries, bad weather conditions, limitations of cultural activities, increased risks etc. (National Archives, Prague, Czechoslovak Ocean Shipping fund, Material No. 67 for management meeting held on 20 August 1971, Proposal for salaries for Czechoslovak ship crews, 4, Decision of the Ministry of Transport, 2.)

¹⁰ For the I category it was approximately from 5 percent (staying five years in the COS) to 19 percent (staying 27 years and more); in the lowest category this surcharge was 7 (five years) and 23 percent for 27 and more years. (National Archives, Prague, Czechoslovak Ocean Shipping fund, Material No. 67 for management meeting held on 20 August 1971, Proposal for salaries for Czechoslovak ship crews, 4, Salary inventory.)

economic results of their enterprise,¹¹ and, moreover, they did not pay anything for food¹² and accommodation when being on board.

Although it was not a general rule, the salary arrangements also included a surcharge for dangerous cargo (mainly explosive or dangerous chemicals) in the amount 60 crowns (\$ 2.2¹³) per every ten commenced days of transport, including loading and unloading.¹⁴ For example, in the 1970s, the seafarer received extra \$ 4.40 (obviously paid in Czechoslovak crowns) for the voyage from Poland to Cuba, lasting 17 days plus one day loading and one unloading (transporting such strategic material was very fast).

When the seafarer was at home during the gap month, spending the holiday and overtimes, he received approximately 40–45 percent of his salary, which was technically the basic salary tariff plus loyalty surcharge.¹⁵ This was a logical arrangement since the seafarer did not bring any benefits to the company when he was at home.¹⁶ Thus the seafarers tried to find some temporary or part-time jobs while they were at home, either with their employer's permission or without it. This practice was generally prohibited by the company. This arrangements was caused by two main reasons – either an effort to enforce a man to get a proper rest for the next months he will spent on ships, or an effort not to allow him to increase his income (the official remuneration in a socialist society was characterized by an emphasis on income equality).

An important moment in seafarers' remuneration was receiving the "boarding bonus" (additional allowance) paid from the embarkation day to the disembarkation day. It was defined according to the seafarer's job position.

¹¹ National Archives, Prague, Czechoslovak Ocean Shipping fund, Material No. 67 for management meeting held on 20 August 1971, Proposal for salaries for Czechoslovak ship crews, 4, Decision of the Ministry of Transport, 2–4, appendix 1.

¹² Besides meals three-times per day in a room called "the pantry", equipped with kitchen utensils, there were always available coffee, tea, bread, butter, jam, eggs – everything necessary for a small snack during the day or night. In the evening, the cooks put other foodstuffs into the pantry for preparing cold snacks during the night, mainly for the seafarers taking a watch guard, but also: "When there was a binge in the cabin, some party, name date, birthday, it has taken its toll. [...] So I had to refill the pantry at twelve o'clock." (J. K., * 1946, chief cook, 22 years in the COS.)

¹³ Regardless how undervalued, I use the exchange rate 27 crowns per \$ 1 since this is stated in the document.

¹⁴ National Archives, Prague, Czechoslovak Ocean Shipping fund, Material No. 67 for management meeting held on 20 August 1971, Proposal for salaries for Czechoslovak ship crews, 3, Salary inventory.

¹⁵ Ibid.

¹⁶ In comparison with other Czechoslovak employees, not all the seafarers' salaries exceeded the average rate. For example, after the salary arrangements provided in 1972, the highest monthly salary (ship master) was assigned 7,790 Czechoslovak crowns and the lowest (junior sailor) was 1,650 crowns. /Ibid./ And the average monthly salary in the Czechoslovakia in 1972 was 2,091 crowns. (*Statistická ročenka ČSSR 1973* [Statistical Yearbook of the Czechoslovak Socialist Republic 1973]. Praha: Státní nakladatelství technické literatury, 1973.) Generally speaking, the salary groups VI and VII were below the republic average. Moreover, this salaries were paid when the seafarer was working on the ship; within the gap month at home it decreased to approximately 60 percent of this amount.

1963	\$2,20	\$2,20	\$1,80	\$1,40	\$1,40	\$1,40	\$0,70
1968	\$2.20	\$1.80	\$1.80	\$1.40	\$0.70	\$0.70	\$0.70
1970	\$3.10	\$2.80	\$2.30	\$2.30	\$1.80	\$1.80	\$1.80
1973	\$3.20	\$2.90	\$2.60	\$2.30	\$1.90	\$1.80	\$1.30
1977	\$4.16	\$3.77	\$3.38	\$2.99	\$2.47	\$2.34	\$1.69
1980	\$5.75	\$5.50	\$4.75	\$4.75	\$3.75	\$3.75	\$3.75
1989 ¹⁷	\$6.61	\$6.32	\$5.46	\$5.46	\$4.31	\$4.31	\$4.31

Overview of seafarers' additional allowances paid in \$ 1956–1989

Each seafarer had to work on a ship from nine months to twelve months.¹⁸ Apart from this condition, the seafarers were considered to disembark when the ship anchored in a European port, which was the company's strategy to decrease the costs. This "waiting" for going to Europe could further prolong the time of embarkation.

