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28 April 1983

# West Europe Report

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#### ENERGY ECONOMICS

#### OIL EXPLORATION ACTIVITIES; EEC ASSISTANCE

Athens ELEVTHEROTYPIA in Greek 18 Mar 83 p 15

[Text] Under the supervision of the Public Petroleum Corporation, the Italian state-owned company AGIP [National Italian Oil Company], has begun the deep and hopeful drilling at Paxoi which will reach a depth of more than 6,500 meters and will cost 25 million dollars. It will continue for approximately one and one-half years. This was announced yesterday by the minister of Energy, Mr. E. Kouloumbis, and the chairman of the board of DEP [Public Petroleum Corporation], Mr. Andreas Papathanasopoulos, in making an analysis of the exploration program of the corporation for 1983 for an expenditure amounting to 3.5 billion drachmas. (2.7 billion drachmas will be provided for exploration and 800 million drachmas for equipment).

This program--which is self-financed by DEP--provides for drilling at Orestias and Ipeiros, on land near Katakolon where a small oil deposit was found; in Zakynthos; in the Ionian and Aegean (Thermaikos and Strymonikos Bays), etc.

On the other hand, the DEP, during 1983 or early 1984, will proceed to purchase a drill with a potential of 4,000 meters drilling depth as well as electronic equipment for seismic exploration in areas of difficult access.

At Thasos

Mr. Papathanospoulos also announced that after recent drillings, a heavy oil deposit has been located in the sea near the area of Thasos. However, its exploration, under the present economic and technological conditions, is problematic.

Finally, DEP plans extensive projects with mixed financing including significant EEC participation. The projects will include a combination of modern methods of exploration for the development of the Aitoloakarnania area where, in the past, positive noteworthy signs have been found.

During 1983, the administration of DEP aims to improve the scientific and technological infrastructure of the company and to push forward, within the framework of the five-year plan, the self-supported--within the possible--exploration of technologically accessible Greek territory.

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GREECE

#### CONSTRUCTION SCHEDULE FOR USSR NATURAL GAS PIPELINE

Athens TO ETHNOS TIS KYRIAKIS in Greek 20 Mar 83 pl6

[Text] The definitive agreement for the production and supply of natural gas from the Soviet Union is in its final stage.

Exclusive reports from pertinent government sources fix the beginning of the first operations of this gigantic project early in the fall.

According to the same reports, all ideas, views and proposals will be consolidated in May when the Greek delegation visits Moscow.

Heading this delegation will be the secretary general of the Ministry of Energy and Natural Resources, Mr. Dion. Polykhronopoulos, who will be accompanied by the chairman of the board of the State Refineries of Aspropyrgos, Mr. Anast. Papavranousis, who, last year visited the Soviet Union and Bulgaria on the same matter.

The delegation will be in contact with the administration of the Soyuzgazexport in Moscow and during the talks "all pending matters will be resolved in order to proceed towards the completion of the job," a responsible source declared.

Where It Will Begin

The basic problem, as envisaged today by the Ministry of Energy, is to "see where we will begin," meaning that the country has no experience in the use of natural gas or in the construction of a pipeline.

For this reason, it will ask the Soviets to help in the study for the purpose of obtaining concrete data on the consumption of natural gas and the yearly increase that it will represent.

In the same study, the rate of use by industry and residences will be fixed in order to set the price of gas accordingly because the amount of use is connected directly to the price.

However, a preliminary superficial study calculates the use in Greece for 1988 to be between one and one and one-half billion cubic meters, reaching four billion by 1993.

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In the meantime, this study does not separately assess the use by the areas of Kavala, Salonica, Larisa, Athens and Patra. These data, as reported in a confidential memorandum to the minister of energy, have special significance and will one way or another influence the decision whether the pipeline will be projected to reach Patra or to terminate temporarily in one of the above mentioned industrial areas.

#### Two Conclusions

However, according to reports, the delegation having already reached two conclusions, will go to Moscow for the negotiations.

The first is that, for the time being, no other pipeline should be built from the Soviet Union to Greece. Instead, the Bulgarian pipeline, having available capacity as indicated in a report by a qualified official, should be used for some years to come (until gas usage increases).

In addition, Bulgaria's willingness to connect its system to our national system is to be taken for granted. The Bulgarians have declared this to a Greek delegation.

It is, however, emphasized in a study that the direct pipeline from the Soviet Union (Kiev) must be completed within five and one-half years at the latest because within that time, as explained anlytically in a chart in the study, the pipeline which reaches Bulgaria through Romania will not have sufficent capacity to meet the increased demand in Bulgaria with the additional use in Greece.

In another memorandum it is noted that this solution, that is, to obtain natural gas initially from a pipeline which reaches Bulgaria, serves and benefits three countries: the Soviet Union, because it would be able to provide gas immediately; Bulgaria, because the pipeline will be fully utilized; and Greece, which will be able to obtain natural gas quickly and at no great expense.

#### Distribution System

The other conclusion reached as a consequence of the previous solution is that the pipeline should not reach Patra in its first phase, but terminate in the industrial area of Salonica. In this manner, the system to be built will essentially be a distribution network and not a carrier of gas. For that matter, the distance between the terminal point of the pipleine in Bulgaria and Kavala is approximately 100 kilometers.

With regard to the expenditure for the construction of the pipeline, a preliminary study raises it to a significant amount. According to cost projections five years ago, the expenditure amounted to between 800 million and one billion dollars.

All this will be covered in the talks of the delegation with the Soviet specialisrs from whom it will officially request aid for the study.

Special mention will be made in this study about the possible uses of gas. In essence, it will answer questions as to which possible cities a network will be

built to supply natural gas for central heating and hot water.

Based on these answers, the Greek delegation will calculate and determine the size of the system and the pipeline network for supplying gas for heating and hot water.

The reports also indicate that the Greek delegation will request that studies be made, with the aid of Soviet specialists, concerning the building costs of pipelines as well as the size of the contracts involved in the project in order to split them up so that small Greek construction firms may participate.

The studies and all the other proceedings that will open the way for a definite agreement of natural gas supply are expected to be completed by fall. Then the undertaking, for which the governments of the two countries have expressed the desire and resolve, can proceed.

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ICELAND

#### ELECTRICITY CONSUMPTION INCREASED 10 PERCENT IN 1982

Reykjavik MORGUNBLADID in Icelandic 23 Mar 83 p 2

[Text] Total electricity consumption in the country increased by 9.73 percent last year, or from a total of 3,258 gigawatt hours in 1981 to 3,575 in 1982.

The greatest share of the electricity consumption is in the form of priority consumption which was about 3,398 gigawatt hours last year compared to 3,108 in 1981, an increase of about 9.33 percent.

General consumption of priority energy was last year about 1,558 gigawatt hours compared to 1,460 in 1981, making an increase of 6.71 percent. Factory consumption increased somewhat more, by 11.65 percent. It was about 1,840 gigawatt hours in 1981.

ISAL's consumption increased by 8.41 percent last year and was 1,366 gigawatt hours, compared to 1,260 in 1981. The Icelandic Smelting Co increased its consumption by 29.21 percent in 1982, or from 202 gigawatt hours in 1981 to 261 in 1982.

Electricity consumption in the form of surplus energy was around 177 gigawatt hours in 1982 compared with 150 in 1981, an increase of about 18 percent. The Icelandic Smelting Co's share of this surplus energy consumption was around 161 gigawatt hours, an increase of 19.26 percent from 135 gigawatt hours. ISAL's consumption of surplus energy increased by 6.67 percent last year, or from 15 gigawatt hours in 1981 to 16 in 1982.

9981 CSO: 3626/29

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#### ENERGY ECONOMICS

#### ITALGAS PRESIDENT ON METHANIZATION OF SOUTH

Rome IL TEMPO in Italian 3 Feb 83 p 26

[Article with ITALGAS President Carlo Da Molo by Agostino Meloni; date and place not specified]

[Text] More than 700 billion lire of state financing for methanization of the South. Investments to provide for civilian and industrial uses, particularly with regard to smaller firms.

"In 1983 we shall begin the methanization of Naples and the construction of that type of system in new communes. There are presently 270,000 customers in Naples who, beginning this year, will have methane at their disposal rather than mixed gas. As for Rome, the methanization process will be completed in 1985. We finished methanizing Messina in 1982."

This information was furnished by Attorney Carlo Da Molo, president of ITALGAS [Italian Gas Company], concerning methanization of the South.

Attorney Da Molo recalled how, in this process, ENI [National Hydrocarbons Agency] collaborated closely with SNAM [National Gas Pipeline Company] in the construction of the Algerian methane pipeline and is still involved in methanizing the South, working with that group's companies--namely, ITALGAS (which operates in the South with ITALGAS South, recently established, and with Neapolitan Gas whose controlling shares it acquired from SME [Southern Electric Company])--Metano Citta and Siciliana Gas. In fact, through Law 784 and a CIPE [Interministerial Committee for Economic Planning] resolution dated 27 February 1981, an operational program was launched for a network of methane gas pipelines for 274 communes (that is, how really to obtain--and not just on paper--financing for the projects of local groups), the conversion to methane of about 100 existing systems and the construction of 19 secondary systems for bringing gas to potential users.

"The state," Attorney Da Molo continued, "has decided to allocate 605 billion lire to methanize the South and, with another decree, 100 billion lire specifically for communes affected by the earthquake; but you can be sure that, if we had had to wait for 'authorization to act' before beginning construction, an authorization which was only recently granted, instead of the methanization of

ITALY

the South being well advanced, it would just now be getting underway. In fact, from the data in our possession, we understand that the communes, although free to choose between self-management and management by a firm specialized in operating methane systems, chose as follows: of a total of 374 communes, 71 chose to be associated with ITALGAS South, 21 with Siciliana Gas, 20 with Metano Citta and 15 with Neapolitan Gas; thus, altogether, there were 127 communes out of a total of 374, as already said, taking part in the first phase of methanization. A list is now being prepared of the communes which are to be included in the second phase."

[Question] Why, Attorney Da Molo, are most of the communes entrusting their affairs to companies to the ENI group?

[Answer] The answer is simple. The law provides for financial assistance which, deriving from sinking fund contributions, including those made available by the European fund, FESR [expansion unknown], secured loans payable over a period of 20 years at 3 percent, contributions to a capital account and interests ranging from 10 to 30 percent of the amount of the expenditure, cuts the expenditure borne by the commune in half in the average case. Despite all this, billions of lire are required to construct a methane system; and how many communes are capable of providing for such an expenditure by themselves? How many private companies can advance such capital? This is not to speak of the technological capability. If we then add the financial aspect to the technical, we have the answer to your question.

[Question] But, Attorney Da Molo, must we then methanize the South with state financing which remains on paper?

[Answer] No. The situation is now changing. It is clear that the cash outlay made by the companies of the ENI group, foremost among which is ITALGAS, has been considerable; but decrees are presently being prepared by the Ministry of Treasury whereby it will be possible to recover past advances and provide for 1983's requirements. However, what is absolutely important is a systematic continuance of the financing arrangement to make it possible to proceed uninterruptedly with established work programs. ITALGAS has scheduled investments of more than 500 billion lire for the 5-year period 1982-1987; if the state financing were to be delayed, this program would be placed in extreme uncertainty.

[Question] Attorney Da Molo, what is a realistic time schedule for methanization of the South to get underway?

[Answer] As I have already said, methanization of the South has already got off the ground. I remind you that, in 1982, in addition to Messina, we completed the system in Margherita di Savoia and the one in Itri where gas has begun to arrive within the last few days; great progress is also being made with the projects

being carried out in Bisceglie, Canosa, Fondi, Montalto Uffugo, Morano Calabro, San Ferdinando and Terracina. Meanwhile, this year we shall begin work on the systems to be installed in Ascoli Satriano, Avigliano, Candela, Corato, Cori, Corigliano, Cosenza, Lamezia Terme, Molfetta, Rossano, Sessa Aurunca, Sezze, Teano and Vibo Valentia. In 1984, 36 additional projects will be started. With regard to Neapolitan Gas which, as is known, carries on its operations in Naples and in the band of communes bordering on that city, steps will be taken this year to methanize not just Naples but also San Giorgio a Cremona, Portici, Ercolano, Torre del Greco, Torre Annunziata, Castellammare di Stabia and Gragnano; in addition, between now and 1984, steps will be taken to construct the networks in Caivano, Cardito, Casandrino, Cergola, Qualiano, Villaricca and Volla. Moreover, let us not forget the communes which have already transferred from ITALGAS to ITALGAS South, such as Catanzaro, Crotone, Formia, Gaeta, Matera, Nocera, Pagani, Potenza and Rende. As you can see, methanization of the South has not been just a matter of discussion but has proceeded and will proceed expeditiously as long as state financing is not decreased.

[Question] Attorney Da Molo, will the South equal the Central North as a methane-producing source?

[Answer] The Central North began to speak of methane at least 30 years ago; but, despite all that, the South will be able to make a good showing. Let us say that, although 65 to 70 percent of the people in the North are provided with methane gas, with certain areas reaching 83.7 and 91 percent in Lombardy and Emilia, the South will be able to approach 60 percent.

[Question] Will methanization bring employment to the South?

[Answer] Investments of 600 billion lire mean setting in motion a circulation of at least 800 billion, and all of that means employment. About 1,500 people will find steady employment in the administrative sector. But there is another matter of greater importance. Methanization, being the availability of a source of energy which is lower in price than other sources, will aid small and medium-sized firms, the craftsman, medium-sized business. The South, perhaps more than large industrial pools which are not, unfortunately, in a state of crisis and are therefore a strong source of disturbance with regard to southern employment, needs to strengthen and develop its enterprise system or, in certain areas, to set such a system in motion. Methanization will undoubtedly play an important role in this process.

[Question] Do you believe, Attorney Da Molo, that methanization of the South will enable us to do without Algerian gas?

[Answer] In this first phase, I would say yes; but as a steady diet, no. If it is not Algerian gas, it will be gas coming from other countries; we cannot consider using up our 200 billion cubic meters of Italian methane reserves to satisfy the country's needs. However, there is no question that the price of methane, even if compared calory for calory with that of oil, must be competitive; otherwise, it would become completely uneconomical not only to use methane but also to spend the money necessary to set up the distribution network.

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[Question] Does the present CIP [Interministerial Price Committee] methodology justify investments? And what do you think of a single national price?

[Answer] At present, the CIP methodology does not justify investments; but something must be added. Prices should not cover just the so-called actual expenses, the operating costs, distribution and plant amortization; they should also be attractive to investments. Therefore, prices are periodically reviewed in this light; otherwise, we are on the wrong track. A single national price is hardly feasible inasmuch as it could favor some consumers and penalize others. For example, it is an objective which may be pursued particularly for cooking. With regard to other uses, such as heating, corrective measures may be made to the present methodology to minimize the present (at times, appreciable) dif-

[Question] Attorney Da Molo, do you have confidence in the national energy plan?

[Answer] There is no question that I consider it a valid and first-rate instrument. Certainly, in my opinion, we should not evaluate it in a static manner. I believe that it should be periodically reviewed in light of the objectives attained, altering it and adapting it to possible changed conditions.

8568 CSO: 3528/97 GOVERNMENT PLAN TO CREATE JOBS FOR YOUTH ADVANCES

Copenhagen BERLINGSKE TIDENDE in Danish 2 Mar 83 p 5

[Article by Helle Ravn Larsen: "Government's Unemployment Plan Well Received"]

[Text] The government's proposal for fighting youth unemployment was positively received by the Social Democrats as well as the Radical Liberals. However the Social Democrats expressed a certain hesitation that there was no mention of a definite guarantee of training or employment for all.

On Monday the government presented a 32-point proposal which would create 10,000 new training, teaching and practice positions. After finishing school all would have a reliable offer of training.

The Radical Liberals characterized the government's plan as a good initiative.

"It is an excellent opening for the debate. It contains many good concrete recommendations for solving the problems of youth unemployment, but we naturally do not agree on all the details," said the radical spokesman for labor market policies, Lone Dybkjaer. In the coming days the group will discuss the details of the plan.

The Social Democrats have declared that they will enter into positive cooperation on the plan. However Ritt Bjerregaard (S) expressed a certain concern that the government plan does not positively guarantee practice positions for all, that all are not guaranteed either training or a job, and that the municipalities no longer will be required to give wage subsidies for extraordinary workplaces for youths in private industry.

The Socialist People's Party characterized the government's proposal as 32 small fleas which will not be important in relation to the enormous problem of youth unemployment. There are today about 75,000 youths without jobs between the ages of 18 and 25.

Next week the Folketing will debate the government plan and a resolution for a nationwide youth guarantee arrangement presented by the Social Democrats. The youth guarantee arrangement states that all youths will be guaranteed training or a job.

9287 CSO: 3613/75 ECONOMIC BELT-TIGHTENING FORCING DANES TO GIVE UP CARS

Copenhagen BERLINGSKE TIDENDE in Danish 2 Mar 83 p 5

[Article: "70,000 Danes Have Said Farewell to Their Cars"]

[Text] During the past 4 years 100,000 cars have disappeared from Danish roads. On 31 December 1982 the number of Danish automobiles was 1.6 million. In 1979 it was 1.7 million.

The number of passenger cars has gone down from 1,429 million in 1979 to 1,358 million in 1982. That means that over 70,000 Danish families--at least temporarily--have said goodby to their beloved but expensive cars.

It is still theoretically possible for the entire Danish family to go for a ride at the same time: we have one car per 3.8 Danes. In Sweden the number is 2.8 and in Germany 2.6. Thirty years ago this could not be done: in 1953 there was one car for each 30 Danes.

But there are many indications that the number of automobiles is again increasing. Optimism in the automobile industry is great: they expect that 1983 will be the best sales year in this decade, with over 100,000 new passenger cars. Automobile sales in January were the largest in 4 years.

Still, over 100,000 passenger cars per year must be sold during the rest of the 1980's before the number of cars again reaches its original size. Therefore there are no signs that we are going to be drowning in cars for many, many years.

9287 CSO: 3613/75

GREECE

#### FIVE-YEAR EEC, GOVERNMENT INVESTMENTS PLAN DETAILED

Athens I KATHIMERINI in Greek 19 Mar 83 p 1

[Text] During the 1985-1990 period investments amounting to 306 billion drachmas could be made in Greece within the framework of the implementation of the integrated Mediterranean programs of the EEC. From this amount, the 202 billion drachmas will come from the Community's funds and the remaining 104 will be part of the governmental program of public investments.

The Community's aid of the 202 billion drachmas is divided by sectors as follows: 98.3 billion drachmas for agriculture; 9.48 billion drachmas for forests; 10.9 billion drachmas for the fishing industry; 13.5 billion drachmas for agricultural industries; 26 billion drachmas for small to medium sized businesses; 22.3 billion drachmas for understructure projects and 20.7 billion drachmas for technical aid and remaining projects.

Official Data

Yesterday, in a related announcement, the EEC Athens office gave out information regarding the make-up of the Mediterranean programs from which the following are reported:

1. This program concerns the entire Greek state except the Attiki Nome and the Greater Salonica area. However, the agricultural measures can be applied to the agricultural sector of the Salonica Nome.

2. The plan aims to develop the Greek agricultural areas within the following two objectives:

a) The modernization of agricultural and fishing operations in order to maintain a significant volume of viable operations which can be combined with the necessary increase in productivity and income improvement taking into consideration the market forecasts.

b) The creation of new jobs in the areas of non-agricultural operations in order to counterbalance, wherever possible, the job losses in the agricultural sector.

3. In the agricultural sector, the plan specifically anticipates a combination of special measures adapted to the various zones. The full effectiveness of the

13

interventions for the reorientation towards certain agricultural products presupposes measures in marketing policy. In most cases the Commission has already undertaken initiatives in order to ensure a satisfactory income for the farmers involved.

4. With regard to the increament in employment the plan is based on the development of the MMEs [Small and Medium-sized Enterprises] and handicrafts, especially in the areas involved in agriculture, in the development of countryside tourism and the exploitation of renwable sources of energy. More than 40 percent of the financing funds which are budgeted for non-agricultural activities, must be made available for productive investments, the remaining funds will be divided between the ancillary activities for the development of business (search for markets, administrative councils, modernization) and activities for the improvement of the infrastructure which are connected with the creation of jobs or the viability of agricultural areas.

#### ECONOMIC

GREECE

#### EEC TRAINING ASSISTANCE

Athens I KATHIMERINI in Greek 15 Mar 83 p 7

[Text] The European Community Fund will participate, with the sum of 3.6 billion drachmas, in the implementation of 68 of the 76 professional qualification programs for the nation's workers. The pertinent resolution was approved by the Advisory Committee of the Fund at the last meeting in Brussels.

The programs of professional qualification have been submitted by our country to the ECF after they had been approved by the special commission located in the Ministry of Labor and chaired by the secretary general of the ministry, Mr. K. Papanagiotou.

The rate of funding participation of the ECF in the programs of professional qualification was increased by 300 percent with respect to similar financings during the first half of 1982 and 1981.

Of the remaining programs (eight), which our country has submitted to the Community Fund, two were rejected because the relative expenditures are not covered by the budgeted credits of the Fund, while the other six will be implemented after approval that will be granted during the second half of 1983 with the Fund's participation in the amount of 1.8 billion drachmas

GREECE

#### LOW PRODUCTIVITY STRESSED

Athens ETHNOS in Greek 20 Mar 83 p 3

[Text] Most Greeks are buyers, parasites and permanently idle. Only 38 percent of Greeks are productive, despite the intensive urbanization of the population.

This percentage, according to the figures of the Ministry of Labor, is the lowest in Europe next to Ireland.

This low percentage is due mainly to the high rate of emigration after 1960, to small participation of women in production, who represent 32 percent, and to the permanently pensioned students.

Presently, there are approximately 1.6 million wage earners in the country and they represent 43.5 percent of the economically active population.

Of those who work, 40 percent are skilled workers, laborers and transportation operators; 26 percent are professionals, technicians and office employees; 13 percent are merchants and middlemen.

Of these, 44 percent is to be found in the capital; 26.5 percent in Makedonia and 29.5 in the seven remaining regions.

#### SMALL IMPROVEMENT PREDICTED FOR 1983 EXPORTS

Athens I KATHIMERINI in Greek 17 Mar 83 p 9

[Text] Despite the devaluation of the drachma, our exports will show only a small increase during 1983 in relation to the low level of the 1982 export deliveries. This increase is forecast to take place during the second half of the current year.

This is the conclusion of the report of the Export Research and Studies Center (KEEM) which was founded by the Panhellenic Association of Exporters. This report involves forecasts on a six-month basis. Essentially, in the report it is estimated that the value of the exports during the first six months of 1983 will develop at levels of 2.2 to 2.3 billion dollars. For the entire year, it is foreseen that the value of exports will develop on somewhat higher levels in relation to 1982 and 1981, but they will be significantly lower than the levels they had reached in 1980. This is due--KEEM asserts--to the fact that the competitiveness of exports will improve because of the devalution, in the meantime, all lost ground will not be recovered because international demand will remain at low levels.

In addition, it is noted, that the "competitiveness" of Greek exports, calculated on the basis of the inflationary level in Greece and in the principal competitive countries, and the real parity of the drachma and the currencies of these countries, which improved with the devaluation, will be neutralized in part by the development of the prices and parities in 1983. With regard to the demand in the principal Greek markets, a slight upturn will be observed in comparison to 1982, but it will remain low (total 2.5 percent) and will be lower for industrial products.

During the current year, the growth of protectionist tendencies and the difficulties in making payments, which many developing and oil-producing and Eastern countries are experiencing, will constitute a serious problem because some of them are very significant markets for Greek products (for example Libya, Romania). "Under these conditions," it is pointed out in the study, "the role of the government's policy for the promotion of Greek interests and the promotion of exports acquires a dominant significance. From the actions by the government in this direction will depend, to a great extent, whether the margins created by the devaluation will be exploited."

#### ECONOMIC

GREECE

#### UNEMPLOYMENT STATISTICS POINT TO SHARP RISE

Athens I VRADYNI in Greek 15 Mar 83 p 14

[Text] Unemployment in Greece increased by 24.4 percent in one year (February 1982-February 1983) while during the two-month period of January and February the unemployment increase reached 52.4 percent.

These revealing facts were released by the Employment Directorate of the Labor Ministry. They also reveal that during the twelve-month period, February 1981-February 1982, unemployment increased by 0.9 percent.

According to the data from the same source:

In February 1983, a total of 11,511 individuals were laid off while during the corresponding month in 1982, 10, 532 individuals were laid off and 10,894 in February 1981.

An absolute drop of 12.5 percent was registered in the number of those hired in the 12-month period which ended February 1983 while during the corresponding 12-month period which ended February 1982, the number of those placed by the OAED [Labor Force Employment Organization] showed an increase of 13.5 percent.

More impressive is the increase in unemployment during the two-month period, January-February 1983, in relation to the same two-month period of the previous year as indicated by the 52.4 percent increase of the relative quantities.

Based on the above mentioned data, the unemployment percentage, as related to the total workforce, reached 5.2 percent in February 1983 while in February 1981 and 1982 the percentage of unemployment was 4.3 percent; that is, it remained unchanged.

Therefore, as these figures indicate, the number of laid off workers increases steadily and the number of workers placed by OAED diminishes.

ECONOMIC

ICELAND

#### CURRENT INFLATION RATE EXCEEDS 100 PERCENT

#### Building Costs Measured

## Reykjavik MORGUNBLADID in Icelandic 29 Mar 83 p 48

[Text] The inflation rate now stands at 105.3 percent according to construction price indexing. The construction price index increased from 100 to 119.72 from the beginning of December to the beginning of March, or 19.7 percent, according to a news release from Iceland's Bureau of Statistics.

The news release also reveals a change in the basis for construction price index. Statute No 18/1983 sets the base figure at 100 as of the beginning of December 1982. The index rose from that time until the beginning of March by 19.72, making the price index 119.72, valid from April until June 1983.

Corresponding price index according to the old basis is 1,774.03 and is also valid for the period April-June 1983 for comparison with the older basis.

