DECLASSIFIED AND RELEASED BY CENTRAL INTELLIGENCE AGENCY SOURCESMETHODSEXEMPTION 3828 NAZIWAR CRIMES DISCLOSURE ACT DATE 2007

<u>j</u> 1

Re: : VAZ Source: 19 (AECASSOWARY/54) Date : 16 June 1970

۲

1. The production at the VAZ was originally to begin early 1970, on the 100th anniversary of Lenin's birth . However, due to incompetence of Soviet administrators, engineers, and technicians it will start end 1970 at the earliest. And this will happen only thanks to the efforts of Italian engineers and technician who regulatly visit now the VAZ and make all the necessary preparations.

According to Italian specialists who spent some time at VAZ ( some of them were deven for 6 months or so) they were appalled by negligent and inefficient work of their Soviet collegues . The floor in many places still before the machines were installed was already full of holes, some shops were without roof, several machines and other equipment exposed to rain . snow and frost. There was plenty of placards, meetings, shouting of slogans, and admenitions but all that was in no relations to the actual work done. Since fall 1969 the Fiat made it a point that all essential installments and preparations waild be done by or under supervision of its own engineers and technicians. On the spot they are accommodated separately from their Soviet colleagues in a special hotel. Nevertheless they are in a rather close contact with the Sovs. One of the Italian engineers ( B.) who lately returned from Togliatti told our Source and then repeated the same to several Soviet engineers and technicians in Torino that only after having been to the VAZ he realized what and how important the nationalities problem in the Soviet Union was. He accused the Russians of national discriminations against the non-Russians .

The planned serial production should **EXERTION** reach 2,500 cars per day. Of course, as the things stand now, it will be much smaller in the beginning. The VAZ is to start with production of Fiat 124, then 125 and later on switch to Fiat 128 and 850. All models are, of course, readjusted for Soviet conditions.

As of today it **hecks** that the Fiat will have at least for another four years much to do at Togliati. In the meantime the Fiat also hopes to make an agreement of its participation in the truck - project which has been rejected by Ford.

Our Source continues to maintain friendly contacts with Soviet engineers and technicians in Torino. Among his latest "friends" he mentioned <u>NAM, frm Vilen</u>, aged approx. 35-40, Korean wha lived in Siberia, quite liberal in his views about the West, somewhat critical of Soviet reality, asked for <u>Alliluyeva's second book</u>;

. -2-

<u>TYMOSHENKO</u> fnu of Kharkov, Ukr SSR, aged 40, Ukrainian, maried, claims they speak Ukrainian at home, will be working in tool-machines dept at the VAZ, arrived in Torino for the third time on 26 May 1970, brought with him <u>Vsesvit</u> for our Source, he is scheduled to stay in Torino for one month;

<u>PAVLOV.Veniamin</u>, of Nikolayev, Ukr SSR, Ukrainian, aged 28-30, technician . will work at the VAZ, speaks very fine Ukrainian;

SAMUSEV, Vassily, of Kuybyshev (?), Russian, engineer ( electrotechnician) wanted to read Pasternak;

and others.( Full lists of Soviet engineers and technicians from 12 Apr 1969 until May 1970 are in our possession.)

2. <u>GURYEVA</u>, Svetlana originally from Moscow, works since 3 or 4 years in the Russian Translators Dept at the Fiat in Torino, Russian, married to an Italian engineer by the name Ferraris who teaches at the Technical Schoel in Alessandma; aged 33-35, very pretty, claims to be daughter of a very high Soviet official in Moscow; knew personally a great many Soviet personalities incl. Khrushchev and his wife; allegedly Adzubey was courting her at one time; very arrogant, selfassured, almost vulgar, has a rather bad reputation among her colleagues. Some people talk of her as a Soviet spy. She goes often to Noscow to visit her relatives. Maintains contacts with Soviet engineers and technicians in Torino and on several occasions brought for them books published abroad ( Pasternak, Allilyyeva, Mendelshtam and others).