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DENMARK

SDP May Use Security Policy Issue To Overthrow Schluter

36130026a Copenhagen BERLINGSKE TIDENDE
in Danish 11 Nov 87 p 1

[Article by Carl Otto Brix: "Social Democrats Threaten To Topple Government"; first paragraph is BERLINGSKE TIDENDE introduction]

[Text] The Social Democrats will try to topple the government on an economic or security policy issue if they are unable to achieve a compromise on the budget bill.

If the Social Democrats are unable to reach a quick agreement with the government on the 1988 budget bill the party will try to put the government into a minority situation that will force it to resign.

The Social Democratic leadership's evaluation of the situation is that the position of Prime Minister Poul Schluter (Conservative) will be much too strong if the government's budget bill is defeated next month, as it was in 1983, by a majority that includes the Social Democrats and the Progressives.

For this reason the Social Democrats want the situation clarified as quickly as possible through talks with the government. If it then becomes apparent that the parties cannot agree, the opposition will make a move soon. This could involve a sharp increase in old age pensions or a security issue.

In both areas a majority—although it involves different parties—opposes the government. Yesterday Poul Schluter dismissed the possibility that the budget bill could be passed by a majority which includes the Progressive Party. The 90 votes supporting the government can only be used to block major increases in state spending.

The government will not agree to measures that would exceed the spending ceiling that has been adhered to while it has been in power. The prime minister said that he did not know whether the Social Democrats would vote for the budget bill and that we will not know until Folketing votes on the budget in mid-December.

The Social Democrats do not want to wait that long. Yesterday was the deadline for parties to submit amendments to the budget and the Social Democrats proposed social increases totaling 4-5 billion kroner.

Left Socialist Party Congress Distances Self From SF, SDP

Closer Ties Rejected

36130026b Copenhagen BERLINGSKE TIDENDE
in Danish 16 Nov 87 p 3

[Unsigned article: "Left Socialist Leadership Moves to Jutland"; first paragraph is BERLINGSKE TIDENDE introduction]

[Text] At their congress this weekend the Left Socialists emphasized their distance from the Socialist People's Party [SF]. The party's executive committee resigned when delegates criticized the overtures to SF.

The Left Socialist Party [VS] continues to be an independent revolutionary party after its congress last weekend where any idea that SF and VS might eventually move closer together and become a single party was laid to rest.

At the congress the party's sitting executive committee, FU, resigned. That means that the VS leadership has now moved from Copenhagen to Jutland as all the new FU members live west of Lillebaelt.

The executive committee resigned when the delegates clearly rejected closer ties with SF. The new executive committee represents the "left center" of VS, which could well be interpreted as meaning that the revolutionary line has triumphed over the reformist line.

"But here we again run into the problem that it is extremely difficult to define in concrete terms what it means to be revolutionary today. In a way that has been a problem for VS for 20 years. But for the time being the VS leadership has moved to Jutland along with industry," said press secretary Poul Petersen.

The congress decided that the party's executive council should investigate the possibility of a technical election cooperation with the Danish CP, the Socialist Workers Party [SAP] and perhaps other left-wing groups and parties—with the exception of SF.

SF chairman Gert Petersen, who was guest speaker at the congress, clearly rejected the possibility of technical election cooperation.

According to Poul Petersen the congress was dynamic and the new FU represents fresh new forces who are ready to make a big effort before the party's next regular congress, which will be held in late May 1988.

In the more long-term perspective VS will offer a socialist policy for the 1990's.

The policy will continue to have a revolutionary orientation, however difficult that may be, but "the left center" stands on a revolutionary foundation. "Left

center" is a term coined by former Folketing member Keld Albrechtsen, but Poul Petersen admits that it can be difficult for outsiders to distinguish between VS factions. "The designations are somewhat inflated," he says.

Conciliation Possibilities More Distant

36130026b Copenhagen BERLINGSKE TIDENDE
in Danish 17 Nov 87 p 10

[Editorial: "Toward the Left"]

[Text] The balance between the so-called nonsocialist parties and the so-called socialist parties in Folketing and in society is so fine that the congress just held by the Left Socialists is interesting even for those who would not dream of voting for this party.

It seemed like a poorly-staged "happening" that VS had invited Gert Petersen of SF to attend as guest speaker, for it was the conciliatory attitude toward SF that was scrapped. If one regards the VS congress as representative of a real trend on the extreme left wing, the message is unmistakable: the extreme left wing does not want to cooperate with SF—much less the Social Democrats, of course.

This will certainly lead Common Course to feel that its basic position has been confirmed: there is no support on the extreme left wing for a conciliatory party. Whatever the Common Course people may feel in their inmost hearts, a dismissive attitude toward SF and the Social Democrats is apparently the party's only chance of surviving. And fear of Common Course will probably also lead SF to distance itself from the Social Democrats in a kind of chain reaction.

Thus the VS congress provided fresh confirmation that there is hostility between factions. But the rejection of cooperation by both the left and right wings will probably make the parties in the middle spectrum of Danish politics move closer together. And that would not be such a bad idea.

06578

FEDERAL REPUBLIC OF GERMANY

Bluem Seeks To Define CDU Role in North Rhine-Westphalia

36209045 Hamburg DIE ZEIT in German
4 Dec 87 p 25

[Interview with Norbert Bluem, CDU Land chairman in North Rhine-Westphalia, by Wolfgang Hoffmann and Heinz-Guenter Kemmer; data and place not specified]

[Text] [Question] Mr Bluem, when you became CDU chairman in North Rhine-Westphalia, it appeared that you were pushed. In the meantime, one has the impression that you are having fun.

[Answer] It is true that the challenge caught me completely by surprise. It is also true that I have not seen any possibility of handling three tasks at the same time, namely those of minister for labor, chairman of the social committees, and chairman of a large Land party. But as for me: when I do something, then I go "all out." Now that I have given the social committees their independence, I am dedicating myself fully to North Rhine-Westphalia.

[Question] You can be seen everywhere in the Land; hardly anything happens without there being at least comments from Norbert Bluem.

[Answer] I consider that my duty. After all, I am not breakfast director for North Rhine-Westphalia but someone who has taken over responsibility for the Land.

[Question] But is not the double work a burden? In your ministry, one hears that Bluem is no longer accessible at all times the way he was before.

[Answer] Tell the one who is complaining: he can also call me up at night. He just has to get up then.

[Question] But really....

[Answer] The ministry has large tasks before it and they involve the Land as well. Coal and steel, for example, have large social policy dimensions. The health and pension reform also affects the workers and North Rhine-Westphalia is still a workers' Land.

[Question] There will soon be a sort of all-party summit meeting in Duesseldorf. Is that an indication that you are also being taken seriously by your political adversary? For when you once suggested an all-party exchange of ideas on steel, that was rejected by the SPD Land government.

[Answer] My political strategy was always that the government and opposition must not in principle live in confrontation. At the present point in time, I consider it extremely important for the citizens to know that it is not a matter of parties but of issues. In North Rhine-Westphalia, in view of the crisis with coal and steel, every straw of cooperation must be grasped. The pitmen and steelworkers would not understand it if party tactics were being trained on their backs.

[Question] The government in Duesseldorf is fostering a certain conspiracy theory. Because we are a Land governed by the Social Democrats, it says, we are poorly treated by the government in Bonn led by the CDU.

[Answer] I consider the conspiracy theory to be an alibi. It angers me, because it diverts people away from the resolution of problems. This endless passing of the blame merely robs us of strength and time. But even so, I can

overcome the entire past. The decline of North Rhine-Westphalia did not begin in 1982 but much earlier. If the blame were in Bonn, then above all our predecessors in Bonn would be guilty.

[Question] Are there not a few minor matters where one can tie that down? When the prime minister of North Rhine-Westphalia has to wait months for an appointment with the chancellor, is that not a sign that they do not want to talk?

[Answer] It is not so that they were not talking with North Rhine-Westphalia. The chancellor has also spoken with Rau. Maybe not privately but in every conference of prime ministers. The coal rounds are being prepared with North Rhine-Westphalia. Before we entered into talks with IG Metall and the iron and steel economic association, the labor ministry also spoke with its counterpart in North Rhine-Westphalia.

[Question] You have set up something like a Bluem column and brought the North Rhine-Westphalian representatives to the Bundestag [FRG parliament] under one roof. Do you see this as a counterpart of the CSU Land group, a lobby for the Land North Rhine-Westphalia, regardless of its current government?

[Answer] Bluem column—I find that an incorrect designation. Let us say “North Rhine-Westphalia team.” That is actually quite in line with our federalistic structure. The CDU in North Rhine-Westphalia has previously represented itself at less than its true value. If the merger of the CDU associations Westphalia and Rhineland is to make any sense, then one must combine forces. And naturally this weight influences the formation of opinion in the Bundestag parliamentary group.

[Question] You are awakening great hopes in the Land. Can you meet these expectations? Do the steelworkers in Rheinhausen, for example, not have to worry about their jobs because this planned shutdown at Krupp obviously does not suit Norbert Bluem?

[Answer] Without the agreement between IG Metall and the economic association, which the minister of labor helped bring about, I would fear the worst for the steelworkers in Rheinhausen. It is now clear that they will not become unemployed. The Federal Government is, after all, paying 300 million marks for this. So that is not just a verbose declaration of solidarity but solid support. Part of this agreement is the promise of the enterprises to establish new jobs where others are being eliminated. I am working on the task. After all, the Bluem fire department was there when the fire in Rheinhausen got started. I spoke immediately with the workers council and right after that with the employers.

[Question] Were you really surprised by the news or were you somewhat better informed this time?

[Answer] No, I was surprised.

[Question] No prior report?

[Answer] No prior report.

[Question] How do you find that?

[Answer] Not good.

[Question] So the furnace in Rheinhausen has not gone out yet?

[Answer] No, which Norbert Bluem values: there cannot and should not be mass unemployment in Rheinhausen.

[Question] That is one of your snappy sayings, Mr Bluem....

[Answer] It is not a snappy saying but a vital question. The most important thing now is new jobs. If they are not created quickly enough, then the concerns must try to employ the people outside of the coal and steel enterprises. Social plans remain as the last resort.

[Question] But all of that is not new. Where is the typical Bluem touch?

[Answer] The typical Bluem touch is a quite old one: unemployment is the worst thing.

[Question] We are obviously talking past each other. There have been social plans for far too long. Meanwhile, people have noticed that that was probably not the “real McCoy.” Do you see a realistic chance of creating appreciable replacement jobs for the approximately 100,000 people who will lose their jobs in steel, coal and with the suppliers?

[Answer] The future of North Rhine-Westphalia is in modernization. In the past, jobs were not lost where people allowed technological innovations but where they stuck with the old systems because, as I put it, they overslept the future. That is not a collective judgment but there is no need for me to explain the difference between Baden-Wuerttemberg and North Rhine-Westphalia.

[Question] But Baden-Wuerttemberg has no problems with coal and steel.

[Answer] The point of departure there was not more favorable. North Rhine-Westphalia has a number of advantages with its infrastructure and position in the heart of Europe. But ask entrepreneurs, not crazy capitalists but those who want to do something, how they felt welcome in Baden-Wuerttemberg and how many desks, forms, planning bureaucracies and municipal busy-bodies they had to fight their way past in North Rhine-Westphalia.

[Question] That has not hindered Siemens from expanding its operations in North Rhine-Westphalia. And why are so many Japanese coming?

[Answer] The last big settlement was Opel in Bochum. It goes back to the time before the Social Democrats. Besides, I am not counting so much on the large firms but on the sum of many small efforts. That is the essence of the overall solution. I also hold to the belief that the psychology for the settlement of enterprises in North Rhine-Westphalia was not good. That has to do with a lack of dependability. An example is nuclear energy. Two years ago, no one questioned nuclear energy. That was Rau's original idea. A year later, they are bailing out.

[Question] In the meantime, there was Chernobyl....

[Answer] But Chernobyl has nothing to do with the high-temperature reactor. That is a completely different technology. It is also no longer wanted. And what kind of politics is it when, on the one hand, North Rhine-Westphalia and its prime minister are offering the top technology in nuclear energy throughout the world but, on the other hand, want to abandon it at home. We need the combination of coal and nuclear energy. One can hardly suppose that Franz Josef Strauss will greet the opponents of nuclear energy from North Rhine-Westphalia with open arms in Wackersdorf and then will travel to the Ruhr to distribute the coal penny in front of the gates of the mines.

[Question] Let us stick with coal. As an outsider, one has the impression that there are differences between you and your colleague Martin Bangemann. Put somewhat crudely, Bangemann wants complete deforestation and you want to nurse the little trees.