Comment on Inflation, Leftists

Reykjavik MORGUNBLADID in Icelandic 29 Mar 83 p 20

[Editorial]

[Text] The inflation rate is now about to top 100 percent according to calculations by Iceland's Central Bank. In 1979, it was only 61 percent. In February 1980 the newly formed government faithfully promised in the first article of its covenant to keep inflation in 1982 at a similar rate as Iceland's principal trade partners. In 1982 inflation only reached 61 percent, as in 1979. However, inflation in our principal trade nations was well under 10 percent in 1982. Thus, the government's plan completely failed.

Despite this obvious failure of the government and the opposition's going along with all its economic plans, the leaders of the Progressive Party and the People's Alliance now appear before the voters as if all were well and claim to possess a magic formula against inflation, if only they can remain at the helm. True, they do discuss the inflation as much as in 1979 before the elections, but they emphasize even more that they alone can be depended on to ensure continued employment in the country. Looking at their gross deception in the fight against inflation, wage-earners would be fools to listen to them now and their lofty promises to guard against unemployment.

Svavar Gestsson, president of the People's Alliance, stated in his New Year's proclamation in THJODVILJINN of 31 December 1980 that inflation could at any time "change to an even more far reaching problem than can be measured by price indexing--a problem of an independent Icelandic nation. A depression would cause mass emigration, which would shake the foundation on which the nation's independence rests. An inflation rate 100 percent or more, such as in Israel, would have the same results. We must realize that Iceland is a participant in international agreements, such as the World Bank and the International Currency Fund, and if the situation warranted these institutions could demand reparations. This, in turn, could threaten the nation's independence...."

Steingrimur Hermannsson, president of the Progressive Party, stated in an interview with HELGARPOSTURINN of 13 August 1982: "One sometimes wonders if anything can be done except let them keep sloshing around in an inflation of 70-80 percent, which can only lead to running aground. Undoubtedly inflation will then also crash." The reporter asks: "Does that mean that everything will crash?" And Steingrimur replies: "Yes. Everything will crash."

These strong words of Svavar Gestsson and Steingrimur Hermannsson about the tragic results of their government's direction say all that is necessary. Both talk about crashing, and Svavar considers the situation that has come about under his leadership to be threatening to the nation's independence--mass emigration will result and international institutions will have to use desperate means to save the day.

It is incredible that Svavar and Steingrimur did not dissolve the coalition long ago, seeing nothing but a crash ahead. They did not because they are even fonder of their seats of power than the nation's independence. Does anyone think they would have trouble blaming others for depression and unemployment after the elections if they were able to regain those seats of power? With the least encouragement they will just continue to "slosh around" in the government.

9981 CSO: 3626/29 ECONOMIG

# MINISTER ROMERO ON EFFORTS TO UPLIFT AGRARIAN ECONOMY

Madrid CAMBIO 16 in Spanish 28 Mar 83 pp 55-57

[Article by Javier Gilsanz; passages enclosed in slantlines printed in bold-face]

[Text] He is concerned about modernizing the rural sector so that it will not have to depend on subsidies and the purchase of surpluses, or on the annual battle over agricultural prices; rather, it will subsist by producing what is needed at reasonable costs and with sufficient productivity. For this purpose he wants to plan for the future, seeking with agrarian organizations to restructure agricultural holdings and production.

He is what one might call an atypical minister. Simple, cordial, easygoing, preferring to wear corduroy, he is one of those people who are so normal one can never imagine seeing them in an official limousine. He likes to set an example, arriving at the Ministry 5 minutes before the first official, and to /touch/ people. They are surprised to meet him in the halls or in the elevator. "I have been to nearly all the agencies of this Ministry, shaking hands with all the officials one by one. There were places no minister had ever gone before," he remarks proudly, with that smile that comes out in all the photographs.

He tramped all over Spain during the seventies--"some 40,000 kilometers a year"--as an Agrarian Extension agent, before settling in to his office on Glorieta de Atocha. "Penaranda de Duero? Yes, there is a good wine there, at the cooperative on the outskirts of town," and he can say the same for Andalusia, La Mancha, Catalonia or Levante, two of the areas he is most familiar with. For many years he attended meetings with leftist agrarian organizations, and witnessed more than one demonstration. And now he must enter battle with them, especially the rightist organizations, facing the possibility of their taking to the highways with their tractors. "Well, all the ministers have had their tractors," he says, unconcerned.

The minister of agriculture, fishing and food ticks off the accomplishments of his department during these first 3 months. And he begins by recalling the talks with the autonomous governments to try to arrive at a rational process of transference. "This Ministry has come up with the best transference procedure, to the extent that 85 percent of the services that will be available

SPAIN

to farmers will be provided by the autonomous governments. That is why we have taken the first steps toward establishing coordinating agencies to foment cooperation between the Central Administration and the autonomous governments: the Agrarian Sectorial Conference," he explains in his initial remarks.

The legacy he inherited has weighed very heavily during the first 100 days of the new Agriculture Ministry. "We have tried to address several inherited problems from our first day in office. They have obliged us to take the bull by the horns. The floods in Levante, Catalonia and Huesca dominated much of the Ministry's initial efforts; I think we have performed well, and quite quickly. After that comes the UTECO-Jaen issue which we also tackled from the first day onward. Furthermore, it coincided with a bumper oil harvest; the administration may have to buy 200,000 tons of oil. We have also taken up the matter of the three fishing agreements with Portugal, Morocco and the European Economic Community (EEC), which were closed when we came in," recalls the minister. Later, Carlos Romero shows a particular weakness for the issue of agrarian insurance, which is already underway and will quintuple the Ministry's budget for that item. "We must overcome the ever-growing problem of providing natural disaster aid year after year, sometimes under rather unorthodox and high-pressure circumstances, sometimes for political reasons. Moreover, this problem comes up regularly, almost every, year. And we must move on to a phase when compensation for risks is covered automatically through the implementation of agrarian insurance," he explains. The idea is that in order to promote this insurance, the administration will pay part of the premium, especially in the case of small farmers (in 1983 more than 5 billion pesetas will be spent).

The new minister of agriculture wants to incorporate agrarian organizations into a series of agencies where they have no representation at present. "Until now they were only in FORPPA. Very soon they will be represented at the National Institute for Agrarian Studies (INIA) and the Institute for Agrarian Relations (IRA), while their representation at other agencies is under consideration. For being there they will receive a perfectly public, transparent economic compensation. This is a way of avoiding the temptation of disriminatory or surreptitious public subsidies," he explains.

One matter that figures among the minister's greatest concerns--perhaps it is his greatest--is the reordering of agricultural production so that it will cease to produce surplus goods that have no market, forcing the government-through FORPPA--to spend more than 200 billion pesetas to finance surpluses. "We are concluding our report on the situation, and we will distribute it to agrarian organizations and to the entire nation so that we can get an idea of where we are and where we are going. We must determine the present status of this country's principal products, and their medium-term prospects," says Carlos Romero, who cites three examples of products that cannot continue as they are now: wines, milk and oil.

"Another concern of ours is to increase the productive dimension of small holdings, because we feel that the way to ensure stable income for farmers is to enable their operations to provide them with higher revenues on an ordinary and regular basis. This will entail expanding the dimension of small holdings," the minister explains.

With these basic objectives, the new agriculture team is now working to reorganize all public assistance to the agrarian sector, which is spread out over numerous agencies and various ministries. "We are trying to define where we are in order to fuse lines of assistance and make sure they are consistent with the objectives of production and agrarian policy; so far, that has not been the case," says Carlos Romero.

The minister points out that theoretically, all the basic activities planned for this year "are directly in line with the 4-year program in which we are operating." And what is that program? "Structures and production would be the two themes. On the one hand, we aim to have farms with greater productive capacity, which requires the reorganization of the structures of production, focusing assistance on young sectors and small holdings with potential. As for production, we intend to make a 4-year plan and concentrate on that objective in aid as well as technical assistance and research," he sums up.

In this manner, Carlos Romero thinks that the old tendency to shore up agricultural income only through pricing can be overcome. "We think it is a fallacy, because for a certain type of family it is not possible to guarantee-and history proves this--the maintenance or improvement of income through pricing alone." Given that principle, the minister does not want to talk about the negotiation of agrarian prices this year, which is expected to begin by the end of the month, once the government resolves the issue of the General State Budgets for 1983. "I cannot talk about prices because first we must discuss it at the government level," says Carlos Romero repeatedly.

We return to the central issue, the restructuring of agrarian holdings and production. This need may not sit well with the traditional farmer, who is no friend of change. "No, I think the farmer is changing quite a bit. There are increasingly more farmers who have a more modern idea of what production and agriculture are, and as I understand it, what the farmer has been lacking, just like businessmen, is a medium-term perspective," explains the minister.

The idea is to give the farmer a frame of reference so that his production can adjust to the national and international markets. "It should be made clear that the purpose of production is to sell," indicates the minister, who intends to use public assistance as a lever for change: "Government funds will modernize agriculture and will ensure that holdings generate sufficient income and maintain employment levels."

Carlos Romero believes that Spanish agriculture has a future, although some regions and crops need some restructuring ("of course, much less than the steel industry"). He insists on the notion of preparing for the future: "We are going to have a vision, to try to give people a frame of reference and to enable them to attempt freely to adjust to that reference, which will be discussed, naturally, with the farmers. That is why we need important and strong organizations in the rural sector, with adequate means and technical capacity, so that they can take on a good part of the responsibility and self-regulation."

Spain's membership in the European Economic Community (EEC) will have a tremendous impact on the reform of our agriculture. "It would have to undergo a reorganization anyway, whether or not we join the Community, because we are not alone; we are in a context within which we move and compete. Without a doubt, the Community issue forces us and the EEC to participate in the reconversion of the agricultural Common Market and of our agriculture," states the minister, who believes that the regions that will have to make the greatest effort at reconversion in terms of the EEC are the Cantabrian cornice, Galicia and part of Castille.

Now we bring up a series of matters that are /topical/ in any conversation about agriculture, and which never cease to please Carlos Romero. Agrarian income? "The blanket assertion that agrarian income is the Cinderella of this country is false: there are sectors that are worse off, but there are others with quite respectable income levels." And he cannot help but note that there are people who use the issue of other people's low income to boost their own benefits more, through price negotiation, for example. "What we think is that there are collectives, social groups and districts in rural areas that have very low incomes, I might even say scandalously low, and we must try to improve /those/ collectives. Part of this will be achieved through production processes or improved structures, and another way to achieve it will be the transference of income through other mechanisms (Social Security, provisions, etc.)," he adds.

Another issue that is often mentioned is that agriculture is in a suspension of payments situation, that farmers' debts total a /trillion/ pesetas. "No one has evaluated the true significance of the debt issue, because everything comes into play there, from harvest credits to loans taken out by non-farmers who want to buy a farm. It is not a question of how much; rather, the issue is that in terms of the agriculture of the future, the rural sector will have to resort to credit more and more, like any industrial or service activity. Then it becomes a matter of determining the conditions of the credit, its term and its cost. We must also determine who does and who does not have access to credit," says the minister, irritated with the "demagoguery" that this subject has prompted.

The Ministry's position is that those farmers who have a viable operation with future potential should be able to obtain loans, even if they have no assets. "It is basically a question of collateral, and what the money is needed for. Then, what we want is for those people who can submit a viable project to be able to have access to privileged credit lines, generally official credit. This issue has not been raised so far."

Some agrarian organizations have raised an outcry about proposed controls in the agrarian sector. "What we are going to do is make those who have to pay pay, and those who have less to pay shall pay less. This is clearly the principle of the matter. Then we must make sure that controls in this sector are related to the real yield of agricultural holdings," explains the minister, pointing out that a task force in Finance is studying this matter.

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"Young farmers will be one of the sectors that are, you might say, pampered by the Ministry. We are going to help all the young people who have cultivation projects, providing them with credit resources and the necessary support. The collateral system will have to be modified; there will have to be a generational renovation on the basis of parent-child agreements (in those that are operating); and we will even have some input in a line of youth cooperativism," says the minister.

We talked about livestock, which has been half forgotten. "Not only is it an important activity in its own right in terms of products, but much of the future of agriculture may depend on the future of livestock," says Carlos Romero at the outset. And he expresses great concern for improving animal health. "This is a key issue. One of the challenges we set for ourselves is to do away with swine disease in this country within the next 4 years."

Fishing matters have been more than just a headache for Carlos Romero in recent months. "Here, the basic objectives would be to ensure the maintenance of the highest possible number of boats in traditional fishing grounds (Portugal, Morocco and the EEC), but we must seek other fishing grounds in other areas, and part of the fleet is incapable of operating there, so we would have to reconvert the fleet. The sector is being restructured, and the kind of vessel is being modified," explains the minister, who believes that Spain has some fishing subsectors that are very advanced.

In another area of fishing policy, our coasts are being put in order. "We must launch an effort to conserve and restructure our national fishing grounds, stimulating maritime cultivation, an activity that will figure in this country's future. We feel that a good part of our protein will come from marine crops."

The minister of agriculture is in charge of food matters, and is in direct contact with the Ministry of Health and Consumption. "We have spent a lot of time on the technical-health regulations governing a series of products ranging from ice cream to whisky, including oils and others. The food situation can be improved by achieving major agreements with the production sector, and with industry, both of which are cooperating very well because they know that we are dealing with part of the national and international markets, not just the consumers but the industrial sector itself," explains Carlos Romero, who believes that before this summer the basic regulations that comprise the Food Code will be finalized.

When asked to select a slogan for his ministry, Carlos Romero chooses /provide for the future./ "People must have some references that go beyond a year. The issue would be: Well, you should not produce for just one year, you must think about the medium term; therefore, between you and the administration we must try to define what the medium term is and agree on how we are going to reach it. This is the issue; it's that simple." It is a question of producing to sell, and of keeping an account of production, as if it were a business. How can it be summed up? "Dispelling uncertainties, directing assistance toward the modernization of agriculture and the improvement of agrarian income, not in general, but in the most underprivileged sectors. In that regard we will be belligerent," concludes Carlos Romero. 8926 CSO: 3548/324

#### ECONOMIC

# AUTONOMOUS ENTITIES SEEK ROLE IN PUBLIC ENTERPRISE

Madrid MERCADO in Spanish 25-31 Mar 83 p 25

[Text] The establishment of the autonomous entities sooner or later had to affect public enterprises as well. Last 10 March, representatives of the autonomous governments of Catalonia, the Basque Country, Galicia, Valencia, Andalusia and the Canary Islands met in Valencia with Oscar Fanjul, technical secretary general of industry and energy. They asked for direct representation of the autonomous governments on the boards of directors of the public enterprises located in the territories of each of these communities.

Moreover, aware that in practice these boards have merely executive power based on the orders received from "higher up," the representatives proposed that in the new organizational chart resulting from the modification of the National Institute of Industry (INI) bylaws, a consultative or advisory body be included, to be made up of representatives of the autonomous governments that have public enterprises in their territories. This body, through its functions, could have a direct influence on the Institute's overall investment policy.

No formal decision resulted from the Valencia meeting, since the people who met there do not constitute any executive body recognized by the Administration. It was just an informative meeting, for advisory and consultative purposes. Oscar Fanjul, speaking for the Central Administration at the meeting, will have to transmit the "demands" of the autonomies of the 151 or those incorporated in that constitutional entity, to the Ministry of Industry and Energy.

The experts at the department will now have to analyze the positions of the autonomous governments, look at the constitutionality of these requests, try to "marry" them with the ministry's policy, and then send the corresponding report to Minister Solchaga. He will make the final decision, and his decision will be taken to the mixed commission on Central Administration-Auton-omous Governments transferences.

So far the autonomous governments are only able to gain access to the management of the public enterprises located in their territory in a very tangential way, and only in the case of enterprises undergoing reconversion. In other words, as one of the representatives of the autonomous administrations who attended the Valencia meeting on the 10th said, "we are beginning to enter the INI companies that are in our territory at a time when things are going very badly. When things are running smoothly, we have no luck at all."

But direct access to the boards of directors of only those public enterprises that are in the INI would do no good, because in the final analysis the INI's medium- and long-term investment policy is what really matters from the standpoint of reindustrializing Spain by combining the central and peripheral criteria. The second "demand" presented by the representatives of the "strong" autonomous entities to the Ministry of Industry can be understood as a function of all this: the creation of an advisory and consultative body in the Institute, with a "direct line" to the INI presidency, to influence public investment policy in the industrial sphere.

We should mention a separate idea that was just outlined at the Valencia meeting on the 10th, that of the network of high-tension lines for electricity. Based on the assumption that such a network will be nationalized, as has happened several times in the Socialist Administration, and in line with the above, the representatives of the Catalonian, Basque, Galician, Valencian, Andalusian and Canary autonomous governments proposed that the Administration, before decreeing the nationalization, consider the possibility that the aforementioned autonomous administrations might exert some control over the high-tension network that runs through their territory.

In any case, it is clear that the autonomous representatives want to be as close as possible to the decision-making centers of the public enterprises that operate in each community. The going will be rough, however, because the "autonomy threat" is a variable that the Administration will have to take into account.

8926 CSO: 3548/324
# CCOO INTERPRETATION OF INTERCONFEDERAL AGREEMENT

Madrid GACETA SINDICAL in Spanish Feb 83 pp 24-5

[Commentary by Santiago Carballo Quiroga; secretary for organization of the Madrid Labor Union of the CCOO]

[Text] The first and second congresses of the Workers Commissions (CCOO) have been defining a labor union strategy based on what has recently been labeled in the CCOO "social reconciliation," which in the context of the economic crisis has taken the form of the so-called "negotiated settlement."

This strategy has been tried with the various Democratic Center Union (UCD) governments with overall results that were quite unsatisfactory (to put it mildly); at any rate, the outcome of that effort has been thwarted at the core of the strategy that is the struggle to overcome unemployment, or in the most familiar manifestation of that struggle, the National Solidarity Plan. In my opinion, the Moncloa Pacts and the Framework Collective Bargaining Agreement (AMI) have both, like the National Employment Agreement (ANE), been frustrated in terms of their essential goal of combatting unemployment (we will not go into other aspects). It is well known that unemployment has done nothing but grow year after year; and it was not the fault of those pacts (at least the AMI and the ANE), but their contribution to the struggle against unemployment has been absolutely nil. Despite all those efforts, the economy has not improved, and we have not even been able to prevent the continual decline of workers' living conditions (and there is no need to limit ourselves to income from wages).

When it comes time to analyze the causes of those failures, in my opinion they must be linked to the inability of the Spanish right and its principal political party during the transition (the UCD) to assume a reformist attitude. Such an attitude is a prerequisite without which social reconciliation remains a mere caricature, lacking one of its essential mainstays (the government and its social counterparts).

#### Reconciliation

ECONOMIC

Thus, the new political situation resulting from the installation of the Spanish Socialist Workers Party (PSOE) in the national government undoubtedly opens up new prospects for developing a strategy of social reconciliation. On the other hand, it is also clear that the overwhelming triumph of the option of the moderate left, represented by the PSOE, means from the political standpoint that a reformist stage has begun, at least for a somewhat extended period, during which any other revolutionary-style alternative is relegated to the sidelines, condemned to waste away. The awareness that we are immersed in a reformist stage and that the objective of a mainstream revolutionary left is not to bombard and dynamite that process but to push it toward the left, is a key element in advancing a consistent revolutionary socialist alternative. (To assume that the frustration of the masses will lead to a radicalization and consequent revolutionary crisis is worse than playing with fire.) It is precisely within the context of this political analysis that the CCOO's attitude toward the Interconfederal Agreement (AI) should be viewed.

Whether or not unemployment is discussed in the AI, whether or not clauses are signed in that regard, the AI, just like its predecessors, is a pact that forms a part of the social reconciliation strategy. Whether it turns out to be good, bad or indifferent depends on its specific content, but it should be made clear to all that it is a part of that strategy, even though it does not have clauses governing employment. And by saying "yes," we have all connected it with the campaign promises of the PSOE (reform the Basic Employment Law, create 800,000 jobs, etc.). But aside from that asertion, although still related to it, the AI will undoubtedly establish within the Spanish organized labor sphere a structure for collective bargaining that is based on a defined, overall framework for the entire economy, to be developed later in sectorial and company contracts, a model equaled only in the Nordic countries. For many this means consolidating (or helping to consolidate) a model for official collective bargaining from above that would socialdemocratize the labor movement. That model is contrasted to sector-by-sector and company-by-company negotiations with no general guidelines.

# Models for Negotiation

There is no doubt of the importance negotiating models can have in the bureaucratization of unions, but to assert categorically that a certain practice corresponds to a certain model is still an excessively linear proposition that is not corroborated by world labor movement experience. Thus, we all accept unhesitatingly that the American unions are the yellowest in the world, and yet it is that country which has an absolutely decentralized bargaining structure in which individual workplaces and companies are given priority (the Japanese model is the same). In Europe, the German situation shows us some unions that are reluctant to negotiate inter-sectorial model contracts, and that fight tooth and nail to defend the autonomy of the industrial federations in collective bargaining. On the other hand, the French unions, certainly more radical than their German counterparts, have not been reluctant to sign interconfederal agreements with management, although limited to specific issues (Professional Training, Job Security, etc.). Likewise, the Italian unions have signed interconfederal agreements--and not for the first time-similar to the one recently concluded.

We must reject, then, any excessively determinist notion that automatically identifies interconfederal model agreements with bureaucratization and socialdemocratization. Furthermore, even accepting the importance of the conditioning factor, we must be aware that a union must not devise its tactics in a vacuum (as if it were the only union in existence), but should bear in mind the tactics of the other social protagonists, the General Union of Workers (UGT) and management; and nowadays it appears that both have opted for a model based on the general agreements. To try to confront that model head-on is a little like confusing windmills with giants, and that is quixotic no matter how you slice it.

## Salary Range

Another point that must be made with regard to the controversy over model agreements or interconfederal agreements is that not all is positive or negative, and that at every specific moment they may or may not be valid from labor's point of view, depending on the circumstances. There is no doubt that establishing a salary range with a ceiling is an obstacle, sometimes an unfair one, for companies with high profits; but there should also be no doubt that the existence of that range (as long as it is acceptable, as I think it is in the AI case) helps the contracts of disorganized sectors (and there are none too few) as much as the sectors that are able to fight. But due to the economic crisis that has hit businessmen, they are putting up fierce resistance to wage raises, even moderate ones (certainly the vast majority of sectors).

We should not overlook the importance of the economic crisis in consolidating this model. There is no government that during a crisis will not try to base part of its economic policy on the so-called income policy (in the negotiation of wages in a global manner). Some do so by means of decrees (and in Europe we have the recent example of the Socialist-Communist government of France decreeing price and wage freezes), while others favor model agreements or self-limitation of union demands, offering social benefits in exchange (this is the classic example of the English social pact). This kind of formula is not unknown in countries that are undergoing a revolution or are building socialism, although in a different socioeconomic context.

It is for all these reasons that the wisest move for the unions at this point is to try to squeeze the utmost out of the social reconciliation strategy defined at our two congresses. And if we have this clearly in mind, the problem of whether there should be one, two or three bargaining tables, or whether there should be simultaneous negotiations at all three, is secondary, in my opinion, although not lacking in importance.

#### Assessment of AI

Brushing aside the more political reasons, the problem of whether or not to sign the AMI, the ANE or now the AI most certainly lies in the content of the agreement itself: Does it help or hinder the development of subsequent collective bargaining? Does it contribute to the achievement of our demands, to resisting the offensive launched by management to erode wages and working conditions (for the sake of the profitability of capital)? We did not sign the AMI because of negative elements in its content; we did sign the ANE because we deemed it generally positive; and we have also signed the AI because we have determined that it was possible and therefore acceptable and positive. Now that the AI has been signed, the task that lies before us is the immense struggle to ensure that with each contract, with the mobilization and the battle behind us, we obtain the utmost from the positive aspects. In a more general way, without getting nervous, without being precipitous, and without criticizing the PSOE for the sake of criticizing, we should be capable of guaranteeing at least the realization of the many positive aspects of its electoral platform. We should do so without succumbing to facile demagogic criticism, but also without holding back on all the issues we are confident we are correct in criticizing, as has been expressed very well by an illustrious PSOE leftist deputy in a recent issue of EL PAIS. Nor should we be afraid to bring about the necessary mobilizations, without which, we in the CCOO have always said, it will be impossible to overcome the resistance of management and the conservative forces. The class struggle also exists during reformist political stages.

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CSO: 3548/325

## IMPACT REPORT ON INDUSTRIAL RECONVERSION

Madrid GACETA SINDICAL in Spanish Feb 83 pp 30-32

[Article by Andres Gomez]

[Text] This study was written for discussion purposes by the Executive Committee of the Metal Federation of the Workers Commissions (CCOO), which assumes full responsibility for it.

1. Description of Situation

We shall distinguish the manner in which the reconversion is being approached, dividing the firms into three groups:

--Those which are participating in or may participate in negotiated plans under the industrial reconversion law (the old decree of June).

--Those which have negotiated or have begun negotiations on feasibility plans outside the industrial reconversion law.

--Those which are undertaking restructuring/reconversion outside any negotiating procedure.

It is important to make this distinction because in each of the three groups the degree of union participation varies substantially.

We will focus largely and fundamentally on the impact all these cases are having on employment.

1.1. Within Reconversion Law

We will utilize two indices for orientation: the sum of the negotiated plans, the surpluses claimed by the firms and the reductions actually made between the beginning of each plan and the present; and the trends in employment in the 15 companies with the largest payrolls, included in those plans, between 1979 and 1981.

With regard to the first aspect, which is illustrated in Table I, in the nine sectors in question, management claimed a surplus of 26,540 workers, of which

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11,400 were actually cut from the payroll (excluding common steel and auto manufacturing, due to a lack of updated statistics.

Integrated Iron and Steel: During the plan's 3-year history, two have been covered, and there the payroll has been cut by 72 percent of what management proposed to cut.

Steel Mills: During the 4 years the plan has been in effect, two have been covered, and there the payrolls have been reduced by more than 700 people.

Large Shipyards: The payrolls have been cut by 3,000 people, 60 percent of management's proposal, and there are still 2 years left in the plan's life.