Then, for instance, in 1973 the seafarer assigned to the lowest category (VII) who spent nine months at sea earned \$356 in total. From this amount, he had to send the obligatory one third to his account in the Živnostenská banka and he could then draw this money in Czechoslovakia only in a form of "Tuzex vouchers."¹⁹

¹⁷ The data in the chart are based on the following documents from the National Archives, Prague, Czechoslovak Ocean Shipping fund: the year 1963 – Material for the counsel of the Ministry of Foreign Trade, Draft of salaries of Czechoslovak ship crews, 12 June 1963; the year 1970 – Material No. 1 for management meeting held on 9 January 1970, Proposal for salaries reorganization; the year 1973 – Material No. 67 for management meeting held on 20 August 1971, Proposal for salaries for Czechoslovak ship crews; 1977 – Material No. 155 for management meeting held on 28 November 1977, Overview on the salaries in the COS; the year 1980 – Material for the counsel of the Ministry of Foreign Trade, Draft of changes in salaries of Czechoslovak ship crews, 30 September 1980; the year 1989 – Meeting record from the meeting related to the new salary arrangements given by the Federal Ministry of Transport, 19 April 1989.

¹⁸ The data are valid for the year 1976. (National Archives, Prague, Czechoslovak Ocean Shipping fund, Material No. 39 for the management meeting held on 7 March 1977). In the 1980s the range was stated from six to ten months.

¹⁹ In the centralised bank system of socialist Czechoslovakia the Živnostenská banka was the only one providing foreign exchange transactions; it administered all foreign accounts of the Czechs and Slovaks working abroad, foreign companies operating in Czechoslovakia and some state institutions, such as those in the tourism field. All people working in abroad were paid through this bank – in the Tuzex vouchers. In Tuzex (TUZemský EXport = domestic export) shops people could then buy foreign, especially Western goods, but also some kinds of shortened and valuable home goods, e.g. Škoda cars in the 1980s. In Tuzex, people could pay with the vouchers only (*bon*, *bony* in plural), which they got in Živnostenská banka in exchange for foreign currencies (exchange foreign currencies for *bony* represented also a chance of illicit trading); Czechoslovak crowns were not accepted in Tuzex. This way, foreign currency was siphoned from the population people to the national economy.

After this reduction, the seafarer still had \$274. This amount, however, was paid in the currency of the state where the ship anchored.²⁰ The seafarer could draw this money after arriving at a port, and the amount was counted according to the number of days he spent on the ship up to this moment. This way the valuable dollars could “convert”, for example, into the invaluable Indian rupees or Soviet roubles.

Best of all, as part of the salary was paid in \$ and partially also in Tuzex vouchers, it enabled them to purchase Western goods which represented, as I have already mentioned, a sign of luxury, higher living status because these goods were hardly accessible for the rest of the population. Thus the seafarers devoted a great deal of effort to save their money in other socialist countries or countries with a weak currency, in order to have enough money to buy goods in capitalist states. Apart from saving the money, some of them tried to “earn” some additional money in socialist or Third World countries, either to satisfy their immediate needs in a port or to simply enrich themselves by exchanging the money. (“It would do if you changed rouble into finish mark in Murmansk. [...] And in Hamburg you changed that for Western money. You definitely made some extra money.”²¹)

Thus it is not surprising that in countries such as the Soviet Union, Cuba or India the seafarers were actively engaged on the black market. As one of them said, “a place in poverty was a good place for the seafarers.”²² Despite the fact that some narrators still perceive trading on the black market as something threatening because it was illegal at that time, more than a half of them shared these practices with me. However, no sooner had they started to tell the story than they added that they had been forced by external circumstances, i.e. insufficient salary (mainly its dollar part) to fulfill their needs. They perceived that the most severe punishment for such professional misconduct²³ was a loss of the beloved employment on a ship.

