

MUNICH

OUTGOING CIPHER

1972 FEB 16

17:08

TO: 

MUN 29 16 FEB 72

TO: DURKEE INFO PETZALL YARROW HOVEY DUNNING REYMAN
FM: WALTER INFO COOK BEDE BERNARD BROWN KOHAK LYON
NOWAK PECHACEK/BELLUS ZAHARIEFF

161528:

RFE DAILY REPORT NO. 38

1. BULGARIA: ZHIVKOV RETURNED HOME YESTERDAY FROM HIS FIVE DAY VISIT TO EGYPT, HAVING AGREED TO GRANT EGYPT A LONG-TERM CREDIT OF FORTY MILLION DOLLARS FOR ITS NATIONAL DEVELOPMENT PROGRAM (DS). THE AMOUNT SEEMS EXCESSIVE GIVEN BULGARIA'S ECONOMIC PROBLEMS.

2. CZECHOSLOVAKIA: NOTHING.

3. HUNGARY: COUNTRY MEETING REVIEWED THE STATE OF HUNGARY AND HUNGARIAN-SOVIET RELATIONS IN THE LIGHT OF THE 3 FEB. PRAVDA ARTICLE AND KADAR'S VISIT. ALTHOUGH THERE IS LITTLE SOLID EVIDENCE BEYOND THE PRAVDA ARTICLE, THERE WAS GENERAL AGREEMENT HERE THAT THE PRAVDA ARTICLE WAS A WARNING TO THE HUNGARIAN LEADERSHIP WHICH MAY RESULT IN SOME TIGHTENING OF CONTROLS IN THE COUNTRY. A POSSIBLE FIRST HINT OF THIS IS THE WITHDRAWAL ON OR ABOUT 14 FEB. OF AN EARLIER GRANTED PERMISSION THAT HUNGARIAN WRITERS COME TO SWITZERLAND TO PARTICIPATE IN A HUNGARIAN POETRY WEEK THERE. THERE IS A CONSENSUS AMONG US THAT THERE IS PRESSURE ON HUNGARY FROM THE USSR AND CSSR AND PERHAPS THE GDR, ALTHOUGH OUR WORKING ASSUMPTION STILL IS THAT RELATIONS HAVE IMPROVED UNDER HONECKER. CONSERVATIVE ELEMENTS IN HUNGARY HAVE PROBABLY BEEN STIMULATED BY THESE PRESSURES, AS WELL AS BY THE EXAMPLE OF NEIGHBORING YUGOSLAVIA. THE REASONS WHY THESE SOVIET PRESSURES ARE BEING EXERTED NOW, RATHER THAN SHORTLY AFTER THE CS DEBACLE FOR EXAMPLE, PROBABLY ARE RELATED TO SOVIET FEARS OF THE HUMAN ASPIRATIONS WHICH ARE NATURALLY STIMULATED IN EAST EUROPE BY THE CONSTANT TALK ABOUT EUROPEAN DETENTE. SOVIET FEARS OF A US-CHINESE RAPPROCHEMENT MAY ALSO PLAY A ROLE. IT WAS POINTED OUT AT OUR MEETING THAT KADAR'S VISIT HAD A NOTE OF URGENCY ABOUT IT SINCE HE TRAVELED BY PLANE, A MEANS OF TRAVEL TO WHICH HE HAS A WELL-KNOWN AVERSION. IN THE PAST HE HAS ALWAYS OR ALMOST ALWAYS TRAVELED BY TRAIN TO PRE-SCHEDULED MEETINGS. EERA WILL PREPARE A PAPER EXPLORING THE ABOVE THEMES.

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IN THE 14 FEB. CORRIERE DELLA SERA WHICH ARRIVED HERE THIS MORNING THERE IS ADDITIONAL MATERIAL ON THE FAMOUS BILAK SPEECH ATTACKING THE RUMANIANS, YUGOSLAVS AND SUDANESE. (LE MONDE, 12 FEB.) ACCORDING TO CORRIERE'S VIENNA REPORTER, BILAK ALSO ATTACKED THE KADAR REGIME FOR THE LACK OF ORDER AND CONTROL INTRODUCED BY THE NEM (WHICH REMINDS BILAK OF THE 1966-67 PERIOD IN CS), ATTACKED THE GIEREK REGIME FOR ITS CONSUMER POLICY AND SOFTNESS TOWARD THE CHURCH, AND FINALLY STATED THAT IT WILL TAKE THE GDR TWENTY YEARS TO RECOVER FROM ULBRICHT'S SCLEROTIC POLICY. EVIDENTLY BILAK CONSIDERS ZHIVKOV AND TSEDENBAL O.K. KEVIN DEVLIN IS TRANSLATING THIS MATERIAL FOR BD USE. (DS).