FEMSA-R. Bosch: Of the excess claimed by the firms (1,700 workers), 1,000 workers have been covered, nearly 60 percent; 1 year is left in the plan.

Ibercobre: In the first year of the plan, nearly half the surplus claimed by management has been eliminated.

Home Appliances: In the various plans of the home appliances sector, 2,100 jobs have been eliminated, out of the 4,100 proposed by management.

Auto Manufacturing: Up-to-date figures are not available. The auto manufacturing plan was the last one negotiated after various delays by the administration. There appear to be no special problems.

Small Shipyards: The adjustment plans have not yet been implemented. Payroll reductions, therefore, are not yet known.

Common Steel: There are no specific data, but payroll reductions are taking place.

A complementary figure can be obtained from payroll developments between 1979 and 1981 for the firms with the most employees, selected from those included in negotiated plans within the reconversion law.

These statistics reveal only part of the results of the plans, because they do not include the effects in 1982.

In the 2 years included, for the 15 companies in question, a total of 9,945 jobs were eliminated, equivalent to 9.9 percent of the total. The outcome in 1982 for this sample was no less than 6,000 jobs lost, meaning that in 3 years more than 15 percent of the workforce was cut.

1.2. Company Reconversions Outside the Reconversion Law

In the businesses where we have negotiated or intervened in one way or another, included in Table III, management claimed that some 19,239 jobs needed to be eliminated; the actual payroll reduction since the agreement was implemented was 13,100 workers, 68 percent of the original proposal. Nine companies are included in this section, and some of them (ENASA and M. Iberica) are cutting back on personnel without quantifying the surplus.

As in the above case, looking at changes in payrolls between 1981 and 1979, we see that in the nine companies that make up this group more than 12,000 jobs have disappeared (12.2 percent). If we bear in mind that the elimination of surplus jobs claimed by management has continued in 1982, the reduction could add up to 7,000 more jobs, an additional 7 percent.

Let us look at each case separately:

SEAT: By the end of 1982 there were some 24,500 workers on the payroll, a reduction of 7,300 with respect to 1979 (41-day and 32-day notices of dismissal, pursuant to regulations, affecting 2,100 workers).

Standard: At the end of 1982 the payroll amounted to about 15,200 workers, a drop of 2,600 jobs below the 1979 level (6-month notice affecting 1,300 workers).

Talbot: Separating the Hispavinsa payroll from Talbot's, the latter's total is about 10,000 workers, a reduction of nearly 1,000 jobs since 1981 (suspension notices for 1/3 of the work week, affecting nearly all personnel).

Marconi: About 150 workers were cut from the payroll in 1982 (6-month notice affecting more than 1,000 workers).

In the remaining companies there have been additional payroll cutbacks.

1.3. Restructuring of Large Firms Without Specific Negotiations

Continuing the analysis with the large metal companies included among the 150 firms with the most employees in the nation, if we exclude the 15 involved in reconversion plans and the 9 included in company plans, there remain 22 firms, of which 13 are carrying out payroll reductions.

The only ones that generated employment between 1979 and 1981, basically, were Bazan, Maquinista and Harvester Suppliers, Inc. (CASA), which are public enterprises. A thousand jobs were created by them, and to that total should be added the ones included in the 1982 agreements. The other firms that have not reduced employment are Abengoa and Montajes Nervion, both assembly companies.

The other 13 companies, shown in Table V, can be divided into three groups:

--Those which are clearly in the process of restructuring (ENDASA, Olivetti, INTELSA, Lamparas Z).

---Those which are cutting back their payrolls without any clear restructuring proposal behind them (Roca, Santa Barbara, CAF, Zardoya and Luzuriaga).

--The four automotive firms that are gradually reducing their workforces (FASA, Citroen, Ford and Santana).

In these 13 companies, the payrolls were cut by 5,765 workers between 1979 and 1981, which represents 6.9 percent. In 1982, according to available data, more than 3,000 jobs were eliminated from those firms.

1.4. Conclusions on Payroll Reductions by Large Metal Firms

From the available data we can draw some conclusions:

In all the large firms analyzed, excluding the companies that have expanded their payrolls, between 1979 and 1981 27,874 jobs were eliminated, out of a total of 23,000 (10.2 percent). A realistic estimate for 1982 would be a total of 16,500 jobs lost, bringing the percentage of reduction up to 16.3 percent.

The payroll reductions were distributed among:

--The companies that participated in reconversion plans under the law (Decree of 5 June 1981), whose reduction figure is about 15 percent.

--The firms included in "company feasibility plans," that is, those which did not avail themselves of the law; their reduction figure is about 20 percent.

--The firms that are restructuring or cutting back their payrolls surreptitiously, outside of any negotiating framework; their reduction totals about 12 percent.

In the companies whose plans come under the law and where there has been no union intervention, the reduction rate has been high.

In the companies that have their own plans, not covered by the law and with no union intervention, the reductions have been to a lesser degree than the above group, but there have been some.

In the third group of firms, payrolls have been cut back gradually through incentives for reduction or natural attrition, but with practically no union intervention.

## Table I

Reconversions under Reconversion Law

Integrated Iron & Steel	Duration of Plans 1981-83	Reductions Pro- posed by Management 5,800	Reductions Made to Date 4,200
Special Steel Mills	Nov. 81-Nov.	•	700
Large Shipyards	1982–84	•	
		5,000	3,000
Small Shipyards	1982-84	4,000	
FEMSA-R. Bosch	1981-83	1,700	1,000
Auto Manufacturing	1982–84	440	?
Copper	1982–84	900	400

Common Steel		2,600	?
Home Appliances	1980–85	4,100	2,100
		26,540	11,400

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	1979	1981	%Change
ENSIDESA	26,140	23,907	-8.5
AESA	19,000	17,920	-5.7
AHV	12,495	11,585	-7.3
Astano	6,500	5,950	-8.5
FEMSA	6,881	5,605	-18.5
AHM	4,916	4,324	-12.0
Babcock Wilcox	4,601	4,379	-4.8
Ibercobre	3,209	2,890	-9.9
Fabrelec	2,713	2,512	-7.4
Nueva Montana	3,094	2,280	-26.3
IBELSA	2,340	2,200	-6.0
Orbaiceta	2,262	2,200	-2.8
UNL	2,760	2,100	-22.2
COINTRA	2,460	2,075	-15.7
Ulgor -	3,472	2,780	-19.9
	99,523	89,588	-9.9

# Table III

Reconversions Outside of Law

	Duration of Plans	ReductionsPro- posed by Management	Reductions Made to Date
Motor Iberica			
ENASA			2,300
SEAT	1982–86	8,000	7,000
Talbot	1982-85	4,489	1,000
Westinghouse	1982–85	750	?
General Electrica	1981–85	1,000	600
Standard-Citesa-Marconi	1982–84	5,500	2,200
		19,239	13,100

# Table IV

	1979	1981	%Change
SEAT	31,846	25,755	-19.2
Standard	17,871	16,371	-8.4
Talbot	14,178	13,549	-4.4
ENASA	12,000	10,175	-15.2
Motor Iberica	9,342	8,669	-7.2
GEE	4,301	3,755	-12.7

Westinghouse Marconi CITESA	3,520 3,158 3,301	3,200 2,978 2,891	-9.1 -5.7 -12.4
	99,517	87,343	-12.2
	Tab	le V	
	1979	1981	% Change
ENDASA	3,800	3,639	-4.2
Olivetti	4,989	3,103	-37.8
INTELSA	3,356	2,800	-16.5
Lamparas Z	3,100	2,526	-18.5
	15,245	12,068	-20.8
FASA	22,396	21,913	-2.2
Citroen	10,540	9,955	-5.5
Ford	10,400	9,732	-6.4
Santana	4,070	4,177	+2.6
	47,406	45,777	-3.4
Roca Rad	6,750	6,333	-6.2
Santa Barbara	4,100	4,078	-0.5
CAF	3,841	3,811	-0.1
Zardoya Otis	3,277	2,928	-10.6
Vict. Luzuriaga	3,260	3,119	-4.3
	21,228	20,269	-4.5
	83,879	78,114	-6.9

CSO: 3548/325 ECONOMIC

## AEB PROTESTS STRIKE INCIDENTS, STILL WILLING TO TALK

Madrid EL PAIS in Spanish 7 Apr 83 p 49

[Article by Rodolfo Serrano]

[Text] Madrid--The Spanish Private Banking Association (AEB) decided yesterday to leave the first of the collective bargaining sessions in this sector, which began after the recent strike. The AEB left to protest the incidents that took place during the conflict, reiterating, however, its willingness to negotiate and its earlier wage offer of 9.5 percent. The unions characterized the AEB representatives' attitude as arrogant and provocative (according to the Workers Commissions, CCOO), and shameful and regrettable (according to the General Union of Workers, UGT). The UGT has announced the possibility of new work stoppages. Management and labor sources agreed that the negotiations will be long and difficult.

The AEB representatives asked yesterday that before the meeting began they be allowed to read a statement they had prepared explaining their position on the negotiations. In that document, the AEB lists a series of irregularities and incidents that occurred during the course of the strike which lasted from 28 to 31 March. Among the incidents mentioned were the destruction of computer terminals, security systems, alarm circuits and locks, the disabling of night deposit systems, the destruction of furnishings, the invasion of workplaces and various thefts, as well as threats to workers and customers.

In the aforementioned document the AEB states that "these actions culminated in the hanging and burning in effigy of the president of the Spanish Private Banking Association," an act which they called very serious and "an incitement to increased violence." After indicating that the offices remained open during the strike, the AEB confirms its offer to raise wages by 9.5 percent, and expresses its willingness to negotiate. The statement announces the AEB's intention of withdrawing from the negotiating table to protest the incidents in question, until next Tuesday the 12th.

After delivering the note to the president of the committee, the representatives left the room. The president of the negotiating committee, according to union sources, will send a written admonishment to the AEB representatives, and will call them back tomorrow. Representatives of the management organization indicated that they would not attend a newly convened session.

SPAIN

## Possibility of New Stoppages

Management's attitude has been characterized by Justo Fernandez, secretary general of the Banking UGT, as "shameful and regrettable, something that makes us stop and think about the legal vacuum that exists in this area, which leaves the unions no alternative but to strike when the other side refuses to go ahead with negotiations." The union leader added that "the strike was no joke; it was an act in defense of the interests of the workers, who have been insulted and humiliated by management's attitude."

At the same time, he announced that "responsible and perfectly planned" pressure measures will continue, "which may take the form of work stoppages on the first and last days of each month."

Jose Manuel de la Parra, secretary general of the Banking CCOO, while admitting the possibility of new actions, noted that another strike would mean "getting into provocation of management." He did warn, however, that his organization, as a union, favored taking action to express its rejection of the AEB's "arrogant" attitude.

With regard to the incidents, both labor leaders pointed out that "although we condemn any act of violence, many of the acts denounced by the AEB resulted from provocations by management itself." Jose Manuel de la Parra argued that they could have denounced attitudes and positions such as the establishment of minimum service or the large number of armed guards used during the conflict.

8926 CSO: 3548/334 ECONOMIC

# BUDGET BILL ADDRESSES REVENUE, DEBT, TAXES

Madrid EL PAIS in Spanish 7 Apr 83 p 45

[Article by Carlos Gomez]

[Text] Madrid--The bill for the 1983 State Budgets, approved by the the Council of Ministers last 30 March and scheduled to be submitted to the Cortes at the end of this month, foresees revenues of some 3.45 trillion pesetas, and spending of nearly 4.6 trillion pesetas (although this figure will not be reached). The deficit will be just under 1.2 trillion pesetas. The draft budget, moreover, calls for increases in the income tax for physical persons (IRPF).

In addition to the above figures, when it comes time to render an accounting of 1983, the effects of the Credit Authorization bill that the government sent to Congress a few months ago, for a total value of 664.3 billion pesetas, must also be considered. The total credit authorized by this bill is distributed as follows: 258.211 billion pesetas for the regularization of advance payments; 227.713 billion to make up for budgetary shortfalls from fiscal years previous to 1983; and the remainder to cover insufficiencies in Social Security, unemployment insurance and the General Mutual Association of Officials.

Referring to this Credit Authorization bill, even Economics and Finance Minister Miguel Boyer recognized a few months ago in Congress that "it is evident that the portion of these loans that will have monetary effects---and that could exceed 320 billion pesetas--will inevitably have an impact on the liquidation of this year's budgets." The minister went on to say, "And for that reason I would like to warn and emphasize that the cash deficit figure of 1.2 trillion pesetas predicted for 1983 should also include the deficit that will result from this bill."

The minister's estimates may have already been exceeded slightly, given that the deficit of the budget bill is very close to 1.2 trillion pesetas, and to that figure must be added 150 or 200 billion pesetas more, corresponding to the deficit from the aforementioned Credit Authorization bill.

Few Months Left

This situation, and the delay in approving the budgets (which will leave just a few months for these predictions to be carried out), could explain why in 1983, for the first time in many years, the cash deficit (the difference between the revenues and expenditures of the fiscal year) will exceed the public deficit, measured in terms of National Accounting (obligations contracted and income recognized). Usually just the opposite has occurred.

Furthermore, it is still not known--because, among other reasons, its exact value, situation and future are not known--how the government's foreseeable contributions to bail out the recently expropriated Rumasa group will be accounted for.

The spending provisions had already been exceeded during the weeks prior to the government's approval of the draft budget. The 4.7 trillion pesetas that had been mentioned had grown to 4.9 trillion, and under these circumstances it was impossible to meet the overnment's objective of holding the public deficit to the equivalent of 6 percent of the gross domestic product, which had been estimated for 1983, especially considering that the growth prospects for the PBI after the first quarter are somewhat more moderate than what was thought at the beginning of the year.

For this reason, the Ministry of Economics and Finance presented to the Council of Ministers on the 30th various alternatives for cutting public spending and the predicted public deficit. The common denominator of all these alternatives was a reduction of about 10 percent in the items for voluntary spending foreseen by the various departments, since it is obviously not possible to cut certain items such as personnel costs or interest and principal payments. Specifically, several of the alternatives presented to the Council of Ministers referred to funding for city governments, complements to the judges, the Spanish National Railroads (RENFE), and various investments.

These alternatives for spending cuts involve budget reductions of 200 to 300 billion pesetas, so the public spending figure will be below 4.6 trillion pesetas.

Budgetary experts at Economics and Finance are adjusting these figures and preparing the additional documentation, so it appears unlikely that the General State Budgets and the Social Security budget will be submitted to Congress before 20 April.

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#### ECONOMIC

#### PROCEDURAL PLATFORM OF PSOE ORGANIZATION CONFERENCE

Madrid EL SOCIALISTA in Spanish, supplement 23 Apr-9 Mar 83 pp 1-8

[Text] We present to our readers the complete text of the document drafted by the Organization Conference that met in Madrid at the headquarters of the Federal Executive Commission on the 11th, 12th and 13th of this month. The document will be submitted as a proposal to the Federal Committee, which is scheduled to meet on the 25th.

1. Affiliation and Membership

To streamline the membership process.

a) Anyone wishing to join the PSOE [Spanish Socialist Workers Party] must complete an entrance application, which will be available at party groups and headquarters.

b) Alternative 1

The current formal requirement of two endorsements is abolished. Once the formal membership application has been completed, the new member will enter the training program approved by the CEF [Federal Executive Commission] and conducted by the local committees, and his name will remain posted on the announcement board for 15 days in the event that any member has an objection to raise.

Alternative 2

The current formal requirement of two endorsements will be met under a program for providing information to the new member. His name will be posted on the announcement board for 15 days in the event that any member has an objection to raise.

c) In the event an objection to his membership is raised, the application will be submitted to the first assembly, with the committee reporting a decision once it has heard the applicant and demurrant. The assembly's decision can be appealed to the appropriate higher body, in accordance with the provisions of the party's bylaws. d) If no objection is raised, acceptance is automatic, and the first assembly must so report.

Alternative 1. Associations and groups will be permitted to join the PSOE as long as the following requirements are met:

a) That nothing in their bylaws contradicts the principles or the resolutions of the congresses of the PSOE.

b) That the decision to affiliate as a group has been approved democratically at an assembly of the association or group. The membership petition will be submitted to the respective executive commissions.

Associations or groups that belong to the PSOE will be represented at party congresses and will have voting rights. The Federal Committee and the regional and nationality committees will decide in each case and in their respective area of jurisdiction, the number of members invited to the congresses.

Alternative 2

Omission of this entire section.

Alternative 1

The activities of socialist groups (social, union, cultural, etc) will be bolstered as channels for the involvement of members and sympathizers. To this end, their areas of responsibility, activities framework and forms of coordination with the organization as a whole must be defined at all levels.

Alternative 2

(Subject to Alternative 1 under point 1.2) The activities of socialist groups (social, union, cultural, etc) will be bolstered as channels for the involvement of members, sympathizers, associations and groups pursuing political activities in a single sphere. To this end, their areas of responsibility, activities framework and forms of coordination with the organization as a whole must be defined at all levels.

The PSOE will open itself up to greater collaboration and participation by its sympathizers, who will be able to:

a) Pay an annual membership fee.

b) Receive the party's publications (newsletters, etc) in the mail.

c) Participate and collaborate in PSOE activities.

UGT [General Union of Workers] affiliates will be encouraged to join the PSOE; they will register as UGT members and meet the party's established membership requirements. Minimum membership periods will be required before representative posts in the organization can be held, except in the case of newly created party groups.

Women will be encouraged to join and participate in the PSOE.

Alternative 1

In order to promote effective personal relations among members, efficient internal operations and greater influence in more specific territorial settings, it is recommended that groups consist of around 150 members, especially in municipalities with more than 10,000 inhabitants. The decision to divide into two groups will be made by the group in question.

Alternative 2

In order to promote effective personal relations among members, efficient internal operations and greater influence in more specific territorial settings, it is recommended that the basic membership unit be the local group and that

1. The territorial setting be:

a) The municipality.

b) A group of several municipalities.

c) The subdivision of a municipality.

2. The body with jurisdiction to decide the territorial setting of each local group will be the respective provincial committee.

3. In the event that a local group does not agree with the decision of its provincial committee, its assembly can appeal to the national or regional Executive Commission, which will make the final decision on the territorial setting.

2. The Rights and Duties of Members

2.1 Background

a) Article 3. "The party's organization draws its inspiration from the following principles:

1. Democracy as the method of member participation in party life.

2. Respect for liberty of conscience, freedom of thought and freedom of expression within the party. Total freedom of internal discussion is guaranteed, though the formation of organized factions will not be permitted.

3. Compliance with the decisions made by the party's competent bodies.

4. A federal concept of the organization, which is understood as the integration of the groups that constitute it and based on the autonomy of its bodies within the areas of responsibility that correspond to them under the bylaws."

# b) Political resolution of the Special Congress

"The Socialist Party's main strength is the guarantee of ongoing debate within it. Freedom of expression must be absolute at all levels of the party, with guaranteed respect for the various currents of opinion, which can express themselves through the many forms of theoreticalpolitical influence within the party."

c) Bylaws of the Socialist Party of Catalonia (PSC-PSOE)

Article 3b:

"Respect for liberty of conscience, freedom of thought and freedom of expression will be absolute at all levels of the party. The various currents of opinion can express themselves through the many forms of theoretical-political influence within the party and even outside the organization as long as they do not contradict the resolutions of the congress and of leadership bodies. However, no organized faction can be established within the party."

2.2 Duties of a Member

Membership in the PSOE empowers the organization, which is understood to mean the socialist community of its affiliates, to demand the following of members:

2.2.1. A sense of responsibility at work and in all spheres in which members pursue activities.

2.2.2. The defense of the general interests of the organization, the resolutions of its congresses and the decisions that its leadership bodies legitimately make.

2.2.3. Material and moral solidarity with the other members of the organization, respect for their opinions and stands and for them as persons, and obligatory cooperation without discrimination for reasons of differing political views.

2.2.4. Compliance with as many resolutions as are issued by the competent bodies within the framework of their regulated activity and with the proper formalities.

2.2.5. The performance of political, social and union work, with the knowledge of the local committee and with the collaboration of comrades working on a task as a team.

2.2.6. Offering their knowledge to as many party bodies and institutions request it.

2.2.7. Conveying, through established organizational channels, whatever information they might possess concerning organizational tasks and what might facilitate or hamper them.

2.2.8. Active assistance in as many organizational and political functions as the party schedules.

2.2.9. Acceptance of the missions of political representation that are democratically requested of them or assigned by executive order to them, as the case may be, barring just cause.

2.2.10. Alternative A

Financial cooperation in the form of dues or a percentage of income. Members who owe more than 6 months dues will forfeit their membership status and become sympathizers until the dues in arrears are paid up. They will be notified in advance of their situation.

Alternative B

Financial cooperation in the form of dues or a percentage of income. Members who owe more than 6 months dues will automatically be dropped from the membership list when the annual dues card is not renewed within the time periods established for this and as long as they have been notified in advance of their situation.

2.3 Rights of Members

In and for the exercise of their political activities, PSOE members possess the following rights, which are acknowledged and guaranteed by the organization at every level:

2.3.1. The right to be regarded as a member of the organization without any discrimination or privileges.

2.3.2. The right to receive from the organization whatever political and technical-political training will enable them to make greater contributions in the struggle for socialism and to the organization's success in the tasks it undertakes.

2.3.3. The right to receive accurate information to fulfill their political and organizational functions.

2.3.4. The right to join new or existing socialist groups and the freedom to express ideas and initiatives within them.

2.3.5. The right to discuss and criticize one's own political positions and those of others orally or in writing and the right to communicate such views within the party.

## 2.3.6. Alternative A

Freedom of expression outside the organization will be total, as long as the resolutions of the congresses or of leadership and executive bodies within their areas of responsibility under the bylaws are not contradicted.

# Alternative B

Freedom of expression outside the organization extends to ideas or proposals that have not been broached in resolutions issued by party congresses or its federal committee.

2.3.7. The right to run in as many internal and external elections as are held, without any prohibition or objection that might entail discrimination or advantage.

2.3.8. The right to monitor the political performance of representatives, based on accurate information, freedom of expression, respect for individuals and compliance with the time and place established in the bylaws.

2.3.9. The right to be protected by the party from unjust outside attacks and to be protected inside the party through the impartial and equitable hearings of the disputes commissions.

2.3.10. In fulfilling their duties and exercising their rights, members will be able to make use of the organization's material and human resources, with the authorization of the heads of the body in question.

2.3.11. The right to seek any available paid position within the organization; this will prevent the uncontrolled appointment of colleagues, officials and employees, except to the posts of the strictest confidence. In addition, members have the right to be elected to qualification or examination tribunals and to be informed of such elections.

3. A Democratic Party: Pluralism in Thought, Unity of Action

3.1. Party unity rests essentially on basic unity of thought, as contained in its overall program, on the resolutions of congresses and on the unity of action among members vis-a-vis society.

3.2. Between the overall program and action lies the broad area of temporary and sector programs, as well as the strategies and tactics for carrying them out. The organization can and must permanently review and debate all this through the channels established in the bylaws.

3.3. The bodies representing the entire organization at each level will issue, within their respectives areas of responsibility, the resolutions establishing the PSOE's positions and will indicate the guidelines that executive bodies will observe and put into practice with the support and cooperation of all members. 3.4. Members who disagree with decisions can adhere to their views. Without shattering unity of action in society's eyes, dissenting members are free to think out, develop and express their opinions within the organization, because they are entitled to try to change, through approved channels, what was decided at a given moment. There are no dogmas or irreversible majorities in a democratic party.

3.5. The right to develop one's own ideas and to put them before others resides with every individual member and with groups of members who, holding like opinions, form a current of opinion within the party at a given moment and on specific issues.

3.6. Consequently, the main function of currents of opinion within the party, should they exist, is to stimulate internal debate by offering criticism, analysis, solutions, and priorities for the execution of the socialist program.

3.7. Given the complexity of the problems that the party currently has to deal with, it is often impossible to conduct studies and formulate possible solutions without a minimum of teamwork, without exchanging the necessary documentation, without holding discussion meetings, etc. Therefore, the members who find themselves in agreement with a current of opinion will be entitled to use these resources.

3.8. The members involved in the work of a current of opinion will see to it that views contrary to the resolutions of party congresses and leadership bodies do not go beyond the confines of the organization.

3.9. The currents within the organization exist as a function of the party. Their contributions are for the party. Therefore, the results of their efforts must take the form of contributions or proposals to the party's bodies in the sphere in which each member pursues his organizational activities.

3.10. Members who pursue their activities within a current, without neglecting their tasks as party activists, must scrupulously respect the functions of the bodies established in the bylaws. They must be well aware that whereas they are entitled to develop and disseminate their own individuals views within the organization, the assemblies, congresses and committees decide the stands of the party as a whole and that the latter bodies alone can decide what action the Socialist Party will take in society.

3.11. Currents of opinion must inform executive bodies of their respective spheres of activity and, in particular, submit to them the documents that emerge from their discussions and efforts so that the organization is apprised of them.

3.12. Members who are elected to deliberative bodies from a given current of opinion do not represent the current; they will serve the entire party, just as the other members of these bodies. Members who are part of an opinion current can coordinate their efforts for deliberative assemblies, for the performance of their work and for the conveyance of their informational reports.

3.13. Members who are part of a current of opinion will have access to the party's mass media.

3.14. The meetings of members in an opinion current should, if possible, be held on party premises, with no member denied access to them.

3.15. So that the currents can participate actively and effectively and have input in the decisions of deliberative bodies, the election of candidates, delegates, etc or full-fledged members will be conducted as follows:

The minority that obtains at least 20 percent of the vote will have 25 percent of the posts up for election. In the event that two minorities garner at least 20 percent of the vote each, then each will be guaranteed 20 percent of the posts up for election.

3.16. The party will not formally recognize the designation or title of any current.

4. Federalization and Federal Coordination of the PSOE

4.1. Background

The PSOE's bylaws state that the party's organization draws its inspiration from the following principles, among others:

--"A federal concept of the organization, which is understood as the integration of the groups that constitute it and based on the autonomy of its bodies within the areas of responsibility that correspond to them under the bylaws" (Article 3).

