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Czechoslovakia Handbook

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№ 92

No. 0613

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INTRODUCTION

Lying in an historic zone of conflict between East and West and between Slav and German, Czechoslovakia has been troubled since its creation after World War I by pressures from without and within. Czechs and Slovaks, though both of Slav background, differ in cultural and institutional heritage, and the country's enemies have been able to exploit their mutual antagonisms at critical points in Czechoslovakia's history. Hitler did so in 1938 and in the years following, and the USSR followed suit after the 1968 Warsaw Pact invasion.

The Czechs, inhabiting the western part of the country—Bohemia and Moravia—have a particularly rich cultural tradition dating from the 13th century. The Slovaks, living mainly in the eastern part of the country and comprising less than a third of its fourteen and a half million people, have been junior partners in the Czechoslovak Republic. Under Hungarian domination for centuries, the Slovaks became culturally repressed and locked into an agriculturally oriented society. Industrialization in Slovakia has been more recent and far less extensive than in the Czech regions of Bohemia and Moravia, where industry was firmly rooted by the mid-19th century.

Long periods of foreign domination have made an impact that has played an important role in modern Czechoslovak politics. As a result, the Czechoslovaks have developed an ingrained resignation and a tradition of passive resistance to superior force that even the Communists find difficult to breach. This characteristic of "Schweikism" manifests itself in popular apathy, cynicism, and noncooperation.

When, in 1968, the Czechoslovaks finally did react to 20 years of oppressive Communist rule, they chose a course that was intended to fuse the basic tenets of socialism with democratic methods—"socialism with a human face." For eight months during the Prague spring they looked forward to a more democratic life where cultural and political individuality would be tolerated. This experiment ended with the Soviet-led invasion in August 1968.

The Soviet-installed regime of Gustav Husak has not, however, brought back a Stalinist-type police state. Husak has boasted with some justification that "normalization" was accomplished primarily through "political" measures rather than by terror tactics.

The regime is faced with numerous economic problems. Stagnation in industry, brought on by years of overcentralized economic planning, persists. Worker morale is poor, resulting in poor on-the-job discipline. Local managers are not free to exercise initiative. In spite of these problems, however, the Czechoslovak economy functions tolerably, the standard of living remains high by Communist standards, and major consumer wants are met. Nevertheless, prospects for substantial economic improvement in the near term are among the poorest in Eastern Europe.

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I. GEOGRAPHY

Location and area

Czechoslovakia is a landlocked country bordered on the north by the German Democratic Republic and Poland, on the east by the Soviet Union, on the south by Hungary and Austria, and on the west by the Federal Republic of Germany. Czechoslovakia is 49,400 square miles in area, about the size of New York State. From east to west the country stretches some 500 miles.

Topography

Czechoslovakia is a land of physical contrasts. It consists of three major natural regions, which from west to east are: the Bohemian basin, with its hilly to mountainous rimland; the Moravian lowland; and the predominantly mountainous area of Slovakia in the east.

The Bohemian basin, the core of the Czech lands, is a rolling fertile plateau, with broad river valleys and intervening forested divides. The area is extensively cultivated. The radial convergence of streams toward the middle of the basin further emphasizes the physical unity of Bohemia. The basin is drained by the Elbe River, which flows northward out of the country and provides a water route to the North Sea.

Moravia is a fertile, rolling lowland. A low divide separates the headwaters of the Oder, which flows north to the Baltic Sea, from the Morava, which flows south to the Black Sea via the Danube.

In contrast to the Czech lands, Slovakia is predominantly mountainous. Forming a barrier in their arc-like configuration from the Danube to the hilly northeastern border, the mountains historically provided a sanctuary for plains people evading oppressive invaders. The core of the mountain system is the stark, craggy mountain chain of Vysoke Tatry (High Tatras) that forms part of the border with Poland. Major communications routes follow river valleys that penetrate deeply into the mountainous mass from the Danubian Plain in the south. Drainage from Slovakia is to the Danube.

Climate

Czechoslovakia has a temperate climate with both maritime and continental characteristics. Winters (December through February) are fairly

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has a population density of 294 persons per square mile, lower than that of most Western European nations. Some 70% of the population lives in the predominantly industrialized Czech lands of Bohemia and Moravia. With 60% of the population living in cities and towns, Czechoslovakia is the second most urbanized country in Eastern Europe after East Germany. Persistent migration of agricultural workers to the cities in the past two decades has seriously depleted the agricultural work force and has affected agricultural production.

As elsewhere in Eastern Europe, the rate of population growth has been slow. The 1971 population represented a 17% increase since 1950. In 1970 the annual rate of population growth was 0.3%, the lowest in the country's history. The low population growth rate has led to chronic labor shortages which add to the economic problems of the Communist regime.

Czechoslovakia also suffers from an imbalance in the age structure of the population which has helped depress the country's manpower pool. The median age of the population was 32 in 1970, and this is expected to rise in the coming years. One out of every five citizens is a pensioner.

Ethnically, the population of Czechoslovakia consists of two principal groups—Czechs and Slovaks. Czechs comprise 65% of the total population, while Slovaks account for 30%. Hungarians, Germans, Jews and other minority groups make up the remainder. The Czechs and Slovaks are ethnically and linguistically related, but the historical divisions between them, notably their separation under German and Hungarian domination respectively, have resulted in cultural differences. The Czechs are well-educated and disciplined; they are often called the Teutons of the Slavic world. The more temperamental Slovaks still display most of the characteristics of a religious, rural society.

cold, cloudy, and damp, with frequent light rain or snow. Summers (June through August) have warm to hot afternoons, cool nights, and are less cloudy and humid. Summer precipitation is heavier than in winter. Thunderstorms occur on three to eight days per month in May through August but are rare from October through March. Throughout the year, the worst weather conditions occur in the higher mountains, where freezing temperatures are common in winter and sometimes occur in summer. Most precipitation in the mountains from late November through March is snow, but snow depths seldom exceed six inches except in the higher regions, where the ground is usually covered with snow from early November through April. The predominant westerly surface winds are largely deflected by the mountains, and seldom exceed 20 knots.

Natural resources

The natural resources of Czechoslovakia provide a base for an advanced industrial and agricultural economy. Nevertheless, mineral reserves are insufficient to meet all domestic needs, despite their wide variety. Coal, uranium, pitchblende, tungsten, lead, and copper help support an industrial belt in northwest Bohemia. Hard coal mined in the Plzen-Kladno area and nearby iron deposits support an active mining and metallurgy industry. In Moravia, hard coal deposits also serve as the basis of a large metallurgy industry in the Ostrava area, which is essentially part of the Silesian basin. Brown coal (lignite) is used as a raw material in chemical plants and as fuel in the huge thermal power plants in the Ohre Valley in northwest Czechoslovakia. Almost all uranium ore is exported to the Soviet Union.