Hamburg–Murmansk. It was a “business valley”. [...] This was a golden path. To Murmansk, we would take Montana Jeans, and some rubbish back. [...] Eh, caviar and this stuff. [...] But I wasn’t of those who wanted to get rich. I just sold that for the indirect expenses. I was always very moderate. I was moderate in business. Always. I thought, “I will be fired, and what next?” It wasn’t worth it. [...] Busted and sacked. Jesus. Busted and sacked. This was unacceptable. The Blaník in Cuba. the scarves. The scarf affair. For, you know, the people were greedy. It is not as if he sold ten scarves. He had to have a hundred. A hundred and more. [...] But I lived in

²⁰ National Archives, Prague, Czechoslovak Ocean Shipping fund, Material No. 67 for management meeting held on 20 August 1971, Proposal for salaries for Czechoslovak ship crews, 4, Decision of the Ministry of Transport, 4.

²¹ J. N., * 1943, boatswain, 30 years in the COS.

²² J. J., 1952–2014, A/B sailor, 18 years in the COS.

²³ “The impact of illegal activities of some of our workers on ships is wide; specifically, General Prosecutor’s Office inquiries into the ship Blaník.” (National Archives, Prague, Czechoslovak Ocean Shipping fund, Management meeting record No. 3, 6 February 1976.)

such a, I could say, modesty, took it easy. I would flog one or two jeans, that wasn't that, everybody knew this. It wasn't an offence or something.²⁴

Many black marketeering cases also confirm that this illegal trade and smuggling were inseparable. The most famous, and one of the largest case of smuggling and black marketeering that it became legendary already at that time.

SO-CALLED "SCARF AFFAIR"

The incident occurred in the fall of 1975 on the ship *Blaník*. Some seafarers had bought a larger quantity of whiskey in the Polish network of *Baltona*²⁵ shops before they sailed out to Cuba. After a purchase of another amount of whiskey in the Kiel Canal, the crew got 250 cartons (1500 bottles) of spirits which they sold at Madras and Mumbai with a net profit of approximately \$12,000. When they returned to Europe, in Aden they bought about three thousand nylon scarves. Another 10,000 scarves were bought in the Kiel Canal. The crew purchased there also 60 wigs, 64 meters of crimplene, a number of sweaters, perfumes, chewing gums and razor blades. The crew paid partly in cash and partly on credit. The purpose of this transaction was to sell these products in Cuba.²⁶

A key person in this "operation" was a passenger Ivone Scott Austin formerly married to the Cuban, at that time living with a Czechoslovak citizen who was acting as a UNESCO expert in Cuba. During the voyage, some seafarers got into closer relations with Ivone Scott (one of them reportedly also a loving relationship). She agreed to help them in Cuba to pass the goods through the customs control. She was supposed to take the scarves in her luggage through the checks in the Cuban port of Mariel, pretending these were her personal belongings. However, she was detained by Cuban customs officers when she was putting the luggage into the car. The luggage with 3,128 scarves was confiscated. To the surprise of the crew members, she was not arrested by Cuban authorities, and because some seafarers met her later during their stay in Mariel, they believed that Scott was working for the Cuban security police.²⁷

Here I describe the case based on documents taken by Czechoslovak State Security's investigators approximately two months after the event. After 35 years, mentioning the same event, one of the former seafarers (not an eyewitness) remembered, "There were always some greedy guts, who were smacking their lips in this abundance. So when one boaster had to, by all means, in a Havana's marine club in front of everyone – I mean mainly

²⁴ J. N., * 1943, boatswain, 30 years in the COS.

²⁵ *Baltona* is the Polish company providing delivery for ships in Polish ports. It was found in 1946. Even during the period of the central directed economy, there was possible to buy goods (Western, higher quality) for convertible currency. (The company's history. In: *Baltona* [online] [2015-11-02]. [Http://www.baltona.pl/tresc,13,historia/gb.](http://www.baltona.pl/tresc,13,historia/gb.))

²⁶ Security Services Archive, Prague, object file 4147, Record on the business trip to Poland, Investigation of black marketeering affair, 24 February 1976.

²⁷ *Ibid.*

in front of the Havana jacks and our snitches – light up a Havana cigar by a ten peso banknote, everything was clear.”²⁸ This event also might have occurred, but it is also possible that today the “legend” image suits better with the second episode rather than with the fact that the seafarers were disclosed by a Cuban secret police collaborator, by woman on the top of that, a woman who sailed with them and planned with them the whole smuggling case.

After the detention of Ivone Scott, the examination of the ship by the Cuban border guards followed; and they found: chewing gums, wigs, razors, perfumes and a number amount of scarves. The majority of the scarves were not found because 10,000 of them had been concealed in the steam boiler in the engine room, which could be electrically ignited from the machinery control room. Thus in case of necessity, the scarves would be burned before discovered by Cuban authorities. Finally, seafarers did not need to use this radical solution. Later on, at the Bahia Honda port, about 12 kilometers from Havana, the delivery was handed over – Cuban traffickers arrived at night directly to the ship on a boat. Then, the seafarers conveyed to the ship some money earned in this way in their boots.²⁹

The affair was reported not only to the COS director but also to the Deputy Prime Minister of the Federal Government, the Minister of Foreign Trade and other governmental institutions.³⁰ When the ship returned to Europe, the investigation was being carried out directly on the ship not only by police investigators but also by the State Security (secret police) officers.³¹ Unfortunately, the preserved documents did not include any information about punishments. At least some of the seafarers involved in the case were fired and they were not allowed to go abroad for any purpose.