--"The party's Federal Congress is its sovereign body" (Article 22).

--"The Federal Committee is the party's superme body between congresses" (Article 28).

--"The Executive Commission (CE) implements on a nationwide level the policy formulated by the party's leadership bodies" (Article 31).

4.2. Coordination

4.2.1. The federal bodies of the PSOE will draft the socialist program for Spanish society as a whole. The Federal Committee (CF) and the Federal Executive Commission are specifically responsible for implementing the socialist program. In particular, policy regarding alliances at various territorial levels, in addition to the extent, forms and application of such alliances, falls under federal jurisdiction. Consequently, the CEF should be consulted on the specific execution of alliance policy at the level of federated bodies, and in the event of differences of opinion, the Federal Committee will be consulted.

Regional or nationality parties are responsible for gearing the socialist program to the specific circumstances in their sphere of action. Consequently, they will enjoy the autonomy they need to establish the specific program for their sphere of jurisdiction, within the framework of the general socialist program, and to guide the activities of the autonomous socialist governments within their areas of responsibility as established in the bylaws.

4.2.2. The election platforms of regions or nationalities must be consistent with the PSOE's general election platform, and the government platforms that the candidates of federated entities propose at the nationality or regional level must be consistent with the PSOE's overall political line.

The CEF is responsible for enforcing these standards, and it must be opportunely consulted by the federated bodies, should the need arise; if there are differences of opinion, the dispute will be submitted to the full Federal Committee

4.2.3. The CEF will proceed to establish an office of parliamentary information, coordination and follow-up regarding the parliamentary initiatives of the socialist groups in the parliaments of nationalities or regions.

4.2.4. The CEF will be notified in advance about the candidates for president of the autonomous communities and the appointments they make in forming their autonomous governments.

5. The Functioning of the Federal Congress

5.1. Preparation of the Report

5.1.1. Propositions

Local groups draft propositions, which will be examined, discussed and voted on at an initial session of the provincial congresses (or, in their absence, district or island congresses) that are called for that purpose; they will then be transmitted to the Federal Committee. Not only propositions receiving a majority of votes will be transmitted; those backed by at least 20 percent of the votes at provincial congresses (or, in their absence, district or island congresses) will also be submitted.

Alternative: Omission of "a initial session of..."

#### 5.1.2. Summary Position Papers

Based on all of the propositions on each issue, the Federal Committee drafts a text called the summary position paper, on which there can be dissent or individual votes, which will be reflected.

# 5.1.3. Activities Report and Position Papers

The report on the activities of the CEF, Federal Committee, Accounts Revision Committee and Federal Disputes Committee, along with the report on all the summary position papers, constitutes the first report of the congress, which will be sent to all members.

5.1.4. Amendments to Report

Once this report has been discussed by local groups, amendments to it can be drafted at the second session of the respective provincial (or district or island) congresses. After all of the amendments are submitted to the CEF, the second report is issued, and it will be sent to all delegates to the federal congress for debate directly during the congress.

Alternative: omission of "the second session of..."

5.1.5. Sector and Program Position Papers

In general, it is desirable for sector and program issues to be studied at conventions that are attended by working groups (socialist groups, experts, etc) and in which regional and nationality parties are represented.

In the event that a program or sector text has to be submitted to the congress, it will be drafted on the basis of the documentation prepared by the appropriate commissions. These texts will be included in the first report, and the provincial congresses can draft amendments, which will be included in the second report.

5.2. Delegates

5.2.1. The delegates to the federal congress will be elected at the provincial (or in their absence, district or island) congresses, and the Federal Committee will establish the guidelines for their numbers.

5.2.2. The grouping of delegates by nationality or region cannot be imposed under any circumstances by a majority decision, nor will it condition freedom of expression or the right to vote.

5.2.3. PSOE congresses will be attended by a nonvoting delegation of the associations that are affiliated with the PSOE; the size of the delegation will be determined by the Federal Committee in accordance with the size of the associations. A delegation from Socialist Youth will also be invited to the congresses.

## 5.2.4. The Delegates' Right to Speak and Vote

All delegates have the right to speak out on the position papers.

The delegates backing amendments that are not included in the position papers can defend them at plenary sessions as long as the amendments obtained at least 10 percent of the vote on the position paper.

All delegates have the right to vote on the position papers.

Congress Regulations will govern the balanced makeup of the position papers, proportionally weighting the contributions of the various delegations.

During the debate on the activities report, to be submitted to the Congress by the CEF, delegates can speak for or against.

The voting system at plenary sessions will be as follows:

Alternative A

The delegates have the right to vote individually at plenary sessions on resolutions, rulings and decisions, as well as to elect the members of the Federal Committee chosen by the congress.

The votes on the CEF's performance, and to elect the officers of the congress, of the Federal Executive Commission, the Disputes Committee and the Accounts Review Commission will be cast by the spokesmen of the delegations in accordance with their mandates.

Alternative B

The delegates have the right to vote individually at the plenary sessions on the resolutions, rulings and decisions, as well as to elect all the bodies to be chosen by the congress.

5.3. Functioning of the Congress

5.3.1. To make congresses more streamlined and effective, it is recommended that there be no fewer than 500 and no more than 1,000 delegates.

5.3.2. The Federal Committee must revise the regulations for congresses in accordance with the procedures that are proposed.

5.3.3. The Federal Congress will be announced 6 months in advance, so that the provincial (or in their absence, district or island) congresses have 3 months to submit and approve propositions. The activities report and the propositions must be submitted 2 months before the congress. The amendments and lists of delegates will be submitted 1 month before the congress. 5.3.4. Both the resolutions of the Federal Congress and the decisions of the conventions or congresses on sector policy will be printed up by the party's federal leadership, which will be in charge of sending copies to all members.

5.3.5. The regulations governing the congresses of nationalities or regions must be based on criteria consistent with those established for the Federal Congress.

Annex to Points 3 and 5

1. The party's representative bodies will be elected in accordance with the following criteria:

1.1. Executive bodies (local committees and executive provincial, regional, nationality and federal commissions) will be elected by majority vote.

1.2. Decision-making and monitoring bodies (in other words, delegates to congresses, members of nonexecutive provincial, regional and federal committees) will be elected under the following system to guarantee pluralist representation:

A minority that obtains at least 20 percent of the vote will have 25 percent of the posts up for election.

In the event that two minorities garner at least 20 percent of the vote each, then each will be guaranteed 20 percent of the posts up for election.

2. The Federal Committee will consist of:

a) Ex-officio members

Federal Executive Commission, secretaries general of the nationality/regional parties and a representative of the JSE.

b) Elected members

An as yet undetermined number of members of the Federal Committee will be chosen by the Federal Congress, and another group will be selected in accordance with the number of affiliates by the regional/ nationality congresses.

c) Nonvoting members

Regulations will be drawn up for the possible attendance at the congress of party members with responsibilities in the central and autonomous governments (ministers, presidents of autonomous communities, etc).

## Additional Provision

Presentation of Decisions

The participants at the conference, who have signed this petition, ask the conference president and the PSOE Federal Committee to allow Jose Martinez Cobo to act as the announcer-rapporteur of its conclusions before the supreme leadership body, conclusions that he will defend and furnish accurate information on so that they can be examined and approved.

Additional Provision

Implementation of Decisions

The organization conference recommends that the party's Federal Committee make the appropriate decisions so that the proposals drafted by this conference and accepted by the Federal Committee can be implemented as soon as possible. These proposals are compatible with the existing bylaws and, therefore, require no action by party congress to take effect.

In particular, this conference urges that if accepted, the proposals in point 4, entitled "Federalization and Federal Coordination of the PSOE," be put into practice immediately, as well as the proposed new guidelines for currents of opinion and the arrangements for internal party elections.

8743 CSO: 3548/326

## SOVIETS INCREASING ESPIONAGE ACTIVITY IN NORDIC AREA

Copenhagen INFORMATION in Danish 25 Feb 83 p 3

[Article: "Soviet Nordic Spy Net Is Among World's Largest"]

[Text] The latest disclosures about Soviet spies in the Nordic countries is only the top of the iceberg.

Stockholm, 24 Feb (AFP)--Hundreds of Soviet agents, satellites, radars and submarines are involved in surveillance of the Nordic countries, from Svalbard in the north to the Baltic in the south.

Well-informed sources in Stockholm characterize the Nordic espionage net of the Soviet Union as one of the world's most comprehensive and detailed espionage operations.

The Soviet Union has several hundred agents in the Nordic countries, and the latest disclosures about Soviet spies are only the top of the iceberg, say the sources. The rest of the Soviet spy net continues to function normally.

One of the most serious setbacks of Soviet espionage in recent years was the much-discussed Whiskey-class submarine which ran aground near the top secret Swedish naval base in Karlskrona in October 1981.

In February of last year two Soviet diplomats were expelled from Norway. This year it was the turn of two diplomats from the Soviet Embassy in Stockholm and one nondiplomatic Soviet commercial official, and a Soviet attache at the embassy in Copenhagen.

At the same time the Norwegian Navy was busily engaged in retrieving an ultramodern Soviet tracking buoy from the ocean floor near the Statfjord oil field.

With Denmark and Norway as members of NATO, Sweden neutral and Finland which has close cooperation with the Soviet Union, it is evident that the Nordic countries, which also have a strategically important location, have an attraction for Soviet attention, said sources close to the Ministry of Defense in Stockholm.

Political observers also point out that the possibilities of influencing public opinion, especially local peace movements, are interesting to the Soviets.

Nordic intelligence sources assume that the Soviet intelligence services are interested in almost all activities in the Nordic countries, and that all East European residents or tourists are either actual or potential spies.

Soviet and Polish citizens who have come to Sweden on private visits are told on their return to give a report of their contacts and experiences. Most comply out of fright, because to refuse would mean that they would not receive an exit visa again.

Soviet espionage, however, is concentrated in the Soviet diplomatic and trade missions in the Nordic countries.

The Soviet missions normally have many more workers than the corresponding American, and they appear to be more heavily manned than the size of the host countries would justify.

The Soviet Embassy in Copenhagen has 33 diplomats attached. In Stockholm the number is 41, plus 10 in Goteborg, where they are the only Soviet citizens in residence.

Informed sources in Sweden said that the Soviet consuls in Goteborg spend part of their time keeping an eye on the harbor, the shipyards and local activities such as Volvo, where equipment is manufactured for the Swedish armed forces.

In Helsinki there are 51 accredited Soviet diplomats. But the Finns themselves, who are always very sensitive to questions about their relations with the Soviet Union, say that the large number is based on the extensive trade relations between the two countries.

Privately, however, there are Finnish officials who wonder what is going on in the five-story deep cellar beneath the Soviet Embassy.

Nordic intelligence services believe that the many Russians in Finland have three tasks: To search the Finnish press for economic and military information, to keep in close contact with peace groups, and to travel around the country searching for new installations.

Nordic officials have expressed wonder why the Russians, who according to an old agreement are mining--very expensively--coal on Svalbard, and have also built an airport, and a radar installation which is much more powerful than the local air traffic justifies.

Also commercial firms with ties to the Soviet Union are under suspicion. This applies to, for example, Matreco, which imports Soviet cars to Norway and Sweden, and which has an amazingly large number of technicians assigned.

Even though the Nordic countries have not officially protested about the approximately 200 submarines reported illegally in Norwegian and Swedish waters since 1969, according to local intelligence experts these submarines are on espionage missions, and possibly also sent with the purpose of alarming the Nordic countries.

9287 CSO: 3613/75 POLITICAL

DENMARK

# OFFICIAL DISCUSSES DEFENSE INTELLIGENCE SERVICE

Copenhagen AKTUELT in Danish 7 Feb 83 pp 12-13

[Article by Peter Bergen: "Denmark's Secret Service Is the World's Most Open"]

[Text] Each year this national institution costs the taxpayers nearly 100 million kroner. The exact amount is secret. Also secret are the number of employees and what they do. Their workplaces, spread over the entire country, must not be publicized or photographed.

In 1982 the activity produced 1.5 million printed pages. In different editions. Each month an attractive journal is published in several hundred copies, which are sent to permanent subscribers. The contents are secret or even top secret.

Yet the Defense Intelligence Service boasts that it is the world's most open of its kind.

The openness is practiced by one single person in the intelligence service, Lieutenant Colonel Preben Borberg, who for years has had the duty of being the spokesman for Denmark's secret service. At the same time he is a division chief. What his division does is obviously a secret.

Live in an Idyllic Setting

Denmark's national spies have their headquarters in a protected idyllic three-story property in Kastellet in Copenhagen. Tourists and others can freely approach the building, where no sign divulges the mysterious activities going on behind the walls.

After a telephone conversation the reporter from AKTUELT was given access and rang a bell by what appeared to be the main entrance. He was then admitted to a lock (meaning locked doors on both sides) where a sergeant checked his identity and the purpose of the visit. Must Carry a Red Card

Preben Borberg came to fetch his guest and escorted him to his office. Before that happened the guest was issued a red card which was to be carried visibly, and without which he could not leave the building again. This was confirmed by AKTUELT's reporter, when he forgot his card in Borberg's office.

The lieutenant colonel wears civilian clothes, has a full beard, but not blue glasses. The eloquent Borberg has given about 60 lectures about his work to organizations around the country. Here is his explanation of what FE--the official abbreviation--does:

"Our most important task is to warn Danish authorities if any armed force is going to attack Denmark. We will also warn of events in the entire world if they can affect Danish national security interests. We keep the government and other authorities informed daily of the current situation. In the longer term, our work creates a basis for directing the total Danish defense in a way most appropriate to the needs.

"We also protect the military against espionage, sabotage and other unlawful activity."

Still Another Secret Service

Denmark has still another secret service, the Police Intelligence Service (PET). Its mission corresponds to that of the counterintelligence services of other countries. It is responsible for unlawful activities within the country's borders.

Preben Borberg said, "That means that our responsibility goes to the fence of the military installations. The rest is PET's. And if we suspect something unlawful in the military, the police take over the investigation.

FE and PET have an agreement on cooperation. Part of this agreement is FE's control of military personnel who work with secret material.

No Hidden Digressions

"That has nothing to do with any political affiliation. It is a question of being sure that a person is loyal to the firm. And that the person concerned does not have any weaknesses that can be exploited by a foreign intelligence service. That could be an alcohol problem, money, criminality or dark points in his past.

"If, for example, a person has an affair outside of his marriage, he must tell his spouse about it. Or give up the job."

By far most of FE's work is taken up with activities of the Warsaw Pact.

"We try to keep track of what is going on in these countries in political, economic, scientific and military fields. That means that FE employs officers, technicians, engineers with different specialties, language experts, code experts, and academicians with politics and history as their specialties. Especially these latter also participate in the academic debates and activities in the civilian community.

"This is in reality a mixture of a research institute and a newspaper editorial staff," said Preben Borberg. "We utilize all publicly available material, such as newspapers, magazines, TV and radio."

With a mixture of satisfaction and nervousness AKTUELT's reporter confirmed that his union newspaper JOURNALISTEN was present in the FE headquarters.

In 1980 Preben Borberg said in one of the defense publications: "Other information is collected through persons who either have the knowledge that the intelligence service wants to have, or who can obtain the desired knowledge. It can be refugees, persons that the intelligence service sends into the country concerned and who are hired to get the information that the intelligence service has a use for."

AKTUELT: "That must mean thet FE has people in the East bloc countries."

Borberg: "I am not saying that these people work for us. Of course we cooperate with other countries' intelligence services."

Delicate Point

Electronic collection, including radio and radar, plays a large role and FE has a number of electronic installations spread around the country. That is a delicate subject, and FE restricts itself to admitting the existence of such installations. Photography and discussion are forbidden, even if all who live in the vicinity of the individual installations know what goes on there. If not the details, the purpose.

Because of Denmark's location these installations obtain important information for NATO. This was admitted after the Cuba crisis and the Soviet attack on Czechoslovakia.

The operation of these listening stations manned around the clock must cost a significant portion of FE's budget.

We Pay For It All

Preben Borberg: "NATO gives no support. We pay for it all. Those are our installations, and they are managed by Danes."

Who gets the final result of all this information collection?

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According to Preben Borberg the "permanent customers" (quote) are the Defense Ministry, different military organizations such as the Defense Staff, the Foreign Ministry and the government.

On a Visual Display Unit

Besides the many printed publications the customers get daily teletype reports. Soon the information will be received on a visual display unit. It will even be possible for the customers themselves to order up information on the screen by pressing a button.

In 1970 it was learned at Christiansborg that all of this organization cost 25 million kroner per year. If the activity is unchanged today, the budget must have increased to about 100 million kroner. Which, according to Preben Borberg, is all paid by the Danish taxpayers.

"Because of our adversaries we do not announce our budget. But it is reviewed annually by the National Accounting Office.



Caption: Lieutenant Colonel Preben Borberg, division chief in the Defense Intelligence Service.



DENMARK

# INCREASED AUSTERITY MEASURES BOOST SCHLUTER IN POLLS

Stockholm DAGENS NYHETER in Swedish 30 Mar 83 p 19

[Article by Ake Ringberg: "Social Democrats Criticized for Opposition Without Sting"]

[Text] Copenhagen, Tuesday--For each week that goes by the Danish non-socialist minority government strenghtens its positions among the voters: today the four parties in the coalition would receive 11 mandates more than in the 1981 election. Prime Minister Poul Schluter's Conservatives alone would increase their share by 40 percent, if Gallup is to be believed.

At the same time the Social Democratic opposition is called on to "crawl out of the bushes" and start attacking the government.

So far they have not done so. The more the government restrains economic policy, the more the Gallup figures rise in its favor and the more powerless and without sting the largest opposition party in Parliament appears. The old ministers are still said to suffer from so-called power abstinence, that is to say they have become so used to their seats that they are no longer capable of adjusting to the harsher environment of the opposition.

"Anker, you are no longer good enough!" screamed one of the evening papers the other day on page one, and that outcry was only one of many aimed at Anker Jorgensen, leader of the Social Democrats for many years.

Thin Paper

A paper written by Anker Jorgensen to the party's parliamentary group with instructions on how it should act in opposition was described by the recipients as a fiasco, heavy and without perspective.

We know, says one critic, that the Social Democrats are opposed to the government's program of tax cuts (but not clearly stated), they are opposed to the extensive cutbacks affecting the weak groups, they oppose the government's investment plan-but a resounding silence is their answer to the question of what alternatives they propose.

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The truth might be that the party simply is not ready to take on a new election. It was tired and overworked when Anker Jorgensen threw in the towel in August last year and transferred the leadership to Poul Schluter.

Except for a few strike demonstrations against the budget in September and October and a harbor workers' strike during the winter (hopeless from the outset), Poul Schluter's minority government has had calm and fair sailing, with the Dannebrog [flag of Denmark] slowly fluttering in just the right amount of breeze. A mild winter with record-low oil consumption, swift wage negotiations, falling interest rates, signs of economic recovery in the world--all of this together has favored the government and made the role of the opposition a difficult one. But at the same time this increased the concern of the Social Democratic party and accelerated the ambitions for power of the small circle whose members regard themselves as Anker Jorgensen's crown princes and heirs.

# Own World

The "power abstinence" of the Danish Social Democrats is also connected with the fact that over half of those in the present parliamentary group have no experience of the political process other than from a Social Democratic point of view. Their world has always been Social Democratic: the prime minister was always a Social Democrat and was always called Anker Jorgensen.

When Anker Jorgensen gave up governing late last summer he had been prime minister, on and off, for longer than any predecessor, with the exception of Thorvald Stauning.

During the 38 years since 1945 the Social Democrats governed alone, as part of a minority government or in coalitions with non-socialist parties for 27 of those years. Seventeen governments have been formed since World War II, and on the average new elections were held every other year, although the constitutional election period is 4 years.

For some periods the Social Democrats had only a little more than one-third of the electorate, but no matter how one looks at it the party has weight and importance even in opposition. As conservative BERLINGSKE TIDENDE wrote: The leadership crisis affects above all the Social Democrats but touches others as well; it weakens the Social Democrats and it weakens Parliament.

Criticism of party boss Anker Jorgensen is a recurring phenomenon.

This does not mean that he is not secure in the saddle, however. He has a firm grip on his voters, he is almost a Danish father figure--when in power-- and he has no real challenger waiting in the wings.

It is his action, or lack of action, in the role of opposition leader that is the cause of bewilderment.

What are his alternatives, what does the party platform look like, where is the challenge to a non-socialist minority cabinet, which is increasingly
cutting into social welfare? The silence is, as INFORMATION recently wrote, deafening.

Anker Jorgensen managed well in a position of power, it is said. He is less at home in the parliamentary corridors of Christiansborg. He is like a dethroned champion who has not quite decided whether he will enter the ring once more or quit.

By tradition the Social Democratic leaders resign voluntarily, they are not deposed in power coups. They themselves know when the time has come. Nothing indicates that the time has come for Anker Jorgensen; his grip on the people is too strong for that. Few or no one can make complicated matters as easy to understand as Anker Jorgensen; that kind of thing scores points.

Up to now the Danish Social Democrats have allowed Schluter a lot of rope, so to speak. No tricks, no feints on the sidelines, no nighly thrillers in Parliament.

Are they prepared to go even further in being accommodating? There are powerful groups in favor of cooperation among both Social Democrats and Conservatives. In Denmark as well the leader of the Metalworkers' Union is a strong and controversial man: It was Georg Poulsen who first proposed "right dress." It caught on.

#### Cooperation

Georg Poulsen views cooperation between the Conservative Party and the Social Democrats as being quite natural in the area of economic policy, above all; he also does not believe that there is a very large gap between the unions in general and the top men in business and industry.

With a Social Democratic-Conservative government political stability in Denmark would be secure. The temptation is great for both parties. The idea surfaced anew the other day when the social economic committee of the Social Democrats during a 2-day session tried to sift out an alternative economic policy to the non-socialist government's policy of cutbacks. At the meeting former Social Minister Bent Roald Andersen repeated Poulsen's, the head of the Metalworkers' Union, ideas for cooperation--not alliance--with the Conservatives. The economy measures of both parties coincide on several points.

But it is likely that cooperation proves too hard a nut to crack for both parties. However, the ideas of the head of the Metalworkers' Union are interesting as a brainstorm and as an illustration of the situation in Danish society, with its need for broad solutions.

11949 CSO: 3650/151 POLITICAL

FINLAND

#### COMMUNIST NEWSPAPERS VIEW ELECTION IMPLICATIONS

#### Moderate-Wing Organ on SKDL Losses

# Helsinki KANSAN UUTISET in Finnish 22 Mar 83 p 2

[Editorial: "The Outcome"]

[Text] The outcome that took shape yesterday evening when the vote count was issued in certain respects differed considerably from the picture formed by the predictions provided by the opinion polls.

As a result of the disconnected and in part very low-keyed election campaign, there was a shift to the Right, if the SMP [Finnish Rural Party] is regarded as a purely rightist party. Through it a peculiar sort of protest, which the prevailing atmosphere in the country had for a long time been building up to, was again released.

On the other hand, the Conservative Party did not gain the triumphant victory it had expected. Furthermore, the fact that the Center Party and the Liberals suffered a very noticeable defeat, which had not been forecast at all, came as a surprise.

The Social Democratic Party (SDP) was particularly successful and strengthened its position as the country's biggest party, although it certainly did not receive as much support as it did during the elector elections.

During the whole election campaign it had been predicted that the SKDL [Finnish People's Democratic League] would suffer defeat. The reduction in the number of votes and parliamentary representatives it obtained is perceived as a serious political setback, although the outcome was better than during the elector elections. The People's Democrats failed to recapture a considerable number of those who voted for the SDP in the elector elections and, in addition. the SKDL obviously lost votes to the SMP as well.

There may be many reasons for this outcome, but the party's internal squabbles and the shaky policy resulting from them in all probability induced people to make their choice as they did this time. It is also clear that a leftist alternative is needed in this country and that the SKDL must be made capable of renewing and filling that need in a way that arouses confidence among our citizens.

#### Stalinist-Wing Organ Hits Kivisto

Helsinki TIEDONANTAJA in Finnish 23 Mar 83 p 2

[Editorial: "Path of Destruction"]

[Text] People have been quick to call the outcome of the parliamentary elections a surprise. The question is, nevertheless, appropriate: In what sense were the elections surprising?

Certainly no one can claim that the Social Democrat gains were not a foregone conclusion. Scarcely anyone doubted either that the Conservative Party would advance. Everyone likewise knew that Vennamo's party [SMP] would gain more support. Nor were we in any way unaware of a People's Democrat and Communist defeat.

What then was this big surprise?

We may regard the deviation in the quantitative outcome, in the rightly guessed direction, as a surprise. The increase in support for the Conservative Party was not as great as it was supposed it would be. Only a half a percentage point. The SMP's gains were considerably greater than could have been expected. The People's Democrat defeat was resoundingly greater than predicted. The People's Democrats suffered the biggest defeat in their postwar election history. Just three elections with defeats this size and the People's Democrats will be nothing but a memory! Naturally things will not work out that way. But the danger is approaching.

All in all, the elections signify an advance for the Right. This has manifested itself as a more conservative Conservative Party delegation and as the growth of the SMP, although, on the other hand, certainly not all SMP supporters want to identify themselves with the Right. The growth in support for the SMP as such merely demonstrates that with enough effective demagogy the Right is capable of winning over to its side people who are fed up with mism naged policy, even though it is itself either wholly or in part responsible for such mismanaged policy.

The People's Democrats are facing a time of tough appraisal. The People's Democrats and Communists' defeat is not chiefly due to the internal state of affairs of the party, the capitalist crisis or the events taking place in socialist countries such as Poland, for example. Explaining what has happened as a result of such external reasons is indicative of — if we may use outmoded terms — desertion at the front or cowardice in defending workers' concerns. The chairman of the SKDL should take serious note of this.

The SKDL must now set itself the task of self-critically assessing the election results. Several very important things must apparently not be forgotten.

First of all, there is no sense in fobbing the blame for the defeat off on external reasons. Poland is not and will not be to blame for the fact that Finnish politicians are adding to unemployment through many of their decisions. Certainly the social policies of no socialist country are responsible for the fact that here in Finland the nominal and also real standard of hundreds of thousands of pensioners' pensions is declining.