[Answer] The impression is false. I do not detect such a drastic Bangemann. Correct is that we need a long-term coal policy. That is, a calculable quantity for the generation of power. I see no latitude there for less. For that would be the end of coal. Moreover, we must prevent a flood of cheap imported coal and finally we must not abruptly stop the subsidies for coal exports.

[Question] You are leaning pretty far out of the window in the case of coal....

[Answer] I have always been one who would rather look out the window than sit at home on the couch making pious statements....

[Question] The question is really this: Is there someone behind you who, if need be, holds you by the belt to keep you from falling out and is his name Helmut Kohl?

[Answer] That is a nice picture but I do not consider it to be the job of the federal chancellor to function as a mountain rescue service for Norbert Blum.

[Question] But perhaps he has given you some provisions for the march to North Rhine-Westphalia?

[Answer] But not for my sake. If there are problems in North Rhine-Westphalia, there is a federal solidarity. It also exists in the opposite direction.

[Question] We have now spoken quite a lot about the old North Rhine-Westphalia. Perhaps you can describe to us your vision of the new North Rhine-Westphalia. The junior figures in trade and industry are already accusing you of having sacrificed your principles on the political system and of teaming up with the SPD for the further subsidization of the crisis branches.

[Answer] Our system is not called a market economy but a social market economy. That is more than just a difference in the adjective. It means namely that the most important condition for modernization is socially restrained structural change. Maggie Thatcher is an admirable woman. But in matters concerning structural change, for example, she is no model for me.

[Question] Too brutal?

[Answer] Too brutal. Our social tradition in Germany, and not least in North Rhine-Westphalia, is quite different. It is not one of class struggle but of cooperation. One will not settle in class societies and one will not settle in areas of confrontation.

[Question] Your idea of system policy naturally costs money, money that is not available to do new things in the Land.

[Answer] For this reason, I am not in favor of maintenance subsidies. Subsidies should accompany but not hinder transitions, transfers and restructuring. Without these accompanying subsidies, however, other costs may be higher: the costs of unemployment, the costs of resignation and the costs of pulling out.

[Question] What can the CDU chairman of North Rhine-Westphalia really do as labor minister from Bonn to carry out in North Rhine-Westphalia what he once said: Let a thousand middle-class flowers bloom.

[Answer] He can replace neither the Land government nor enterprise initiative; it needs a different climate in North Rhine-Westphalia. But he can, for example, see to it in Bonn that we can exert more pressure for a cartel amendment. For you can ruin competition by undermining it ideologically and then doing away with it or you can destroy it by quietly eliminating it through concentration.

[Question] But your vision of a new North Rhine-Westphalia cannot be merely a matter of the cartel amendment?

[Answer] I was only giving an example. I may remind you once again of the chain: pacifying branches in crisis—which has something to do with the preconditions for modernization; establishing dependability in politics—nuclear energy, for example; reduction of bureaucracy. It is not good when North Rhine-Westphalia has the image of being dogmatically pigheaded and bureaucratically fossilized. And above everything hangs a prime minister who wants to do right for everyone. I prefer a CDU with edges and corners over a streamlined model that it is characterized primarily by the fact that it curves in a big circle around all acute problems.

9746

December Poll Spotlights Views of Domestic Political Issues

36200057 Hamburg DER SPIEGEL in German
28 Dec 87 pp 40-48

[Article: "Even With Socialist Trend, Objective Not Reached: SPIEGEL Poll on the Political Situation in the Month of December"]

[Text] One person gained popularity points for his liberal solution to the Hafenstrasse problem, while another won points for his hard line against masked demonstrators.

Hamburg's mayor, Klaus von Dohnanyi, and Bonn's interior minister, Friedrich Zimmermann, are the two politicians of whom an "important role" was desired far more frequently than in October, according to a SPIEGEL poll conducted in December by the Emnid Institute in Bielefeld.

The SPD politico gained 9 percentage points, the CSU man 8.

Voters for the SPD and the Greens in particular, but also FDP supporters, regard the mayor very highly for having prevented a clash between government and opposing forces in the Hafenstrasse. Zimmermann, as the leader of the fight for stricter laws forbidding masked demonstrators, is receiving more encouragement almost exclusively among CDU/CSU supporters.

The interior minister remained in the bottom fourth of the 20 politicians on the Emnid list; he moved up only from 17th to 16th place. Dohnanyi on the other hand moved up considerably, from 11th to 7th place, and passed CSU leaders Kohl, Stoltenberg and Strauss.

Emnid found higher figures this month than in October not only for the Hamburg politicians but also for all other SPD politicians. The only exception is Lafontaine for whom there was neither an increase nor decrease.

Among the CDU/CSU politicians, some gained and others lost. Gerhard Stoltenberg, the Minister of Finance in Bonn and the chairman of the CDU in Schleswig Holstein, became the loser of the year in 1987. In 1986

he was most often in first place, but now he has slipped to 10th place. For a year and a half no other CDU/CSU politician was as popular as he in any particular poll; now Rita Suessmuth, Spaeth and Bluem have surpassed him. No more—as in his better days—a two-thirds majority; instead only about half of FRG citizens polled desire an "important role" for him.

The FDP provides a study in contrast with its former chairman, Hans-Dietrich Genscher, and with ex-minister Count Otto Lambsdorff who is behaving like a future party chairman. Genscher is at the top, unchallenged throughout the entire year, in first place; the count is pretty far down in 18th place surrounded by three members of the Greens.

Should the FDP decide at its next party congress to allow it self to be led by Lambsdorff, it is the prevailing opinion among the population that they would be placing their trust in a man who belongs to the past. Only every third FRG citizen desired an "important role" for the count.

The battle concerning what direction their party will take is already affecting the popularity of the Green politicians. Fundamentalist Jutta Ditfurth lost points; realists Otto Schily and Joschka Fischer gained.

When Emnid asked the "Sunday question" ("Which party would you vote for, if . . ."), the Greens were the only party out of the four to have lost followers in December. There is even a downward trend since October; from 10 percent at that time the number of Green followers fell to 8 percent in November and to 7 percent this month. The 5 percent limit, which in an election would spell the end, is not all that far off.

The SPD on the other hand was able to increase its share from 38 percent in September to 40 percent in December and nearly pull up even with the CDU/CSU. In April, 8 percent separated the two largest parties—now it is only 1 percent.

The SPD is on the rise, as other results of the poll also show. The number of those polled who feel a "particularly favorable" mood with regard to the SPD, for example, increased from 42 to 52 percent. At the beginning of the year it was only 13 percent.

There is no doubt: It is back—the socialist trend. SPD whip Anke Fuchs even exulted that in Bonn nothing could be done anymore without the SPD. However, she was relying on the even more favorable figures for her party released by the Infratest-Institut in Munich (CDU/CSU 38, SPD 42, FDP 10, Greens 9 percent). The figures from Emnid and other institutes do not justify such jubilation.

Following a Bundestag election it would still not be possible to form a government in Bonn without the SPD even if the numbers were not quite so rosy as those

reported by Infratest. For example, if the CDU/CSU were to have 40 percent, the SPD 41, the FDP 9 and the Greens 10 percent, the two current ruling parties would not have enough for a majority, and the SPD would have its choice of any partner.

But that is not the way it is. According to Emnid, in December the CDU/CSU had 41, the SPD 40, the FDP 11 and the Green party 7 percent.

Even the socialist trend has not brought the SPD to its desired objective. CDU/CSU losses in past months have been offset by FDP gains, and the opposition has not become stronger overall—there is just more “red” and less “green.” Counting the CDU/CSU and FDP percentages together on the one hand and those of the SPD and the Greens on the other gives the coalition 52 percent in November as well as in December and the opposition 47 percent in those two months.

Although it was not mathematically possible for the SPD to achieve a majority with either the FDP or the Greens during the first 10 months of the year, a social-liberal majority would have nevertheless been possible since November.

It must also disturb the CDU/CSU politicians that the critical attitude toward the Bonn coalition, Chancellor Kohl and the CDU/CSU on the part of FDP voters has intensified.

Looking back on 1987, FDP supporters gave both the CDU/CSU and the SPD a grade of 3.5 when asked to evaluate the work of the two parties.

When asked to evaluate the work of the government, 56 percent of CDU/CSU voters, but only 12 percent of FDP voters, settled on a grade of “very good” or “good.” The differences were even more dramatic on the subject of the Chancellor. He received a “one” or a “two” from 47 percent of the CDU/CSU supporters but only from 5 percent of the FDP supporters.

More so than ever before it was clear in 1987 that the CDU/CSU is dependent on the FDP. They can only dream about an absolute majority.

There has not been such a bad year in a long while as 1987 was for the CDU/CSU in terms of election and polling figures.

In the Bundestag election on January 25, the CDU/CSU received only 44.3 percent; it was their worst result since 1949. And after that they were not even able to hang on to those supporters. According to Emnid, just under another 1.5 million (equal to 3.3 percent) deserted the party.

Only among Germans of retirement age is there still an absolute majority for the CDU/CSU. Among Germans aged 45 to 60 years, the two coalition parties led the two

opposition parties. Among those aged 30 to 45, there is just barely a majority—and with those under 30 a sky-high majority—for the SPD and the Greens.

On the so-called issues, the responses with respect to the CDU/CSU were more unfavorable than they were over a year ago. In eight out of ten areas which Emnid named, the CDU/CSU is considered less competent than before.

In October of last year 64 percent thought that the CDU/CSU was better able than the other parties to further the economic upswing; now it is only 51 percent. Also at that time, 65 percent believed that reduction of the national debt was best left in CDU/CSU hands; now the figure is 55 percent.

When asked who is able to “guarantee social security,” nearly as many FRG citizens today believe the SPD to be as competent as the CDU/CSU (44 and 45 percent).

And regarding the most important problem according to public opinion, “combatting unemployment,” the SPD has recently been mentioned even more frequently than the CDU/CSU. Before the reverse was true.

By far the majority of FRG citizens assume that the CDU/CSU will suffer a severe defeat on the May 8 Landtag election in Schleswig Holstein. Increasing from 63 percent in October to 70 percent in December are the numbers of those who expect the CDU to lose votes there.

The Emnid institute also repeated another question which has become current due to events in Kiel. It is the question of satisfaction with the political system:

“What would you say in general regarding democracy in the FRG, in other words regarding our political parties and our entire political system? Are you very satisfied, satisfied, not very satisfied or dissatisfied?”

In October only 48 percent of those polled responded with satisfied, while 52 percent declared themselves dissatisfied with the political system. This result differed greatly from earlier results. For many years running a large majority has always been satisfied with the system regardless of what scandals or other events might also be of concern. Undesirable trends did not lead to the conclusion that the entire system was not in order.

Emnid has now asked the question three times in a row—in October, November and December. The number of satisfied respondents rose again sharply after an October low of 48 percent to 69 percent in November and 74 percent in December. The number of those who were dissatisfied showed a corresponding decline, dropping from 52 percent to 30 in November and 25 in December.

According to these results, the Kiel affair did have a negative effect on the attitude of many FRG citizens toward the CDU and toward its chairman in Schleswig Holstein, Stoltenberg, but led only to a temporary vexation with the political system. Klaus-Peter Schoeppner, opinion researcher for Emnid, on this subject said, "If such vexation were to continue, it would be an alarm signal of unequalled proportions."

The explanation for the dissatisfied majority in October may be that Emnid began its poll on exactly the same day that Barschels Pfeiffer, under an assumed name, called up opposition leader Engholm and told him that he was suspected of having AIDS.

In huge headlines BILD on this day ran: "AIDS Rumor! Pfeiffer's Dirtiest Trick Against Engholm." Engholm himself spoke of "murder", the HAMBURGER ABENDBLATT wrote that "following outrage we were then gripped by disgust," and asked the "most important question: Have we yet comprehended the extent to which this scandal has gone beyond personal and political dimensions?"

Apparently this high point of the scandal caused many FRG citizens spontaneously to have doubts about the entire political system. Emnid's Schoeppner on this subject: "This attitude arose as the result of shock. It was not a change in opinion over time, as our results from November and December show. Most FRG citizens obviously know how to differentiate between such spectacular events as those in Kiel and the democratic system in the FRG overall."

One Emnid question in December dealt with shop closing times. A majority (51 percent) favored shops staying open later "one or two times per week, so that working people would have more opportunity to shop." Among working people there is an even larger majority (58 percent), and among married women who also work as many as 63 percent favor a liberal ruling regarding closing times.

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GREECE

EAR's Kyrkos Interviewed: ND Attracts Majority
35210046a Athens EPIKAIRA in Greek
19 Nov 87 pp 16-19

[Text] The right wing has the terrible responsibility for the Makronisos exile islands, but is the Left free of responsibility for the fact that we were led to a civil war, the product of which were the Makronisos islands?

At this time, the ND is the first party.