In Slovakia, mining of iron ore, magnesite, gold, and nonferrous metals is centered near Kosice, but only magnesite is produced in sufficient quantities to meet domestic needs. Iron-ore reserves are generally of low quality.

Of the total land, 42% is arable, 14% is meadow and pasture, and 36% is forested. Agriculture is well developed, but production is insufficient to meet domestic needs. Exceptions are the high quality hops and beet sugar; both are exported. Main agricultural crops are wheat, rye, potatoes, and sugar beets. Forests cover much of the uplands of Slovakia which contain the country's principal stands of valuable hardwood.

Human resources

With an estimated population of 14,526,000 in mid-1971, Czechoslovakia ranks fifth among the eight countries of Eastern Europe. The country

II. ECONOMIC BACKGROUND

Economic policy and development

The Bohemian and Moravian regions of Czechoslovakia are one of Europe's oldest and most highly developed industrial areas. The country's Gross National Product (GNP)—\$30.9 billion in 1970—is Eastern Europe's third largest. Its per capita GNP—\$2,130—tops that of the USSR and is surpassed in Eastern Europe only by that of East Germany. Ninety-six percent of Czechoslovak economic activity is controlled by the state and governed by the National Economic Plan. Five-year plans outline "perspective" goals, but the annual plan provides the basis for actual economic activity.

Following their take-over in 1948, the Communists embarked on an intense expansion of heavy industry, at the expense of consumer-oriented light industries, food processing, and agriculture, and reoriented foreign trade from traditional Western markets toward Eastern Europe and the USSR. Production achievements throughout the 1950s were impressive, but misleading because of the overemphasis on capital goods for export to the USSR. The initial availability of surplus agricultural labor and public acceptance of very slow improvements in living conditions helped the regime increase industrial employment by 40% and production by 92% during the decade. As a result, the Communist leaders ignored the rapid obsolescence of their new plants, lagging efficiency, and the fact that Czechoslovak products could not be sold competitively on world markets.

Overconfidence led the regime to set overambitious goals for the 1960s, and to pursue them well after the appearance in 1962 of economic danger signals such as balance-of-payments deficits, shortages of materials, and a growing volume of unfinished construction. The ensuing strains exposed the regime to nationwide criticism and prompted a broadly supported movement for economic reforms.

Pressure for change was so compelling that party leaders agreed to give enterprise managers more freedom in setting prices, determining production, and investing profits. Enterprise managers, however, used their new freedom of decision to increase output of what was easiest to produce, raise prices, increase wages, and initiate many new projects. Plan fulfillment reports appeared more impressive, but serious inflationary pressures began to develop.

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In January 1968 Alexander Dubcek took power from Antonin Novotny, and began drafting new plans. Meanwhile, however, the economy drifted even more freely than under Novotny. The establishment of workers' councils contributed further to the inflationary spiral by allowing worker representatives to make enterprise decisions that upset wage and productivity relations. Dubcek implemented a few economic reforms, but they were short lived, more because of insufficient preparation and foresight than because of Soviet intervention in August 1968.

In April 1969 the new regime of Gustav Husak adopted an economic policy in line with its political strategy of tight domestic controls and close relations with the USSR. By freezing prices and wages, Husak contained the inflationary pressures that burst forth in 1968. By imposing goals for output and trade, he prevented further marked deterioration in the balance of payments. In planning for the future, the regime emphasizes increased variety and quantity of consumer goods and services, improved housing, transport, and energy production. Czechoslovak investment in industry now is being scheduled mainly to modernize existing plants with allowances to finish projects long delayed.

The reforms and counter-reforms of the past four years have not caused irreparable damage to the economy, but prospects for a substantial early improvement in the economic situation are the poorest of any East European country.

Sectors of the economy

Industrial production accounts for about half of Czechoslovakia's GNP and employs 38% of the country's labor force. Manufacturing is the largest branch of industry. Its development after 1948 followed the Soviet model, concentrating on machine building and chemicals. For its size, Czechoslovakia has the most varied machine building industry in the world. Other leading industries are metallurgy, textiles, and food processing. Output increasingly resembles that of Soviet manufactures in quality and mix. Famous before World War II for quality engineering and light industrial products, Czechoslovakia is no longer competitive in the world market, although it easily satisfies the less demanding markets of other Communist member countries of the Council for Economic Mutual Assistance (CEMA). Moreover, past investment had been funneled into new projects and the modernization of existing plants is not far enough along to show results.

Czechoslovakia's highly diversified agriculture accounts for about 12% of the GNP. In recent years, gross production has been almost evenly divided

between crops and livestock. Development under Communist management has been held back by the effects of forced collectivization and by lack of inputs, especially fertilizer. Over 90% of arable land is managed by state farms and collectives. Employment opportunities in the cities have reduced the agricultural labor force by nearly one half since 1948, and has increased its average age. Extensive mechanization has not offset these problems.

Agricultural output satisfies about 80% of domestic consumption. Nonetheless, Czechoslovakia is a major net importer of fruits and vegetables, meat, and grain. Traditional exports are beet sugar and hops. Feed shortages during 1969-70 caused temporary restrictions on the development of livestock production, especially hogs. In 1968 pork accounted for 55% of domestic red meat consumption. Cattle herds are below pre - World War II levels, but milk yields exceed prewar production. Although Czechoslovakia is densely forested, lumbering accounts for only about 1% of the GNP. Production, however, exceeds domestic needs and allows for substantial exports, particularly to Western Europe.

Financial system

The Czechoslovak financial system provides sufficient cash and credit to carry out the National Economic Plan. The Ministry of Finance and the State Bank of Czechoslovakia share responsibility for financial planning, but in practice the financial authorities merely execute political decisions made at a higher level. Over-all monetary policy is implemented by the State Bank, which delegates some of its authority to a Czech national bank and a Slovak national bank. These banks carry out day-to-day domestic transactions, including the extension of long-term and short-term credits, and foreign banking transactions as well.

The crown (Koruna Ceskoslovenska)—Kcs—is the national monetary unit, and is used exclusively for internal transactions. The nominal exchange rate for commodity trade is Kcs7.2=US\$1, and for non-commercial transactions and tourist exchange, Kcs14.36=\$1, except that tourists from "capitalist" countries, Cuba, and Yugoslavia can buy crowns at a rate of about Kcs16.20=\$1. In terms of internal purchasing power, the average value of the crown is somewhere between the two tourist rates.

Transportation and telecommunications

Czechoslovakia's well-developed transportation and telecommunications networks meet current economic needs. Transportation facilities in the

heavily populated and industrialized Czech lands are far more extensive than those in mountainous Slovakia. Over-all control is vested in the Ministry of Transportation.