When chairman Kivisto assured his Finnish listeners that the SKDL's poor showing in the elections was the fault of the socialist countries, he either unintentionally or intentionally put himself in the position of inciting some elements against socialism. Unless it was a matter of social democracy, which Kivisto had earlier declared himself in support of -- when he joined the SKDL.

That too is certainly possible, especially when we consider his claim that the Left has won in these elections thanks to the Social Democrat victory, despite the defeat of the SKDL. According to this theory, a People's Democrat victory may lie hidden in their defeat.

What is now at issue is a very serious matter. Unless the SKDL is capable of divorcing itself from the present extremely poor policy and of promoting its own policy, the party will be marching to its own destruction either in the government or outside the government. While this path of destruction is the goal of some of the party's leaders, the members of the party will prevent it from happening. This is what must happen.

11,466 CSO: 3617/98 POLITICAL

## MITSOTAKIS PERSONALITY IN LIGHT OF ND SUCCESSION

Athens ANDI in Greek No 227, 18 Mar 83 pp 12-13

/Text/ "Tell our friends not to worry," K. Mitsotakis telephoned a few days ago to one of his men in Khania. "This time we will have the top spot in our pocket, in fact before the end of March." Those who know the Cretan politician say that this is not the first time he has given promises, spread empty hopes, and praised himself as the real leader and future premier, etc. This time, however, matters seem to be serious. Many crosschecked reports portray "Kostis" as the "sure thing" leader of the New Democracy, the winning horse in the forthcoming sweepstakes race in the major opposition party.

After a long wait, the Cretan "dolphin" /suitor succeeded in overtaking his party foes. Many deputies, including those in the group of the "enlightened young men," left the "traditional rightist" Stefanopoulos. The other contestant, the "modernizer" Boutos, is not considered by most as having leadership qualities. The only one left is "the way out to the impasse."

The more prudent among them, the founder of the ND himself, turns to Rallis, pressing him to assume the leadership once again. He refuses or he demands that a majority of the deputies sign a memorandum but this demand runs into many obstacles and of course the ambitions of those aspiring to the leadership.

Another proposal advanced recently is for Mitsotakis to take over for 6 months and then to hand over the leadership to Rallis. Those who know Kostis laugh at this. "He does not give up power, but instead expands it constantly even when he is below. How can he give up the leadership when he will be at the top?"

The same questions are asked every so often by the president of the Republic who keeps Averof from resigning and thus opening the way for Mitsotakis. Averof's resignation and the selection of a new leader was supposed to take place in March but was postponed after intervention from above.

The Political Climate Aggravates

One of the most basic arguments against the selection of K. Mitsotakis is that the political climate will be aggravated if he becomes the leader of the major opposition party. It is more or less known that a deep gap separates Mitsotakis from the present premier, obviously related to the events of 1965.

Many in the ND who support Mitsotakis' candidacy argue that such a development is in the nature of the game. But such an aggravation will not result from some genuine political or social disputes and will not serve as a necessary process for the progress but for the retrogression of our political life. Some of his younger supporters either do not understand the above points or want to aggravate the situation to overcome the other problems facing the New Democracy Party. Several people, not necessarily all from the same side of the fence, see in an aggravated situation a way out of the impasse.

#### Awarding Political Amoralism

Alone on both sides is Mitsotakis' political philosophy, according to his enemies and real or false friends and also those who know the history and the record of the Cretan politician. He is ready, they add, to make all kinds of concessions, to swear eternal loyalty and submission in order to win a few points or certain positions in the political game. At the same time, however, he secretly plays on another number to have more cards if the first game fails; to have an alternative.

As soon as he has succeeded he will not hesitate "to spit on those he kissed before" or--as in the past--if he finds himself in a difficult position "to drink water from where he was previously spitting." A man excessively ambitious who is unrestrained /by moral inhibitions7, devious, according to his enemies, very capable, according to his few friends, this ND deputy from Khania succeeded by using the means we described to rise early in the political firmament and to play a significant role in the political developments, climaxed in the "apostacy" of July 1965 and its direct consequence, the dictatorship of the colonels in 1967.

"After 1965," according to a prominent veteran politician of the Center, "Kostis was going to Khania and the people waited for him with rotten lemons." The dictatorship, among the other ills it heaped on the country, gave a kind of political amnesty to many among those who were directly or indirectly responsible for creating the necessary climate for its imposition. Mitsotakis, isolated as never before since the fall of the dictatorship, managed in the 1977 election to be elected deputy from Khania as the leader of the lilliputian party of "Neo-liberals," who claimed to be the way out from the impasse of the New Democracy.

Not long after that, he joined the New Democracy, took over as minister of coordination and presented himself as a possible successor to Karamanlis. When Karamanlis withdrew from the ND leadership and with the rise and fall of Rallis, the rise of Averof to the ND leadership and his impending resignation, Mitsotakis saw his stock rise based on the logic of "better than nothing." We don't know if the ND Parliamentary Group is made up of blind men ruled by a one-eyed orator. What is certain is that the possible rise of Mitsotakis to the ND leadership will be a very important element in the developing poor political climate. This will amount to blessing the political models and immorality and negates all the absolutely necessary processes for the modernization and renewal of the ND and the country as a whole. What kind of renewal or even a small step forward can come from the godfather of more than a thousand infants in Crete? What necessary social reforms, for example, of the state machinery can receive the support of the "favor peddler" who draws his strength precisely from the parasitic inflation of the state administration with thousands of clients?

There is no doubt that the present government bears significant--if not the main--responsibilities for the creation of this climate: the autocratic style of governing, the exasperating downgrading of the popular factor, the partisan appointments and the use of many with questionable backgrounds who declare for PASOK as always happens with persons of low moral standards, and finally the exercise or justification of policy based on the opposing fear of the Right, cause parallel reactions in the opposing camp and, alas, they will turn against those who promise the development and progress of society.

Of course--and it would be an omission if we did not say it--Kostis has abilities: Eloquence, tenacity and perseverance, a tendency toward leadership (leadership qualities we don't know since he has never been the actual leader), ability to maneuver, lack of moral restraints--in other words all that a politician needs. In addition, there is another unquestionable asset: the short political memory of the Greek people. Only this can explain how he succeeds in surviving politically.

7520 CSO: 3521/256 POLITICAL

GREECE

### POLISH PLANES, GDR RR CARS PIT GOVERNMENT AGAINST PRESS

## Planes Unfit for Service

Athens AKROPOLIS in Greek 17 Mar 83 pp 1, 7

/Text7 Revealing new data were made public today by AKROPOLIS concerning the procurement of aircraft from Poland, while the pro-government ELEVTHEROTYPIA threatens two Ministers, Gian. Pottakis and G. Moraitis, with revelations on the question of purchasing railroad cars from East Germany.

Minister of National Economy Ger. Arsenis spoke out and declared yesterday that he respects his two colleagues and that since they "consistently and responsibly manage the subject" any additional statement on his part would be unnecessary.

In the meantime, newer data made public today by AKROPOLIS raise new questions over the rather strange decision of the services and Pottakis to move ahead with the lease and procurement protocol for 80 aircraft. As we revealed, the protocol was signed by the minister's brother, Levteris Pottakis.

'Unfit for Service'

Specifically: Is it true or not that the Polish aircraft M-18 are considered unfit for fire-fighting service until the infrastructure is created (Note: water tanks, chemical liquid) on Greek soil as noted in a document of the Air Force General Staff dated 14 January and signed by Chief of Staff Major General Kouris. The document was sent to the Ministry of National Economy.

The document implies that the Air Force General Staff does not agree with the leasing of the aircraft and their use by Polish personnel "for security reasons." Specifically, the Air Force General Staff document states:

"It must be seriously taken into account that the aircraft M-18 with regard to fire fighting depend on special installations at their take-off bases. This means that the necessary infrastructure must be created in most airports or at least in regions and these must be provided by you."

In other words, we are buying fire-fighting airplanes which will be unable to get water and chemical liquid which they need since there are no installations and the cost of creating them in tremendous.

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Shortly before this document from the Air Force General Staff, the Ministry of National Economy received a communication from the Civil Aviation Agency  $/\overline{YPA/}$  which emphasized that "the civilian airports of the Greek area do not have water supplies for the fire-fighting aircraft."

In spite of all this, Pottakis approved the leasing agreement for the airplanes, which have already arrived at the Tatoi airfield, with eight Polish pilots and four engineers.

### Uneconomic

Is it not true that the Polish Embassy proposed in September more favorable terms than those contained in the final agreement? Is it not true that the terms changed for the worse for Greece after an intervention by the Greek Ministry of Commerce? (Note: AKROPOLIS has evidence of this.) Is it not true that we have in Greece aircraft like the Polish (single-engine Grumman) which we could use for fire-fighting tests instead of leasing the Polish aircraft?

In spite of all this, the services of the Pottakis ministry chose the leasing agreement. We will continue to disagree.

#### Pottakis Takes Newspapers to Court

Athens ETHNOS in Greek 15 Mar 83 pp 1, 18

/Article by Koulis Leivaditis7

/Excerpt/ Associate Minister of National Economy Giannis Pottakis took three newspapers to court--AKROPOLIS, ELEVTHERI ORA, and MESIMVRINI--because of the charges, open or concealed, that he is involved in a scandal concerning the acquisition of 80 small planes from Poland and 50 railroad cars from East Germany.

The three newspapers reprinted the accusations from ELEVTHEROTYPIA which, however, he did not take to court because, as he told the newsmen yesterday, the phrasing of ELEVTHEROTYPIA was masterly, to avoid the paper's incrimination. On the contrary, the initial story raised questions about Pottakis' superior, Minister of National Economy G. Arsenis and Minister of Commerce Moraitis.

Neither minister was reached nor did they make any statement, although the reports touch on the decisions of other economic ministers as well. According to the judgment of political and economic observers and government officials, the objectives of the campaign against the minister are many:

First, to block the creation of a national agency for air applications.

Second, to assure the unhindered functioning of the procurement system in government purchases.

Third, to block the development of economic relations with the socialist countries.

Indeed, the creation of a national agency for air applications (such as spraying, seeding, fire fighting, transport of sick and wounded, etc.) will push aside many businessmen who own planes they lease to the government. There are 50 such planes which, according to reports, belong mainly to retired officers and are leased to the government at exorbitant rentals.

#### Doing Things Better

In both agreements, with Poland and East Germany, there were no intermediaries and commissions to agents were specifically prohibited. This is a policy which saves Greece hundreds of millions, hurts certain private interests and improves the public procurement system which is today being exploited by various circles which affect the public area with their commissions.

#### Press Controversy Over Planes

Athens AKROPOLIS in Greek 19 Mar 83 pp 1, 7

/Excerpts/ The question of the scandalous contracts (as they are called by pro-government newspapers) has not closed. Instead it grows daily since PASOK's party newspaper EXORMISI has injected itself into the fray.

### EXORMISI Threatens

The issue of the scandalous contracts for the procurement of railroad cars and airplanes now takes on even greater dimensions since PASOK's party newspaper, EXORMISI, injected itself forcefully into the fray. This newspaper, which is controlled by the movement, launched an open attack (contrary to the mild handling by the government) against the two pro-government newspapers which created, kept alive and aggravated the scandal of the contracts.

EXORMISI notes in its reporting that the main target of the attack by these two newspapers is the course of Change, while the editorial under the title "Criticism or Undermining" states: "We have no right nor the intention to interfere with what the press writes. The press is free but we too--and with us all the people of PASOK--are free to judge who are sincerely with us and who are undermining us."

Even more significant is the view presented by EXORMISI on the question of responsibility for the contracts, noting that the government's responsibility is collective and that an attack against one or several ministers reflects on the entire cabinet, even on the premier himself.

### The War of the Newspapers

Nevertheless, in spite of the joint statement of the three ministers and the statement of the government spokesman, ELEVTHEROTYPIA continues to raise the issue and to ask "who got the 260,000 dollars?" /The newspaper/ accuses Minister Maroudas of making things look worse with his announcement about the procurement of the railroad cars. /It/ blames the government for not telling the people the truth. /It/ sides with Transportation Minister Akritidis for the way he handled the issue while he was minister of commerce. Finally, ELEVTHEROTYPIA throws darts against the other pro-government newspapers.

ETHNOS, for the fifth day in a row, devotes its single major headline to the issue of the contracts. In contrast to ELEVTHEROTYPIA, which was not satisfied with the explanations of the three ministers, ETHNOS regards them as devastating for the false accusers.

#### PASOK Mistakes Regretted

Athens ELEVTHEROTYPIA in Greek 20 Mar 83 p 4

/Excerpts/ One of the strongest weapons possessed by PASOK during the electoral period but also during its first 16 months in office, was that it had the support of the wider circulation newspapers--by far exceeding the circulation of the newspapers of the Right.

Last week coming to the surface more clearly than ever before was the crisis that lurks in the relations of the government with the pro-government pressand the press in general--to such an extent that one may question whether the government has indeed friendly newspapers.

One illustration to prove the point: Last Thursday the pro-government newspapers with wide circulation (three-quarters of the readers of afternoon newspapers) came out with huge headlines which were embarrassing for our public life.

Reports in ELEVTHEROTYPIA and KYRIAKATIKI ELEVTHEROTYPIA raised the question that the contract for the purchase of 50 railroad cars from East Germany was changed to our detriment and called on the responsible ministers to inform the people who were the intermediaries and high-level officials who pocketed commissions of 260,000 dollars. The issue which objectively merited at most a two-column report took tremendous dimensions and dominated the front pages of almost all newspapers.

For the press of the Right and for the New Democracy it was a "gift from heaven." The press of the Right embraced and presented impressively the ELEVTHEROTYPIA reports, combining them maliciously with another government contract for the procurement of 80 fire-fighting aircraft from Poland which hurts private interests--especially when it will be followed by the creation

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of a state agency which will displace 9 private enterprises controlled mainly by retired officers--some of them known since the dictatorship.

The issue was suitable for exploitation by the Right for another reason. The ministers named by the newspaper's reports as responsible because of the subject matter were Associate Minister of National Economy Giannis Pottakis and Minister of Commerce Giorgos Moraitis. It means very little that this writer can "put his hand in the fire" to vouch for the integrity of the two ministers. For the Right it is important that the target is two truly PASOK stalwart ministers (from its cadres), among the most decent, quietly creative, and above all most progressive members of the cabinet.

Certain initial spasmodic reactions by the two ministers kindled the issue and made things worse. ETHNOS found an opportunity to bring to the surface its lurking hatreds against Minister of National Economy Ger. Arsenis. TA NEA sought to project itself as a loyal pro-government newspaper, while RIZOSPASTIS took advantage to denounce those who sabotage or think they sabotage the relations with the Eastern countries--and the mess was completed.

As the government found itself suddenly between the cross-flying arrows from "friendly" (supposedly) quarters, it reacted with yesterday's EXORMISI in a way which keeps the issue alive if it does not give it greater dimensions.

Justified, but also in some way unjust, is the tone and the content of the EXORMISI leading editorial. Under the title "Criticism or Undermining" it denounced ELEVTHEROTYPIA for its "hatred" and "undermining" of the government. The EXORMISI editorial writer overlooks a simple, historically proven truth: At all times and under every political system, leaders and parties usually praise the press to the point of flattery on their way to power. If they continue to do so after they come to power, then something is wrong with the press.

For this reason it is not the government's praise that those who serve a free press are seeking. Their main role, together with the responsible task of informing, is the constant supervision of those in power, seriously, well grounded, persuasively and decisively. The attack against ELEVTHEROTYPIA is unjust for the following reasons:

1. With a stroke of the pen, it wipes out all that this newspaper did to help PASOK to come and to solidify itself in power.

2. It overlooks that inside ELEVTHEROTYPIA there had been disagreements for the unsound handling on the issue in question and for reports which did not live up to the specifications of a free, progressive journalism based on the principal of critical support of the present government: "We support the Change; we check on those in power." And mainly: 3. The article of the EXORMISI does not show any intention to selfcriticize--and there is the big problem: If it is difficult for the government to find out to what extent it has a truly friendly press, it is primarily because it does not have a policy for the press--and for the mass media in general.

This is self-evident in the mass media controlled by the government (television, radio, Athens Press Agency). It becomes even more clear every time the government (more precisely, some of its members) handles the information task on the basis of certain sympathies, preferences, commitments (as a "gift", as an inducement, as a favor, or as horse trading) inevitably rekindling an editorial competition which in the end turns against it. It is a crucial problem which cannot be dealt with through spasmodic reactions nor with opportunistic "friendships" with editors, nor with plans to turn the journalists into civil servants, nor with the publication, openly or covertly, of party newspapers. As long as this problem is not dealt with, it makes it increasingly clear that the Right learned much faster how to conduct opposition than PASOK how to handle power.

Party, Parliament, Government Relations

Athens I KATHIMERINI in Greek. 20-21 Mar 83 pp 1, 3

/Article by N. Nikolaou, "New Serious Rift in Relations Among Deputies, Party, Government"7

/Excerpt/ The issue of the three contracts opens up a new page in the polemics against PASOK; the reading of this page will prove painful since it creates problems which the government did not have until now.

Indeed many cabinet ministers have been criticized in the past for inexperience, dogmatism, fanaticism, even incompetence while the popular reaction to all this, especially among the simple voters of PASOK, was an attitude of tolerance, if not understanding, a grace period which would correct the shortcomings and violations of youth.

Now--for the first time after 17 months in office--and on the initiative of a pro-government newspaper there are rumors being spread in the streets about moral problems related to the management of public funds which will persecute the government and will have a destructive effect on its popular appeal. This corrosion will take place regardless of the objective existence or absence of these issues.

Reliable reports say that the premier who is very sensitive to such problems understands the dangers inherent in these rumors, but it is natural that at this stage he cannot take the initiatives he would like. Some of his close associates, however, predict that such initiatives will take place during the reshuffling of the cabinet which will be done after the question of the bases has been settled. The issue was aggravated by the circulation war between the pro-government afternoon newspapers. In this issue economic circles noted with particular concern the open intervention of the party machinery which assumes the defense of Pottakis with the further objective of lessening the influence of Minister of National Economy Ger. Arsenis who, although he tries to find a common language on many issues with Gennimatas, Tzokhatzoponlos, and Laliotis. continues to be regarded by them as a "foreign body."

Let it be noted that when Lazaris was minister, Pottakis received the same protection, not because he has a special position in the party, but because the triumvirate always wanted not to have stable poles of power in sectors it did not control, especially when these poles did not adopt its Third World views and proposals.

The wider objective of the party mechanism is to place under its control the crucial sectors of economic policy (which were kept out of its control thanks to the wisdom of Premier Papandreou). Pottakis, who has served in the party machinery, has tried unsuccessfully in the past to take jurisdiction over the relations with the Common Market and more recently over the intergovernmental contracts for liquid fuels, a fact which forced Minister of Energy Kouloumbis to speak personally to the premier.

Every government official noted that the comment of a pro-government newspaper connected with the party machinery that Ger. Arsenis is not elected compared to the "elected" Pottakis and Moraitis, was in effect an arrow against the leadership of the government which had the initiative to give the minister of national economy the extensive powers he has.

7520 CSO: 3521/257

## REPORTED SECRET POLL SHOWS PASOK LOSSES

Athens I VRADYNI in Greek 14 Mar 83 p 1

/Article by T. Athanasiadis. "ND at 40%; Andreas Concerned About Election Results in Germany, France"/

/Excerpts/ PASOK is tumbling down. Sixteen months after its rise to power it has lost so far 27 percent of the electoral support it received in October 1981 or 13 percent in absolute numbers, according to a poll conducted last week in Athens on behalf of PASOK.

According to exclusive reports of VRADYNI, the secret poll conducted in the Athens region last week shows PASOK having come down to 35 percent while the New Democracy Party is higher at 40 percent. Ten percent of the voters are undecided. With KKE-Ext. showing a slight rise to 12 percent, and with the remaining parties showing only 3 percent, the results of this poll caused an earthquake in the PASOK headquarters which ordered the poll.

According to reports verified by VRADYNI, the poll took place immediately after the German election and the first round of the French municipal election and the rejection of "change" which particularly worried the premier and his associates.

If one were to count that the PASOK strength in the municipal elections of last October was assessed at 38 percent by the major French Socialist newspaper MONDE, the results of the recent poll which PASOK has every reason to conceal (and which it will likely, as usual, deny) shows further decline for PASOK.

### Major Decline

Compared to the results of the October 1981 election when PASOK received 48 percent of the vote, the "Change" has lost more than 27 percent of its strength, as shown by the poll.

By contrast, the New Democracy shows a rise to 40 percent compared to 36 percent in the 1981 election, and with strong possibilities of rising further since 10 percent of the voters appear undecided at this moment. 7520

cso: 3521/254

## COMMENTS ON INTRA-PARTY ND ACTIVITIES

### Electoral Readiness Affirmed

Athens | KATHIMERINI in Greek, 18 Mar 83 p 2

/Excerpt/ The New Democracy is going through an intensive phase of intraparty organization designed to assure continuous preparedness for elections whenever they may be held. This is the general concluding message of yesterday's long meeting of the ND Parliamentary Group. The meeting started at 1000 hours with a report by ND Chairman E. Averof and continued with speeches by several deputies until 1400 hours. It will be reconvened on 31 March.

In his political report Averof emphasized that in view of the developments and the policies of the government--which he accused of autocratic administration--the task of the ND is titanic. "It is a task of national salvation," he said, and added, "because no other political organization can block this destructive torrent that has fallen on our country, only we, only the ND, can do it."

Averof mentioned also the organizational questions of the party, underlining both achievements and weaknesses.

After Averof's report, special speakers analyzed the agenda subjects: Evert proposed to work out a plan in the event PASOK goes to election suddenly.

Averof observed that the organization of the ND and its new program are designed to provide readiness for an electoral confrontation, long term and short term. He added, however, that a party committee might be formed to work out an electoral plan for the eventuality of sudden elections; during the discussion of party mobilizations Tsiplakos revealed that on 27 February the commander of the 114 Battle Wing in Tanagra ordered the aircraft alert to replace air-to-air weapons with air-to-land. Averof interrupted the deputy, saying that such subjects should not be discussed in public.

Averof's Reported 'Right Turn'

Athens TO VIMA TIS KYRIAKIS in Greek, 20 Mar 83 p 7

/Article by Panos Loukakos7

GREECE

/Text/ New Democracy chairman Evangelos Averof appeared last Thursday on TV to repeat what he has said before: The government leads the country to destruction, weakens its international supports, reduces its reliability internationally and among the allies, shakes the people's confidence in the economy, raises many questions about the various partisan mobilizations, etc., etc.

Averof spoke beautifully, but who was his intended audience? The hard core of the Right's traditional followers? Certainly yes. The wider, fluctuating centrist states whose migrations usually give the electoral victory? Certainly not.

Once again the ND chairman chose to speak to the narrow cluster of his party followers, leaving everyone else out, as though he was trying nothing more than to keep the ND in the opposition.

The same picture prevailed at the meeting of the party's parliamentary group on Thursday. Averof and other ND deputies spoke mainly on the party's organizational problems, overlooking the fact that there were other more serious and more immediate problems.

"We discussed the organization but we did not discuss our ideology, what we are and what we are not," said one of the younger deputies accurately--a view which was rather out of line at the meeting of the parliamentary group since nobody said anything further and many acted as though they had not heard it.

What the deputies saw with their own eyes was that the health of the ND leader is improving rapidly--"he looks better than before the operation," said one of them--and therefore those who had pinned their hopes on Averof's withdrawal should forget them. This, of course, changes many plans and many scenarios but it also raises the question of not who is the leader of the ND but what ND is at last.

Is it the party that covers only the traditional area of the Right? Is it the party that appeals to wider centrist states as it was at the time of Kon. Karamanlis? Until this question is cleared up ND will not be able to function effectively as opposition and its word inside and outside of parliament will have limited appeal. The catastrophe-mongering, the forecasts about the end of the world, and the sterile anti-communism, no longer convince anyone, especially when they come from a party which only 15 months ago was rejected by the Greek people precisely because it applied in practice what Averof said on TV last Thursday.

#### Averof Asserts Leadership Role

Athens TA NEA in Greek 15 Mar 83 p 1

/Text7 Averof is "threatening" the main aspirants /To the party's

leadership/ the secondary aspirants and party cadres since he is now convinced that in his party everybody does what he pleases.

Specifically--according to cross-checked reports--Averof for a long time followed "without decisive interventions" the course of his party and found out that "bossism which is evidenced at all levels threatens complete dissolution." He conveyed these conclusions to close associates and important political personalities, making clear at the same time that the only prospect he rules out is to give "more time." He decided and:

He declared--without special politeness--to the aspirants that he is and will remain the leader of the New Democracy and, of course, the leader of all the cadres who are and will remain in the party.

He cut off from the "small" political bureau a lower-level aspirant who was...playing hard to get and was absent from the meetings. He threatened in writing the regional cadres of the ND that if they continue to ignore his instructions and do not stop the bossism they will find themselves outside of the party.

To the Aspirants

The "settling of accounts" with the aspirants took place in a closed circle but nonetheless in front of witnesses.

There are differences in the speeches of the aspirants to their own followers but from now on the following should be expected:

1. In their campaigns the aspirants will be received with photographs of Averof also and not only their own.

2. The speeches of the aspirants will be planned by the party and will begin with the presentation of Averof's "fighting message" whose name they even forget to mention.

Carrying out this instruction Stefanopoulos mentioned the name of the leader three times in his speech in Volos.

To the Cadres

Averof's intervention with the non-parliamentary cadres became known by circular letter 599 "To all the Nome and Local Committees, branch organizations and the ONNED." The circular gives instructions to complete and broaden all local committees and to prepare for the intra-party elections in June. But since he appears to fear that many regional committees, to serve their friendly aspirants, keep in the membership lists only the names of supporters, Averof issues a warning at the end of the circular: "I do hope you will not force me into asking for responsibilities and for imposing sanctions." 7520

CSO: 3521/254

### CONCERN EXPRESSED OVER RESULTS OF CURRENT FOREIGN POLICY

## Participation in PLO Meeting

## Athens I KATHIMERINI in Greek, 19 Mar 83 p 1

/Article by Rikhardos Someritis: "Once More Greece Splits EEC's Common Policy"/

/Excerpt/ Paris--In spite of the complete French opposition and the decision of all EEC member states to stay away, Greece will take part in an international conference on Palestine in Paris next August (from 16 to 27), that is, during the period Greece will hold the presidency of the Community and will be in charge of EEC policy.

