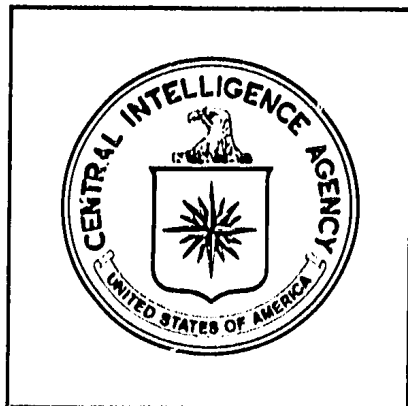
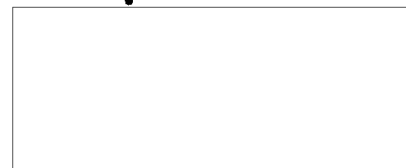


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# STAFF NOTES:

## **Soviet Union Eastern Europe**

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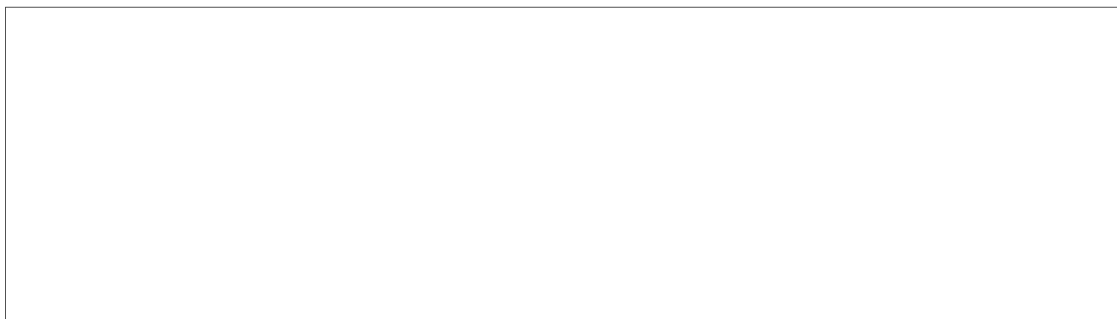
This publication is prepared for regional specialists in the Washington community by the USSR - Eastern Europe Division, Office of Current Intelligence, with occasional contributions from other offices within the Directorate of Intelligence. Comments and queries are welcome.



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The Husak Campaign Against Dubcek

The US embassy in Prague has advanced some speculative, but plausible, reasons for party chief Husak's recent virulent attack on Alexander Dubcek and the subsequent hardening of the regime's line on dissidents.

The embassy suggests that Husak, who has favored working toward reconciliation with those purged for their activities in 1968, met with bitter opposition from the party hard liners. The resolve of the latter had been strengthened by the recent increase in activity by the dissidents: the publication abroad of a series of documents dealing with events of 1968, such as the "Smrkovsky memoirs"; evidence of a samizdat "reform program" produced by leading dissidents; and finally the splashy appearance in the West of the "Dubcek letter," accompanied by Swedish Prime Minister Palme's stinging criticism of the lack of democracy in Czechoslovakia. These incidents provided a splendid opportunity for Husak's opponents to attack him.

As a good tactician, however, Husak evidently moved quickly to steal his opponents' thunder. His surprising attack on Dubcek came while two of the leading hard liners, Vasil Bilak and Milos Jakes, were out of the country.

While Husak's sudden turn away from moderation might suggest a weakening of his power base, he could, by pressing the attack, emerge stronger than before. It is possible that a trade-off has been struck, with Husak directing his attack against the leading 1968 reformers--a move the hard liners certainly welcome--but keeping the door open for rehabilitating lesser lights.

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Moscow's role in the anti-Dubcek campaign remains clouded. The Kremlin's support has been only moderate, although the Soviet press has replayed Husak's condemnation of Dubcek, and Soviet diplomats have supported Husak in his polemics with Swedish Prime Minister Palme. While Husak's actions could embarrass the Soviets, who wish to wind up CSCE and convene a series of international Communist party conferences, Moscow's priorities in Czechoslovakia are clear. Husak (backed by 70,000 Soviet troops) must keep the political situation in hand and prevent any backsliding toward the mood of 1968. His ability to continue to convince Moscow that he can handle the situation is crucial to his survival.

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Soviet First Quarter Industrial Production:  
Good But Not Great

Soviet industrial production increased 6.4 percent in the first quarter this year over the same period last year, a rate of growth slightly above the average since 1970. Although this is adequate to meet the 1975 target, Soviet leaders expressed disappointment because performance lags behind the 6.8 percent growth for 1974 as a whole.

At a meeting of the Council of Ministers on April 23, Kosygin excoriated industrial ministries and construction organizations for a host of sins--inefficient capacity utilization, incomplete construction, lags in the implementation of new technology, and insufficient attention to the quality of production. The construction industry and consumer goods producers were specifically warned that they are expected to meet their annual targets. Industrial suppliers to the agricultural sector--producers of tractors, other agricultural machinery and spare parts, fertilizers, and fuel--were also singled out for special exhortation to ensure a successful harvest this year.

The Soviet consumer probably can look forward to another year of some improvement, particularly in the quality of food. Industrial production of meat was 10 percent above a comparable period last year and 6 percent above the previous high reached in 1972. Although vegetable oil output was off 2 percent from the unprecedented 1972 levels--reflecting a smaller 1974 sunflower crop--there should be enough vegetable oil to meet domestic needs. Production of fish products, sausage, and whole milk products registered gains of 5 to 6 percent. Butter production dropped 11 percent compared to the first quarter of 1974, but this may be a planned cutback to slow the accumulation of butter stocks.

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Supplies of durable and soft goods should also improve. The production of consumer durables has grown faster than during the corresponding period last year, when excess inventory levels were being reduced by restraining production. The most noticeable increases in production are for televisions, washing machines, and refrigerators. Production of soft goods continued its glacial pace; sewn goods had the best record, and the increase here was only 5 percent.

The producer durables sector remains the fastest growing portion of Soviet industry, although the 1975 growth rate is down slightly from last year. The fastest growing elements are computers, electric locomotives, cars and buses, equipment for light industry, and metal-cutting machine tools. Production of turbines, oil equipment, and freight cars declined.

Overall, the materials sector matches last year's performance. The growth of the electric power and petroleum and gas branches has slowed in relation to last year. On the other hand, coal, forest products, paper products, and chemicals are growing faster.

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Bulgaria Proposes  
"Importing" Cypriot Workers

Bulgaria has offered to employ about 1,500 Greek-Cypriot construction workers this year. This would help to relieve unemployment in Cyprus.

Final agreement between Sofia and Nicosia hinges on payment arrangements. Bulgaria wants to handle the cost of salaries by means of an existing clearing agreement--payment would then be in kind. Cyprus, however, seeks at least part of the payment in hard currency.

By making the offer, Sofia is probably trying to score political points with Cyprus and especially with Athens. The Bulgarians have been actively courting the Karamanlis government, and are eagerly seeking ways to demonstrate their support for the Greeks.

Sofia's intrusion into the Cyprus issue will, however, add another complicating factor to Bulgaria's relations with Turkey. Ankara is already displeased over Sofia's pro-Greek position.

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