With the policy followed by PASOK and the KEE, there is no ground for the establishment of a coalition of the leftist forces in Greece.

PASOK had corrupted the ideas of the left.

The best result for political developments in the next election will be the one that does not give anyone an absolute majority.

These observations are made by EAR President Leonidas Kyrkos. He stated them with daring during a very long interview with the political editors of EPIKAIRA, Panos Loukakos and Panos Panagiotopoulos.

During this interview, Leonidas Kyrkos speaks with new terms for the Left at the present time, and for the more general political developments. He asks certain questions in every direction that surely make up a basis for a political dialogue of the immediate future.

Question: How do you see the latest statement by Prime Minister Andreas Papandreou on the subject of the simple ratio in the elections, saying he is not ready to give an answer and "wait and see what will happen"?

Answer: It is evident that Mr Papandreou wants to gain some time. He is not ready, because he is wavering between the illusion that he may gain independent power and the reality that tells him he has to look for another electoral system, some other way out.

The pressures in his party are increasing, and this became evident from the Central Committee meeting. On the other side, however, it is difficult for him to revise a whole system of ideas developed from independent power, that is to say within the absolute control of power. I am afraid that he gained some room from the meeting he had with Kharilaos Florakis. And I believe that Florakis' side gave him this room during the meeting, instead of being positive in its statements. And now, in view of the big discussion that will take place at the end of the month, triggered by the proposal of the "twelve," we repeat our proposal: the prime minister should free his deputies so that they may vote by their conscience. Then, it is certain that their great majority will vote for the simple ratio. Also, Kharilaos should make it clear to the prime minister that there is no long period of time to think about what the simple ratio is all about. The simple ratio is such a simple matter, that it does not require a lot of time.

Question: Do you believe that the simple ratio is beneficial to PASOK at the present time?

Answer: The simple ratio benefits the country, and if I was in a position to appreciate what benefits PASOK, I would say it benefits it too.

Question: do you believe that Andreas Papandreou could ever conceive that he could proceed to a form of government that would come out of a simple ratio

system? Considering his mentality and furthermore, considering the known turn he made in economic policy, and more generally, in foreign policy during the last 2 years, starting in 1985.

Answer: If he was free to make a choice, he would never do it. The question is not what he wants; the question is what he is supposed to do for the survival of his party.

Question: In other words, you believe that PASOK no longer has its independent electoral power?

Answer: That is evident. I believe that every person who has an elementary contact with what is going on has realized it.

ND the First Party

Question: Is the ND the first party at the present time? What do you believe?

Answer: The ND is the first party at this time, but it does not have independent power; it does not have those percentages that could secure it. It can attain it, if PASOK continues to make mistakes. And I have the impression that Mitsotakis is taking advantage of this series of mistakes by PASOK. That is why he agrees with ease with any of the electoral systems, including the simple ratio that he does not want. But he realizes that by supporting it, he gets a psychological advantage, in other words, even with the simple ratio he can gain absolute power. Mitsotakis is a good player; we all knew he was cold-blooded, not just cool, and I suppose he works out his plans in this perspective.

PASOK is now on the defensive; the acceptance of the simple ratio could take it out of this position. From that point on, it would contribute to the formation of a new political environment and evidently would have its position in this environment. Consequently, it would operate in a vitalizing way, both for our political life and its own.

Question: With the fact that is PASOK today, could a coalition of the left be established in Greece that could govern after the elections, if they were conducted under the simple ratio? In other words, PASOK, the KKE, EAR and all the other forces?

Answer: There is no such ground, because of the policy followed by PASOK. It is neither possible with the policy followed by the KKE. But when the matter comes up, all of them will have to look at their positions again.

The simple ratio simply is not just a moral and fair electoral system. That is one side. The other side forms a new political environment and contributes also to the shaping of a new political and social conscience. The conscience of the powerful governments have been shaped for many years. After many years, it has been proven that powerful governments lead to powerful

impasses and that the independently powerful governments lead to the autonomy of the governments from the people. When you have 165 to 170 deputies, you do what you want. This has proven to be destructive. And allow me once again to recall the testimony of Georgios Rallis himself who tells us that from the side of the conservative array, "the one-party governments lead to an impasse."

Consequently, the thing has fully matured. Furthermore, from the time the simple ratio is put into effect, one can tell exactly what will happen. We were the first to name both the ND and PASOK "coalition" parties: in other words, under the pressures of the electoral system, different tendencies came together coincidentally in the framework of one party. I am not all certain that these formations will last. This way, a new political scene will be formed. This, however, will operate also for the KKE. Because the KKE, no longer with the perspective of being in the margin, but with the perspective of having the possibility to participate in a government majority, will have to appreciate matters without slogans, but from the viewpoint of a specific political responsibility. Therefore, under these circumstances, all the parties will have to define their views in a very clear and specific manner.

PASOK in the Left?

Question: Do you consider PASOK to be a party of the left?

Answer: I consider the policy it follows to be a conservative policy in relation to the needs of the land. No one can ignore that it has in its midst the widest masses and cadre who have a left orientation. In a general sense, no one can preclude PASOK from the leftist area. It is quite evident that more than one line are clashing within PASOK. For this reason, the question is how can its social base be given the potential to exercise its pressures to the greatest degree, so that the policy formed by the leadership would be a policy that relates to all of these claims.

Question: Could you engage in a pre-electoral collaboration with PASOK?

Answer: No, this is prohibitive. It is quite evident that PASOK has terrible responsibilities for its governmental performance. It corrupted the ideas of the left.

From the speaker's platform in parliament, I said that PASOK inherited all the negative characteristics of a leftist movement, without at least learning how to adopt the positive ones. The fact that PASOK developed into an absolutely one person ruled party, already removes the first requirement it needs to seek, shall we say, the title of a socialist party.

Question: Will you collaborate after the elections?

Answer: I cannot tell what will come out of the elections at this time. But the definitions have to come in. The needs of Greek society impose specific answers. We answer, proposing the Left Democratic Synchronization.

Therefore, a cooperation requires first of all, a programmatic agreement. This is not all, however, because programs are made up and violated many times. Another requirement also is an agreement on the practices, in other words, that we will pursue this in these ways. There is a third element: it requires a system of guarantees, because not even the practices are enough. These guarantees are: e.g. We consider as self evident a first guarantee that television will open up. Because we believe that a responsible citizen is an informed citizen. Therefore, we want society to participate in the control and development of decisions. And this cannot happen when the television is an instrument only in the hands of the governing party. I do not know how many of these can be agreed upon, when the parties continue to be in their childhood, in the age of slogans. For us, there is one target: A programmatic renewal of the Left.

With the KKE

Question: Is there a possibility for a preelectoral collaboration with the KKE?

Answer: No. When we say that the KKE must change, we do not mean it in a derogatory way, nor are we the party that preaches truths from the pulpit.

We said that since society is changing, the Left also must change. We are making efforts to change. The KKE must also do so. There is a confidence crisis toward the government. But there is a distrust of the Left. The Left has a certain past. This past should be put in focus, not to light up the past, but to light up tomorrow and gain the confidence of the people.

From the moment that KKE relations with the democratic process are not absolutely clarified, with what we call "the democratic road" to socialism, this existing distrust does not stop.

Otherwise, what kind of collaboration could be had with the KKE, if we would be compelled to answer for its actions? Since we are collaborating on critical matters of the democracy, on which we disagree; on critical matters of the social organization, on which we disagree.

We said: we came out of the ghetto and we will not say it again. That is a condition. We will mingle in society, not to be absorbed by conservative practices, but to work together in society, so we can get ahead. The KKE should understand that.

Could the ND?

Question: Mr Kyrkos, do you believe that if the ND were to win the elections today, it could govern?

Answer: A former ND minister told me: "It is fortunate that PASOK is in power, because if we were in the government, I do not know if we could get into parliament."

Of course, the ND will try to govern; there is no doubt. And I think it will have some room. But the problems of the country have been focused upon so acutely, that they cannot be solved either with demagogic approaches or with conservative answers. Exactly for this reason, we believe that it really is the time of the Left, but of a Left that is enlightened, intelligent, able to talk not only to the old leftist audience with the terms that were used in the beginning of the century or during the middle of the war or after the war, but also with the terms of our era or with the terms of tomorrow.

What Does the Left Mean?

Question: After the second four year term of PASOK, what more does the Left mean in Greece and what are its prospects?

Answer: At this point, definitions are made with reference to PASOK. The Left does not mean the policy of PASOK. To talk in more real terms, the Left is looking for its identity in our time; that is indubitable. As are all the political formations. Without any exception, the Left is going through its crisis. But we are certain that this crisis will not be overcome with abstract forms. It will be overcome within the same practicality, and with the absolutely free from the past search for answers to the problems that are posed by our era and are completely new.

When Gorbachev comes to the point to tell you that "we do not know where the technological revolution is leading us," this already is a revolution in thought for the people who thought they knew it all.

Question: If we consider that the PASOK voters belong in the area of the left, on the basis of evidence. If we consider that today in Greece we have a major social, political and national crisis, do you believe that half of the Greeks who are Right and the other half who are Left can be governed either by the Left or the Right alone? In other words: could it be that the time has come, at the point we find ourselves today, for certain more general convocations to exist? Can half the Greeks accept a harsh rule from the other half, no matter who they are?

Answer: No. The question is not who is ruling, but how he is ruling. You are very right that it is impossible for half the Greeks to impose a harsh rule on the other half. But it is very possible for half the Greeks to pursue a policy that will greatly be accepted by a large part of the rest of the Greeks.

At one time, they had asked us, "if you had 51 percent, could you manage to govern?" Our answer was that not even 51 percent can bring about the change in the social

formations of Greece. We would pursue a widening of the 51 percent. What I mean is that this also was a message we brought since 74 and that was outrageously slandered of course by those who did not have the historic vision that we must find policies and practices that can help us. Therefore, by overcoming the traditional hurdles, the Left will meet with the worker who votes for the Right, because he has formed a political culture from his home, while his social interest is to support the Left. Today there is the question, "is it possible for half of Greece to ignore the remaining half?" Consequently, it is necessary for the Left to develop a policy that services the social interests of the majority of the people to find the political terms with which it can communicate.

This explains the attempt we initiated since April, creating a new party of the Left and abandoning whatever possibly could function in a way that would isolate us, that would limit us to the old parameters. You ask me what the Left is today. But it also is the resistance to the reduction in values, to the decomposition of the society that has been brought about as a result of PASOK policy.

Question: When do you think elections will be held?

Answer: Between now and 1989.

9346/12913

New Party Formation, Membership Reported
35210044a Athens POLITIKA THEMATA in Greek
27 Nov-3 Dec 87 p 14

[Text] A founding conference for the establishment of a new democratic progressive party was held Saturday, 21 November. The conference decided to name the new party "Democratic Union."

Representatives of the following committees outlined a series of suggestions: Ideological and Political Positions (St. Papadakis); Statutory Principles (Nd. Rovlias); Agricultural Policy (N. Kolymvas); Justice (D. Filis). At a special invitation the former president of PIS [Panhellenic Medical Association] discussed health issues. A debate followed with the participation of conferees representing various regions of Greece.

Secret ballot voting was held. Former minister G. Mylonas was elected Party President and addressed the other conferees. Those elected in the Political Bureau were mainly young people. They included: Efi Karabi, attorney; Ndinis Rovlias and Dim. Filis, attorneys; Dim. K. Paleologos, lieutenant general, retired; Ste. Papadakis, physician; Nikos Petrokhilos, university professor; Kostas Mbegas, former mayor of Ioannina, civil engineer.

8193/08309

Politicians' Popularity Poll: Karamanlis Great Winner

35210044c Athens AKROPOLIS in Greek
22 Nov 87 pp 1-2

[Text] With his popularity continuously increasing, former president of the Republic K. Karamanlis is the first choice of the Greeks. This is the result of public opinion poll conducted by "Evrodin" between 1 and 10 October and which was published in the last issue of "Andi." On the contrary, the current chairman of Nea Dimokratia, K. Mitsotakis, ranked thirteenth, and his popularity is eroding continuously.

Specifically, in October 1987 the popularity of K. Karamanlis was 60 percent compared to 43 percent it was in October 1986, 56 percent in February 1987, and 58 percent in May 1987.

The percentage of popularity of Mr Mitsotakis is falling as the popularity of the former president is increasing. It is 28 percent today, compared with 36 percent, 30 percent, and 30 percent in the corresponding periods.

Also, the popularity of Prime Minister Andreas Papandreou has increased to 46 percent in October 1987 compared to 40 percent in October 1986; he ranked fourth in popularity; however, in February and May 1987 his popularity was 48 percent; this indicates a two-point "drop" in popularity during the past few months.

