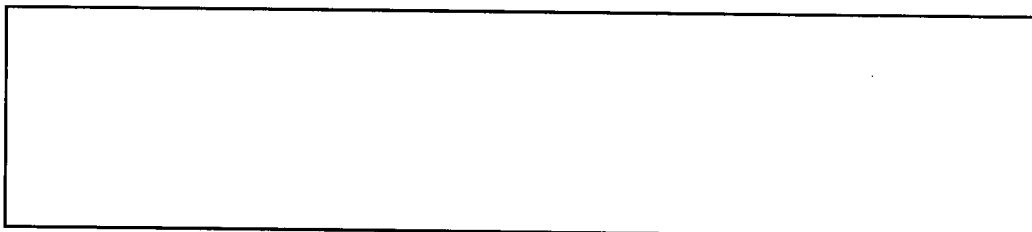


Czechoslovakia-USSR: The Moscow meeting between Czechoslovak and Soviet leaders in early May apparently resulted in a reassessment of policy in Prague a few days later.

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Among the steps the party decided to take to pull itself together was to move ahead immediately with the reformist action program. This decision led to the ouster from the party of conservatives such as Novotny. In addition, the presidium approved a formal ban on the formation of political parties outside the National Front--inside which some opposition politics will be permitted. It also decided to prevent the establishment of non-Communist political clubs and the political revival of the Catholic Church.

The party leaders agreed that it was necessary to find a way to make news media more responsive to the party without reintroducing censorship. On 6 June the cabinet approved abolition of the censor and his office. Steps have been initiated to reform the investigation of suspects and the election of judges, and to transfer prisoners from the custody of the discredited Interior Ministry to the Justice Ministry. The minister of interior has announced plans to purge his ministry.

On the economic side, the Czechoslovaks asked the Soviets for a \$400-million hard currency credit. They have also asked for an increase of 300,000 tons in Soviet grain deliveries, which would bring

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total annual imports to about 1.5 million tons. [redacted]
[redacted] Dubcek told party meetings
that the Soviets would "gradually" provide the credit
as well as the extra grain. It now appears that
this was wishful thinking. Moscow probably hopes
that the prospect of new aid will be a more positive
leverage than the threat posed by Soviet troops ma-
neuvering in and around Czechoslovakia. [redacted]

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