The rail system is the principal mode of transport. The 593-mile double-track, electrified east-west line extending from the Soviet border at Cierna to the East German border at Dolni Zleb is the most important route. It passes through the heart of the country, connects many of the major rail terminals, and carries most of the Soviet-Czechoslovak traffic as well as a large amount of domestic freight. Direct exchange of rail equipment on the standard-gauge (4'8½") Czechoslovak network is made with all adjacent countries except the Soviet Union, which uses a 5'0" broad-gauge system. Highways provide a short-haul supplement to the railroads and, although inferior to those in most West European countries, are superior to those in other East European countries. An extensive system of oil and gas pipelines provides an important complement to surface transport facilities.

Czechoslovakia's 517 miles of commercially navigable waterways—parts of the Danube and Elbe systems and short sections of the Oder and Tisa rivers—provide dependable and economical means of river transport through East Germany to West German and Polish maritime ports on the North and Baltic seas, and southeast to Romanian Black Sea outlets on the lower Danube. The Czechoslovak merchant fleet, 12 small ships, operates from maritime port facilities in West Germany, East Germany, Poland, Romania, and Yugoslavia, primarily in tramp operations.

International and domestic air services are highly developed and are provided by Czechoslovak Airlines (CSA), which is estimated to have 40 major transport aircraft. CSA operates an extensive international network; among the Communist air carriers, only the USSR's *Aeroflot* has service to more cities. Scheduled flights from Prague and Bratislava serve 47 cities in 40 countries. CSA flies to Western Europe, the Middle East, North and West Africa, the Western Hemisphere, and South and Southeast Asia, as well as to the USSR and all Communist East European countries except Albania. Some of these services, notably the weekly flight to Montreal and New York, are operated more for prestige purposes than economic gain. Czechoslovakia is served by 24 foreign carriers, 16 of them non-Communist airlines.

CSA's scheduled domestic services—more than 200 flights a week from Prague to ten locations in country—are supplemented by air taxi transportation. The air taxi unit has about 35 L-200 (Morava) twin-engine light aircraft. These Czechoslovak-built four-passenger planes serve more than 70

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airfields in the country. Agricultural services—spraying, dusting, seeding, and fertilizing—are performed by the Bratislava-based enterprise, Slov-Air, which operates a fleet of about 100 light aircraft and helicopters. The Czechoslovak Aeroclub provides basic flight training and has under its control an estimated 1,000 light aircraft, helicopters, and gliders located at about 90 airfields in all parts of the country.

The well-developed telecommunications (telecom) system is equipped with relatively modern facilities and is used primarily to support industry and government. Among East European Communist countries, the Czechoslovak telecom system is surpassed only by those of the USSR and East Germany. Czechoslovakia ranks third among the East European Communist countries in the number of telephone subscribers. At the beginning of 1970 about 1.8 million telephones were in use, and 91% of those were automatic.

At the beginning of 1971, there were 3.1 million TV receivers and 3.9 million radio receivers in the country. Most home-received TV programs originate in Prague; some infrequent transmissions come from Bratislava. TV programs are exchanged with West European *Eurovision* and the Soviet-sponsored *Intervision* networks.

International landline service is provided by interconnections between cables in the domestic network and similar cables in neighboring countries. These landlines, together with radio-relay links and radiocommunication stations, provide circuits to all neighboring countries and many principal cities throughout the world. Direct radiotelegraph service is available to 14 countries. In addition, there is radiotelephone service to Peking, China.

International trade

Since World War II, Czechoslovak trade patterns have undergone drastic changes that coincided with the country's shift in emphasis from light industry and quality engineering to machine building and chemical production primarily for consumption by Communist countries. Imports of raw materials and exports of machinery and equipment have increased sharply.

Czechoslovakia is a net importer of all major raw materials except uranium, wood, and coal. Ninety-eight percent of the crude oil used, 87% of iron ore, 95% of zinc, 75% of copper, 59% of lead, and almost all alloying materials are imported. Until 1967 the country exported its total output of uranium ore and concentrates—enough to provide 3,000 metric tons of uranium metal per year—to the USSR. Since then, Czechoslovakia has also

been producing small quantities of uranium fuel elements for domestic consumption. Czechoslovakia is committed to deliver uranium to the USSR until 1980. Brown and hard coal reserves are ample and furnish the major source of energy. The USSR supplies more than 40% of the gross raw materials; other Communist countries supply large quantities of ores, non-metallic minerals, petroleum, and foodstuffs; and non-Communist countries account for the remainder.

Since World War II, Czechoslovakia's international trade has grown more than twice as fast as its GNP. Before World War II, the countries of Eastern Europe that are now Communist accounted for less than one sixth of Czechoslovakia's trade; by 1950 well over half, and since 1958 their share has ranged from 70 to 75%. Trade with the USSR, which represents nearly half of that carried on with the Communist world, expanded most in absolute terms, but trade with East Germany increased most rapidly. Poland is third in order of importance, followed by Hungary, Romania, and Bulgaria.

Czechoslovakia conducts about 20% of its international commerce with developed non-Communist countries and is a large net importer of Western-produced machinery and chemical products. West Germany heads the list, followed by Austria, the United Kingdom, Switzerland, Italy, and the Netherlands. Commerce with the United States has been consistently less than half of one percent of Czechoslovak foreign trade.

POLITICAL
SITUATION
AND TRENDS

III. POLITICAL SITUATION AND TRENDS

Historical summary

The Czech and Slovak peoples have consistently struggled to maintain their cultural and national identities through successive periods of foreign domination. The Czechs fell under the rule of the Hapsburg monarchy in the 17th century, and the Slovaks under Hungarian rule in the 10th. Following the collapse of the Austro-Hungarian Empire and the creation of the first Czechoslovak Republic in 1918, the country under President Tomas G. Masaryk and his successor Eduard Benes emerged as the most democratic state in Eastern Europe. This period of rapid cultural and national development was abruptly halted by the 1938 Munich Agreement and subsequent Nazi occupation. Nevertheless, neither six years of Nazi rule nor Communist domination since 1948 have obliterated the democratic impulses of the Czechoslovak people.

The heritage of foreign domination has left an imprint on the Czechoslovak national character which has played an important role in the political life of the nation. A national trait, personified by the fictional character "Good Soldier Schweik," consists of feigned compliance with but passive resistance to overwhelming force.

A major historical weakness of Czechoslovakia has been the ethnic and cultural dissimilarities between the Czechs and Slovaks, which all foreign dominating powers, including the Soviets, have exploited. The more numerous Czechs, inhabiting the western regions of Bohemia and Moravia, have a rich cultural tradition. Though both of Slavic origin, the Czechs are predominantly a highly industrialized, Western-oriented people, while the Slovaks, living in the mountainous eastern portion of the country, have retained a more rural society. While various political mechanisms have been tried to provide the Slovaks with effective political expression—most recently the introduction of a federal system in 1970—the prevailing tendency in the government has been centralism. Slovak resentment of Czech bureaucratic and cultural dominance persists and remains a potential undercurrent that may be tapped by an outside power seeking to divide and rule.