Finally, in popularity our politicians ranked as follows: Karamanlis 60 percent; Gennimatas 57 percent, Alevras 52 percent; Papandreou 46 percent, Evert 42 percent; Kharalambopoulos 42 percent; Kyrkos 41 percent; Sartzetakis 39 percent; Rallis 35 percent; Stefanopoulos 35 percent; Arsenis 32 percent; Koutsogiorgas 30 percent, Mitsotakis 28 percent, Averof 27 percent and Florakis 25 percent.

Commenting on the drop of popularity of Mr Mitsotakis, "Andi" says the following:

"According to the latest polling by "Evrodin" conducted in the Municipality of Athens, ND [New Democracy] may have overpassed PASOK [Panhellenic Socialist Movement] in popularity; ND leader K. Mitsotakis, however, should not be especially happy. His popularity dropped from the 36 percent it was in October 1986 when he considered himself undisputed leader of ND after the creation of DIANA [Democratic Renewal], and it has now reached 28 percent. At the same time, former president of the Republic K. Karamanlis, who is known for the liking he has for the current leader of the party he himself established, has reached his highest level of popularity since 1980, a level higher even from that he enjoyed when he was considered the undisputed President of the Republic. From 43 percent in 1986, he now climbed to 60 percent. At the same time, the popularity of mayor M. Evert, who is a Karamanlis follower and

heir apparent of Mr Mitsotakis has climbed from 40 percent it was one year ago when Mitsotakis was celebrating for the "heroic exodus" of K. Stefanopoulos, to 42 percent today. Evert also has the preference of 76 percent of the followers of ND compared to 62 percent of those who are still "burning" from desire to have the "tall man" as their leader. Evert also ranks second in ND after K. Karamanlis.

Two more negative elements for K. Mitsotakis who aspires to become prime minister include the fact that he is the least popular among the followers of the other political parties. He is, after Averof, the most unpopular politician among the members of the other parties. He can hardly receive the preference of 8 percent of PASOK followers, the same as Averof; he also has the preference of only 2 percent of the followers of KKE; here he is ahead of Averof who has zero popularity.

Mitsotakis falls exclusively behind, however, in comparison with the politicians of the conservative side, but also with the heir apparents of A. Papandreou in PASOK. G. Rallis (35 percent) and K. Stefanopoulos (35 percent) are leading, and only E. Averof falls behind him by just one point (27 percent) in ND. He is surpassed by G. Gennimatas (57 percent) and G. Alevras (52 percent). Even Koutsogiorgas (30 percent) is just two points behind K. Mitsotakis.

8193/08309

MALTA

Relations With Libya Improve

35280081a Rome LA REPUBBLICA in Italian
27/28 Dec 87 p 11

[Text] Valletta—Starting next 1 February Libyan and Maltese citizens will be able to cross their respective borders bearing only an identity card. The news was made known yesterday by an informed source in the Maltese capital, Valletta.

This decision was announced at the end of a three-day visit to Malta concluded on 24 December (1987) by the Libyan Secretary of Industry, Fathi Hamed Ben Shatwan.

Before leaving the island, the Libyan official expressed the hope that in 1988 exchanges between the two countries would double. The measure is particularly important for Maltese workers in Libya who until now have had to obtain an exit visa from Libyan authorities in order to return to their country, and they were not always successful.

At the beginning of January, according to what was learned from the source, Maltese Prime Minister Eddie Fenech Adami will make a visit to the Libyan capital

during which he will meet with Colonel Qadhdhafi, and he will sign an agreement for a one year renewal of Libyan oil shipments to the small Mediterranean island.

Last 11 December the two Mediterranean countries exchanged documents for ratification of the accord regarding the partitions of the continental shelf.

Based on this accord Libya and Malta will accept the decision of the international court in the Hague on the partition of the continental shelf, rich in petroleum, and has thus put an end to a dispute which has lasted for over seven years.

In past years the government of Tripoli has always refused to discuss the decision of the court in The Hague.

13328/12913

PORTUGAL

Reasons for Cavaco Silva's Seeming Loss of Ground

Excessive Trust, Excessive Disillusionment
35420038 Lisbon SEMANARIO in Portuguese
19 Dec 87 p 6

[Commentary by Jose Miguel Judice]

[Text] A government or a politician's success is based on very different considerations that, as a matter of fact, may differ for each set of circumstances. But the cement that allows the edifice to remain standing and stable is, without a doubt, confidence. With it, the public has faith, invests even when contrary to the facts, tends to undervalue the problems and overvalue positive events. When there is confidence, everything seems to be a rose garden, perhaps, because essentially confidence is the internalization of a broad social conviction that things will be better in the future than they were in the past.

If confidence is a requirement for political success, then the substantive appearance of politics (no matter how much this displeases those who walk about because they see others doing so) resides much more in the capacity to create and maintain confidence than in the ability to adequately manage reality and thereby improve the state of nations. It is better to create confidence than it is to generate results, although it is known that it is possible to mislead a few people for a very long time, many people for short periods of time, but it is impossible to mislead many people for long periods of time.

This being so, it can be understood that a decisive element in the explanation of Cavaco Silva's political success lies precisely in the fact that he was the first Portuguese politician who, in the last few years, gave the highest priority to rigorously applying the principle to

his political activity that rational and irrational expectations must be managed. Thus, at any given time the balance of political confidence is always positive and a wave of mistrust never forms and hits him.

I have said this already but it will never be overstated. Many of the prime minister's apparent hesitations and his delays in taking action are due to his deep conviction that, at times, it is better not to allow excessive political confidence to grow and to leave certain measures, required to maintain the above mentioned level of confidence, for other circumstances. The great problem with this strategy does not lie in the fact that his opponents, who are not asleep, also create expectations to provoke increased mistrust in the government and the prime minister. Unfortunately for the nation, Cavaco Silva still does not have an opposition that is up to his stature. This creates a sense of an awkward and disagreeable desert. The big problem lies elsewhere and it has to do with certain peculiar characteristics of the Portuguese soul which make it especially difficult to objectively manage the emotional reactions of the groups of human beings that chance or history placed here.

In fact, the Portuguese have what can be called a "basic personality" which, among other aspects of lesser importance here, is defined by the excessive tendency to take to extremes the emotions of the moment. We are not very familiar with moderation and balance. We are excessive and radical. We quickly go from excessive optimism to excessive pessimism. We enthusiastically give of ourselves and rebuff with determination. As Candido de Oliveira said of that national microcosm that is football, we go from calling the coaches "wonderful" to "stupid" or vice versa probably without any special reason for such a change.

It is an undertaking, and not one of the easiest, to manage expectations (admirably studied by Prof Jorge Dias) given these basic facts. Since one other characteristic shapes us, one related to the contemptible side of our collective soul: when things go well, we are quick to give ourselves credit for it, and when things go badly, we blame other people, especially those who under other circumstances were praised and were very popular.

Cavaco Silva's problem in this regard concerns all of this. Management of expectations and confidence is much more volatile in Portugal than a sensible politician, even if he is professionally prepared to masterfully manage public confidence, may desire. To this end, it is even worrisome that the confidence indices and the level of popularity are so high because they transform the Cavaco Silva phenomenon into something that, the normal criteria for countries with our level of development, appears irregular and exceptional.

Politics and leadership of nations have existed for centuries. As a result, they do not permit one to think that anything very new is going to be discovered. The above mentioned level of popularity and confidence indices are

as excessive as were the stock quotations in the Lisbon and Porto stock exchanges. However, they are excessive not because they do not correspond with reality, not because political confidence in Cavaco Silva and his government are not in fact at these levels.

The excess is related with something else. The same way that the excesses in stock exchange quotations did not mean that there was no one willing to buy stocks at ever higher prices. The excess in confidence in Cavaco Silva has to do with the fact that, for now, completely diverse sectors of the population believe that the future will bring them improvements and that, for them, Cavaco Silva's policies will be the best and the most appropriate for their interests. Each person who expresses confidence wants one thing that tends to differ and is even contradictory with what someone else wants. The proof that expectations are contradictory is precisely the current level of confidence. There is no chance of stabilizing such a high share of confidence and support in a prime minister in a society with our level of development. The stock quotations in the stock exchange were also excessive. It was impossible to objectively think they would remain at those levels for much longer.

Thus, it would have been better if the share prices had not risen so high so that the downside — the result of many factors but amplified by the Portuguese soul and its above mentioned characteristics — would also not have been as abrupt resulting in much lower than justified share prices now.

The risk Cavaco Silva runs is similar. In Portugal, excess in confidence leads halfway towards excess in disillusionment. For Cavaco Silva, it would have been better had the level of confidence not gone as high as it did. And those around him who refuse to recognize errors are the one who are acting contrary to the real interests of the government they support. There will be a reduction in the level of confidence in Cavaco Silva. It is now more important to prepare for the decline than to quixotically try to maintain and indefinitely prolong the existing levels.

Lack of Opposition Seen as Disadvantageous
35420038 Lisbon EXPRESSO in Portuguese
24 Dec 87 p 3

[Commentary by Jose Antonio Saraiva]

[Text] It is undeniable that a sense of unease with the government is starting to be felt in certain circles: a certain "discomfort".

It really seems obvious that the second Cavaco Silva government, despite the high popularity the chief executive continues to enjoy, has not aroused the same enthusiasm as the first.

There are various reasons for this. One of them is that a government conceived to last four years cannot work at the same feverish rate as one with a 1- to 2-year time frame.

However, this does not explain everything. One must go deeper. As I see it, the essential reason is that Cavaco Silva stopped having an adversary facing him.

Cavaco belongs to that class of men, as was the case, as a matter of fact, with Sa Carneiro, who only function at full capacity in situations of stress, competition, and struggle.

For Sa Carneiro, Gen Ramalho Eanes was the chosen adversary. For Cavaco Silva, parliament, where the opposition was in the majority, was the adversary for a year and a half.

After 19 July, however, the prime minister was left without a clear target to fling his attacks and this diminished him.

It unmotivated him.

The situation could have been different if there were strong and active opposition from the Left.

But it does not exist. For one reason or another the three Portuguese leftist parties are not in condition to confront the government.

There is the Right. Softly here and there or through well known figures such as Freitas do Amaral, it is raising doubts about government actions.

The confusion in the stock exchange, the delay in selling off state run businesses, and the lack of clarity in foreign policy are being criticized.

The feeling of unease is slowly setting in.

If Cavaco Silva could openly, and sometimes directly respond to criticism from the Left, the the problem is that he cannot now confront the criticisms levelled at him from the Right with the same clarity and directness. This, for two reasons: first, because, to the majority of those who supported and elected him, Cavaco continues to be a man of the Right. Second, because it would be difficult to understand that in only 6 months the prime minister would go from a speech attacking the obstruction and the problems raised by the parties of the Portuguese Left to a speech targeting people and circles of the Right.

I believe this is Cavaco Silva's great problem.

As he, to a large extent, operates within himself, without an opposition to motivate and challenge him, while at the same time feeling he is the object of criticism to which he does not wish to openly respond to (because it

is coming from sectors that contributed to his election and which he does not wish to confront), Cavaco Silva must be feeling that he is a prisoner in a plot for which he was not cast .

We shall see how he will come off.

09935

Resignations, Statements Highlight PCP Crisis

Lisbon Area Problems

35420037a *Lisbon O DIABO in Portuguese*
15 Dec 87 p 7

[Text] Serious problems in the DORL (Lisbon Regional Organization Office) of the PC: The need to criticize the party line of recent years, which has led to the defeats in the presidential and legislative elections, is being staunchly defended within certain cells. This situation has even had repercussions within the DORL itself. Rumors have been confirmed that even within the Central Committee such opinions have been expressed, breaking the calm climate of unanimity in which these matters tend to be settled. The fact that Angelo Veloso (European deputy, the former head of the "intellectual" sector, who took over editorial responsibilities at O DIARIO after having emerged as a PC pseudo-presidential candidate, and who now also has responsibilities in the "youth" sector) has remained in the country has something to do with this situation. It has been stated that before and after the next party congress, more people will be forced out or will resign. However, within the communists' controlling nucleus the conviction holds that Gorbachevism is a passing fad, just a Khrushchevism was in its time.

'Old Guard' Reluctant To Change

35420037a *Lisbon O DIABO in Portuguese*
25 Dec 87 p 3

[Excerpts] The PC's internal crisis is now an undeniable fact. Four dozen officials have resigned, two members of the central committee have been removed. All this in the course of serious electoral setbacks and debates in which the idea of replacing Alvaro Cunhal as secretary general has been "officially" announced. After that, the rupture of the alliance between the PC and the MDP. Then, tactical pirouettes, including the most recent—Intersindical's joining the Social Cooperation Council.