This report was confirmed in Paris by an official French source. The UN General Assembly decided to hold the conference in the summer of 1983, in spite of the clear and categorical opposition of the French government, which did not take part in the voting.

According to reliable French sources, France as well as the other EEC countries (with the exception of Greece) will refuse to participate in the conference.

#### Displeasure

The French sources did not comment particularly on the possible Greek participation. It is clear, however, that the presence of a Greek delegation in Paris to take part in an international conference which will take place, if it does, against the wishes of the French government, and the danger of causing problems to the French socialist government, will not strengthen nor improve the Greek-Turkish dialogue, no matter how much understanding will be shown (politely and friendly) by the French diplomats.

It is rather strange that this new showing of the "special character" of the Greek foreign policy takes place at the very moment that Greece faces (virtually alone by its own choice) the difficult negotiations with the Americans on the bases and with the Europeans on the "memorandum".

#### Unsatisfactory Foreign Relations

# Athens I KATHIMERINI in Greek 20-21 Mar 83 pp 1, 3

/Article by Rikhardos Someritis: "Greece's Stock Abroad Has Dropped"/

/Text/ Paris--Caution: At this moment Greece is virtually alone. Its stock abroad is down. Should it have any problems (domestic or foreign) it could not lean as before on allies, friends, comrades or partners. This conclusion--harsh and pessimistic--is dictated by specific developments:

1. Relations with the USA are at this moment negative to the point that impartial observers regard them as dangerous, because of the impasse on the bases. Few, very few, believe that this impasse is as real as portrayed, and even fewer believe in the eventual failure of the negotiations. But many pose this question: What if one or the other side misjudges the intentions and the objective potentialities of the other negotiator?

The systematically cultivated uncertainty regarding the stability of the basic orientations of our country is an obstacle to normal relations with the West. "Does Greece stay in NATO," many ask "because it considers it useful or because it is afraid to leave?" In other words, does Greece consider itself an ally or does it feel trapped in an arrangement it condemns? There should be an answer with deeds in its foreign policy and, many believe, "in the domestic propaganda."

2. The relations with the Eastern camp (USSR and satellites) are not as positive as is desired by those who base the pride of the Greek foreign policy on the theory of petty blackmail or balance between the East and West. All the recent experiences (visits, economic, political, even cultural relations with the Eastern countries and the Soviet Union) proved that Moscow and its allies have no intention of choosing between Greece and Turkey, although Turkey is the main problem for Greece.

Moreover, there is not the slightest indication whatever that Moscow would specifically support an attempt by Greece to question the Yalta frontiers, i.e., an end to the alliances and the status quo in Europe. Moscow and the Eastern countries do not even believe that PASOK is moving toward a genuine disengagement of the country /from the West/. They are satisfied with the problems Greece is creating within its alliances.

### Relations with the EEC

3. Relations with the EEC are not "splendid". According to all reports, only with considerable European patriotism could Papandreou regard as satisfactory the responses of the EEC to the Greek demand as contained in the memorandum. It is most likely that the responses will be accepted as positive. "Most likely" does not necessarily mean "most certain": a crisis with the EEC could not be completely ruled out. 4. Greece's relations with most European states cannot be regarded as exemplary. The new conservative West German government favors the traditional ties with Turkey rather than with the "leftists" in Athens. The relations with the conservative government of Mrs. Thatcher in Britain are not improving, of course, when we push the just demand (but not in the opinion of everyone) for Elgineian marbles.

Relations with France, our traditional ally, are stagnant. There is the problem of the conference on Palestine, as well as the case of the metro, the airport, the aircraft, European defense, the future of European unity.

#### Entanglement with the Arabs

5. Also, with the Arab world--and only on the face of it might it be regarded as strange--difficult problems have arisen because of excessive "revolutionary" enthusiasm or naively excessive zeal. One of these problems is Greece's entanglement with the cause of the Polisario, PASOK, but also government officials promised this organization to accept in Athens a diplomatic representation and to give international support. Today Polisario is in opposition not only with Morocco but (indirectly) with Algeria because of /Polisario's7 ties with Libya.

With Polisario and with other hasty gestures, both official or partisan, in intra-Arab affairs we can understand the delays in the implementation of economic treaties and the difficulties in our diplomatic relations. How else can one explain that no one, not even France nor most Arab countries, seems to want Greece's participation in the Mediterranean economic conference which is now being prepared (with difficulty).

It would also be interesting to have at last an objective study of the question of whether the PASOK policy of complete identification with the PLO has actually helped that organization. There are valid indications that a more dispassionate and neutral policy might have incurred more aid to the cause of Palestine and fewer problems might have been created for the government and for Greece abroad.

Greece, of course, remains--for the time being--in NATO and the EEC and in all the international organizations in which it has been traditionally a member. It maintains a broad complex of relations, contacts and ties. The problem is that at this moment its objective participation is undermined ("the Greeks systematically react in a 'buttoned up' manner as though they are afraid they may catch a cold," to quote a diplomat recently). The views they support are provocative and incomprehensible for most of their counterparts--take Poland for example--or contradictory, so that they raise questions and suspicions on all sides.

Today's Greek diplomacy does not seem to have convinced its necessary partners--West, East and neutral--that it has specific and essential goals. Thus it allows doubts by many and a general climate of distrust at its expense. In other words, it reminds one of the recent example of Malta.

7520 CSO: 3521/256

### CARRILLO ON FATE OF PCE, STATUS OF PSOE

Barcelona LA VANGUARDIA in Spanish 11 Mar 83 p 10

[Interview with Santiago Carrillo, former head of the PCE [Spanish Communist Party] by P. C.: "Santiago Carrillo: 'Politically, I May Be Dead, But As Yet Not Buried--The PSOE Has Changed Nothing of Importance'"; in Madrid, date not given]

[Text] Madrid (Lid-LA VANGUARDIA)--"I can well understand how, in politics as in life, great loves can be transformed into great hatreds," said Santiago Carrillo at "The Ritz Breakfasts." The reference to hatreds stems from the fact that three books have been published in recent weeks in which he does not exactly come out unscathed. And one of them is written by the man who was his right hand for many years, Fernando Claudin, today a member of the PSOE [Spanish Socialist Workers Party].

[Question] The criticisms have been getting heavier for some time now; it is as if the intent were to chop the fallen tree into even smaller pieces...

[Answer] If I were so much a fallen tree, there would not be so many books being written about me; still another one is about to be written, this one by a young Frenchwoman, Laly Marcou, who was a communist. In October, the PCE lost 60 percent of its voting constituency while I was its secretary general. I interpreted this to mean that, at least insofar as concerns that particular point in time, I had been unable to lead my party to victory. Prior to this, in June, I had already submitted my resignation, and it was only after the Executive Committee, in its entirety, threatened to resign if I did, leaving the party without leadership in the face of forthcoming elections that were going to be difficult, that I agreed to withdraw my resigna-They told me that, in the event of failure, they would share the blame tion. with me, but when I resigned, after October, I freed them of the burden of that blame and asked them to continue. Can it be deduced from this that I am dead and buried? Dead politically, perhaps yes; but buried, I am not as yet. What has occurred is that persons who at one time were my friends have now become my adversaries, but, in politics, that happens often.

[Question] And does it hurt?

[Answer] I understand it. What happened in this country was that the only way to be actively anti-Francoist was to be in the PCE; but many were members of the party without being communists.

[Question] As is the case with Iglesias?

[Answer] It is too early yet to judge his work. He has provincial experience; and the leader of a party is formed here. Gerardo Iglesias needs time to assert himself and become a good party secretary.

Future Alternatives

[Question] What is your prognosis as to the municipal and autonomous regional elections?

[Answer] I think we are going to recover, and that our recovery will be all the more complete during the next few years if we do not make foolish mistakes; but the crisis in the PCE has as yet not been resolved. And the crisis resulted from the fact that some members of the party were not communists to begin with and others stopped being communists.

[Question] You have on various occasions defended the idea of a politically concentered government, devoid of revengefulness and not out to rewrite history, as you put it. What politically viable persons would you include in such a government?

[Answer] For example, Felipe Gonzalez, Guerra, people like Adolfo Suarez, Roca, Arzallus, Martin Villa... as for Fraga, there would have to be a very grave situation to be dealt with before I would join him in such a government.

Question Do you consider Fraga an alternative to the PSOE?

[Answer] I think it would be a very serious matter of concern if Fraga were the alternative. Not because of his past, but because he has a constant tendency to evoke familiar demons of this country or to provoke visceral reactions on the part of the traditional Right; and because he has a profoundly authoritarian temperament.

[Question] What is your balance sheet on the first 100 days of socialist government?

[Answer] The PSOE has made no changes of importance and has failed to take advantage of the opportunity it has had to make them. For example, one of the most important aspects of their campaign was their promise to create 800,000 jobs, but as soon as they took office they said no change would be made in this regard in 1983; and unemployment is rising.

Another issue is that of NATO; in that one, they have defrauded those who voted for them. And the Rumasa affair: The measure is of the most conservative nature, a measure like those the INI [National Institute of Industry] has always taken in the past. As for the Abortion Law, I respect the views of those who are opposed to it, but I am for its decriminalization, and the bill that has been introduced resolves no problem, since, with it, the moneyed elite, or those with doctor friends who will certify their case, are going to abort.

[Question] What is your view of Spain's future?

[Answer] Either the PSOE must prove capable of transcending the euphoria of its 10-million-vote triumph and institute a policy of cooperation with the political Center and the communists, aimed at consolidating a progressive policy, or, within X-time, we will have a Rightist government. If I were secretary general, I would issue a joint statement with the CDS [Democratic and Social Center] and the PSOE, declaring that, after the municipal elections, we would help the municipal councils in their governance.

Question But do you have confidence in the future of the CDS?

[Answer] The CDS is perhaps nonexistent, but Suarez does exist, and he is the man of the Center who possesses the greatest amount of political capital. I do not believe he will be able to put together a party like the UCD [Democratic Center Union] was, but Suarez has clout.

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#### POLITICAL

#### PNV'S ARZALLUS ON BASQUE NATIONALISM, ETA

Madrid EL ALCAZAR in Spanish 11 Mar 83 p 8

[Article: "Separatism Possible Under the Constitution"]

[Text] The head of the PNV [Basque Nationalist Party] executive, Javier Arzallus, has indicated in statements made to the publication INFORMACION, of the Bilbao Chamber of Commerce and Industry, that the KAS [Patriotic Socialist Coordination] alternative, which has the full backing of the HB [Herri Batasuna (an organization presumed fronting for the ETA [Basque Fatherland and Liberty Group])] and the ETA terrorist organization, "includes points that are negotiable under the Constitution."

The PNV leader emphasizes that "When Article 150/2 was drawn up, the intent was that the state could transfer everything that was by its very nature transferable, even though a broadening of the statutory limits might be involved." He goes on to say: "And the by-laws themselves actually contain an additional provision that can be made operative. Navarre, an issue that is also resolvable by application of the proper constitutional and statutory provisions, and if the PSOE [Spanish Socialist Workers Party] were to change its attitude and propose a referendum, a way would be opened." [this passage as published].

As to the eradication of ETA terrorism, Arzallus reiterates, once again, the view that has been expressed many times by the PNV leadership: "Police-state tactics will not do away with the ETA. Even with France's cooperation and an authentic cooperation on the part of our citizenry, assuming these could be brought to bear, I am very skeptical that such an approach can produce a solution."

In his statements, Arzallus comes out in defense of the "abertzale" [patriotic] HB coalition, saying that "The identity of the HB with the ETA cannot be affirmed. It is a lawful coalition, has popular representativeness, and it cannot be said to be hiding behind the coattails of anyone. Nor do we believe the HB can be blamed, as is being done, for the assassinations on the part of the ETA or for the kidnapings. Here, we all know each other, and we all know the ambits in which each of us operates." HB, for its part, published a communique on Wednesday in which, besides accusing the provincial governor of Biscay of "anti-Basque phobia," it affirms that "There can be no doubt that the governor and the governor of Madrid have felt the impact of Sunday's demonstration, as regards HB's mustering capability and the daily increasing number of Basque citizens who are demanding the national sovereignty of the Vascongadas [Basque Provinces]."

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#### FEDERAL REPUBLIC OF GERMANY

MILITARY

#### TECHNICAL, TACTICAL IMPLICATIONS OF ROGERS PLAN ANALYZED

Munich EUROPAEISCHE WEHRKUNDE in German Feb 83 pp 54-55

[Article by Wolfram von Raven: "The Extended Battlefield: Technical and Tactical Implications of the Rogers Plan"]

[Text] "In accordance with the Bonn summit's instructions in this area, the ministers examined an American document on the utilization of new technologies to improve conventional capabilities and thus to strengthen deterrence and defense capability. They were agreed that the alliance should actively seek out possibilities for utilizing these technologies within the framework of the joint defense planning process, and they approved the further pursuit of alliance measures for the efficient and economical application of such technologies."

So we read in the translation of item 10 of the DPC-communique of 2 December 1982. These formulations, whose meaning the layman is hardly able to comprehend in their entirety, proclaim to the general public that the NATO defense ministers have in principle approved SACEUR's suggestions which commonly go by the name "Rogers Plan". Accordingly, the military staffs have been charged by the political leadership to conduct investigations that promise to change the armed forces of all pact partners and increase their effectiveness--if they sooner or later result in a concrete plan for a combined and coordinated armament policy. This cannot happen from one day to the next, but only in a gradual process throughout the course of a decade; it must, however, be introduced and prepared now, which forces us to set the course so that the train rolls in the right direction and does not get onto the wrong track.

## What's It All About?

The idea, for whose implementation General Bernard Rogers--often misunderstood, and sometimes misleading too--has been pleading tirelessly for some time, has the aim of strengthening the alliance's conventional capacities without weakening its nuclear capacity at the same time. This concept has less to do with the quantitative dimensions of armament: it is more oriented toward the qualitative substance of this armament. In conspicuous terms: opportunities exist for equipping the air and ground forces first and foremost such that they become technically and tactically capable not only of optimally carrying out their assignments within the framework of the forward defense--despite the shortages in the available manpower and materiel--but also of taking on missions for the advanced defense. Developments in weapons technology already make it possible, now but particularly in the future, to formulate the operational and tactical conception such that the repelling of an attack need not be purely defensive and only take place on the territory of the defender: it can be equally and simultaneously offensive with regard to the attacker's area.

Now this does not make the strategic demand of switching from the defensive, which for want of numbers would perhaps degenerate from a defense behind the front lines to one in the rearmost sectors, over to the offensive. That would not be politically implementable or militarily feasible, and would thus be a dangerous illusion. Nevertheless, the idea contains the tactical demand for changing the nature of operations. NATO units would continue to be geared towards resisting the attacking adversary, i.e., they would have to remain concentrated in fire-power and maneuverability in the front-line area. But they would be able to extend and broaden the effect of their weapons into the enemy's hinterland to forestall the reinforcement of the aggression with combat forces from well behind the front.

It all depends on supporting and complementing the action against the Warsaw Pact first echelons, which would be fought out on the field of the forward defense, in the form of an advanced defense both at and behind the front with effective strikes against the second echelons so that these forces could not take part in the operations and force the breakthrough. The quantitative inferiority of the West could thus probably be offset again by its qualitative superiority over the East. This would make the deterrence in the conventional sphere more credible, which would likely raise the nuclear threshold. To the same extent that NATO would gain such capabilities, the opposite side would lose some of its ability to achieve success through intimidation.

Thus no new strategy is being planned that would sever or disrupt the links between the conventional forces and the nuclear weapons, but rather one that aims to complete the old strategy by utilizing weapons and instruments which will emerge in a broad spectrum through progress in research and development. The conception of the "flexible response", which threatens an appropriate defense for any attack, includes before the nuclear escalation in accordance with the motto "as early as necessary and as late as possible", in fact, a conventional phase of the fighting which cannot be content with the function of a "trip wire" for triggering the nuclear weapons; rather, it must generate effective resistance--also as regards the possibility of avoiding the need to switch from the conventional conflict to a nuclear exchange.

The extension of the battlefield from west to east envisaged in the sketched out manner presupposes "smart" weapons systems with explosive charges with armor-piercing capability, particularly for arming aircraft and missiles as well as for providing ammunition to the cannon artillery, i.e., bombs, warheads, and shells that seek out, find, and strike their targets by themselves. It calls for reconnaissance means that deliver real time data on the enemy's positions, i.e., which immediately register and report back on the advancing opponent. It is, after all, a matter of fighting mobile targets, not only of destroying fixed targets such as bridges, depots, and command and communication centers, for which the currently available resources would probably suffice. And finally, the utilization of the delineated opportunities requires a modernization of the telecommunication and command systems which allow quick decisions to be transformed into rapid action.

It thus becomes clear that the technology demands a process of accommodation from the tactical side--above all in those areas where the flexible tactics of assigning missions have become the rigid tactics of giving orders. For the tools that are given to the units require the independence of the middle and lower levels of command as regards the operational goals set by the higher command. An armament program with the described tendency will probably be a substantial influence on the structure of the armed forces, both materially and intellectually. Its effects will not be revolutionary but certainly would cause reforms.

It is necessary, however, to dampen high expectations and guard against the misunderstandings that tend to form and spread in politics and the media whenever something new takes the place of something old. Even if these weapons and instruments are fully developed and put into service, NATO will still not have any miracle weapons or instruments, no cure-all, that has the property of converting weaknesses into strengths; the philosophers' stone has not yet been discovered that would provide an automatic defense system, ready to function at the push of a button whenever an attack would strike the hour of truth for the defense...

Furthermore, the rearmament and readjustment will cost money, which will cause headaches for each and every NATO partner when a framework for armament is at hand that requires investments. It thus becomes all the more important not to conduct the developments in a "one-way street" that runs from America to Europe, but rather to build a "two-way street" in which the Europeans and Americans can meet. The interlocking system of security should become one of armament--the political striving for cooperation among both military and economic interests, and a policy of partnership in which the giving and taking, the buying and selling, more or less balance out. The allies' endorsement of the "Rogers Plan" contains this stipulation, even though it is naturally not expressly formulated.

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### AIR FORCE USE OF UNMANNED AIRPLANES DISCUSSED

Bonn WEHRTECHNIK in German Mar 83 pp 32-37

[Interview with Col Dieter Brunke, attached to the general staff, by W.F.]

[Text] The German Air Force is now introducing the TORNADO, probably the plane with the greatest fighting power of all NATO aircraft. The high costs of TORNADO have kindled numerous discussions, and many believe that unmanned flying systems should be resorted to considerably more than is now the case. These-drones, RPV's [remotely piloted vehicles], cruise missiles, or ballistic missiles--would certainly be cheaper, have lower operating costs, and not endanger pilots. WEHRTECHNIK discussed what unmanned flying systems can do, what advantages and disadvantages they have, and how they fit into the air force's spectrum of missions, with Col Dieter Brunke, in charge of planning in the air force operations staff for the tactical fields of air attack, air reconnaissance, and air transport. Conclusion: Unmanned flying weapons systems are well suited to quite specific tasks, but lack the flexibility of a fighter plane. Savings in operating costs are certainly possible, but in comparison to the airplane far greater numbers are required.

WT [WEHRTECHNIK]: Even before the Israelis' successes with RPV's in the last Near East conflict, discussion had gotten under way on the question: Do we still need manned combat planes, and cannot a great deal, if not indeed everything, be done by unmanned systems; i.e., by RPV's or drones? Surely you have been thinking about that?

Col Dieter Brunke, General Staff: In dealing with the question of manned or unmanned systems, the unmanned ones include more than the RPV's or drones you mentioned to be considered; cruise missiles and ballistic missiles with final-phase guidance are also in that category.

WT: Can you state briefly the distinguishing features of these systems?

Brunke: RPV's are aircraft that are continuously controlled or steered during flight either from the ground or from the air; they can be designed either as one-time devices or as retrievable ones. Drones, on the other hand, generally fly a preprogrammed course and after accomplishing the mission are brought back to the ground so that they can be used again. The cruise missile is a highly specialized form of a non-reusable drone--it flies only one way on a preprogrammed course to a preprogrammed target, and it is simultaneously vehicle and weapon. This applies in the main to the ballistic missiles as well, which may be equipped or not with guidance in the final phase. Examples of ballistic missiles include the LANCE; conceivably also a PERSHING with conventional warhead or, e.g., the BOSS system for attacking enemy airfields...

WT: And the antiaircraft rockets?

Brunke: They, too, basically count among the unmanned systems.

WT: To be able to know for what missions unmanned systems can be used, it would be good to know for exactly what missions the German air force is using manned aircraft at present.

Brunke: Manned flying weapons systems are essentially designed for three tasks:

Attacking ground targets within the framework of offensive counter air; i.e., attacking enemy air forces on the ground, or interdiction and/or battlefield interdiction, and thirdly in the domain of close air support (CAS) on the battlefield.

□ In air-to-air or pursuit missions it is combatting targets in the air, in other words combatting the enemy's manned and unmanned systems, including helicopters. The English designation for this is defensive counter air.

□ Reconnaissance, including both penetrative reconnaissance and what is called "remote reconnaissance" with long-range sensors, such e.g. as side-looking radar or passive sensors of electronic telecommunications reconnaissance. A special case is AWACS [airborne warning and control system], which primarily serves to determine the air situation.

WT: Is reconnaissance not precisely the field in which unmanned systems are being used even today for some tasks?

Brunke: Unmanned systems are already in use today, with concentration on reconnaissance, and in fact both in penetrative reconnaissance and in monitoring, electronic telecommunications reconnaissance. We, too, are thinking about introducing unmanned systems side by side with the manned systems for reconnaissance; certain tasks can be taken over by drones and RPV's, and quite new additional tasks may be carried out in that way. But manned systems cannot be entirely dispensed with; visual reconnaissance is still a factor.

The Americans also say that they have already used unmanned systems in southeast Asia to attack fixed targets.

But RPV's were also used to deceive enemy radar stations, especially those of antiaircraft installations. We are planning to use a similar RPV with a somewhat different mission--primarily destruction of enemy radar installations and secondarily for deception--under the designation "Kleindrohne Antiradar" (small drone antiradar). With this drone it is also possible to discover previously unknown radar stations. Once such a radar has been discovered, the small drone antiradar flies directly at the instrument and explodes the warhead it carries. It can also represent a flying target and so challenge the enemy to attack it and so use weapons without doing great damage. Or, the enemy is forced by the drone to shut off his radar instruments, so that friendly aircraft can get through undetected.

WT: But surely this mission is already undertaken by the so-called "antiradiation missiles" such as SHRIKE or HARM?

Brunke: Yes but for these missiles, which are used within the framework of "suppression of enemy air defense" (SEAD), you need a plane to carry the missile, and the missile itself is also relatively expensive. Here we see in the small drone antiradar the more cost-effective device, which can be manufactured in large numbers, and also is of ammunition-like character, so that in this special mission it can replace manned systems. This small drone can penetrate to a certain depth into enemy territory, and is of very small dimensions and consequently is difficult to detect. Moreover, it can fly in enemy air space for a fairly long time, either to attack the active enemy radar as a "kamikaze drone" or to force the enemy to switch off his radar instruments as long as he thinks the small drone antiradar is in the air. The aim is thus to eliminate the guidance devices of the enemy's antiaircraft defense, including mobile ones, without endangering friendly flight personnel.

WT: And this very thing is the great advantage of unmanned systems?

Brunke: Yes, as the Americans say, "to save lives and dollars." Manned systems are often accused of being too complex and hence too costly, affordable only in too small numbers. Moreover, a great deal of pilot training is required, the operating costs are too high, the airfields are too easy to discover and hence too vulnerable. That is the basis for the demand for replacement by unmanned flying systems.

WT: How far advanced is the development of the small drone antiradar?

Brunke: After the Near Eastern War of 1973, discussions in regard to the small drone antiradar began in this planning office in 1974 and led to the Tactical Request the next year. For financial reasons the planned German-American development has been postponed--but it is still a subject of Luftwaffe planning.

WT: And what is the situation with the other missions that we had allotted to unmanned systems; e.g., attacking ground targets?

Brunke: Unmanned systems can be used for attacking previously reconnoitered, fixed, strongly defended targets--but here the question arises how much ammunition and hence how many unmanned systems must reach the target to destroy it with sufficient certainty. Today there are not yet any RPV's for use against movable ground targets; the technical outlay is extraordinarily high here, for previous reconnaissance is needed, the RPV must be continuously steered via reliable data transmission, good sensors are necessary, etc., etc. The range is also limited, since for RPV-ground data transmission a visual link is generally required, unless I pilot the RPV's from a plane. To introduce the RPV into the Central European scenario a great deal memains to be done in practically all technical fields: sensors, data transmission, steering, reconnaissance. WT: But can a manned aircraft even today attack a strongly defended target without long-range weapons? Isn't the loss rate too high?

Brunke: The TORNADO is especially designed to penetrate into enemy territory at low altitude to use its weapons, e.g. the MW-1, there. The plane is supported by an extensive EloKa [electronic warfare] equipment, which improves the penetration capability and at the same time protects the plane. If you want to get the arms load that a TORNADO can carry to the target with an RPV, then it, too, becomes relatively large and consequently is not secure against detection, even if it has ECM [electronic countermeasures] equipment. What is lacking is the intelligence of the crew, which can take action corresponding to the threat. On the other hand, with an RPV the weight of the crew is saved, of course, and also the cockpit and many redundant systems that are necessary for safe operation of a plane even in peacetime. But it is certain that with RPV's you can save human lives, and from that point of view the use of RPV's against specified targets can be very economical. According to American studies RPV's are more economical at loss rates of 10 to 40 percent.

WT: But isn't the importance of unmanned systems--such as drones and RPV's-reduced somewhat by the introduction of long-range missiles?