Following World War II, democratic government was restored but with early and significant Communist influence. There were few extremes of wealth and no significant political or economic repression, so the political and social conditions seemed to offer little ground for Communist exploitation. Nevertheless, the Communist coup of 1948 resulted from skillful

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Communist creation and use of a parliamentary crisis. It was accomplished with relative ease and without direct aid from Soviet troops, which had been withdrawn from the country by the end of 1945.

Despite the nearly universal disdain for the Communist system today, the Czechoslovaks showed little apprehension of the Communist danger in the 1945-48 period. In the years following World War II, the Communists were able to point to their record of consistent opposition to the ills of Czechoslovak and European society—fascism, racism, and appeasement. Even before the debacle of Munich, which eroded the trust of many Czechoslovaks in Western military and political guarantees, the Communist Party had represented to many Czechoslovaks the avant garde in human relations seeking radical ways to better the lot of the average citizen.

The seizure of power by the Communists in 1948 was followed by rapid transformation of the nation's social structure and a remolding of its political, economic, and cultural institutions on the Soviet pattern. The former upper and middle classes virtually disappeared, while a "new class" typical of a highly bureaucratized Communist society developed. Collective bargaining was abolished, and trade unions became mere tools of government. The educational system was radically restructured and religion was persecuted. By the early 1960s the Czechoslovaks appeared to be cowed and docile, their disinclination to struggle against heavy odds nurtured by the regime's ability to maintain a relatively high standard of living and to make timely economic concessions.

The vast majority of Czechoslovaks, including many Communist Party members, became disillusioned with the party beginning with the cataclysmic Stalinist purge trials in the early 1950s and with the subsequent ossification of the party in the hands of the "new class" of party administrators.

By 1963, pressures for relaxation of the hard line were generated by mounting economic problems, disaffection from within the party apparatus, and cultural and educational stagnation. Encouraged by the general de-Stalinization campaign elsewhere in the bloc, Czechoslovak liberals began demanding reform. The regime of Antonin Novotny was gradually forced to modify its policies, a trend which took on the image of "national Communism" and the diminution of subservience to Moscow. At no time were independent foreign or military policies considered, however, and Czechoslovakia remained closely tied to the Warsaw Pact.

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Liberalization, nevertheless, loosened some of the tightest shackles on political life, permitting, for example, a feud between party liberals and conservatives to break out into the open. Deep-seated differences within the Communist leadership were aired publicly, often impeding the implementation of effective policies. Inertia gripped the leadership, leading to crippling confusion and an intra-party crisis at the end of 1967. Alexander Dubcek, a Slovak and a leading spokesman for the liberals, replaced Novotny as first secretary in January 1968.

Dubcek and his colleagues won popular acceptance after announcing a comprehensive reform program, which called for ending the Communist Party's tight control of society and guaranteed personal rights, including freedom of speech, assembly, and the right to travel and work abroad. The program freed the process of government from party dictat and allowed the parliament to assume its constitutional role as "supreme organ of state power." In sum, the party was "humanizing" socialism by making it responsive to basic democratic processes.

From the beginning, however, the Dubcek regime faced considerable opposition, both foreign and domestic. The Soviet Union and other Warsaw Pact countries saw in the reform program the seeds of disintegration of Communist control in Czechoslovakia, which could eventually destroy the political, economic, and military integrity of the bloc. Conservative Czechoslovak Communists were concerned over the "deviations" inherent in the reform program. Soviet pressures on Dubcek to modify his program mounted, culminating in the summit conference between the Soviet and Czechoslovak leaders in Cierna nad Tisou. Concerned by Dubcek's apparent failure to slow down the reform movement and by the increasing solidarity of the Czechoslovaks behind the regime, the Soviets instigated the Warsaw Pact invasion of Czechoslovakia on the night of 20-21 August 1968. Romania alone did not participate. Then, after eight months of intense Soviet pressure, the Dubcek regime was forced to resign. Gustav Husak, who emerged during this period as principal spokesman for the "realists"—those willing to accommodate the Soviets—was named party first secretary in April 1969.

Structure of the government

Ostensibly governed through parliamentary republican institutions, the Czechoslovak Socialist Republic is under the complete domination of the Czechoslovak Communist Party (KSC). The KSC maintains control of the

government by filling key posts in party and government with the most powerful Communist leaders. Because the party structure parallels that of the government, KSC control is ensured down to the lowest government level.

The present "socialist" constitution was promulgated in July 1960, replacing the one adopted in 1948. It is primarily an outline guide for the transition of the state to "mature socialism." Only secondarily is it a charter setting forth the structure of government and rights of citizens. The constitution explicitly underscores the fact that the KSC is the "leading force" in Czechoslovak society.

A major constitutional change, implemented in January 1969, was the creation of a federal system, composed of separate Czech and Slovak republics. Federalization was the culmination of a Slovak drive begun in 1968 to attain constitutional equality with the more numerous Czechs. The major provisions of federalization, such as the decentralization of government operations, were later annulled, however, as part of the party's "consolidation" campaign under Husak.

The bicameral legislature, known as the Federal Assembly, consists of a Chamber of People and a Chamber of Nations. The Chamber of People has 200 deputies popularly elected on a proportional basis for a five-year term. The Chamber of Nations consists of 75 Czech and 77 Slovak representatives. The Federal Assembly is governed by a president, a first vice president, and a 40-member Presidium which carries out the duties of the assembly when the latter is not in session. The Presidium cannot make decisions on such major issues as peace or war or the federal budget.

In contrast to the constitutions of most other Communist countries, the Czechoslovak document continues to provide for a one-man presidency, constitutionally endowed with real executive functions. This concession to the tradition of the interwar period is in large part due to the prestige originally attached to the office by Tomas Masaryk. Under the 1960 constitution, which was tailored to fit President and party boss Novotny, the president is assigned executive functions as chief of state, commander in chief of the armed forces, and representative of the state in all international dealings. He also appoints the premier and cabinet ministers, all ranking government officials, and diplomatic representatives. The president is elected by a three fifths majority of the Federal Assembly sitting in joint session. Since the advent of the Husak regime, the popular Ludvik Svoboda, who replaced Novotny as president in May 1968, has become a mere figurehead.

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The federal cabinet consists of a premier and 12 ministers. The ministries of foreign affairs and national defense are independent of the Czech and Slovak national governments, while the remaining ten are required to coordinate their activities with their counterparts at the national level. All federal cabinet members are appointed by the president; their tenure is subject to resignation or presidential recall. Lubomir Strougal was named premier in January 1970.

The Czech and Slovak National Councils are the legislative organs representing the "national sovereignty" of the respective republics. Their legislative powers are limited to regional matters but still provide the individual republics with more autonomy than they had prior to federalization. The councils implement federal laws, pass their own legislation dealing with regional matters, and appoint regional judiciaries. Subordinate to the councils are commissions which coordinate legislative activity in such fields as health, education, and transportation. The Czech and Slovak National Councils, with 200 and 150 representatives respectively, are elected at five-year intervals.

