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CENTRAL INTELLIGENCE AGENCY REPORT NO.  
 INFORMATION FROM  
 FOREIGN DOCUMENTS OR RADIO BROADCASTS CD NO.

COUNTRY Czechoslovakia  
 SUBJECT Military; Political  
 HOW PUBLISHED Weekly newspapers  
 WHERE PUBLISHED Mannheim; Munich  
 DATE PUBLISHED 30 Nov - 3 Dec 1949  
 LANGUAGE Polish

DATE OF INFORMATION 1949  
 DATE DIST. 22 Mar 1950  
 NO. OF PAGES 3  
 SUPPLEMENT TO REPORT NO.

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SOURCE Newspapers as indicated.

REPORTS MILITARY PREPARATIONS;  
REVEALS SETUP OF SPY SYSTEM

UNDERGROUND DEPOT BEING BUILT -- Ostatnie Wiadomosci, No 135, 30 Nov 49

The Information Service of Free Czechoslovakia has released the following information:

The military training camp in Milovice has been set aside for the training of special combat units.

A gigantic subterranean military depot and factory for certain war materiel is being constructed near Blansko. All construction is to be completed in 1951.

Not far from the border a subterranean passage is being widened to the size of a railroad tunnel. Tunnels are also being built on the northwest border, and tank barriers on the southeast border.

Two hundred and twenty-five higher-ranking Czech officers have left for Moscow for special training.

People in East Slovakia are openly alarmed because of regular explosions, which probably are caused by tests from rocket weapons. Eye witnesses claim that always before an explosion, some mysterious objects roar through the air.

The Ministry of Internal Affairs issued an order for the reorganization of civilian anti-aircraft defense. In many Czechoslovak cities air-raid sirens have been tested.

The Communist officials are being armed. Leaders of local committees received machine pistols. Members of industrial militia must carry arms not only while on duty at the factories, but must take the guns home with them.

The Communist Party is building numerous ammunition and arms dumps under the guise of Communist food stores.

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The Czechoslovak Red Cross has begun systematic preparations for war. Local Red Cross chapters were merged with the Public Self-Help Society. Linhard, the former general director of the Red Cross, has been retired and Sulc, director of the Health Department, has been discharged. His office was filled by Mme Koprivova, a well-known Communist and wife of the former chairman of the Czechoslovak National Assembly.

CZECH HIGHWAYS CLOSED TO TRAFFIC -- Slowo Katolicckie, No 49, 3 Dec 49

An order forbidding traffic on the highways and railroads of Czechoslovakia between 1700 and 0600 hours has been issued, apparently to conceal the movements of military transports which operate at night.

MINISTRY OF INTERIOR IN CONTROL -- Ostatnie Wiadomosci, No 136, 2 Dec 49

The primary purpose of the decision taken in December 1948 to reorganize Czechoslovakia's ministries was to bring all government departments under the full control of the Ministry of the Interior.

The reorganizational was not carried out by an official interministerial committee, but by a special commission composed of delegates of the Ministry of the Interior and of the personnel section of the Czechoslovak Communist Party.

The Communist Party planted a fully reliable member in every ministry, with the rank of Vice-Minister in Charge of Personnel Affairs. In addition to the Vice-minister, a highly trusted Party man was detailed to act anonymously within each ministry.

Only after all ministries and central government institutions had been placed under close party surveillance. Soviet-Czechoslovak cooperation and contacts between Russian and Czechoslovak security agencies could begin to function smoothly.

The new ministerial setup gives to the Communist Party and the Ministry of the Interior absolute control over Czechoslovakia's representatives abroad, diplomatic personnel, military and commercial attaches, and businessmen. Representatives of the Ceteka press agency are completely under the jurisdiction of the Ministry of Information.

The Ministry of the Interior has two ways of controlling the activities of foreign diplomatic and consular posts: (1) by deciding on appointments and recalls, and (2) by placing its own man in each embassy and legation. The latter have their own code and communicate directly with the Ministry of the Interior. In case a foreign Czechoslovak Embassy has its own radio transmission facilities with Prague, the radio operator usually is the ministry's trusted employee. The embassy chief may not even know that a radiogram has been transmitted to the ministry.

Most of the information received by the Minister of the Interior from its men abroad is of little value to the ministry itself. It is easy to assume that the collected facts and data are turned over by the ministry to the Kremlin.

It is very significant that practically no cooperation exists among the spying agencies of the various "people's democracies." It is evidently Moscow's intentions that the spy network of each satellite nation operate independently. The cost of maintaining such a network is very high, and is paid by the satellite nation. For instance, in April 1949, the representatives of the Czechoslovak Ministry of the Interior in Rome spent five times the amount of the entire budget of the Czech legation.

Because of the shortage of foreign currency, Czechoslovakia is hardly in a position to cover the expenses of her Ministry of the Interior. Moreover, these expenses do not even figure in her official state budget. The Czechoslovak

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Ministry of the Interior covers the cost of its intelligence network with revenues from its foreign business enterprises. Already in 1945, the ministry started to buy and organize various business enterprises in Germany, Italy, and Hungary. The profits from such enterprises remain abroad.

When the Western countries had refused to sell certain raw materials to Czechoslovakia, which she badly needed, the Ministry of the Interior sought to procure them illegally by using devious and shady procedures. The transactions were made either by agents of the Ministry of the Interior, or by middlemen who were required to pay a commission to the ministry. Since these transactions are usually made in neutral countries, the Ministry of the Interior has the additional advantage of improving its position in those countries. The result is that in almost all European and Latin American countries a clandestine Czechoslovak network operates at the present time.

Control and intelligence activities of the Ministry of the Interior are directed by a special department in Prague located in an unpretentious private house. The men who direct the department are known by one name in their official life and under another name in their private life. Those sent abroad use aliases in most cases.

The Ministry of the Interior could never have become what it now is -- the true secret government of Czechoslovakia -- without its acquired strong economic position. Its watchful eyes reach everywhere, from the office of the President of the republic to the office of each single Czechoslovak trade agent abroad.

The man who created this economic power was Zdenek Toman, a friend and a card-playing companion of Nosek, the Minister of the Interior.

Toman had all the reasons to feel cocksure in his position, until he got into a quarrel with his chief assistant. The latter was well aware of Toman's machinations, denounced him and asked for his arrest. In fact, Toman was arrested in February 1948, but managed 2 months later to escape to South America.

Apart from the Ministry of the Interior, the Czechoslovak Communist Party has its own emissaries abroad. They are directly under Slansky (Saltzman), the secretary general of the Party, and his two vice-secretaries, Frank and Geminder.

The most important Czechoslovak Communist Party agencies abroad are in the Soviet Union, France, Italy, Great Britain, in the eastern zone of Germany, where they are attached to the Socialist Unity Party (SED); and in Western Germany, where they operate with the German Communist Party (KPD). They keep a close watch over the activities of the Czechoslovak diplomatic representatives. It is therefore more valuable for the Czechoslovak ambassador in London to be on good terms with Harry Pollitt than with Ernest Bevin, and for his colleague in Paris with Thorez rather than with Schuman.

The objective of an intelligence network is to serve the country. The opposite is true in the people's democracies, where intelligence is meant in the first place to spy on the country's own representatives. As a result, there is everywhere an atmosphere of suspicion and corruption. It is in this atmosphere that the new secret diplomacy of a secret police operates.

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