The crisis is obvious. The PC, like the CDS, the PS, the PRD, and the PSD of the past, is not immune to the convulsions of Portuguese politics. And despite the "centralism" and unanimity, the communist apparatus is shattering.

Internal and external factors have combined to create this situation: the electoral defeats at the polls, the progressive decline of the PC since 1979 when the AD initiative (the catalyst for this process) was taken. There

was an hiatus—the period during which the PS succeeded in retaking the government. This fact proves that socialism does not provide the best means of reducing the importance of communism: PC's always strengthen themselves when the PS's are in power.

Internal Resistance

Of equal or greater importance in Portugal's case is the external factor: it is more difficult for a rusty party leadership to adapt itself to new tactics, to new subtleties coming from outside, especially when that party operates as an extension of a supra-territorial political apparatus, at the orders of an outside command. The "old guard" do not adapt: they have vices, established methods, habits, their own way of talking. How does one cast them out and replace them with new ones?

The PC in Portugal has been a beachhead for Soviet imperialism. An effective beachhead. Gorbachev, with his "perestroika," his "glasnost," brings new operating methods which will have repercussions for global strategy, of which the PC's are an instrument. What is being debated in the Cunhalist PC is adaptation to the new functions which have been planned for it and which force upon it a "capacity for dialogue," a "pliability," a "flexibility," an "availability" that will assure them an audience which will contribute to the ideological "disarmament" that Moscow promotes in the West. Moscow wants to attack with "bullets of sugar."

It is in this sense that, even more than the ruptures, resignations and disagreements between communists, Alvaro Cunhal's live network of contacts built up in the East becomes relevant: his trips to Hungary, Poland, Bulgaria, Czechoslovakia and the USSR are related to the recent "pains" his team has suffered.

The struggle underway: Moscow wants to see changes in the PC in Portugal. The Cunhalist "old guard" are now too old to change. And they resist.

Comments on Resignations

35420037a Lisbon O JORNAL in Portuguese
18 Dec 87 p 5

[Article by Francisco Vale]

[Text] In a meeting with reporters on 11 November, Alvaro Cunhal confirmed Horacio Rufino's resignation from the PCP Central Committee, reported in the latest edition of O JORNAL. At the same time, the secretary general of the PCP denied Jose Pedro Soares' resignation from the committee, which was also reported by this paper.

Commenting on how to interpret these two resignations, Cunhal stated that they were "two magnificent militants" who did not deserve the treatment they were given.

The manner in which this partial denial was made is puzzling, however, since the SIP [Information and Propaganda Section] of the PCP had previously been contacted and, as we will note below, other resignations continue to come to light in important areas of PCP activity.

Information obtained from a source considered reliable indicated that three high officials had resigned from the CC, though remaining in their status as militants. Through other sources of information—the PCP is truly beginning to have glass walls—we were able to confirm the two resignations that were eventually announced. Even so, the Information and Propaganda Section of the PCP was contacted and asked to confirm the departure of Horacio Rufino and Jose Pedro Soares, given the difficulty of making direct contact with the principals. The response obtained the next day through Vitor Dias, and quoted in the same article, indicated that it involved "matters which the PCP did not feel it should discuss." After the article had been written, and just before its appearance, Horacio Rufino was contacted in Portimao and confirmed his departure from the CC. Questioned on the motives which led to his decision, he stated that they were personal.

The SIP response has only two possible explanations.

The first is that when he was contacted Vitor Dias knew that Jose Pedro Soares had not resigned from the CC. His statement could then be interpreted as a spontaneous reflex to a request for clarification involving facts that were disagreeable to him. But the truth is that the reply was premeditated and the PCP has always considered as newsworthy resignations occurring in the PSD, PSS or UDP, and certainly cannot now believe that an event loses its informational quality simply because it is undesirable.

A second possibility is that Jose Pedro Soares' situation at the time did not permit him to deny his resignation. In effect, according to sources we consider reliable, Jose Pedro Soares explained, at the request of the party leadership itself, the reasons for his resignation from various cells. Having been affected about a year ago by a serious personal event, Jose Pedro Soares affirmed that his attitude was determined by fatigue and disillusionment, not invoking any political reasons. Days before his resignation was announced in O JORNAL, Jose Pedro Soares mentioned his resignation to non-militant PCP union leaders, which indicates a perfectly planned situation.

Various factors show, therefore, that we are looking at a denial based on an alteration in the militant status of Jose Pedro Soares, which occurred at the moment the news was given and the denial made.

The Resignations Continue

The most significant fact contained in Alvaro Cunhal's statements is, however, that the militants in question did not deserve the treatment they were given.

The secretary general of the PCP most certainly refers not to the detailed party-line biography written for them, but rather to the political interpretation of the resignations of several dozen officials who renounced their positions over the last year, remaining, however, in the great majority PCP militants.

No one tried to claim that all those resignations were for political reasons, but when taken together they could not be attributed merely to personal motives, even when combined with the normal attrition to which a party structure in a constant state of flux over the last few years would be subjected.

The only thing that is certain is the evidence of a political unhealthiness that in the last few years was able to be checked by artificial recourse to the promise of imminent victory or to the exaggeration of certain risks, but which now has become impossible to put off, in the face of the accumulated electoral defeats and the reform process initiated in the USSR, which is often implicitly presented as an example to follow, through references to the socialist achievements in progress there.

According to a journalistic interpretation, which perfectly fits the published facts, those militants are resigning who did not conform to the tardy and inconsequential attempts of the PCP leadership to imitate the USSR's proposals to renovate its leadership team.

The facts, therefore, do not support an arbitrary interpretation. One of the officials who resigned was Alvaro Mateus, who played an important role in the PCP structural organization and who in a statement reported in O JORNAL allowed a glimpse of the political motives behind his actions. However, Alvaro Mateus participated, at the invitation of the USSR-Portugal Friendship Association, in a seminar in Barreiro on Gorbachev's current policies, which injects a new element into the current developments in the PCP.

In addition, the secretary general of the PCP is aware of the fact that many known resignations are political and that their presentation as being motivated by personal factors serves only to delay a conflict. Not so long ago a renowned militant, Rosalina Labaredas, explained in writing, at the orders of the PCP, her reason for resigning. And it is certainly not for personal reasons that officials continue to resign in areas as sensitive as union activity coordination in Metro Lisbon, and coordination of working women.

In denying a resignation, the secretary general of the PCP also tried to deny an interpretation. However, the truth is that an interpretation cannot be denied like a

fact, but rather gives rise to another interpretation that better explains events. And the only one that has been presented, which claims personal motives behind all the resignations, shows that the PCP is trying to isolate itself from any historical accounting, as if the conflicts had been isolated from their root causes.

The Emergence of Alternatives

The current PCP leadership does not ignore the fact, however, that all the twists and turns of the internal and international policy of the USSR have had a profound impact within the PCP, apart from its greater or lesser autonomy with respect to the PCUS. It was that way during the thirties and the fifties and during the so-called Sino-Soviet conflict.

Just as was noted earlier in interpreting recent statements, Alvaro Cunhal's references to the fact that revolutions do not copy one another are not new. What is new is the emphasis given to that theme, which contrasts with the implicit acceptance given in the past to the Soviet model of society. But when the PCUS itself disputes important aspects of that model, it is natural that the PCP alter its discourse and that its militants question themselves.

It is not for nothing that at this moment Vital Moreira and Jose Luis Judas emerge, in the view of many militants and as a result of their ideas and political practices, as future alternatives to the current "historical" leadership of the PCP—since they are emerging well placed to take advantage of a political renovation, which if the Gorbachev experience endures, will no doubt affect all the European communist parties, whatever the formal structure they may assume.

And the truth is that the current resignations of PCP officials for "personal reasons" tend, almost independently of their will, to broaden the silence to which Vital Moreira has deliberately submitted himself and to give greater weight to the union heterodoxy of Jose Luis Judas.

PCP Seen Failing 'Perestroika' Test

35420037a Lisbon EXPRESSO in Portuguese
5 Dec 87 p 3-R

[Editorial by Vicente Jorge Silva]

[Text] A Portuguese communist intellectual reacted recently to the "perestroika" fad, stating that the PCP was already a precursor, long ago, of the attempt at renovation Mikhail Gorbachev has introduced into the Soviet system. This paradox is noteworthy in and of itself, if only because it would be difficult to conceive of a view more lacking in common sense. But this constitutes a significant example of the embarrassment Portuguese

communists have demonstrated in the face of the inexorable experiment the secretary general of the PCUS is undertaking in the reality of that mythic country Alvaro Cunhal once described as "the sun of the earth."

Translated into its most cruel form and approved by an anonymous commentator, Gorbachev's experiment—that exorcism of the Brezhnev inheritance—has unleashed passionate accusations of fundamental anti-communism by the PCP apparatus. In effect, not one of the myths for which Alvaro Cunhal's party has struggled internally since the 25th of April—from agrarian reform to the nationalizations—has remained intact in the face of the logic of Gorbachev's discourse on the "moment of truth" in the USSR. In any case, the PCP continues imperturbably as the most faithful line of official transmission of Soviet thinking, among the principal communist parties of the West. After having sworn by Stalin, Krushchev, Brezhnev, Andropov and Chernenko, the PCP identifies itself equally fervently with the "perestroika" of Mikhail Gorbachev.

In the name of the sacrosanct principle of non-interference in the internal affairs of its sister parties and of the infallibility of the Moscow Vatican, the PCP has immutably conserved its fundamental line of political orientation, despite the changes in language it has been obliged to adopt. Out of the thesis and antithesis Brezhnev and Gorbachev personify, the PCP has elaborated a synthesis of its own convenience, preserving the faithful from metaphysical doubts of the most correct practical interpretation of Leninist doctrine.

In the view of the Portuguese communists, Lenin's legacy is always adequately represented, in every historical moment, by the man who holds the scepter of power in the citadel of the Kremlin. In no other major Western PC are the Soviet leadership's accidents of fate met with such placidity, converted into a solution of continuity without rupture, apparently and as if illuminated by an ultimate and definitive sense of History. In other words, the PCP faces the twists and turns of Soviet policy as if they were no more than anecdotal episodes in a coherent and continuous movement, void of contradictions and setbacks. It is that way of looking innocent and fortunate that permits the Portuguese communists to distance themselves from events and to turn into "one" that which History has divided.

Has Gorbachev denounced the decades of economic stagnation and irrationality, the arbitrary policies, the administrative and bureaucratic perversions that have conducted the USSR to the edge of the abyss? It is an "internal problem" and a "specific question" of the Soviet sister party that, in light of the historic irreversibility of the "mornings that sing," they will in the end reveal themselves to be ludicrous—and, to that extent, they will be blinded by the glorious light of triumphant communism.

This might seem to be an "extreme view," but it is not: there is no statement of fundamental anticommunism more expressive than the bleak fate of daily Soviet life. It might even be said that the most common and rudimentary counter-propaganda seems at times to be cruel X-ray of the truth. And in effect, is it possible to find a better anti-communist pamphlet than the situation at which the USSR has arrived over the last half century?

Similarly, one could advance the notion that no one does more for anti-communism in Portugal and for the frustration of "revolutionary hopes" among us—from agrarian reform to public and party-line administration of the nationalized enterprises—than the Communist Party. The repeat of the Winter Palace scene which the PCP, frozen in its mirage of secrecy, thought possible to construct on the ruins of Salazarism, has followed the asphyxiating tutelage of the Party over the explosion of popular initiatives which erupted in the "no-man's land" of the first years of the PREC. In the territorial strongholds of the PCP, from the Alentejo to the "industrial belts," the caricature of a model which, in the interior of the USSR had already loudly proclaimed itself a failure, would result in a fatalistic acceptance of the return of the old order and the old masters.

In place of the latifundio of the great landowners the PCP proposed the latifundio of the union and party apparatuses: from the status of serfs, the peasants passed to the status of officials, but their connection with the land would continue to be an abstraction which only labor could transform into reality. However, it was the whole mythic world of the Red Alentejo that crumbled, dripping with unrealized visions, continually postponed dreams and uncompleted projects. The physical and human decertification was advanced, while the PCP fought in trenches ever more isolated and reduced, without having anything to offer those disinherited of the revolutionary illusion.

At the same time, in the manufacturing belts corrupted by the erosion of the classical industrial model, the PCP persisted in denying the evidence and in presenting technological advances as mere artifices of capitalist exploitation.

In one battlefield after another, Portuguese communists were attempting tactical diversionary maneuvers when what was at stake was strategic adaptation to real events. The counter-offensive of a Right more astute and less ideological than the one for which the PCP had created an image during Salazarism was thus able to progress in an environment of increasing apathy and demobilization of the communist electorate. The entrance of the Trojan horse of Cavaquism into the strongholds of the PCP would be the last episode in a process of successive defeats that had been occurring since the "normalization" of 25 November.