Local administration in Czechoslovakia is conducted by a system of national committees which exist on the regional (kraj), district (okres), and community levels. The committees are constitutionally responsible, under the jurisdiction of the respective national governments, for the regulation of economic, cultural, educational, security, and civic services. Corresponding to the country's administrative breakdown, there are 11 national committees with regional status, 118 with district status, and about 11,000 local committees. The committees are elected simultaneously with the National Councils and serve as administrative transmission belts for the national governments.

The judicial system is charged by the constitution with first protecting the "socialist state" and only secondarily with the rights of citizens. The Supreme Court of Czechoslovakia is the highest judicial organ in the country. It has the power of judicial review over the Supreme Courts of the Czech and Slovak republics (established in 1970), which in turn exercise review authority over the kraj and okres courts. The Czech and Slovak ministers of justice supervise the training and examination of judges and administrate the regional judicial systems. The federal prosecutor general initiates judicial proceedings through subordinate regional and district public prosecutors.

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The military judicial system is directly under the jurisdiction of the federal minister of national defense, who acts through the ministry's Military Courts Administration. There are two levels of military courts—military district courts and "higher" military courts—which exercise jurisdiction in all criminal matters involving members of the armed forces. Commanding officers exercise judicial authority over minor offenses. Judicial review of the military courts is exercised by the federal Supreme Court.

Political dynamics

Shortly after succeeding Dubcek as party leader in April 1969, Gustav Husak delineated his policy of "realism" and became the foremost spokesman for "normalization"—broad compliance with Moscow's demands—as the only possible course under military occupation and violent repression. It took time, however, for the moderate Husak to establish his pre-eminence within the party in the face of liberal, centrist, and conservative factionalism, and it was not until the 14th Party Congress in May 1971 that he emerged as the undisputed head of the party.

The Party Congress capped the regime's two-year "consolidation" campaign designed to dismantle the liberal innovations introduced by Dubcek. Nationwide purges of both the party and government social institutions were conducted. The primacy of the party based on orthodox Communist tenets was re-established. The major vehicle in the regime's ideological offensive was the Lessons* document, promulgated in December 1970, which gave the official interpretation of the crisis period, justified the Soviet invasion, and served as a warning to other Communist regimes involved in domestic reform.

The Communist Party is the central motivating force of the Czechoslovak political, economic, and social systems, which have been patterned closely after those of the USSR. The KSC Party Congress, which convenes every five years, is theoretically the supreme organ of the party. In practice, however, the congress has merely served to ratify the policies fixed by the top leadership. The congress "elects" the central committee.

The Central Committee directs the work of the party between congresses and organizes and supervises the executive agencies of the KSC,

**Full title-Lessons Drawn from the Crisis Development in the Party and Society After the 13th Congress of the Communist Party of Czechoslovakia.*

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including its own 11 administrative departments. The Central Committee consists of 115 members and 45 candidate members, most of whom are technicians and "apparatchiki" (plant managers, party functionaries, and bureaucrats). The Central Committee supervises government programs through the departments, which deal with such sectors as agriculture, industry, and press.

At the apex of the party structure is the general secretary, who dominates the party's leading bodies, the Presidium and the Secretariat. Power rests mainly in the Presidium, a group of 11 members and two candidate members who determine the policies and tactics of the party. Although the Central Committee "elects" the Presidium, the latter body in practice determines its own membership. The Secretariat is the administrative arm of the Presidium and the only other party organ with substantial authority. Its 11 members, several of whom are also in the Presidium, supervise such functional areas as government, international relations, and economics. Their authority is transmitted downward within the party through regional and local party organs. The Slovak Communist Party (KSS), while theoretically autonomous, in practice is subordinate to the KSC and does the latter's bidding in Slovakia.

The KSC traditionally has been a "mass" party, designed to incorporate representatives of all groups and major segments of Czechoslovak society. Legal before World War II, the party had a core of several hundred thousand upon which to build following the end of Nazi rule. Because of the party's traditional "legitimacy" and its anti-Nazi record, membership rose sharply after the war, soaring—when the Communists came to power in 1948—to a peak of two and a half million, or 19 percent of the population. Party membership has since fluctuated due to periodic purges and membership drives, but it has remained the largest in proportion to the population of all East European Communist parties, including that of the USSR. At the beginning of 1972, party membership was estimated at 1.2 million or nearly 12 percent of the population.

To help extend its control over the population, the party also employs a number of political and social mass organizations. The most important mass organization is the Czechoslovak National Front, which actually is a coalition of all other organizations and the puppet parties. Under the complete domination of the Communist Party, the National Front coordinates the activities of cultural, professional, and youth groups. The National Front also supervises national elections and serves as the Communists' vehicle for nominating candidates to the Federal Assembly and other government offices. Other important mass organizations are the Revolutionary Trade Movement and Socialist Youth Union.