Brunke: With long-range missiles the plane that carries them can stay beyond the range of the target's antiaircraft defense, so that the "terminal threat" does not come to bear. In the case of very long-range weapons the "penetration threat" is also eliminated, and the loss rates are thus quite decisively reduced. Looked at in this light the long-range missile is a sort of airborne kamikaze drone, or, if steered from the air, a kamikaze RPV. But then the question arises whether these long-range missiles cannot also be launched from the ground. Today we are studying all long-range weapons of great range as ground-launched systems, too; they would, of course, have to have an additional launching motor, quite apart from the launching installation.

WT: Wouldn't a plane with distance missiles be more flexible to use than groundlaunched unmanned systems?

Brunke: Without doubt the airplane is the more flexible and the more favorable means to use: It can be used against many types of target, and it also has a greater range than a ground-based distance weapon--an airplane that takes off in south Germany, for example, can fire its distance weapons in north Germany, if no ground-launched RPV is available there at the time.

WT: You have already mentioned TORNADO with the MW-1. To use the MW-1, the TORNADO must still fly over the target. Would not an MW-1 modified as a distance weapon be a better solution?

Brunke: That would be a very attractive solution. Practical experiments in that direction have already taken place within the framework of the American low-altitude dispenser (LAD) concept, and in fact they were very successful. The aim is to develop a container for the MW-1 submunitions that can be used by many airplanes--and not only by the TORNADO.

WT: But against ground targets, for example for attacking enemy airfields, surely ballistic missiles can also be used, and with conventional warheads, too?

Brunke: Fixed ground targets reconnoitered in advance can be attacked with ballistic missiles--but the question of expense has to be considered, both in development and in procurement. When you think of some company proposals, such e.g. as the PERSHING with conventional warhead or the BOSS system. All this might be very costly, and the payload is not very great. Let us assume for example a payload of 1 ton--that is one-fifth of what the TORNADO can carry. To get the same effect on the fixed target with equal accuracy I would need about five times as many missiles of this class. If we measure this against the possible number of operations of the TORNADO over a set period of time, we get into outrageous orders of magnitude, with five-digit numbers. Then the grad ground organization has to be there, with sufficient launching devices--and you have the handicap of only being able to attack fixed targets. But the bulk of our targets are movable targets, such as tanks. And so we have not yet been able to find any cost advantages -- although this lays no claim to being a definitive judgment. Another consideration is that with the TORNADO we are right now introducing a highly modern system; to introduce another one side by side with it would be difficult, just on the personnel side. But in the long run such things as BOSS should certainly be considered.

WT: Do you see any possibilities of RPV's coming into use for aerial defense as well, i.e. for pursuit missions?

Brunke: For the foreseeable future unmanned flying devices are not available for this purpose; the tasks of target seeking, target identification, target selection, target tracking, choice of weapon, and combatting highly maneuverable targets under conditions of interference cannot be automated in their entirety. Combatting multiple targets, all-weather combat readiness at short and medium range, and great range would also lead to an unmanned flying device whose complexity, size, weight, and cost would hardly be less than those of a manned airplane. Therefore, no western air force is now planning an unmanned air defense system for the 1990's.

WT: But antiaircraft missiles have already been intruduced within the framework of air defense...

Brunke: In air defense the necessity of antiaircraft missiles in the mix with manned flying weapons systems is the current and for the time being the indispensable philosophy. The ground-to-air missile has the following advantages among others over the combat plane: High numbers, high reaction capability, long-lasting high operational readiness, good accuracy. But on the other side: lack of flexibility with reference to range and mobility over large areas-here, on the other hand, the fighter plane has its advantages. It is a flexible air defense element for strong-point formation, to operate on the flanks over great distances, beyond the range of ground-based antiaircraft weapons. In addition it can also fly escort or clear areas where aerial offensive materiel is to be used.

WT: So much for the missions of the unmanned systems, which are not always just small RPV's--although one usually thinks of these simple systems when a comparison is made with the big, costly, complex manned aircraft. That brings us to the costs--Have conclusive studies been made in this field?

Brunke: The question of costs has often been investigated. Let us begin with the development costs for a modern unmanned system with adequate payload. Here, in my opinion, not much economy can be practiced, especially since a great deal has to be spent on the sensors and the navigation system. To this must be added, e.g. in the case of reconnaissance drones, the salvage technology and reliable data transmission--all this must in part be newly developed. Savings in procurement costs? I do not know whether much can be gotten here. The individual systems, to be sure, are cheaper than a manned system, but since the unmanned systems are designed to be very mission-specific and some of them even time-specific, I also need greater numbers, and in order to cover a broad range of missions, many different systems as well. Then, too, the flight-safety conditions for unmanned aircraft must not be left out of consideration, even though the peacetime flight time will certainly be less than in the case of manned systems.

WT: Surely in operating costs the unmanned systems should come out better than the manned systems?

Brunke: Yes--since a great deal of the training of the ground crews can be done with simulators--even though flights cannot be entirely dispensed with. The noise level will be lower--the unmanned systems should be more sparing of the environment. The advantage thus lies in the operating costs in the phase of employment--less in the development and procurement costs. Dornier once compared an RF-4E reconnaissance squadron for crew size, investments, operating costs, and number of sorties per diem with a CL-289 formation. According to that study the drone is more favorable: It requires smaller investments, small+ er personnel, and far smaller operating costs, although the number of sorties per diem is greater than is the case with the RF-4E. But this comparison does not take into account the fact that only a part of the mission spectrum of the RF-4E can be covered by the CL-289. Just from this example you see that un + uumanned systems can in almost all cases be used only for specific, specialized missions--a manned aircraft is far more flexible in almost every case. If you have both systems side by side, then they are more costly taken together --there will be savings, if ever, only if unmanned systems entirely replace manned ones.

WT: In the Bundeswehr (German defense forces), or more specifically the army, there is already some experience with the drone CL-89. Are there also studies by the Luftwaffe of future unmanned systems, or are we relying entirely on what the Americans and Israelis are doing?

Brunke: Why, no--we have been working on all questions connected with unmanned aircraft since the end of the 1960's, and more intensively since the middle of the 1970's. The suitability of unmanned aircraft for aerial attack, aerial reconnaissance, and even reduction of air superiority has been and is being studied. There have been joint studies by the Luftwaffe, the armaments division, and German industry. But since the aerodynamics and the propulsion of RPV's are traditional aircraft construction, we are concentrating our studies on the sensors, flight control, and data transmission.

WT: But there has not yet been an RPV prototype or experimental model?

Brunke: Oh, yes, the German air and space industry has developed several unmanned small aircraft--mostly for reconnaissance purposes or as preprototypes for the small drone antiradar--and has even tested some of them. In addition we have used a G-91 as a test vehicle--with image-forming IR [infrared] sensors (IIR), with a TERCOM navigation system, and with a radar altimeter, so that it was possible to simulate RPV flights. The results are quite encouraging.

WT: Then you do see chances that in a few years unmanned aircraft will be introduced in the Luftwaffe?

Brunke: That is entirely possible, for example with the aforementioned small drone antiradar, for with it we can eliminate many manned flights in the active combatting of enemy air defense and increase the penetration capability of our means of air attack. Another possibility that we are seriously studying is use in reconnaissance, with restricted task assignments, e.g. for post-strike reconnaissance, i.e. surveys of effect, and certain missions in penetrative reconnaissance and electronic remote surveillance.

WT: And RPV's for air attack?

Brunke: Especially in attacks on strongly defended fixed targets I consider the RPV a realistic future option. Basically the conventional cruise missiles, especially land-based ones, are aimed in that direction. Nor should we forget the airborne all-weather distance missiles of great range--they are in any case the more flexible resource, especially since manned aircraft to carry them are already available. Thus no additional ground organization is needed.

WT: Then an air force without manned flying weapons systems is not so readily conceivable?

Brunke: I believe that from what we can see today an air force without manned flying systems is somewhat too futuristic. Certainly unmanned systems will be able to take over parts of missions.

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# NEW GENERATION OF TOP MILITARY OFFICERS VIEWED

Hamburg DER SPIEGEL in German 28 Mar 83 pp 58-61

[Text] At the most, complained General Inspector Jurgen Brandt in an internal discussion on NATO strategy, there are a dozen West German army officers who really knew anything about the role and effect of atomic weapons, a situation which makes debates and exercises so difficult.

One of those who knew is Wolfgang Altenburg. He gained his knowledge in the early seventies as delegate chief of nuclear problems at the American NATO Supreme Command for Europe. Altenburg, born in 1928 and currently commanding general of the 3rd Army Corps, will become Brandt's successor on 1 April. So for the first time a man who has not worn the uniform of Hitler's Wehrmacht--a "maverick", as they say in army slang-is the highest-ranking soldier in the West German army and top military advisor of the government. At the end of the war Altenburg was a naval assistant. After he had learned the business of being a buyer for hotels he entered the new German army as a recruit.

When Altenburg takes over his post a new era for West German military forces will begin. Hitler's generals Adolf Heusinger, Friedrich Foertsch, Heinz Trettner, the staff and front-line officers Ulrich de Maiziere, Armin Zimmermann and Jurgen Brandt with their involvements in the Nazi period and their war experiences are being followed by another generation which grew up with atomic weapons, rockets and jet fighters and knows the battles of World War II only from history books.

Altenburg, one of the few thinkers among the German military, used to refer to himself unabashedly in the early years of his career as an "atomic artilleryman." Since then, after a long stretch of experience in NATO and at staff headquarters, he has learned "both theoretically and by the seat of the pants" that atomic weapons "are political means--not improved artillery on the battlefield." He has continually sought to make this knowledge clear to American military personnel during maneuvers and NATO meetings. His theme is: "Just once imagine the consequences for my country."

The most important generation change in the history of West German defense will certainly not take place so completely without consequences as present Defense Minister Manfred Worner and his predecessor Hans Apel always claimed. Likewise at the beginning of April, 52-year-old pilot and lieutenant general Eberhard Eimler is taking over the post of inspector of the air force. Vice Admiral Dieter Wellershoff, 50, is expected to become head of the navy next year, and the new army inspector will be Lieutenant General Hans-Joachim Mack, 54. The new men confidently view themselves as security chiefs, a concept which people such as Admiral Zimmermann have always eschewed: "I'm a soldier."

The newly promoted chiefs are as much molded by their acquaintance with modern technology as are their friends of the same age in industry. They have no real connection with the past and with tradition. Eimler expressed this with the classic formula: "We younger men don't have the '45 complex." And Wellershoff said he "didn't give a shit" how the battle of the Skagerrak went in 1916, since he couldn't learn anything from it for his job.

Brandt, who was an infantry platoon commander at the end of the war, has mixed feelings about this. When asked whether the new men might also think more dispassionately about war and consider it possible or even practicable, he did indeed disagree that soldiers "generally bear the guilt for military clashes." But: "Naturally there is a difference whether the one who has to make decisions is still smarting from the scars of war or whether he is someone who has no scars."

Altenburg, whom Apel, too, wanted to make general inspector, knows what he's up against. Worner has already made him privy to all important decisions, and Chancellor Helmut Kohl has talked with him at length. The time when money played no role is past for the army, too. The soldiers are, to be sure, treated with fair words by the right-wing conservatives, but the new government cannot fulfill the demands of the military for ever new weapons.

The defense minister has announced to General Altenburg that in the next few years he cannot count on above-average rates of increase in the armaments budget. Worner demanded that the new general inspector should finally put an end to the squabbling among the army, air force and navy over the biggest slice of the cake and, as the person responsible for army planning, should set clearer priorities than his predecessor.

Altenburg assented. In the newspaper "Wehrtechnik", which is closely connected with the armaments industry, the general promised that he wanted to play with "open cards." He said: "I hold no brief for the old didge of demanding three loaves of bread in order to be sure to get two." New conflicts on the Hardthohe are thereby a foregone conclusion. Army equipment and training, thinks Altenburg, must take precedence over the air force and navy in the future. "The Americans", says the general, "are capable of getting their air force to Europe in considerable amounts in a very short time." It would take much longer, however, to transport American soldiers, tanks and artillery by ship across the Atlantic in case of crisis or war. Air-force-chief designate Eimler, on the other hand, who is currently acting commander of the allied air combat group Europa-Mitte, is convinced that the air force urgently needs a new fighter plane after the multipurpose fighter "Tornado." But its development alone would cost about five billion marks, according to rough calculations. Eimler's reasoning is that air defense is a "weak spot" in NATO. The number of fighter planes may "just barely be sufficient" but is "in principle too small."

In the meanwhile, wagers are being made in the Defense Ministry as to who will come out the winner in this fundamental argument. Logic and the lack of money favor Altenburg's position, the Bavarian armaments lobby favors Eimler. CSU chief Franz Joseph Strauss and Minister of the Interior Friedrich Zimmermann are closely linked with the armaments consortium Messerschmitt-Bolkow-Blohm, which built the "Tornado" and now wants to build the new fighter. Then, too, the preference of jet pilot Worner is for the air force.

On the other hand, ex-General Johannes Steinhoff, who has continually promoted the advance of his adjutant Eimler, has a dark outlook for his protege: "Eimler is an outstanding man, but I am afraid that he'll get all befuddled in the bureaucratic thickets of the Hardthohe."

For the time being, to be sure, Eimler need expect no head-on resistance from the army and navy, whose inspectors Mainhard Glanz and Ansgar Bethge are tired after years of fruitless disputes. They are going to retire next year.

Their apparent succe-sors, however, Mack from East Prussia and Wellershoff from the Ruhr, are ambitious. The "mavericks" want to demonstrate there was a reason for their having been graduated at the top of their classes at the military academy and for receiving outstanding evaluations as field commanders. Moreover, both are making themselves liked in the Union with vigorous judgments.

Mack, who is currently with NATO, has the reputation of a hard trainer. Internal leadership, he preached, should not be confused with "soft wave." Wellershoff, who is presently pointing a finger at the top man of the "too lax leadership academy" (Worner) in Hamburg, answered the question of whether the armaments race between East and West would necessarily ruin the civilian economy with an unusual comparison: "As long as Germans spend as much for candy as they do for weapons, one can hardly talk of being bled dry."

Different as the top brass may be in temperament and outlook, they all share an Anglo-Saxon bent. They are pragmatists, speak several languages (including Russian for Altenburg) and have personal friends in all the top places of the NATO armies. The "short cut", a quick telephone conversation with their peers in Washington, London and Brussels means more to them in preparing decisions than do long conferences: an "international brotherhood of generals", as former acting NATO supreme commander Gerd Schmuckle once remarked sarcastically.

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The top brass from Altenburg to Wellershoff no longer care to be called "young men", as their schoolmates have long occupied positions of responsibility in the economy. "We are", says Eimler, "nonetheless older than our top commanders." Worner is 48 years old; his predecessor Apel had to step down at 50.

8838 CSO: 3620/270

FRANCE

## HERNU REQUESTS DRAFTEES BE STATIONED CLOSE TO THEIR HOMES

Paris LE MONDE in French 3 Mar 83 p 12

[Text] Minister of Defense Charles Hernu has asked Division General Pierre Morisot to station draftees as close to their homes as possible at the time of their recruitment, if no military requirement stands in the way. Since the February enlistment, the objective has been to station, on the average, 19 percent of the recruits less than an hour by train from their homes (instead of the present 9.5 percent), while 19 percent of the others will be stationed more than six hours away by train (instead of the present 30 percent).

This problem of a better geographic distribution of the draftees is a delicate one to resolve. This is due to the fact that the national demographic resources do not coincide with military needs. On the one hand, the demographic center of France is located between Bourges and Orleans, while the center of the military force is near Nancy, 350 kilometers to the east. On the other hand, the military qualifications which are necessary for the operational functioning of the units extend beyond the special fields of the civilian sector, so much so that young recruits of an average age of 19 don't have the time to acquire them.

In practice, recruitment of draftees close to their homes, with no regard for the other criteria specific to the Army, would result in incorporating no one from the East in the Navy and no one from the West in the Air Force or in the Army's infantry and artillery units which are not much represented there. Moreover, it is a problem specific to the Army which recruits up to 33,000 draftees every two months from all over, while the Air Force and the Navy register more than they need on account of volunteers.

Thus, the minister of defense has ordered the director of national service to produce a detailed study, by department groups, of the railroad system in France and the abolition or the adjustment of constraints which affect recruitment conditions. With the hope of making demographic distribution correspond better with the stationing of units--in which case savings will be possible in the cost of transporting soldiers on leave--and, for all that, without neglecting the needs of the corps which have priority. For example, it happens that the director of national service has to take into account the fact that the French forces across the Rhine must be supplied, every two months, with 6200 to 6300 recruits, while the demographic resources there are nonexistent, and the forces in the East require 9000 men and have only 6000 draftees from the region. Under these conditions, it is not a question of a simple readjustment: the entire national territory must be involved.

In order to achieve its goals, the director of national service has been decided to abolish several constraints. From now on, each troop corps has fewer recruitment offices. Several of these offices are specialized, like the one in Rennes for the Navy. The prohibition against draftees from the Paris area and sons of foreigners gathering together in certain units where they were formerly not allowed to be concentrated, has been lifted. Today, every young draftee may ask to be stationed in his home department unlike what was the previous custom of reserving this for privileged persons or special cases.

The director of national service also indicates that, from now on, these recruitments will also be determined by geographical considerations related to the frequence and the speed of the railroad lines between the garrison and the station in the county town of the home department. Among the constraints imposed on recruits at the time of their being called up, the one which was most strongly felt, according to public opinion, was the distance between the place of recruitment and one's residence. The Army spends about one billion francs each year to reimburse the SNCF [French National Railroads].

12253 CSO: 3519/380

## ISNARD ANALYZES RECENTLY PROPOSED MILITARY SERVICE REFORMS

Paris LE MONDE in French 3 Mar 83 pp 1, 12

[Article by Jacques Isnard: "National Service To Update Its Format"]

[Text] The minister of defense is, at present, attempting a double operation; the lengthening of military service for 10,000 volunteers (6,000 of whom are in the Army alone) and the ordering for as many draftees as possible to be assigned to a troop corps closer to their home district. These are two decisions which illustrate the will of the government to modify the style and the substance of military service to give it "an updated format."

## Inequalities

Imperceptibly, and little by little, the Army is changing, and, eventually, it will awaken and find itself drastically changed. At the risk--and there are risks--of depending upon a military service among the most complex anywhere and, perhaps, among the most unequal: in reality, a differentiated service is being progressively set in place like those puzzles which are not completed until the last piece has been fitted in and, as in any ad hoc process, there is much room for injustice.

In the first place, there was the decision of Parliament to be more lenient with regard to deferments, or the reporting of deferments, a fact which was beneficial to students. Then there was the announcement of the experiment of extended service, beyond twelve months, for volunteers--between 8000 and 10,000 for 1983--who will receive salaries which will not fail to make certain categories of enlisted men envious. Today we have the demand that the armies obtain their recruits--without this becoming a new right--from as close as possible to their homes if no other professional imperative takes precedence.

It is possible to find an appropriate justification for each of these measures. It will be said that the Army participates in the policy of national solidarity, the goal of which is the training of youth in an attempt to reduce unemployment. It will be added that the government is keeping its promises to the young electorate to update the style of military life by eliminating its archaisms and sluggishness.

However, it would undoubtedly be an insult to those in charge in the ministry of defense to believe only in these explanations due to circumstances, as if there did not exist a common logic underlying these decisions which appear to have been taken haphazardly.

Actually, a new system is being set in place step by step as a result of these decisions.

Piece after piece, in this puzzle of renovation, or more accurately of "modulation," of the military service within an army the "format" of which the government intends to modify. A long service for volunteers is the prelude to the eventual creation of a more permanent and available force which will not be made up of all career officers. A more regionalized recruitment foreshadows that mass mobilization, so dear to the Socialist, for the defense of one's territory. This defense would be more readily adptable to a reduction of service.

#### The Machine Is In Motion

In an interview which he gave to the weekly LES NOUVELLES LITTERAIRES, the first secretary of the PS, Lionel Jospin, in responding to a question on the proposed six-month military service, admits: "The minister of defense is trying to change the real-life experience and the organization of military service. Perhaps not around a six-month time period precisely, but with some curtailment." The "machine" is thus set in motion. The system will have to navigate between the pitfalls of the administrative complexities in the day to day management and, more especially, those resulting from the inequalities which await each draftee so that he will not have the impression of submitting to a tax which has been unfairly distributed.

Recently, in its bulletin CORRESPONDANCE ARMEE-NATION of February-March 1983, the PCR repeatedly recalled the remarks of the prime minister last year at the Institute for Advanced National Defense Studies, according to which a reorganization of military service must not lead to a creation of two distinct armies: one made up of professionals or volunteers; the other based on draftees. Without expressing strong opposition to the prospect of a service of varying duration, the communists; in their commentaries, stress that too large a call-up of volunteers opens the way to a possible "shedding" and may call into question the principle of equality of all Frenchmen with regard to conscription.

As for the government, there is little room to maneuvre and the problem is an extremely difficult one. But who could deny that, without adjustments, military service will become too costly for the national budget after the 90's if, on the other hand, it is necessary to replace the entire nuclear arsenal of the French deterrent forces. 12253 CSO: 3519/380

NETHERLANDS

MILITARY

#### NEW ATTITUDES AMONG MILITARY CONSCRIPTS NOTED

Amsterdam ELSEVIERS MAGAZINE in Dutch 12 Mar 83 pp 32-40

[Article by Wim Bayelaar and Jan van Hoof: "Better a Soldier Than Jobless"]

[Text] John Soldier has a liking for it again. No longer "bawls," or hardly ever. Would rather run the obstacle course than draw social benefits. Conscripts want to be asked to reenlist or to make a career of it. Protest when they are rejected. The VVDM [Union of Conscripts] has become a social club.

Only large-circulation periodicals, such as DE CAMPIOEN, organ of the ANWB [National Gyclists' Association], still carry the briefly worded recruiting advertisements of the Dutch armed forces. In the last few years the budgets for such colorful recruiting campaigns as the navy's have been almost halved. The army and the air force are no longer recruiting at all. The high-technology naval operation does still need to bring in some fresh, well-schooled youths. As career men or KVV'ers [short-term volunteers].

The texts used are anything but soft now. No pictures of "the flower of the nation" with luxuriant hair or contemporary ear-lobe ornaments. The Royal Dutch Navy appeals to the no-nonsense boys of the present. "You won't get sea legs; you've already got them to some extent. But people that cannot stand wind, water, and rolling waves must not get in the navy. In addition to his ordinary work every man on board also has seaman's chores to do--inspecting ropes, lowering boats, painting, cleaning up. Who did you think did that?"

And the military aspect: "You must not forget that you are military, of course. After all, the navy is there to protect and defend our country and the free world. And so it always has to be ready. And being ready means being trained. Everyone must know precisely what he has to do. From high to low. Logical, for otherwise it would soon be a mess. So when you are asked to do something-do it! They do not ask it for nothing."

The hired copywriters can let themselves go again as they used to in the use of fancy language. For the armed forces are back "in." The interest in "a career in the army" is at an unheard-of high. Many thousands are applying for a mili-tary career that offers permanence. Only a few are selected.

Even the conscripts of the 1980's look upon "the service" differently from their predecessors of the 1960's and 1970's. About 40 percent of the youths registered for compulsory military service (around 120,000 in 1983) "may" join the services. The rest are rejected, found "unfit," or enjoy exemptions. The national defense apparatus needs only about 48,000 conscripts. And has not the slightest problem in getting that number. On the contrary, the last few years have seen a directorate of compulsory service matters confronted with entirely new developments. Those liable to military service are wanting to put on the king's uniform at younger and younger ages, and after the 14 or 16 months of "first training" they do not want to return home. Boys of 17 or 18 years ask for reexamination if they are rejected. Whereas for decades it has been common to ask for a new medical examination in the hope of being found unfit after all. Since 1980 the number of applications to be reexamined after getting notice of rejection has risen by 40 percent. In the overwhelming majority of cases not leading to the desired result--14 months "on velvet." For the military selection regulation has its fixed standards, and according to the official rules cannot be influenced by social reality--youth unemployment.

Young fellows coming out of school with no prospects whatever of a job in the immediate future opt only too gladly for going into the service, whether or not earlier than required. An explanation frequently heard from 17 and 18-year olds with the adolescent down still on the opper lip is: "Please let me go into the service. Then at least I will earn something."

Conscripts receive the net minimum wage and usually "earn" more than they would by hanging around home unemployed and drawing a scanty state benefit. On the other hand, Defense receives more and more requests for exemption when a job has been gotten during the time waiting to be called into service. "I have now got a job, so let me off and give my place to another unemployed youth. If I have to go into service, maybe later I'll be through with the job."

Dr L.V. Mazel, deputy director of the directorate of compulsory service matters, says that he takes as much account as possible of such applications. "On the other hand, we must see to it that we do not get an army of the unemployed." It is beginning to look very much that way, however. Youths leaving school who have not been able to find a job are looking for ways of playing it safe. Along the line of: suppose I go into the service first. Then I will have that over with. Can get my driver's license and other documents.

In all this--the desire to get into the service as early as possible--the examining doctors see a new phenomenon: it has to do with *children* that are enlisted in the country's defense apparatus. Because of lowering the age at which qualified youths subject to military service can enter the service, it happens more and more that youths of 17 show up at the barracks gate. That seems to lead to no problems, however, to judge from conversations with instructors and barracks commanders. The boys are still somewhat playful and flighty. But in the past year the number of discharges during the first training period has been halved.

Mazel says: "It used to be that if you got something wrong with your knee you went straight to the doctor in the hope of being sent home for good. Now they say: I'll hobble along; otherwise I'll be right back on the street."

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That fate is in store for most soldiers, especially conscripts, after the 14 months of service. In spite of the generous leave that affords opportunities for job-hunting during the service time, only a few succeed in finding a regular job in civilian economy or in going back to their former boss. The new recruit's threatening bogey and the trend toward social service make many take up their pens to compose a request in which it is indicated with due respect that they want to reenlist. Or even to become a "professional" or volunteer.

