

~~SECRET~~NOTES

Czechoslovakia: The factional struggle within the party may move toward a climax during the central committee plenum that begins today. Party liberals, who have continued publicly to call on conservatives to resign and to press for the early convening of an extraordinary party congress, may attempt to force the factional issue at the plenum itself. While the conservatives doubtless will maneuver actively, moderate party leader Dubcek indicated again this week that he will continue his attempt to seek compromise solutions on outstanding issues. Moscow, which has made known it wants Dubcek to rein in outspoken liberals, is likely to determine its next moves on the outcome of the plenum. [REDACTED]

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Czechoslovakia: The leadership has significantly altered economic plans by reducing emphasis on heavy industry largely in order to benefit the consumer. Recently announced sharp cutbacks in long-range production goals for steel, power, and coal are designed to release more resources for production of food and consumer goods. In announcing the cuts, Premier Cernik explained that investment funds had been used excessively for heavy industry. [REDACTED]

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