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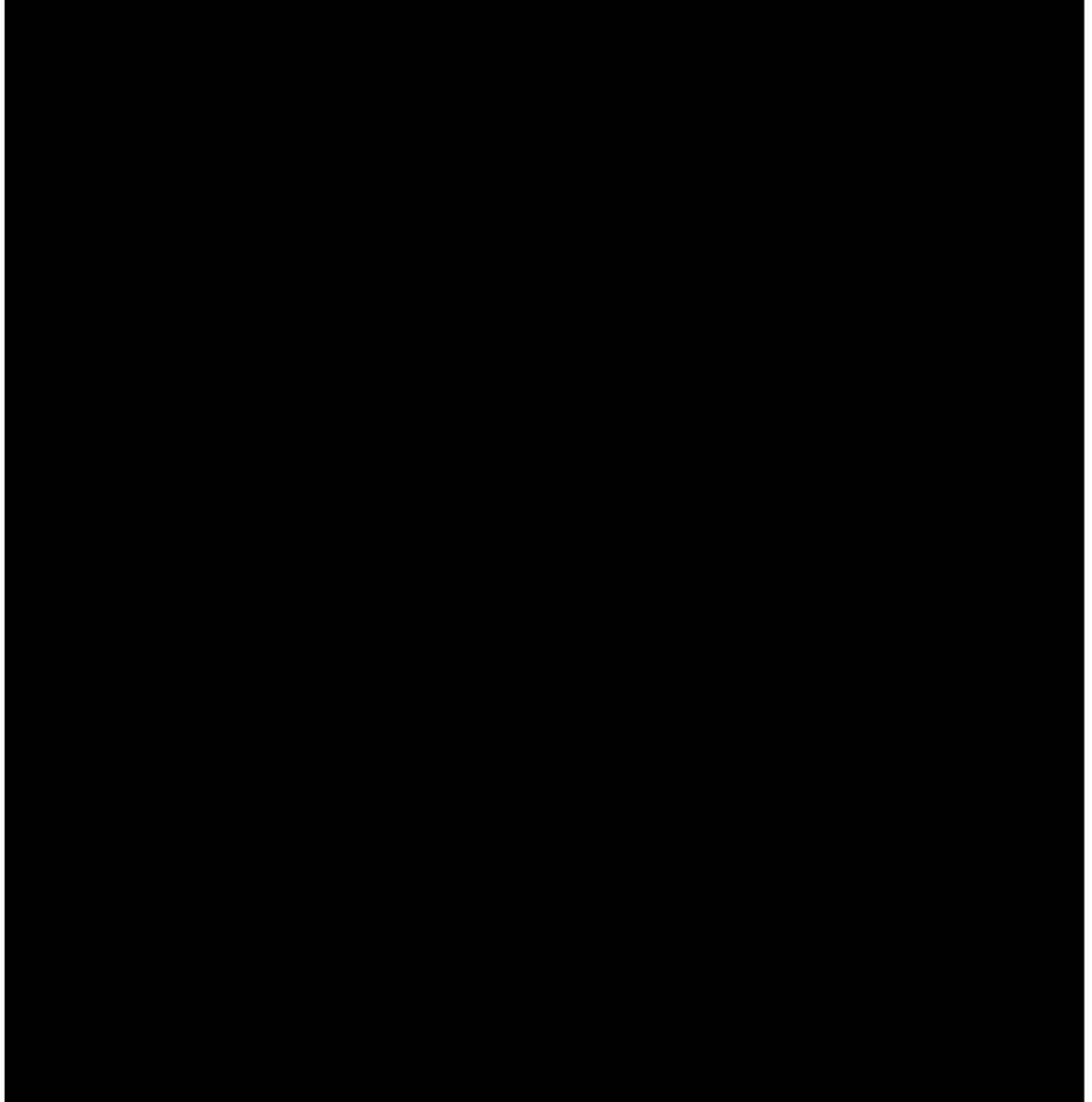
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Czechoslovak policies are kept in line with Soviet desires through personal contacts between top party and government leaders, numerous exchanges of delegations representing various government and economic bodies, and through the watchful eyes of the Soviet ambassador in Prague and other Soviet personnel in Czechoslovakia.

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SUBVERSION

IV. SUBVERSION

No organized subversive activity has been known to exist on a national scale in Czechoslovakia. The reform movement of 1968 arose from within the ruling Communist Party and involved no attempt to overthrow the government or the constitution. Popular dissatisfaction with the Communist regime has traditionally been manifested by such nonviolent means as malperformance of duties, nonconformity with Communist standards of conduct, theft of state property, and pamphleteering. On some occasions, however, such as the time of marked economic deterioration in 1962 and 1963, and following the Soviet invasion in 1968, public discontent engendered open resistance, culminating in work stoppages and demonstrations. The cautious nature of the Czechoslovaks and efficient police tactics have kept such situations from presenting a real threat to the regime.

Most persons arrested for "subversion" have been charged with the distribution of anti-regime and anti-Soviet leaflets. From time to time small groups of dissident intellectuals have sought to generate active opposition movements, but except for 1967 and 1968, they have attracted little public support. Since Husak came to power in 1969 there have been occasional arrests and trials of prominent intellectuals for pamphleteering. The "Czechoslovak Citizens Socialist Movement," a small group of liberal intellectuals, began handing out anti-government samizdat in 1970. By 1972, however, the regime had arrested some of the movement's members and seemed to be putting it out of business.

Domestic dissidents have remained in touch with fellow ex-reformists who fled Czechoslovakia following the Soviet invasion. Several small exile groups composed of liberal intellectuals have taken up residence in the West. They consider themselves enlightened Communists, but the regime in Prague views them as enemies of the state. The degree to which they support their colleagues remaining in Czechoslovakia is not known, although the latter are believed to supply the exiles with materials for publication.

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ARMED FORCES

VI. ARMED FORCES

The armed forces, known collectively as the Czechoslovak People's Army, consist of regular ground and air elements and a militarized Interior Guard. All are under the federal Ministry of National Defense (MOD). The Frontier Guard was transferred from the MOD to the Ministry of Interior in December 1971. Czechoslovakia has no navy in the usual sense, but maintains a small Danube Defense Guard consisting of some 50 patrol craft.

Total personnel strength of the armed forces as of January 1971 was 172,000, including 154,000 in the ground forces and 18,000 in the air force. Major combat elements include ten ground force divisions (five motorized and five tank) and about 550 combat aircraft. The Interior Guard consists of 4,000 men.

Since Czechoslovakia is a member of the Warsaw Pact, the armed forces are integrated into the Soviet strategic concept in the area. The armed forces are organized, trained, and equipped along Soviet lines. The ground and air forces are the third largest among the Warsaw Pact nations, ranking behind those of the Soviet Union and Poland.

Defense organization

Under the constitution, the president of the republic is the commander in chief of the armed forces. With the support of the legislature, he can declare war, proclaim a national emergency, and institute mobilization. The federal minister of national defense exercises operational control over all military headquarters and units. He is assisted by a General Staff, six functional directorates, and an inspector general. There are two military administrative districts in Czechoslovakia, the Western Military District with headquarters at Tabor, and the Eastern Military District with headquarters at Trencin.

Real control over the military is exercised by the Communist Party, however. The party's control of the armed forces is exercised through the MOD's Main Political Directorate, which extends its influence to all levels of command independent of normal command channels.

The armed forces are supported by a compulsory military service system similar to that of other Warsaw Pact countries. The basic term of service is two years. Volunteers are accepted only by special branches such as

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airborne and armored troops, and by the air force. After release from active duty, conscripts pass into the reserve. Trained ground forces reserves are estimated at 1.5 million.

While Czechoslovak military personnel traditionally have undergone Communist political indoctrination, this training has been intensified under the Husak regime. Czechoslovak troops normally are well disciplined, but morale was lowered following the invasion. Subsequent purges resulted in widespread loss of junior and middle grade officers.

Training

Nearly all recruits receive some form of pre-induction training in various state-controlled paramilitary organizations known collectively as SVAZARM (Union for Cooperation with the Army). All in-service military training is supervised by the military district headquarters under the direction of the General Staff. Czechoslovak training schedules are coordinated with the over-all Warsaw Pact plan for combined training of Pact forces.

Instruction for field-grade officers of all services is provided by a command and staff college, the Zapotocky Military Academy, in Brno. The main training facilities for the air force are located at the air academy in Kosice and the airfield at Hradec Kralove. Specialized schools are maintained by various military branches. In addition, selected officers from ground and air units are sent to high-level military schools in the Soviet Union.

Joint air-ground training exercises are frequently conducted. Air defense exercises, aimed at perfecting the coordination of surface-to-air and conventional anti-aircraft elements with fighter aircraft, are regularly held. The armed forces have participated in major Warsaw Pact exercises, including the most recent exercise, "Comrades in Arms" in 1970.