Alvaro Cunhal is an old prince of communism and one of the last representatives of a line of charismatic leaders for whom the legacy of Lenin is an irreplaceable religion. It is natural that a modern Leninist leader like Gorbachev would be sensitive to that authenticity of character and roots so rare in the universal shadow of bureaucrats who populate the "nomenklatura." But between the navigator of "perestroika" and the shipwrecked Portuguese of the communist utopia—of which Cunhal is the most illustrious symbol—the abyss is already opening, which separates a real world on the edge of the third millennium from an imaginary world that froze, forever, on the glorious memory of 1917.

13026/12913

SPAIN

Military-Civilian Head for CESID, Al-Qassar Brothers's Role

Al-Qassar Brothers as Middlemen

35480048 Madrid TIEMPO in Spanish
23 Nov 87 pp 49-57

[Article by Carlos Bello]

[Excerpts] The Superior Center of Defense Intelligence (CESID) is trying to foil an administration plan to restructure the secret services. First of all, the center is endeavoring to prevent a civilian from running it. The military does not want to lose control of Spanish intelligence, which up to now has been riddled with failures and operations that border on the illegal.

This is one of CESID's methods of action. Operating out of the center, a group of military men from Adm Luis Carrero Blanco's former Central Service Organization for the Prime Minister's Office (intelligence unit) have begun a war whose first battle, according to sources in the intelligence services, is to see to it that a civilian is not named director of CESID to replace Lt Gen Emilio Alonso Manglano, the longest-serving high-level government official since the start of the democratic transition.

Lt Gen Emilio Alonso Manglano was on the verge of being replaced recently, but the individual who wanted his job, the former secretary of state of the Defense Ministry, Eduardo Serra, who had the support of his minister, Narcis Serra, was vetoed by the deputy prime minister, Alfonso Guerra.

The appointment of a civilian as head of CESID would be the first step towards a subsequent restructuring of the secret services. The model that has been chosen is France, according to a report drafted by a team of advisers of Prime Minister Felipe Gonzalez, sources close to La Moncloa told this weekly magazine.

In keeping with this model, the revamping would mean the creation of two different services, both run by civilians. One would be overseas espionage and intelligence gathering, and the other would be domestic counterespionage and security. At present CESID is entrusted with both these missions, in the second of which it competes with the police intelligence services, albeit with greater resources and poorer results according to Interior Ministry sources.

If this plan is carried out, the military will lose permanent control of the secret services, which they have had since the end of the civil war. Accordingly, to foil the operation CESID has leaked a series of reports claiming that there are two opposing stands in the administration.

On the one hand, there is Felipe Gonzalez, who wants Manglano's successor to be a person who is to some extent connected with the military and "well looked upon" in NATO and the United States. On the other, there is Alfonso Guerra, who wants a man that the party can trust explicitly and who also already has a candidate.

His choice is a veteran PSOE activist, 46-year old Enrique Ballester, an exporter with excellent relations in the Arab world and Cuba and who also played a key role in the Socialists' relations with the Algerian National Liberation Front.

His father, Jose Ballester Berenguer, who died some 2 months ago, organized the SECED network in north Africa and for his services was decorated with the Grand Cross of Naval Merit with a red badge.

Sources in the intelligence services suspect that leaking Enrique Ballester's name (he is a personal friend of Guerra's) had a dual goal: paralyze the operation to replace Manglano with a civilian, and scuttle Ballester's potential appointment while sounding out how the military was taking the news. His good relations with the Arab countries and Cuba were specifically cited as a drawback in NATO's eyes.

Operation Change

In the event that a civilian who meets the requirements for running CESID cannot be found, circles in this department have hinted that the prime minister's office would be prepared to appoint another military officer.

Given this scenario, the figure of Gen Andres Cassinello would again come to the fore; he was dramatically ousted last October for publishing an article in the newspaper ABC that the administration described as "improper." Military sources say that as the military governor of Ceuta, Cassinello is quietly waiting for the chance to take a more high-profile post, which could be as head of CESID.

The finishing touch on the start of the administration's "operation change," which a sector in CESID itself is seeking to block, claiming that Manglano's departure would harm the service, is some prestigious position for the man who has been in charge of military spying in recent years. Lieutenant General Manglano, according to Defense Ministry sources, could be named Spain's military representative to NATO. His departure would thus be portrayed as a promotion, in no event as a dismissal.

CESID was created in July 1977 and defined legally in a Royal Decree of 25 January 1984 as the "intelligence agency of the prime minister." It is the Spanish secret service with the most funding and manpower, although they do not seem to have led to the successes that a modern espionage service is supposed to score.

Government sources commented to this weekly that there is a degree of mistrust about the reports arriving from the center, which until now has concerned itself almost exclusively with a regression from democracy [la involucion] and the issue of weaponry, without achieving results in other fields, such as economic information and the spying activities of other countries inside Spain, even though it has a Counterintelligence Division for this purpose.

One reason for the scant credibility that some reports have was the incident in which CESID was led astray by its Israeli counterpart, the Mossad, which was on the verge of sabotaging the visit to our country by the head of the Political Department of the PLO, Faruk Kaddumi, last July.

On that occasion, CESID took apart the country house of a PLO official in the search for a nonexistent weapons arsenal, based on Mossad reports. Employing a procedure of dubious legality, they secured a warrant to enter and search the Palestinian's home from a National Court judge. All that they achieved with this blunder was to prompt a protest from the PLO to the Foreign Affairs Ministry, as this magazine reported in issue 272 of 27 July.

Leaks

The reorganization of the secret services has been spurred by the need to have an intelligence community similar to the ones in the NATO countries, so that there is no repeat of the scandal last summer involving Commander Jose Maria Santos Rodriguez, the second chief of the Counterintelligence Division, who supposedly revealed confidential information.

The consequences and significance of Commander Santos Rodriguez' leaks are not yet entirely known. To some military men it is clear that he sold information about his service's surveillance of Rifat El Assad, the brother of the Syrian president, in Marbella. As evidence there is a 125,000-peseta check from a weekly, which is thought to be one of the various payments that the

commander may have received. CESID is investigating the possibility that the information was not sold just to the press, and along these lines there are lingering fears that a list of its agents in the Arab countries could have passed into the hands of Syrian agents. In fact, when the first suspicions arose last June, an order was given for its men in those countries to remain inactive.

Al-Qassar Intervenes

A incident that backs up this possibility is the meeting that Emilio Alonso Manglano wanted to hold with the top man in Syria's secret services, Gen Ali Duba, for which Syrian arms trafficker Munzer Al-Qassar served as a middleman. Al-Qassar was expelled this summer from Spain, where he had resided for 7 years. In July, given Ali Duba's reluctance to meet with Emilio Alonso Manglano because the latter had canceled a prior appointment, CESID turned to Al-Qassar, who has major influence in Syria.

Munzer's activities were disclosed by TIEMPO in issue 266 of 15 June, and Communist Deputy Ramon Tamames asked the administration whether it was going to take action against the Syrian trafficker. Barriónuevo's reply was that the case was under investigation. Meanwhile, Al-Qassar remained in Marbella, in his Mifadil palace, undisturbed and taking trips overseas.

When Al-Qassar arrived in Madrid on 24 July from Damascus, he could not believe what was happening to him at Barajas Airport. He and his brother Haitham were barred from entering on direct orders from Interior Minister Jose Barrionuevo.

Al-Qassar was bringing in as his guest Izz-Edden Salman, who has ties to the president of Syria, Hafiz al-Assad, and is the brother of the colonel who commands Syrian troops in Lebanon's Bekaa Valley. Al-Qassar relayed a message to Manglano through third parties, as he had the telephone number of his private office. He had good news about the mediation that had been asked of him. After spending the night at the airport, Al-Qassar left for Vienna, carrying Ali Duba's reply in his pocket. From that day on, Al-Qassar has wanted nothing to do with CESID.

Sources in the intelligence services say that this is not the first time that Al-Qassar was asked to mediate on Spain's behalf. They indicate that he played a prominent role in the release of the member of the National Police's Special Operations Groups (GEO) and of the two Spanish Embassy officials in Lebanon who were kidnaped in Beirut in January 1986.

Failures

Both Munzer Al-Qassar and his older brother, Ghassan, who have been residing in Spain for some 7 years, have altered their plans to buy weapons in our country. Sources at the Santa Barbara National Enterprise told

this weekly that the Al-Qassar brothers have expressed their intention not to formalize the contracts that they had on tap for the coming years, which is going to cause the enterprise serious financial harm.

Civilian Leadership Acceptable

35480048 Madrid YA in Spanish 23 Dec 87 p 2

[Article by Fernando Rueda]

[Excerpts] Madrid—During the ceremony at which Defense Ministry civilian and military personnel were given decorations, the director of CESID, Emilio Alonso Manglano, stated that CESID is prepared to have a civilian director. He also indicated that there are no confrontations with Interior Ministry intelligence services and that the new headquarters along the La Coruna highway would be ready in the fall.

Lt Gen Emilio Alonso Manglano, the CESID director, stated yesterday that "CESID is prepared to have a civilian director, but it must be kept very clear that we do not perform military missions and also that more than 30 percent of our staff is civilian."

The CESID director made these statements yesterday at Air Force Headquarters after the ceremony during which decorations were awarded to civilian and military personnel in the Defense Ministry. At the close of the gathering, the lieutenant general, who rarely talks to

reporters at public acts, remarked that the new headquarters would not be ready until this fall, because even after construction work is through on the buildings, sophisticated communication and computer equipment still has to be installed.

The mass media have again recently been carrying reports about confrontations between the intelligence services of the Interior Ministry and CESID. According to the most recent comments, which came from the Interior Ministry, the Defense Ministry's services are taking on functions that do not belong to them.

Emilio Alonso Manglano, dressed in civilian clothes, stated in this regard that CESID's functions are clearly delineated in various laws which have been published in the BOLETIN OFICIAL DEL ESTADO and that all of its activities are circumscribed to compliance with these laws. "There is no confrontation with Interior," he added, "because for there to be one, both would have to want it, and in this case I'm sure that neither does."

Manglano also told newsmen about the difference between Spain and other Western countries in their treatment of intelligence services. He cited the example of England, one of whose secret services does not officially exist; when the defense minister is asked about any aspect of it, he refuses to answer "because it does not exist, even though everyone knows that it's in operation."

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EUROPEAN AFFAIRS

Strength, Deployment of Nordic Forces in Arctic Surveyed

36190003 *Lausanne REVUE MILITAIRE SUISSE*
in French Nov 87 pp 488-493

[Article by Major General Denis Borel]

[Text] 1. Invitation To Look Elsewhere

Any Swiss who is interested in the problems of defense (and who is even slightly informed about the conduct of operations) has some idea of the role his country might play in calculations by NATO and the Warsaw Pact and of the threats which might be perceived to the east (Austria), the northeast (NATO's Central European sector), the southeast (from the direction of Trieste, where the Italian Army is massed), and the west (from where the danger might also come again, as it did in 1940). Having made one trip to study military history in Norway (as far as Narvik) and then another to Finland (as far as the immediate vicinity of its northern tip), and also having studied Sweden's defense concepts, the author of these lines hopes to induce his readers, as amateurs using simple common sense, to take an overall military look at the whole of Lapland (which covers territory in the USSR, Finland, Norway, and Sweden close to and north of the Arctic circle).

1. General Survey

Sketch 1 [not included] shows that the USSR faces NATO at the border with Norway, which arcs to the east beyond North Cape. Immediately to the south are the Arctic regions of two neutral states (first Finland and then Sweden). Like Austria, Finland is contiguous not only to the communist world and NATO but also to a neutral country. At its northern end (to consider only that area), Sweden borders on neutral Finland and on Norway, a member of NATO (a situation similar to Switzerland's).

Finland, Sweden, and Norway are like Switzerland and Austria in having a militia system (at least as far as their land forces are concerned). Another feature common to those states is their major concern to be able to mobilize quickly enough and therefore avoid being taken by surprise.

On the basis of frequent reports published in the Western World, there is reason to believe that on the Soviet side, an impressive number of naval, air, and land forces are stationed permanently around Murmansk. They can operate without lengthy preparations at sea (surface squadrons and submarine flotillas cruise constantly back and forth between Murmansk and Iceland), in the air for sea or land action, and on land in the Narvik area—

probably not only along the interminable and winding Norwegian coastal road but also throughout Lapland between North Cape and the northern end of the Gulf of Bothnia.

An operation in the opposite direction could, in theory, be launched from Norwegian territory. But first it would be necessary to mass significant forces provided by other NATO states.