Approximately three months later, the same group of police and secret police investigators carried out similar investigations on the ship *Mír II* [Peace II] when she returned to the Polish port Szczecin. Seafarers on this ship purchased more than a thousand bottles of spirits when passing through the Kiel Canal. Then, they bought more alcohol in the Baltona shop in Szczecin. Finally, there were so many cartons and bottles of spirits on the ship that no one could estimate its total amount (roughly, it was more than three thousands of bottles). Spirits were sold on arrival in Kuwait with the net profit of \$13 per one bottle. Many crew members bought in Kuwait radios, tape recorders, or gold for the money “earned” by this way. They spent the money also in London after the return of the ship to Europe.³²

²⁸ I. P., * 1950, doctor, 13 years in the COS.

²⁹ Security Services Archive, Prague, object file 4147, Record on the business trip to Poland, Investigation of black marketeering affair, 24 February 1976.

³⁰ National Archives, Prague, Czechoslovak Ocean Shipping fund, Record from the management meeting held on 5 March 1976.

³¹ Security Services Archive, Prague, object file 4147, Record on the business trip to Poland, Investigation of black marketeering affair, 24 February 1976.

³² Security Services Archive, Prague, object file 4147, Record on the business trip to Poland, Investigation of black marketeering affair, 16 June 1976.

Similar problems with smuggling, although not so extensive as those quoted above, appeared also on other ships. The investigation of the affair throughout the company revealed an overall breaching of discipline and internal directives on maximal amount of spirits per person the seafarer can keep when being on a ship. The major contractors in abroad were warned that if they would supply ships with the goods not corresponding with personal needs of crew members, all the business connections between the COS and a supplier will be interrupted.³³

There was also established the Disciplinary Commission in the company which investigated and solved all the offenses of smuggling or black marketeering. The company's management and the trade union representatives in the COS agreed that they will take into account also "the behavior of individuals and their representation of the Czechoslovak Socialist Republic" when deciding on loans, holiday allowances, allocation of business apartments etc. Finally, the captains were warned to ensure order on ships. Otherwise, they should be punished by the strictest sanctions, including those following from the "socialist republic laws."³⁴

Captains and high-ranking officers did not actually engage in smuggling activities, or they did it secretly, with a help of a colleague-friend from the crew. Firstly, it was because they considered their income to be sufficient. Secondly, they had to keep their reputation and by joining the sphere of "black business" they would lose much of their authority. In fact, because the company's management did not manage to solve the situation effectively, it transferred its responsibility for "guarding" the seafarers to the captains and threatened them with a possibility of being charged with any of the crimes against the socialist republic.

The full range of these measures clearly shows that the problem of smuggling and black marketeering in the COS had risen to an extent that it was difficult to manage it. This could cause several problems for the company, mainly high fines for smuggling goods the COS had to pay unless a man from the crew confessed it³⁵ (which, of course, did not happen).

In the context of the socialist economy, the described activities were not exceptional. Basically, they reflected the situation in the Czechoslovak economy. For example, revenues from the so-called gray economy increased from six to twenty billions of crowns during the period from the mid-1970s to the early 1980s.³⁶ In this case, however, the range of different machinations and trades on the black market involving seafarers was exceptional. Whether it was due to the poor financial reward pointed out also by the COS director,³⁷ or just because of the opportunity the seafarers had when being aboard.

³³ National Archives, Prague, Czechoslovak Ocean Shipping fund, Record from the management meeting held on 5 March 1976.

³⁴ Ibid.

³⁵ Ibid.

³⁶ Václav Průcha a kol.: *Hospodářské a sociální dějiny Československa 1918–1992, 2. díl: období 1945–1992* [Economic and Social History of Czechoslovakia, 1918–1992]. Brno, Doplněk 2009, p. 920.

³⁷ National Archives, Prague, Czechoslovak Ocean Shipping fund, Management meeting record No. 8, 4 April 1977.

Although I do not want to defend this behaviour of the seafarers and overlook the problems, it should be remarked that these problems were not exclusively of political or moral origin, as it was reasoned by the COS management, but they arose from wider context, from a disillusionment about the regime after the 1968 invasion of Warsaw Pact armies to Czechoslovakia.