Logistics

Czechoslovakia has the most important military materiel production industry among the Eastern European Communist countries, based on an advanced native design capability and a highly industrialized economy. Production of ground forces materiel includes small arms, artillery, tanks, and transport vehicles. Ammunition of all types is produced to meet indigenous requirements and to provide modest quantities for export. Chemical warfare production includes toxic agents and biological and chemical warfare agents, although production is in small quantities mainly for research purposes.

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Czechoslovakia is second only to the Soviet Union as a Communist exporter of military materiel and was the first to supply arms to Arab countries in the Middle East under agreements concluded in 1956 with Syria, the UAR, and Yemen. A major export item has been the OT-62 TOPAZ tracked personnel carrier.

Czechoslovakia has the leading aircraft industry among Communist Eastern Europe nations. Military jet trainers are produced in quantity, as are several types of light civil aircraft. Aircraft not produced domestically are obtained from the USSR.

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FOREIGN
RELATIONS

VII. FOREIGN RELATIONS

For over a decade following the Communist take-over in 1948, Czechoslovakia was Moscow's model satellite and consistently pledged its steadfast loyalty to the Soviet Union. This subservience to Moscow stemmed from the ideological affinity between the two Communist parties and from the belief held by many Czechoslovaks that Soviet military power was the best insurance against a renascent Germany. Czechoslovakia is a member of the Warsaw Pact and of the Council of Economic Mutual Assistance (CEMA). As a result, it has structured its political, military, and economic policies to meet Soviet desiderata.

Prague's close relationship with Moscow was jarred by the de-Stalinization campaign launched by Khrushchev in 1956. Although the party leadership of Antonin Novotny was reluctant to divorce itself from the orthodox style of rule upon which its power rested, gradual domestic pressure for reform forced Novotny to initiate his own belated "de-Stalinization" campaign in 1963. The Novotny regime subsequently became less inclined to follow unquestioningly the Soviet lead in international affairs. It was not until after Novotny's demise in early 1968, however, that Czechoslovak foreign policies challenged Soviet interests by going beyond the limits of self-interest acceptable to Moscow. The policies of greater cooperation with the West that the Dubcek regime began formulating were crushed by the August 1968 invasion, which began a period when Czechoslovakia almost totally withdrew from the international arena.

The Party Congress of May 1971, capping two probationary years of "consolidation" under Gustav Husak, formalized Czechoslovakia's return as a reliable member of the socialist camp. Except for Romania, all of the Warsaw Pact nations sent their top party leaders to welcome the errant comrades back into the fold. Brezhnev's reference at the congress to the "international prestige" that the Husak regime had earned no doubt mitigated any remaining doubts by Prague's allies over the reliability of the Czechoslovak regime.

Communist world

Czechoslovakia "normalized" its relations with the Soviet Union by signing a new Soviet-Czechoslovak Treaty of Friendship, Cooperation, and Mutual Assistance in May 1970. The 20-year treaty endorsed the Brezhnev doctrine of limited sovereignty in Eastern Europe and mortgaged Czechoslovakia's own political future to Moscow. Nevertheless, there are indications

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that the invasion of Czechoslovakia remains a sensitive issue between Czechoslovakia and some other Communist countries, as well as within the bloc as a whole. Romania has continued to voice its opposition to the invasion, thus violating Prague's most important condition for improved relations. Belgrade's persistent criticism of the Soviets' use of force in Czechoslovakia has kept Yugoslavia's relations with the Husak regime cool.

Czechoslovakia's relations with Poland and East Germany have markedly improved since 1968. New economic agreements with those two countries and the relaxation of travel restrictions in January 1972 substantiate observations that the three neighboring nations are developing a special relationship within the bloc. The Czechoslovaks are closely watching Polish First Secretary Gierek's handling of Poland's domestic difficulties, which are similar to their own.

Czechoslovakia encourages cooperative relations with Bulgaria, although the two countries have no major bilateral interests. Czechoslovakia's dealings with neighboring Hungary are constructive in nature, and Prague watches Budapest's reformist economic policies with cautious interest.

Prague's relations with Western Communist parties were severely jolted by the invasion and by the Husak regime's justification and acceptance of it. The French, Italian, Spanish, and British Communists were particularly hostile to the invasion and to the imposition of a pro-Soviet government in Prague, although the French and to a lesser extent the Italians have toned down their public criticisms. Prague's relations with the British and Spanish Communist parties, neither of which attended the last Czechoslovak Party Congress, remain icy.

Non-Communist world

The Husak regime has taken no major foreign policy initiatives vis-a-vis the West. West Germany is the only West European country with which Prague has engaged in substantive political talks, and these are within the framework of the Bonn government's Ostpolitik. The two countries have narrowed their differences emanating from World War II to the issue of the manner and degree to which the 1938 Munich Agreement should be invalidated. In early 1972 the two sides appeared confident that a compromise could be reached, thus leading to an eventual treaty normalizing relations.

Attempts to reconcile differences with Austria, begun by the Dubcek government, were sidetracked by the invasion. Working level talks were

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resumed in late 1971, but rapprochement seems distant due to Prague's suspicions of alleged Austrian ties with NATO and Czechoslovak reluctance to compensate Vienna for nationalized Austrian property in Czechoslovakia.

Czechoslovakia's relations with the United States, although considerably better than in the Stalinist period, remain minimal. Prague continues to take diametrically opposed views on most major international issues, especially the Vietnam war and the US role in the Middle East. Bilateral issues also mar US-Czechoslovak relations, particularly the retention, at US insistence, of some \$20 million in Nazi-looted Czechoslovak gold by the Tripartite Gold Commission and by the yet unsettled issue of nationalized US property in Czechoslovakia.

Czechoslovakia would like to improve trade with the West and to acquire badly needed Western technology. Political imperatives and Czechoslovakia's close economic ties with the Soviet bloc preclude broad initiatives on Prague's part, however, and economic dealings with the West remain minimal.

Czechoslovakia has traditionally ranked second to the Soviet Union in terms of Communist aid to less developed countries. Most Czechoslovak economic aid has gone to Latin America and Africa. Since 1950 Czechoslovakia has been a major supplier of military aid, mainly small arms, to Arab countries in the Middle East.

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VIII. US INTERESTS

The US has no major bilateral treaties or agreements with Czechoslovakia, US citizens have no private investments there, trade between the two countries is negligible, and common ground with the Czechoslovak Government can be found only on issues in which the US and the USSR are in accord. The US Embassy in Prague, nevertheless, attempts to maintain useful relations with the Czechoslovak Government and to broaden contacts with the Czechoslovak people, particularly in the cultural, economic, and technical fields. The Czechoslovaks have shown tentative interest in broadening ties with US commercial firms.