Under pressure of the great demand and the stable staffing, the defense leadership has had to restrict these opportunities drastically. The turnover among the career personnel has gone down almost to zero. "Stay where you are" is the motto. According to the letter of the compulsory military service law everyone subject to military service may serve out the official time of 24 months. But the hard practice of overstaffing has forced the working out of adapted rules. Conscripts can still reenlist only if the component concerned really has need of the man's reenlistment. "We can do no more. It cannot be used as an employment argument. Defense, too, has to count the pennies," says Dr Mazel.

Consequently, thousands try to start a professional career through the army's training institutes. Last year nearly 1,600 candidates applied for the Royal Dutch Air Force's non-commissioned officer training; there was room for 200 men. In the army there was room for 500 men (and women); the applicants numbered 4,500. And the navy's training had the interest of 6,200 candidates--seamen and petty officers--a good 1,650 were accepted. The officer training in the naval forces offered places for 90 daring young fellows, while 950 applied. The Royal Military Academy (KMA) was finally able to initiate 170 future officers into military science, out of a field of over 1,900 who coveted stars and bars. The response that advertisements in the Limburg provincial press for filling 70 civilian jobs with defense sections to be moved got is also very telling. Some 18,000 applications came in. An advisory examining physician could choose for one secretarial position among 1,000 applicants.

In the last few years numbers of applications have risen to record highs. And provided very ample opportunities for selection, which even with selection standards remaining the same will nevertheless unmistakably raise the "quality" of future cadre personnel.

Improved quality in a purely military sense, or in the sense of a changing attitude of the captains and majors, of the sergeants and warrant officers, as well as the conscript soldiers and hussars? A new attitude toward the army is showing up, which is connected not only with the material employment record, but also with a changing view of the maintenance of a national defense establishment. In spite of all the peace discussions in civilian society surrounding the nuclear arms question--or actually in consequence of them.

A few obvious symptoms of the last-mentioned phenomenon: dissident notes from military men with atomic assignments like Stelling et al. are no longer to be heard, the number of conscientious objectors is decreasing, scientific--disputed, by the way--study has shown that there are indications of a certain shift toward the right among Dutch youths, thus including those liable to military service. The youth coming out of school would indeed rather be a soldier than unemployed. But that is not all of it. Mazel said in a defense office in The Hague: "The conscript army must be a reflection of the society. In my opinion the increased interest in the armed forces is not entirely to the unemployment problem. In fact, the shift to the right, if you will, or decreasing leftist trend, has certainly had effects." He takes as an example the steadily decreasing appeal to the law on conscientious objections to military service. In 1980, 3,500 registrants made an appeal to that law; in 1982, 3,000. The number of "total refusers" (neither military nor substitute service) is also decreasing; the request to be employed in a non-military category is increasing among the shrinking category of service refusers.

From the theory at The Hague to the practice in the field. Major General Koot barracks in the Veluwe. Talks with "old relics" of the 103 Refilling Point Battalion and its commanding officer Lt Col A.Q.C. van den Bosch. "A great deal has changed in the last 6 months. When I talk with 10 fellows who are leaving about what they are going to do after their time in service, 8 to 9 say: "I don't know." Very sad, of course. There are 25-year-olds who have never worked yet. In my own battalion there is a rise in the requests to be allowed to serve out the short leave. 'Can I stay here? I don't know what I shall have to do after this." There are splendid fellows among them, real treasures, but there is hardly room for them." Trend to the right among the conscripts. "I have no specific facts at my disposal." Does refer to the site watches. Every conscript must believe in such a guard duty (12 hours on, 12 hours off). This is a matter of guarding the storage sites for nuclear warheads, which are supposed to be located at various places on Dutch territory. Recruiting guard personnel causes no problems. "I was once present when somebody said no, hard as rock. But then it was a case when it fell between Christmas and New Year's."

A conscript corporal of the Veluwe battalion says that during his service time, which is now over, he never noticed any discussion of the nuclear weapons question. "I'm not involved in it." He says he is not just speaking for himself. And a military driver considers the site watches as a nice diversion. "It's a made-up thing; the boys here at the barracks don't talk about it."

What these buddies that are going to get out in a short time do talk about is their prospects after the service time. Some have the good luck to be able to go back to their former employers. Others, by far the most of them, have applied in vain. Are no longer motivated by the rather unpromising prospects "to study something extra."

The corporal: "I have never seen anybody studying here yet. You don't get around to it." After working hours, around 1700 hours, many of the conscripts usually go home. The fellows that live too far away stay at the barracks and spend their entire wages, 700 to 800 guilders a month, in the company bar or in the recreation rooms of the KMT and PMT (Catholic and Protestant soldiers' homes). The decision which of these establishments will be visited no longer has anything to do with rudimentary forms of religion, but only with the quality of the beer on tap. Boredom seems to be a point that is greatly complained of. "You want to have something to do. If there is real work, it is tackled. Even by the conscripts. Then there are no more complaints," says chaplain Colonel G.A.A. Velzeboer. He confirms the assertion heard more and more that in recent years there has been a certain shift to the right of the average John Soldier. "Yes, that's right. When we talk about unemployment we hear the stock expression: 'Our black fellow-citizens are sitting in our places,' even in the army. Cretology, of course, but it is now said aloud and often." The attitude toward the functioning of the armed forces themselves, however, does not seem to be given much thought. There seems to be more a feeling of indifference and resignation--well, I am stuck here and am trying to make the best of it. It should also be noted that the traditional grumbling has gone out of style. About the food, for example. Thanks to the demonstrations some time ago by the VVDM (Union of Conscripts), discussion arrangements have been set up between conscripts, cadre personnel, and higher command. Complaints are more seriously dealt with and resolved. "Bawling" does still occur, but can now be made a subject of discussion. Company sergeant major--the company's "mother"--H. Flohr has been dealing with conscripts for 15 years and in the last few years has been able to see a change. John Soldier grumbles less, but wants orders explained; his work motivation has grown greater, and he now expressly asks for a recommendation, to use to his advantage in civilian society.

"In regard to complaints about the food in the mess room, it should be noted that the complaint book is accessible at the chief cook's." A notice beneath the weekly menu of the Bernhard barracks (cavalry training center) in Amersfoort. When ELSEVIER visits there, the evening meal will consist of vegetable soup, beefsteak, chicory salad, potatoes, and caramel custard. The barracks population is different here from that in Veluwe. The conscripts have only been in service a few weeks. Some are taking officer training. This somewhat different category of men called to arms are evidently less worried about "later." Most of them have an education behind them and look somewhat more optimistically toward their future occupational opportunities. And seem to have a somewhat more conscious attitude toward what happens in the army.

On the nuclear weapons question, for example. A prospective reserve officer: "We are agreed on that. The missiles are bound to come, here or elsewhere. Nobody wants them, of course, but most of us are convinced that there is no other way." The officer candidates seem to be somewhat more compliant than the soldiers. "When I came here, I thought I would be bored for 16 months. It now appears that some of it is fun." Here, too, the medium-level staff finds a changed attitude on the part of the conscripts. There is less complaining, but more discussion. A troop sergeant: "A great deal has changed; the freedoms seem to have become much greater. That makes providing leadership much harder, but considerably nicer. You have very few really hard cases any more. They are excluded by the class itself." And a warrant officer: "The great bulk of them here try to make something of it. The political views do not differ greatly any more. People that really have something against service, such as squatters, are rejected in any case."

Then there is a steadily progressing movement toward the right? "The people are not more rightist, just more realistic," says a conscript troop sergeant in training. He turns out to be fluent. "You see definite differences between people who have and have not been in service. You learn responsibility, you learn to know your own capabilities. You become more mature. Here you have to take care of your own affairs and work in a good team relationship." An army instructor could not have expressed it better.

But information from the rather dwindling military interest groups shows a different side of the brilliantly polished medal. The AVNM (General Union of Dutch Soldiers), characterized as moderate, made itself talked about last week by the distribution of a "yellow card." Some of the grievances stated: in some

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Dutch barracks conscripts are sworn at "as if that were the commonest thing in the world. Non-commissioned officers often do not seem to be conscious of their duty to leave everybody his self-respect, and do not hesitate to call soldiers swine, fruits, or cabbages." Soldiers that cannot keep up very well, or who for medical reasons are not required to participate in hard physical sports or duties, are denounced as "gays." If someone repeatedly does something stupid, he is designated by the cadre as blockhead of the week. The AVNM says it feels astonished and outraged at these "medieval conditions" and has asked the commanding officers concerned for an explanation and an answer.

Although the criticism of the everyday military life in the barracks may have been quieted somewhat by the circumstances (unemployment, the veiled shutting out of "dissidents," and the changed attitude), the AVNM feels that the best attainable is far from having been realized, that there are still interests to be represented. The public economies do not leave the conscripts unaffected, either. "The government's cutback in the minimum youth wage means a drastic cut in the conscripts' already low pay. For from the small pay that the conscript gets for his obligatory work, 20 percent is deducted for housing and food that is frequently of dubious quality. The AVNM therefore strongly protests against this proposed cut in pay, and will consult with the VVDM concerning actions."

Strong language that no longer particularly appeals to John Soldier. For the Dutch soldier is among the best paid in the West. What is unreasonable about paying for a bed and three meals a day?

The changed attitude of the conscript soldier is also reflected in the development of the soldiers' unions. The left-radical VVDM has great difficulty in keeping going. At the peak of its power, at the beginning of the 1970's, when the VVDM was still regularly mounting actions and demonstrations for John Soldier's freedom to decide for himself about the length of his hair and the usefulness of missions of the armed forces, the organization numbered some 33,000 members. Now there are fewer than 8,000 and the membership still shows a declining trend. Within the VVDM all this has led to a discussion of the need to change the policy and adapt to the less radical attitude of the soldier coming up for his "number."

Not long ago this even led to the resignation of the chairman of the VVDM, Kees de Kort. His successor, Abel Smit, 21, says that a great deal of the loss of members must be attributed to the more flexible attitude of the defense leadership toward conscientious objectors. "They would have been potential members for us," Smit says. For that reason he also thinks that there is a possibility of a conscious policy of the ministry to take the wind out of the VVDM's sails. On the other hand, he also agrees with his predecessor's view that the average conscript's attitude has changed. Not that he believes that the conscripts now suddenly regard the army in a more positive way. According to him there is no question of a shift to the right on John Soldier's part, either. "It is just that the soldiers believe less in the usefulness of organizations like ours. Because they no longer expect anything to come of them, and they start with the idea that in these times there is no use in continuing to fight for changes. You see that in civilian society, for that matter. The confidence in ordinary trade unions has also decreased."

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That proposition does not entirely fit the facts, however, for the moderate competitor of the VVDM, the aforementioned AVNM, which in its efforts on behalf of John Soldier in consultation with the defense authorities is advertising the consultation model and which was established in reaction to the radical behavior of the VVDM in the past, is still steadily growing and not long ago passed the VVDM in membership, going up to nearly 10,000. According to Abel Smit mostly because the AVNM has something tangible to offer immediately in the form of an envelope for the passport, a pen, and insurance to cover medical costs abroad. "Our talk about solidarity apparently has less appeal in these times. When the conscripts are asked to join, they ask first of all what they get out of it. The AVNM has played up to that better."

In the AVNM they are well aware that they must go along with the social tide. Vice Chairman Erik Spaans, 20, in his view of the changes in John Soldier's mentality, makes a direct connection with the changes that have taken place in society as a whole and that are reflected in the army. Albeit with some delay. That was also true in the 1970's, when the turbulent 1960's began to make themselves felt in the armed forces. The reaction that followed, with the realization that the trees do not grow up to the sky and that not everything is possible, has now reached the army. Erik Spaans and Jan Zonneveld, 20, the AVNM's grievance officer, speak of a certain resignation in today's soldier. "They have become more realistic. They no longer believe in the possibilities of changes. And, of course, there has been great improvement. When we go to their quarters and ask whether they want to become members, they say: 'You are not accomplishing anything any more.'" Even Spaans and Zonneveld do not believe that the dislike for the service itself has grown less. "You still grumble when you have to report for service."

More militant action groups such as Onkruit (Weeds), the Union for Conscripts, and the Soldiers' Committee Against Nuclear Weapons express themselves much more radically. But their following is inversely proportional to their publicity successes. These groups' grievances hardly penetrate to the soldiers' quarters. Appeals such as: "The soldiers themselves must organize the struggle at the barracks; must refuse to guard nuclear weapons or carry out nuclear assignments" do not filter through. "The soldier movement in the barracks must be built up again. To achieve that it is first necessary for more antimilitary men to go into service instead of refusing service." This appeal from the Union for Conscripts was sent out into the world about a year ago, but did not get any adherence. John Soldier is not racking his brain over these issues. He is trying to get through his service time as pleasantly as possible and is only worried about what will happen after his discharge, in civilian society. A soldier from Veluwe says: "Most of the men think shooting is the best part of it. Seeing the little green lights come on. I do not care for shooting. You have to wait so long, and it is very cold now on the firing range.

The conscript army was supposed to be bound to be a mirror of the civilian society. That legitimate philosophy no longer fits the facts today. Apostles of peace, nuclear pacifists, critics of society, and character sympathizers are no longer to be found in the armed forces. The oversupply of applicants has made possible greater selectiveness. But the number of army openings is growing smaller and smaller. "The requirements are not stricter, but from among the good we can now select the best," says a defense informant.

8815 CSO: 3614/86 ARMY PREFERS GERMAN 'LEOPARD' OVER AMERICAN M-1 TANK

Hamburg DER SPIEGEL in German 28 Mar 83 pp 157, 160

[Article entitled: "Charm on the Offensive"]

[Text] The Americans brought in a woman to win people over to their Ml tank. Yet the Swiss military seems to prefer the German "Leopard."

Last fall Swiss General Chief of Staff Joerg Zumstein made the following demand: "I want more tanks, more formations which can react immediately if attacked."

At the beginning of March Eugen Luethy, commander of the Second Field Army Corps, demanded the following: "We urgently need combat helicopters" in order to achieve "increased infantry mobility."

And now Minister of Defense Georges-Andre Chevallaz decided that "we mainly need automatic rifles in order to improve the fighting strength of our soldiers."

Not only the highest-level soldiers in Switzerland are shaking with arms fever at this time, the whole country has the fever, too. Discussions about new combat equipment are developing into a kind of religious war.

Occasionally the issue has to do with questions of security and the credibility of armed neutrality, but business is always more important. For with less embarrassment than anywhere else, arms policy in Switzerland is pure economic policy.

In the program amounting to billions which was recently passed by parliament to stimulate business, army orders are way at the top. And the fact that Chevallaz suddenly is demanding new rifles at a cost of 180 million Swiss francs, which his specialists absolutely do not want, makes sense only insofar as this then guarantees jobs in the Swiss Industrial Association (SIG). Because, from a technical point of view, the new automatic rifle will long since be outdated when the soldiers get their hands on it starting in 1990.

Thus, critics reproach Chevallaz with setting the priorities wrong. His action to help the SIG is committing francs for arms which the minister of defense urgently needs for new tanks.

The Swiss Department of Military (EMD), its ministry of defense, wants to spend approximately 4 billion Swiss francs for 420 new tanks in this decade. This was announced in 1980 by the protectors of neutrality after parliament had decided this time to do without expensive domestic development because of bad experiences--after the discovery of deficiencies which had been concealed for years, subsequently a program of 100 million Swiss francs had been required to make the local produce "Panzer 68" usable in war (SPIEGEL No 28, 1979).

Now two arms conglomerates--General Dynamics in St. Louis and Krauss-Maffei in Munich--are playing poker for the largest arms order in the Swiss military history: The Americans are offering their Ml "Abrams" with a 105-mm cannon, the Germans their "Leopard 2" with a 120-mm barrel--both at a cost of above 5 million Swiss francs each.

For months an army of arms experts tested protypes, for weeks 50 Swiss soldiers tested the two tanks. In doing this they proved that even militiamen can handle the complicated weapons systems--something which German officers in particular had previously doubted:

In response to the Zurich TAGESANZEIGER a major general in the Bonn Ministry of Defense recommended that the Swiss should let only career soldiers handle the "Leo." But there are no professionals in the Swiss army. Even bombers are flown basically by militia pilots.

The Leopards which were brought from Munich suffered no damage in Switzerland-on the other hand, however, there was trouble with the U.S. tank.

Twice the American steel monster went out of control--once the 55-ton colossus smashed into a forest on a training ground in the Alpine foothills, later in Thun on the Bernese uplands it skidded beyond the test runway onto a heavily traveled road.

The Swiss procurers gave a negative rating to the vigorous controversy which is in progress in the United States itself concerning the unreliability and weaknesses of the tank. During maneuvers in Texas, as reported by an independent group of arms experts, almost half the 39 tanks were out of service after 5 days. Even an internal study by the U.S. army complains about the deficient disposability of the tank in the field. The tracks held during tests for only 1,500 km instead of the required 3,000.

The Americans tried to buoy up the poor image of their equipment by an offensive of charm: Faith Ryan Whittlesey, 44, their ambassadress to Berne, traveled for more than a year through the Alpine republic and held dozens of peptalks about the U.S. tanks. When she recently returned home she said that the chances of the M1's outdoing the Leopard were now "fifty-fifty."

This is probably much too optimistic--not only because many of the Swiss industrialists whom the well-groomed lady diplomat had tried to persuade "found it somehow shocking that a mother is selling tanks." Officially the technical appraisal did, of course, show that the two tanks are equal. Unofficially, however, the Swiss clearly favor the Leopard. In two of three test points it is clearly superior to the Ml in the judgment of experts. And in private conversation a high-level war materiel procurer from the EMD even stated: "The Ml is simply not ready to be procured."

But in the long run it really is not at all a matter of arms technology. What will count in the government and later in the parliament are the costs and the possible profits which the Swiss arms companies can hope for from the purchase. A tank deal is inconceivable without strong involvement of the domestic metal and machine industries.

The arms producers are relying on a contract with the Germans: It would be possible to conclude an advantageous coproduction agreement with them which would place primary management responsibility of tank construction in the hands of the Swiss.

Other businessmen, on the other hand, who are not involved in arms, are attracted by General Dynamics' offer of compensation transactions for the entire export industry. Primarily large companies had profited substantially from a similar arrangement after the purchase of the "Tiger" bombers.

The reaction of these discussions in the Bern parliament is typically Swiss: wait and see how the discussion develops. According to an EMD spokesman, "at the appropriate time" the Federal Council will form its opinion.

The Americans consider the indecision to be a plus point for them. Because anyway it will be 1985 at the earliest before they will be able to offer an Ml with the 120-mm smooth-bore cannon which the Swiss absolutely demand.

On the other hand, at Krauss-Maffei the series of 1,800 Leopard 2 tanks for the Bundeswehr will soon be finished; this is the one which the Swiss would have to go with if they do not want to risk substantial additional costs caused by subsequent resumption of production.

Anyway the tank business is becoming more expensive than they actually can afford. Four years ago the Germans had demanded 2.5 billion Swiss francs for 450 tanks. Now experts in Berne figure on four billion--no matter which type they choose.

In view of the persistently low level in the Swiss treasury recently even some military people have been wondering whether they really need new tanks.

With several hundred million francs, they figure that the age-old "Centurion" tank could be modernized and be supplemented with an additional series of their own Panzer 68 design which is now "battleworthy."

Such a solution would keep open for all procurers all options for a tank generation of the 1990's and would still be good business for domestic arms companies.

12124 CSO: 3620/273 GENERAL

# CONGRESS APPROVES REFORM OF CRIMINAL TRIAL LAW

Barcelona LA VANGUARDIA in Spanish 23 Mar 83 p 9

[Article by Ramon Gonzalez Cabezas]

[Text] Madrid--The courts will have 3 months to review and adjust the situation of the 10,771 preventive prisoners held in Spanish jails, according to the Criminal Trial Law passed yesterday by Congress. It sets a maximum term for provisional detention of 6 or 18 months, depending on the seriousness of the crime.

Congress approved the organic law amending Articles 503 and 504 of the Criminal Trial Law with 199 votes in favor (PSOE [Spanish Socialist Workers Party], Catalan Minority, Basque Minority and Mixed Group), 88 opposed (Popular Group) and 10 abstentions (UCD [Democratic Center Union]). It has been passed using emergency procedure undoubtedly due to the pressure caused by the explosive situation in Spanish jails where almost 50 percent of the prison population waits for 3 to 10 years to go to trial, according to the minister of justice himself. Of a total of 23,008 inmates, some 10,342 men and 429 women are being held under preventive detention.

The approved amendment starts with the assumption of conditional release as the general norm based on the principle of presumption of innocence. This was repeatedly invoked by Fernando Ledesma in defense of the government bill regulating the cases in which provisional detention can be decreed. According to the new wording of Article 503, provisional detention can be applied when "the existence of an act which presents the appearance of a crime" is evident and when "sufficient motives to believe the one responsible criminally for the crime" is the accused. It will also apply when the alleged crime merits a punishment of more than minor imprisonment or, in the latter case, when the judge considers it appropriate in view of the background of the accused or the circumstances of the act until the corresponding bond is posted. Article 504 of the law gives the courts the power even in these cases to allow release on bail when the accused does not have a criminal record, it is reasonably assumed that he will not flee from justice and the crime "has not caused alarm nor is committed frequently in the territory where the judge exercises jurisdiction."

An essential aspect of the reform is that it establishes maximum duration of provisional detention which will be 6 months for punishments of minor

imprisonment or less and 18 months for the rest. As an exception, however, the judge could extend provisional detention to 30 months and even to half the sentence imposed if this is being appealed. The law grants a period of adaptation of 3 months to comply with these requirements.

The socialists systematically made use of their majority in order to reject the amendments of the opposition: the PCE [Spanish Communist Party], PNV [Basque Nationalist Party], Euskadiko Esquerra and the Popular Group. The latter tried unsuccessfully to expand the discretion of the judges. In the words of deputy Ruiz Gallardon, it warned about "the pernicious effects" that it felt the law would have on the administration of justice and the people's security. The minister of justice had announced before that complementary means would be taken to avoid these problems whose scope will soon be seen. The number of proceedings courts would be increased by 52 and 100 new positions for judges and magistrates would be created.

#### New "No" to Private Television

Then Congress refused to consider a bill by the Catalan Minority on the equality of working women in Social Security contributions. This presented the unusual spectacle of the Popular Group almost enthusiastically supporting the socialists (although it abstained in voting) against the initiative of the CiU [Convergence and Unity] which was supported by the rest of the parliamentary groups.

Finally, Congress rejected a new bill, this time by the Popular Group, on "the exercise of the right to freedom of expression and information through radio and television broadcasting." This led to an intense debate between the PSOE and the opposition about granting use of private television networks. The use of the media by the party in power was inevitably pointed out.

7717 CSO: 3548/309 GENERAL

SPAIN

# ACCUSATIONS OF POLICE TORTURE TO BE INVESTIGATED

Madrid EL PAIS in Spanish 30 Mar 83 p 13

[Article by Karmentxu Marin: "Three Madrid Judges Hear Cases of Alleged Torture of Prisoners"]

[Text] Madrid--Four prisoners, three of whom do not know each other, have denounced alleged similar torture within a period of 8 days after having passed through the First Group of the Regional Judicial Police Brigade of the Madrid Superior Headquarters. The right to legal assistance was denied to all of them there. Three different judges have decided to hold proceedings "in order to obtain better clarification of the facts" after forensic doctors examined the prisoners.

EL PAIS contacted the First Group of the Madrid Regional Judicial Police Brigade. An official who refused to identify himself but who said he was "one of the troops" stated that the group chief was on vacation. However, he said that these facts "come as a surprise to us. This type of manipulation strikes us as odd although we understand it perfectly." The minister of the interior did not provide any information.

Criminal lawyers Jose Antonio Perez Andres, Gonzalo Martinez-Fresneda and Jaime Sanz de Bremond were appointed by the families to defend the prisoners but they were unable to talk with them until after their arraignment before a judge. They met yesterday with Attorney General Jose Antonio Buron to give him a brief in which they ask the Attorney General's Office "to exercise, in the form of a complaint, the appropriate criminal procedure against the responsible police officials." Buron told the lawyers, according to them, that he will ask for a complete report of the proceedings from each court to consider opening a new trial.

In the opinion of the three lawyers, "it is rare and is very important that the three judges have agreed to open proceedings after seeing the prisoners. A judge does not usually reopen them any time a prisoner says he has been beaten. It is very complicated to open a new trial."

Justo Pajares, Jose Manuel Esteban, Antonio Benito and Francisco Javier Hernandez, accused of common crimes, were arrested between 8 March and 16 March. The first two were arrested for the same acts and the other two under different circumstances. They were all arrested by officials of the First Group of the Madrid Regional Judicial Police Brigade.

Pajares and Esteban were brought before Proceedings Court No. 20, Benito before No. 22 and Hernandez before No. 6, all in Madrid. The four stated they had been tortured on /the table/ [in italics] or in /the operating room/ [in italics]. According to Pajares' statement before the judge, this consisted in being "stretched out with half his body on the table and half off the table with three or four policemen immobilizing the part on the table. They put a helmet on his head and pushed his body as if to fold him over. The part not on the table was pushed under the table." All except Hernandez had their heads sprinkled with a liquid and a helmet placed on their heads, according to their statements supplied by the lawyers. In one case, "they threw some liquid inside the helmet whose fumes were asphyxiating him," according to Pajares. They put a helmet on Esteban and three or four people hit him with their fists.

Antonio Benito stated on 12 March that the argument for denying him legal assistance was "that he was a prisoner and not an arrested person." "They threw him face down on a table covered with two blankets. They put shackles and a yellow helmet on him." After threatening him "about making his wife abort," they applied "electrodes to his genitals."

Francisco Javier Hernandez, arrested on 16 March, stated on 18 March that he was forced through mistreatment to sign a blank police statement and a waiver of his rights. They hung him "by his hands and later by his feet from a bar and burned the soles of his feet." The forensic doctor, Julio Amigo, said in his report that the prisoner showed "bilateral conjunctivitis of chemical origin," several ecchymoses and "second-degree burns on the dorsal side of both feet that, in all likelihood, could have been caused by a cigarette."

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END