

CZECHOSLOVAKIA

INDUSTRY

Heavy

HUKO

Difficulties in production

PROPAGANDA

LABOR

Foreign labor

K/D

I-10398

21 May

Rumors See Stoppage Of Work In HUKO As Communist Interest
In Huge Concerns Appears To Wane,

SOURCE FRANKFURT : Planning architect with "Hutní Projekt"
which is charged with drawing up plans for "Huko."

DATE OF OBSERVATION : March 1953.

EVAL. COMMENT : Bearing in mind another recent Item
/No. 05280/53/ also reporting the suspension of work at
the "Huko" combine and originating from a different sub-
source, it seems that the subject may be cautiously ex-
ploited. It is doubted that the alleged suspension is
connected with the fake Soviet Peace gestures, but it is
quite likely that it may be a consequence of ZÁPOTOCKÝ's
new policy. It is true that ZÁPOTOCKÝ in his speech of
31 January 1953 criticized the construction of large
electric plants and other projects, but that was long
before he was elected CSR president. In his speech he
said that CSR planners are suffering from megalomania
/the exact expression used by ZÁPOTOCKÝ was "giganto-
namania," / which indicates that he was not in favor of
the construction of "giants." It is true that more fa-
vorable areas exist in CSR, where the establishment
of such a large combine would be more logical.

SPEC. ATTENTION : Mr. Griffith
Mr. Stowe
Mr. Kohák

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Rumors have become insistent among ex-
perts associated with the planning of "Huko" that work
on this large Slovak industrial concern will be stopped
in the near future.

With STALIN's death and MOSCOW's peace
overtures, which however seem more theatrical than honest
to the Czechoslovak people, the interest shown by MOSCOW
and the CSR government in the giant establishment appears
/more/

/con'd/

to have decreased.

Source, who was employed as planning architect at the "Hutní Projekt", located in BRNO, Vlhká ulice 4, which employs about 200 experts to prepare plans and projects for "Huko," observed that projects began to be held up in the Ministry of Heavy Industry around the beginning of 1953 and no plans for further developments were made. In February and March 1953 no new projects of any kind were planned and the whole "Huko" scheme seemed to be lapsing into apathy.

President ZÁPOTOCKÝ's speech made after his election in March gave further indication of waning interest in large projects when he said that the importance of large enterprises had been exaggerated in the ČSR during recent years calling it "trpěli jsme gigantomanii."

According to source, the "Huko" project was hatched in MOSCOW some years ago and was motivated entirely by political reasons. The main reason for selecting a site where natural conditions were so unfavorable for a modern, efficient industrial town, he stated, was the fact the Slovakia is an agricultural region and as such resists Communist infiltration. The presence of a large industrial population would bring the workers to the fore, placing the political influence in the hands of men more likely to be Communists than the Catholic farmers.

The second reason, according to this source, was that MOSCOW intended to draft a large number of Chinese, Russian and Korean workers to "Huko" with the idea that this mixture of races working together ostensibly in brotherly love would be good propaganda for the Red slogan that Communists all over the world are members of one big happy family.

Comments : Source was available for interview for only two hours. No long, detailed stories could therefore be made.

E n d