4. POLAND: THE NEW PRESIDUM OF THE WRITERS' UNION (DS) IS MORE OF A COMPROMISE THAN THE "LIBERAL VICTORY" WHICH REUTERS DESCRIBED IT LAST NIGHT AND WHICH WE LISTED BIO. THE BD WILL TAKE THE "COMPROMISE" LINE IN COMMENTARY, BUT BY NO MEANS REJECTING SUCH COMPROMISES BUT POINTING OUT THE IMPORTANCE OF THEIR IMPLEMENTATION.

PAP ANNOUNCED THIS MORNING THE SENTENCING OF FORMER DEPUTY INTERIOR MINISTER MATEJEWSKI TO TWELVE YEARS' IMPRISONMENT FOR "ILLEGAL CURRENCY DEALINGS." FOUR OTHER OFFICIALS OR FORMER OFFICIALS OF THE MINISTRY WERE GIVEN VARYING SENTENCES AS WERE FOUR OTHER PEOPLE IMPLICATED IN THE AFFAIR. SEE DS FOR DETAILS. THE BD HAS FOR MONTHS BROADCAST INFORMATION ON THIS SCANDAL AND CALLED FOR GREATER PUBLICITY.

5. RUMANIA: YESTERDAY SPOKESMEN OF THE RUMANIAN EMBASSIES IN VIENNA AND PARIS MADE VAGUE AND EVASIVE STATEMENTS ON GENERAL SERB. WE USED THESE STATEMENTS AND THE ESSENCE OF THE ORIGINAL AP STORY AS THE BASIS FOR THE ITEM RELEASED FOR NEWSCASTS LAST NIGHT. (DS). TODAY WE HAVE LIFTED THE BIO FROM ALL WESTERN PRESS ARTICLES EXCEPT FOR POINTS OF KNOWN INACCURACIES RE SERB'S EARLIER CAREER, FOR EXAMPLE. FOR THESE, SEE TODAY'S SPECIAL RECOMMENDED LIST ON THE SERB AFFAIR.

6. OTHER: IN A STRONGLY WORDED EDITORIAL ISSUED EARLIER THIS WEEK THE ALBANIAN REGIME DENOUNCED AN ITALIAN CP INVITATION TO THE FORTHCOMING PCI CONGRESS. THE MAIN POINT OF THE EDITORIAL IS THAT THE ALBANIAN PARTY "HAS NOT HAD, DOES NOT HAVE, NOR DOES IT WANT TO HAVE ANY KIND OF TIES AND CONTACTS WITH THE ITALIAN REVISIONISTS IN ANY FORM OR AT ANY LEVEL." THE ALBANIAN OUTBURST IS QUITE STRIKING IN VIEW OF RECENT CHINESE "SOFTNESS" TOWARD THE WEST EUROPEAN "REVISIONIST" PARTIES. CHINA HAS IN FACT ESTABLISHED INDIRECT CONTACT WITH THE ITALIAN CP IN THE FORM OF INVITING SOME PARTY OFFICIALS WHO HAVE TOURED CHINA AS JOURNALISTS. THE CHINESE HAVE ALSO ESTABLISHED A DIALOGUE WITH THE SPANISH CP, WHILE THE ALBANIANS CONTINUE TO DENOUNCE THE LATTER SUPPORT ONLY THE "PRO-CHINESE" SPANISH RADICAL FACTION WHICH CALLS ITSELF COMMUNIST PARTY OF SPAIN (M.L.). THE ALBANIAN EDITORIAL REFLECTS HOXHA'S EFFORT TO ESTABLISH TIRANA AS THE STRONGEST (AND PERHAPS ONLY) BASTION OF UNBENDING STRUGGLE AGAINST "REVISIONISM" IN THE COMMUNIST MOVEMENT.

END MSG