3. Operational Considerations

The thing about this potential theater of operations which must be grasped from the start (see sketch 2 [not included]) is its size, its difficult climate, the small number of inhabited places, and the sparse roads (all of them either hemmed in by lakes, forests, and swamps or covered with snow).

One is obviously led to ask oneself what circumstances might give rise to East-West or West-East operations through Lapland, what the conceivable objectives would be, and how large a force would be used. The history of the period between 1939 and 1945 makes one realize that anything is possible as far as the season and the thrust of action are concerned:

a) The Germans landed in Norway in winter and fought Norwegians and French for possession of Narvik until June.

b) The Germans took an army mainly through Norway into Finnish Lapland (with Helsinki's consent), from where, in the summer of 1941, they made a push in the direction of Murmansk. Unable to achieve a conclusive victory, they then entrenched themselves in a defensive position and stayed there for three winters and three summers.

c) The Soviets attacked Finland, including Lapland, during the winter of 1939-1940. During that war, the French and British Governments planned to intervene in Lapland on Finland's side using ground forces that would have landed in northern Norway, which was neutral at the time.

Each of the three Nordic states in question proclaims its determination to oppose any hostile action, regardless of source. Be that as it may, the fact is that their Arctic regions do not constitute the main area of their countries. The result is that initially, they cannot envisage more than a modest military effort in those regions. By studying each state in greater detail, it will be seen that the total force amounts to one division controlling greatly scattered regiments. It is expected in Helsinki, Stockholm, and Oslo that once mobilized and deployed, those forces would be able to prevent any aggressor from achieving his objectives within a useful period of time.

In principle, militia armies do not have permanent troops. The three Nordic states in question cannot expect to furnish their northern areas with troops as quickly as Switzerland is able to garrison every last corner of its territory. Those areas are very sparsely populated, and the military must therefore come from the south, meaning that in some cases they must cover several hundred kilometers (the Swedes have plans for air shuttles). As in Switzerland, the military leaders of the three countries in question feel the need for ground intervention troops that will be available more quickly than the bulk of their mobilizable forces and prepared to deal with local surprise attacks.

4. Finnish Forces for Lapland

The Finns have a permanent wing of some 30 fighter planes and a handful of reconnaissance aircraft in Lapland. The Army maintains supply depots there as well as two or three schools for recruits and NCO's from various arms. The plan for that region appears to call for relying first on a network of permanently garrisoned units for the protection of structures and three regimental combat groups called brigades that would be ordered into action from Rovaniemi, an important military center near the air base.

The infantry schools, known as light infantry battalions, have prepared for the rapid callup of soldiers who have recently completed their 8 months of basic training. Those men would constitute the bulk of the intervention battalions. They would be commanded by officers and NCO's who are instructors, and they would be supplied with materiel from the schools. New recruits would remain in the barracks.

With good reason, the Finns say they are convinced that as in the past, the fighting would be for control of road junctions and bridges. It is surprising, however, not to see any fortified structures or prepared demolitions anywhere. The fact is that those terrain reinforcements could be crucial in compensating for the slow arrival by mobilized troops at key targets.

5. Swedish Forces for Norrland

In the order of battle for their field army (to be mobilized when needed), the Swedes have four regimental combat groups trained and equipped for Arctic operations. Probably three of those "Norrland brigades" (1), as they are called, would be deployed from the start along the borders of Norway and Finland in the "Far North" military region, the site of the Kiruna iron deposits, which are linked by rail to Narvik in Norway and, in the summer, to the ports on the Gulf of Bothnia. Also in that sector are an air wing (with career pilots), a large interservice command and logistics center at Boden, and a number of training centers.

Since callups of recruits are staggered in time among the training centers, it is possible that those centers, each with men having more than 3 or 4 months to serve, would take turns providing a rapid intervention force.

6. Norwegian Forces for Finnmark

In the Norwegian Army, conscripts serve an initial 12-month period at training centers. During their final months of service, some are assigned to the two permanent regimental combat groups (each with two battalions, a few tanks, some artillery, and so on). One of those small groups is stationed in the northern part of the country to act as a rapid intervention force. Located at Bodo are a large military base (land, air, and naval forces) and a protected NATO command center.

It can be expected that of the 12 militia regiments to be mobilized in case of tension, 2 or 3 would garrison the Arctic region. Just recently, Canada had plans for sending a regimental combat group to that sector in case of a Soviet threat. But Ottawa has just announced that it would be preferable, in case of need, to send that unit to southern Germany, where another Canadian regimental group has long been stationed.

It is also possible that in case of urgent need, NATO would assemble and dispatch to North Cape its modest Mobile Force (four battalions and the related units from various countries). That ad hoc formation occasionally undergoes training exercises in those latitudes, but it might also be needed down around the Bosphorus!

7. Combat Fitness of Militia Forces

The militia units referred to in connection with the three states in question are certainly well organized, suitably equipped, and capable of being mobilized within a reasonable time. It remains to consider whether they have enough cohesion and a sufficient level of training to confront a serious adversary immediately after their mobilization.

It is patently obvious that Finnish troops fought the Russians very bravely and capably in 1939. It needs to be remembered, however, that fortunately, they had been mobilized nearly 3 months before the Soviet aggression began and therefore had time to become closely knit and to refine their know-how. In our day, it is wise not to count on a grace period being granted by a hostile power. In order to count on achieving the immediate combat fitness of the troops it mobilizes, Switzerland obliges all its units to undergo frequent retraining courses. Each soldier completes 12 or 13 of those courses with his unit (for a total period of 215 days). We feel that that is only an acceptable minimum.

In the three Nordic states being considered, enlisted men cannot be recalled for refresher courses (what we in Switzerland call supplementary courses) for more than a modest total of from 40 to 90 days over a period of some

25 years. Actually, it can be seen from the published figures that the number of "militiamen" called up annually (and for a maximum of from 8 to 18 days) is far below the number legally permissible—there is a shortage of money everywhere!

And potential aggressors—those who are supposed to be deterred—are aware of that situation!

Footnotes

1. The fourth brigade would probably be deployed in the military region immediately to the south of the region in the extreme north.

11798

Budget Constraints May Imperil EFA Program

36200060 Frankfurt/Main FRANKFURTER
ALLGEMEINE in German 19 Jan 88 p 6

[Article by Siegfried Thielbeer: "The Unstable 'Jaeger 90': Ministry Probes Other Solutions"]

[Text] Frankfurt, 18 Jan—The major armament projects of the Bundeswehr are coming under increasing pressure. Following uncertainty about the PAH-2 combat helicopter, long planned in cooperation with France, it is now primarily the Jaeger 90, planned in cooperation with Great Britain, Italy and Spain, which is being debated within the defense ministry and the Bundestag. As recently as this fall, when the financial situation seemed particularly precarious, the leadership of the ministry is supposed to have given consideration to the fact that the two projects could not be paid for under current financial planning and that their development also would not provide German industry with the expected technological boost. Leading representatives of the West German Air Force and of the West German aviation industry as well, on the other hand, point out that the development and construction costs of the Jaeger 90 were included in the financial plans of the Air Force, taken into account in their entirety—unlike what happened on occasion in the past—and these costs were also being kept within budgetary limits. The Air Force emphasizes that it definitely needs such a fighter plane, otherwise there would be a gap in air defenses. It is known that the FRG defense ministry is checking into cheaper possible replacements for the Jaeger 90. Financial considerations could force Woerner to give up on a solely European development. The Air Force regrets that the Jaeger 90, through French participation, has not become a politically prestigious project similar to that of the combat helicopter.

Following long-term preparations in 1985/86, Great Britain, Italy, Spain and the FRG agreed to develop a fighter plane jointly as a replacement for the outdated F-4 Phantom. After lengthy negotiations, France, which had unsuccessfully aspired to the "project management," decided against the project and in favor of developing its own fighter ("Rafale"). In the past few

weeks, however, American firms, in particular McDonnell Douglas, have repeatedly plugged improved versions of their fighter aircraft as alternatives. The French also seem to want to reverse their decision once again.

The disagreements concern military security, as well as jobs in the European aviation industry and above all maintaining the ability, independently of America, to build the most modern combat aircraft. Ending the Jaeger 90 project, it is said, would mean complete dependence on the United States over the long term. There are doubts within the Air Force and industry that the recent American offers are really cheaper. If available fighter aircraft are purchased "off the rack"—meant here in particular is the American F-18 fighter-bomber—in the next century battles would have to be fought with weapons designed in the 1970's. All available American aircraft, it is said, do not correspond to the tactical requirements of the Air Force. Adaptations and further developments would be associated with similar risks and probably even higher costs than the planned new development.

Future demand appears to be undisputed. Specialists in the German Air Force and in industry investigated the demand for and the necessary performance data on future fighter aircraft using actual tests, calculations and, in particular, extensive computer simulations. The result was that manned "air-superiority fighters" would continue to be indispensable in the coming decades. The development and acquisition of a fighter superior to Soviet combat aircraft would be necessary in order to secure our airspace. Only then could our own land and naval forces operate successfully and lead the forward defense. Finally, only with manned fighters would it be possible to react in an unclear or politically charged situation, obtain additional information and repel or force down those who violate our airspace. That the Europeans should depend on the Americans alone with regard to the fighter question in terms of NATO responsibilities was rejected for political reasons.

Future Air Battles Simulated

In calculating the demand the experts had to take into account the expected threat in the coming decades due to the other side's ever improved fighter-bombers and escort fighters. Within the German Air Force this meant a need for approximately 300 high quality fighter aircraft. Ultimately the Air Force requested 250, as did the British Royal Air Force; the Italians reported needing 165 aircraft and the Spanish 144.

At the center of conceptual developments was the combination of sensor and weapons, as well as the "platform," i.e. the aircraft and its required capabilities. The radar and the fire control computer, upon which future generations of air defense missiles depend—especially the long-range AMRAAM—had to have particularly high performance capabilities. It was essential that it be possible to recognize enemy aircraft from a great

distance, to classify them according to the threat they pose and finally to combat them head on. For large-scale air battles over moderate distances, high ultrasonic speeds are required. All-weather capability, the ability to filter out low-flying enemy craft from the interference of radar ground echo ("look down, shoot down") and the ability to be able to battle several opponents at once, were also included among the tactical requirements such as ease of maintenance, the greatest possible invulnerability and the ability to take off and land on short runways. For safety reasons the fighter was also supposed to have two engines. It was also supposed to be able to serve in a secondary capacity as a fighter-bomber.

Since according to calculations the air battles would be dynamic in nature with constant transitions to close combat, short-range air-to-air missiles (ASRAAM) similar to the Sidewinder and a fixed gun are also provided. In terms of its fighter capability the aircraft had to be designed to be extremely maneuverable. Important was not so much peak speed, but rather rapid acceleration, delayed-action and maneuvering capabilities, or so-called agility. The companies of the Eurofighter consortium established in the meantime in Munich—the FRG's MBB (33 percent), Britain's Aerospace (33 percent), Italy's Aeritalia (21 percent) and Spain's Casa (13 percent)—have a solution which meets these requirements.

What is revolutionary about the European aircraft concept is that it is basically designed to be "unstable." In contrast to all previously available aircraft which are "stable," always assuming a "normal flight path automatically" without steering, "ponderously" prone to level flight, the Jaeger 90, due to its design-based "instability"—achieved primarily by the combined action of the wings—is extremely maneuverable. Only through constant computer-controlled steering is it artificially held stable. This means that such an aircraft, despite flying straight ahead, can look in other directions—similar to the way a car slides at an angle over ice—and thus can locate the enemy with its radar and engage him without changing course. The new Jaeger 90 can also still maneuver even when it actually has no more lift following separation of airflow from the wing. This "post stall" capability allows the enemy to be "out-stalled". In the technological development of unstable aircraft, say the experts, European industry is on a par with the Americans.

It has long been known that the experts within the ministry, as a precaution, are contemplating the acquisition of systems which have already been developed and tried—in terms of fighter aircraft the acquisition of the American F-18 fighter-bomber. Their view is that with these types of solutions, "buying off the rack" or building under license in order to save jobs in the German aviation industry, development risks could be avoided. At the same time, however, it is said in industrial circles, that that would mean giving up a strictly European development and losing the expected technological

boost. Most disturbing of all is the argument that the American solution is cheaper. The F-18, if it is to meet the requirements of the FRG Air Force, would have to be almost completely redesigned. A new wing design and more powerful engines would be needed. Electronics and radar would have to be substantially improved. Calculations show that the cost of these changes would be just as high as for a European design. Even integrating available and tested system components would be tied to considerable cost and risk.

