

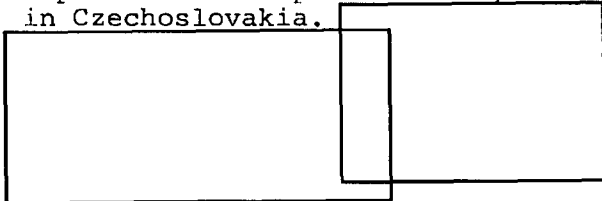
## CZECHOSLOVAKIA BESET BY FOREIGN AND DOMESTIC PROBLEMS

Even as it is fending off increasingly severe pressures from the Soviet Union and its orthodox allies, the Dubcek regime is beset by continuing intraparty factional struggle and by the resurgence of longstanding antagonism between Czechs and Slovaks.

Moscow has maintained its military pressure on Czechoslovakia by keeping in place the Soviet units moved in during the Warsaw Pact exercise. The size of these forces is unknown.

Moscow may be searching for a pretext to keep these troops in Czechoslovakia.

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The Czechoslovaks continue to maintain that Soviet units will leave the country, but apparently are having difficulty in getting them to do so. Defense Minister Dzur stated on 9 July that Prague was "negotiating" with the Warsaw Pact command about the withdrawal. On 11 July the government's press spokesman reported that the Pact command had empowered Prague to announce that "further military units" will "begin to withdraw as of 13 July." Even this statement, which is the most specific yet issued by Prague, begs the question when, or if, all the Soviet troops will depart.

Moscow capped off ten days of increased political pressure on Prague when Pravda cited the "2000 Words" appeal of Czechoslovak liberals as evidence of the "activization of right-wing and directly counterrevolutionary forces in Czechoslovakia." Pravda expressed confidence that the Czechoslovak party and working people would administer a "severe rebuff" to the alleged reactionary forces.

It seems clear, however, that the article was designed as a follow-up to a letter sent by Moscow to the Czechoslovak party which criticized the liberal appeal for the ouster of conservatives, again questioned whether the Dubcek leadership is in control, and issued a summons for another summit meeting. Moscow's like-minded allies--East Germany, Poland, Bulgaria, and Hungary--sent similar letters to Prague.

The Pravda article was preceded by three speeches within seven days by party leader Brezhnev designed, in part, to remind Prague that Soviet "tolerance" is not unlimited. On 3 July Brezhnev, pointedly referring to the "trials" of the Hungarians in 1956, warned that the USSR will help to put down any antisocialist threats.

The Czechoslovak party presidium met on 8 and 9 July to assess these letters, and, although offering to discuss issues bilaterally, rejected the idea of a summit meeting. The presidium

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added that any talks must be based on the principles of equality and sovereignty. Some Czechoslovak party officials, including party secretary Cisar, reacted more vehemently to the letters.

Apparently buoyed by the continuing Soviet pressure campaign, conservatives within the party have attempted to use the "2000 Words" appeal to discredit the liberal-moderate coalition. The latter, however, scored a victory last weekend as regional party conferences elected a substantial majority of Dubcek supporters to be delegates to the forthcoming party congress. A liberal Slovak, deputy premier Husak, has spoken out urging that conservatives be ousted from the Slovak party leadership.

The Dubcek regime has not yet won a complete victory over the conservatives, however, and the factional strife is likely to continue through the summer. The intensity of this struggle was indicated by an article in the writers journal on 4 July which referred to an open "attempt" at a reactionary coup, and implied that party secretary Indra, a conservative spokesman, was involved.

Prague, meanwhile, still has not drawn up a detailed program for either the procurement or use of Western aid. The Czechoslovaks have approached the West for both hard-currency loans to finance consumer goods and long-term credits to buy advanced Western equipment and technology. Discussions have centered on an immediate need for \$400-500 million. A good portion of this sum is likely to be used to forestall a drop in living standards, which, without outside help, could come in the initial stages of proposed economic reforms.

Rome is prepared to expand significantly the \$20 million already extended in short-term credits, while Paris has remained non-committal. The Czechoslovaks are also engaged in talks with West German financial officials, and various West German schemes for helping Prague appear to be under consideration. At present, these schemes center on private loans, presumably government-guaranteed.

The Czechoslovaks are trying also to obtain aid from the USSR. Moscow reportedly already has agreed to provide additional grain this year, and the Soviets continue to hold out the hope of a loan to Prague.

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