The US is interested in resolving issues which have burdened relations with Prague for more than 20 years. Among these is the linkage imposed by the US on its approval of the release of about \$20 million of Nazi-looted gold held by the Tripartite Gold Commission (US, UK, and France), and Prague's agreement to a satisfactory settlement of US citizens' claims for property nationalized in Czechoslovakia after 1948. The US would also like to collect for US citizens \$2.7 million in dollar bonds on which Prague has defaulted, as well as the \$5.7 million (interest included) owed to the US Government for post - World War II surplus property sales. Prague has not been forthcoming on these issues, although it has long voiced its objection to not receiving most favored nation trade treatment from the US.

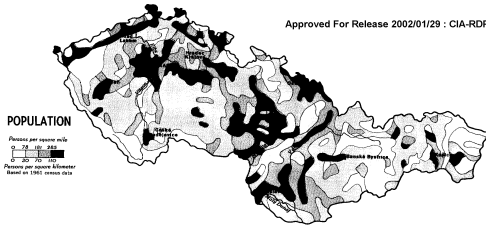
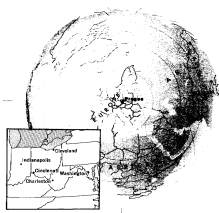
More recently, detention of US citizens by Czechoslovak authorities for alleged crimes has placed additional strains on relations. The detentions have heightened US interest in reaching a bilateral consular agreement providing for prompt and continuing consular access to detained US citizens.

The US and Czechoslovakia have no formal agreement on informational activities. The small USIA program is operated by two US employees. The US presence in Czechoslovakia in mid-1971 amounted to about 33 officials and their families, all of whom were stationed or living in Prague, and about 50 private citizens--businessmen, students, and their dependents.

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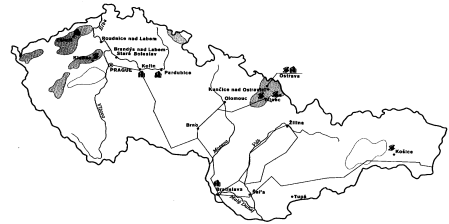
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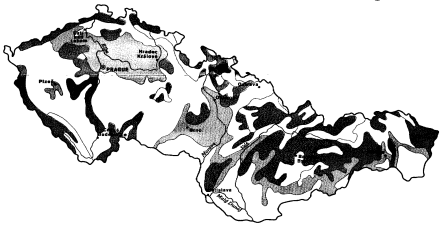
BASIC RESOURCES AND PROCESSING

- RESOURCES**
- Hard coal
 - Brown coal
 - Iron ore
 - Magnoite
 - Fluorspar
- PROCESSING**
- Iron and steel
 - Oil refining
 - Crude oil (CEMA)
 - Refined products
 - Natural gas



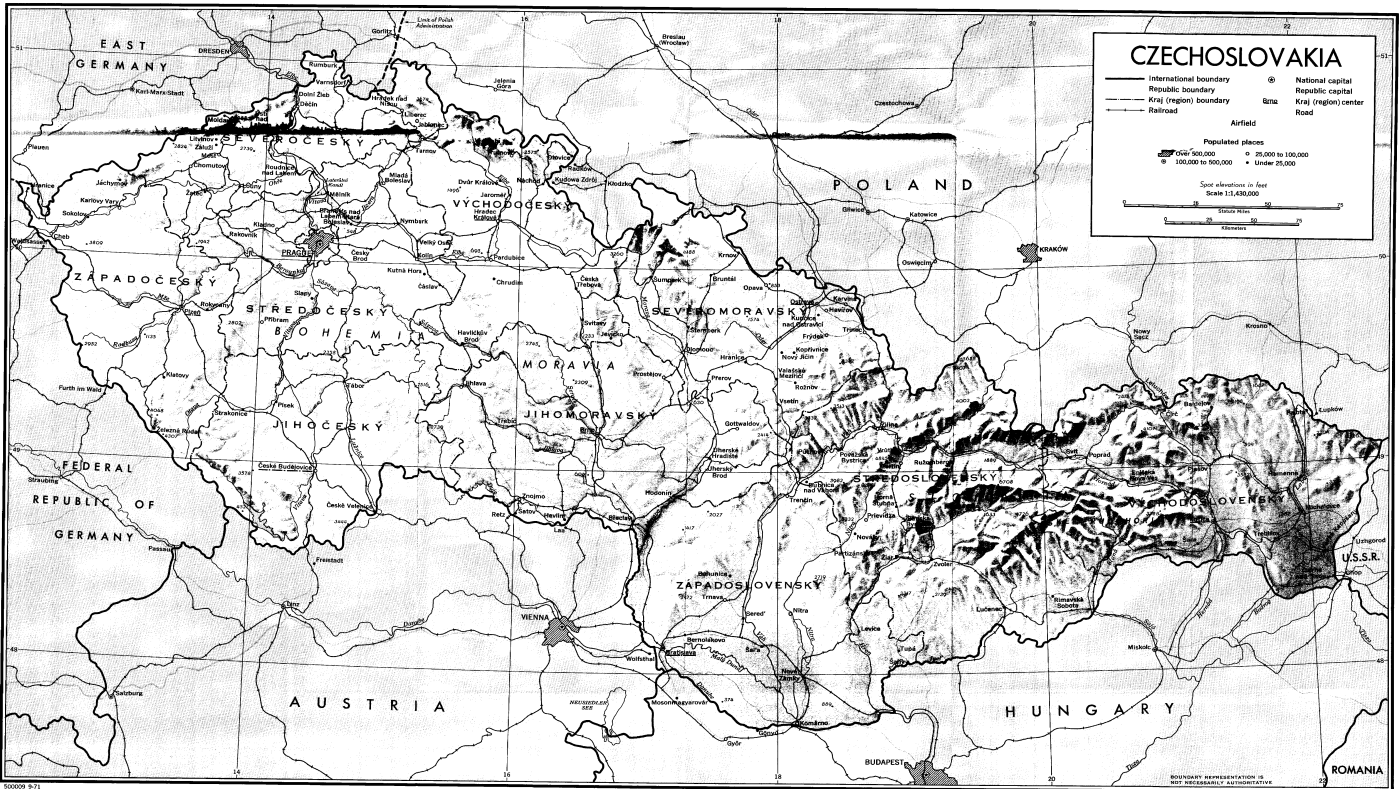
LAND UTILIZATION

- Forest
- Major loess area
- GENERAL AGRICULTURAL REGIONS**
- Corn, wheat, barley
 - Wheat, barley, sugar beets
 - Wheat, potatoes, rice
 - Mountain farming



INDUSTRIES

- Iron and nonferrous mining and metallurgy
 - Machine building
 - Chemical, textile, and transportation equipment
 - Light industry
 - Food processing
 - Crude oil, petroleum, bitumen, petroleum products
 - Food processing
- Size of circles and squares indicate number of employees



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