

*Czechoslovakia: Premier Josef Lenart has assumed the duties of former president Novotny.

Lenart will be acting president until the National Assembly is called together to elect a new chief of state. Presumably this will not be until after 28 March when the party central committee meets to discuss changes in leadership and in national policies.

The ink was hardly dry on Novotny's resignation when the name of 72-year-old General Ludvik Svoboda was proposed as a replacement by the association of Czechoslovak veterans. Svoboda was commander of Czechoslovak forces which were formed in the Soviet Union during World War II; he was defense minister from 1945 to 1950, when he was purged. Svoboda is ill-equipped to be president and if he were elected, he would probably be a figurehead, unable to use the considerable powers of the office.

Josef Smrkovsky, a leading exponent of sweeping reform, is commonly believed in Prague to be the most likely candidate. The 57-year-old Smrkovsky is a member of the party's central committee. He had a good record as an underground leader during World War II. In 1950 he, too, was arrested on trumped up political charges. He was rehabilitated in 1963. If elected president, he would represent the antithesis of past Stalinist oppression.

Meanwhile, a Czechoslovak Embassy officer in Moscow has implied that the recent visit of Planning Chief Cernik may have sown the seeds of the first serious Czechoslovak-Soviet confrontation--on economic issues. The officer said that the new Czechoslovak leadership is deeply concerned with the need for economic improvement and is preparing to seek aid from the United States and Western European economic organizations.

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He added, however, that Czechoslovakia's desire to attract Western aid is complicated by commitments to the USSR and its allies. It is possible that during his discussions in Moscow, Cernik attempted to reassure the USSR about Czechoslovak intentions to maintain close economic ties, even if it should turn to the West for aid. [REDACTED]

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*Because of the shortage of time for preparation of this item, the analytic interpretation presented here has been produced by the Central Intelligence Agency without the participation of the Bureau of Intelligence and Research, Department of State.

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