The FRG government has already invested approximately DM 800 million to date in preparations for the project. According to plans to date, the development phase is still supposed to begin in 1988—so the decision will have to be made within the next few weeks. The FRG is expected to assume 1/3 of the cost and estimates its share of the future development phase—at today's prices—at DM 6.7 billion. Another DM 21 billion is needed for the acquisition of 250 aircraft requested by the Air Force. The funds have been planned for, according to the defense ministry. And high-level Air Force officers say that these types of large-scale projects have always been controversial. Ultimately, however, they have been carried out when the need arose, as evidenced by the example of the Tornado.

12552

DENMARK

Defense Minister Cites Need for Materiel Renewal

36130029c Copenhagen BERLINGSKE TIDENDE
in Danish 12 Nov 87 p 13

[Guest Commentary by Defense Minister Bernt Johan Collet: "No Service Has Funds To Spare"]

[Text] In an article on 27 October, Svend-Erik Larsen, chairman of the Union of Army Privates and Corporals, presented another argument against the government's plans to appropriate more money for modernizing the Armed Forces and at the same time expressed agreement with the Social Democratic proposal for an unchanged defense budget.

Svend-Erik Larsen's great idea is that the Army can be strengthened within the previous budget framework without affecting the other branches of the service and that this can be done by providing the Army with a billion kroner a year in additional funds in the future.

It is natural and very laudable that Svend-Erik Larsen, as union chairman for Army privates and corporals, wants to strengthen his own branch of the service and I quite agree that the Army does need to be reinforced.

It is absolutely vital to increase appropriations for the Army so that we can solve the many difficult problems our Army has had to live with for several years now,

including a growing need for materiel investments, improvement of mobilization forces, increased stockpiles, etc. That is one of the reasons why the government has allocated more money for defense in its plan for a new defense agreement.

But I must take strong exception to Svend-Erik Larsen's idea that a massive increase of funds for the Army is justifiable within the current budget framework. If we are to give extra funds to the Army for the purpose of carrying out the improvements that are absolutely necessary within the framework of an already meager defense budget, it will inevitably lead to a serious deterioration of conditions in the other services.

Life in the Navy, Air Force and Home Guard are no bed of roses at this time, although it is true that the biggest materiel investments in recent years have been made in these areas. This priority was absolutely necessary, because at no time has there been enough money in the budget to make all the investments that were needed in all branches of the Armed Forces at the same time.

All Svend-Erik Larsen has to do is talk to his colleagues in the other services to be convinced that his argument is untenable. The other branches of the services will inevitably be weakened if the budget is unchanged—and at the same time the Army receives 1 billion kroner more than it did before. The problem cannot be solved by simply "following technological developments and utilizing opportunities for greater integration of the branches of the service."

For those of us who work with these questions and are responsible for them the task of course is to make sure that the military is given a chance to do its job, in part by seeing to it that the balance among the services is adjusted for this purpose, and therefore our assessment is not the same as Svend-Erik Larsen's.

Svend-Erik Larsen's model would definitely be a costly experience that would take many years to correct. The only way we can maintain a credible and unified defense is to carry out a program of gradual modernization that is carefully balanced among the services and adapted to defense objectives. And that will not be possible without the funding increases—modest though they are—that the government has proposed.

Thus a defense budget at the same funding level will definitely produce a poorer defense and I refuse to believe that Svend-Erik Larsen's own Army membership would really be satisfied with that.

Military Representative to NATO on Denmark's Image Abroad

36130029b Copenhagen *BERLINGSKE TIDENDE*
in Danish 12 Nov 87 p 13

[Guest Commentary by Commander Hans Fink-Jensen: "Is Denmark a Doubtful NATO Partner?"; first paragraph is *BERLINGSKE TIDENDE* introduction]

[Text] Commander Hans Fink-Jensen is Denmark's deputy NATO military representative in Brussels.

Once a year a thorough review is made of the future plans NATO countries have for their military forces.

This review, which has just been completed for Denmark, includes an evaluation of the country's Army, Navy and Air Force forces and units and their ability to perform the tasks required in a crisis or war. Finally an evaluation is made of the relationship between defense spending and the country's economic capability.

It is with some pride that a Dane can note that we have the second highest gross national product per inhabitant among the 16 member nations, in other words we are the second richest country in NATO.

But there is less reason to feel proud when the figures for defense spending are presented and show that Denmark lies at the very bottom and is becoming more and more dependent on the other member nations to achieve the security we want.

Our modest economic investment over a period of many years has had an effect. A series of defense agreements, presented each time as an effort to improve defense effectiveness, have led to steady reductions in all three services. Inadequate funding has also led to occasional failure to replace ammunition and other things used in training and to delays in updating materiel.

With fewer tanks, airplanes and naval units, limited ammunition stockpiles and antiquated materiel in some areas, our ability to keep going until NATO reinforcements can arrive will be reduced and there is a greater risk that we will be unable to maintain control over a strategically important area in a war.

In the review of Denmark's defense system referred to above, the military planners were praised for utilizing the economic resources with which they were provided very effectively. Despite tight budget limits, which are even more strained by the fact that our soldiers have the highest pay of any NATO country, it has been possible to maintain an effective defense capability in certain vital areas.

However increasing problems can be expected in maintaining even the current low force level. Deficiencies will be more and more obvious and lead to mounting concern and criticism among our allies.

Of course the countries that will depend directly on our ability to perform our tasks in a given situation are more apt to express concern. This applies primarily to West Germany, Norway and England. But naturally other nations that might have to send reinforcements to Denmark have a strong interest in Danish defense developments.

It is not surprising that there is mounting skepticism with respect to the ability of Danish defense forces to perform their assigned tasks.

There is not much sympathy for the fact that Denmark, which does not have to bear the burden of having foreign forces and nuclear weapons stationed here and which is a very prosperous nation, will not help to bear a reasonable share of the economic burden for mutual defense and ensure the maintenance of the military forces that are required.

The government's plan for a new defense agreement lies substantially below the economic goal of a 3 percent annual increase, which all NATO countries, including Denmark, have accepted as necessary to maintain a conventional defense capability.

Thus this plan can only be regarded as an honest effort to achieve the broadest possible political support for an attempt to demonstrate that we are serious about our NATO membership.

It is possible that there will be some sympathy for an agreement on funding at this level, although it will also lead to reductions, because of our special parliamentary situation, but it must be regarded as an absolute minimum for maintaining allied confidence that Denmark still wants to be a credible member of the alliance.

NATO's two main objectives—avoiding war and promoting detente—depend on maintaining a credible defense. That is the prerequisite for continued stability in Europe, which in turn is a prerequisite for a positive development in East-West relations.

When there is some doubt about the credibility and positive attitude of one of the member nations, even if it is a small one, this inevitably causes concern and leads to criticism.

If we want to remove this doubt and maintain a status that allows us to exert some influence, we must accept the price and shoulder our fair share of the joint economic burden.

06578

Likelihood of U.S. Bases' Continued Stay Reportedly Increasing

35210042c Athens PONDIKI in Greek 11 Dec 87 p 8

[Text] The bases stay. Plebiscite, no! That is how '87 ends and the main round of negotiations for the bases starts in January.

And when we say January, we mean rather about the 10th and not the 4th as originally scheduled, and regardless of what they will discuss today or tomorrow in Brussels, that is Papoulias and Shultz, "standing up" and for a short time, within the margin of the meeting of the ministers of foreign affairs of the member countries of NATO.

At one time, if you would have Andreas to go the next elections with the matter of the bases as his basic platform, he would have answered "no way!" And if you would have told the same thing to the Americans you would have received groans of disapproval and threats for new "travel orders."

And yet, a short while ago, things cleared up:

If our man wants to, he can play with the question of the bases as much and in any way he wants during the next elections, under the tender looks of the Americans who have no objection whatsoever! What happened? Simply all those visits by Armacost, Ridgeway and other officials of the State Department, the chummy sessions with Shultz and all that, ended up in a certainty:

1. That the bases will stay (with some changes in certain operations and in their numbers).
2. That some "exchanges" will be given in national matters (especially in Greek/Turkish matters) and therefore, there will not be any reason to hurry by either side, that have all the time in the world ahead of them, since the bases can stay in Greece, one way or the other, until 1990. And if at any time until then the negotiations would continue, that would mean, according to the international realities, that their stay would be extended until some "dissension" would arise about them.

There is the other thing: the United States from the very beginning, did not like the idea of a plebiscite.

So, when Andreas goes to the elections with the matter of the bases "open," the plebiscite goes by the wayside, since the "popular order" will include a self-understood "yes" for our man handling the bases. (Again, if Mitsotakis were to win the elections, no one in the United States would especially worry about the future of the bases in Greece.)

This way, Athens and Washington have agreed that there is every reason for a plebiscite not to be conducted for the bases, since this is not in Andreas' interest. Why?

Because, whatever substantial "exchanges" Athens were to receive from the United States (e.g., "guarantee" for keeping the international agreements in the Aegean) would have been put in secret files that the prime minister could not present to the public in the text of the agreement that would have been voted for in the plebiscite. So it was good for everybody that the plebiscite was quashed.

(That is why Andreas made a slip in Akhaia last week when he told a group of reporters during a press conference, speaking about the bases for the first time "if a plebiscite takes place." A statement that generally passed unnoticed.)

And so with all of this, it is not by chance that the Americans are not worried at all, since the first word in Athens last month was "nonsense" and since it is certain that the same will happen in January and later.

Besides, that first four day period of the first "negotiations," only Zakharakis was speaking for us, and Flanigan for the others, and that with many coffee breaks, and with our man wondering why his American converser was so much at ease and not at all, but not at all in a hurry!

And it is explained: The goodwill and optimism of the Americans, about which we talked to you in the last two issues.

That, while certain government officials here in Athens acted "tough" on the matter of the bases, in the United States, the Congress promptly voted to maintain the 7:10 and indeed to provide aid to Greek free!

The pleasant disposition of Frank Carlucci during his meeting with Kharalambopoulos in NATO in Brussels.

The "coincidence" of ending the "pending issues" in Greek Israeli relations at this time, when the relations between Athens and Washington are improving at a very fast pace.

That Mitsotakis has lost his voice lately, while it would have been supposed that he would have so much to say now that Andreas is up to his neck in (internal) problems.

Conclusion: Our man may have scheduled the time of the elections with the game of the bases in the center of the "operation," a game that will show him to be "open" again versus the Americans, with our people of the wider area of the left being in their familiar state of perplexity.

If Andreas holds elections now (February-March), he will ask for the "order" to give the Americans the business during the negotiations.

If he holds them in 1989, he will have the additional weapon that he already will have given the five month "notice" (July 1988) that in the eyes of the people would mean that the damn yankees have been given notice to pack it!

(And do not anyone ask: "Why are the Americans playing it like this with Andreas? Do they not want to get rid of him?" Because the answer is a hard blow: Is there even one reason why Washington would want Andreas to leave at this time?)

9346/08309

Reported Weaknesses, Failings in Athens Area Radar

35210042a Athens I VRADYNI in Greek 14 Dec 87 p 8

[Article by Thodoros Drakakis: "The Radar War"]

[Text] A "problematic" radar has been installed on Ymittos mountain that has frequent failures, having whole airplanes disappear from the screens during the most difficult phases of their flight, resulting in daily dangers for aviation. And the air traffic controllers spend hours of agony as they see the planes they are guiding disappear from the screen.

This shocking revelation is being made in an official document issued by the man in charge of Helliniko Airport, Mr K. Lourandakis, who proposes that the service intensify its efforts to improve the communications system of the Athens Communications Center. A system that has another mission, since it checks hot areas in the Aegean air space and indeed during a period of provocation.

The Ymittos radar, as VRADYNI observed in a previous publication, is inferior, without any great potential, and costs the government more than 700,000 drachmae. According to the original plan drawn by the ND government in 1979, this type could be used only as a reserve. The years went by, however, and PASOK was not interested in looking for another radar that not only could meet current needs, but could also watch the entire Aegean air space without interruptions. As soon as the matter with the Turks arose, however, the people from the Ministry of Defense found the inferior radar in their rush and were pressured by the Ministry of Foreign Affairs to install it in March 1987.

And so they presented the purchase and installation of this radar as an accomplishment, naturally without saying that it is useless, since it does not service air traffic. And not only that, but it is also dangerous for flight safety since the planes disappear from its screens.

Report Thunderbolt

Today VRADYNI reveals the secret report of the man in charge of Helliniko Airport that was submitted a month after the operation of the Ymittos radar.

The report with document number 5263/189 titled: Trial Operational Use of the Ymittos M-SSR" reports:

"a—Certain problems arise in the sector of cooperation, such as differing views concerning the extent of traffic in the sector that the radar controller undertakes to service.

b—From a technical viewpoint, the problems that arise are "loss of targets, interruptions of small duration and difficulties in communication."

In the area of radar coverage that was approved by the service, after the first check in the air, the phenomenon appears of periodic loss of targets in certain air corridors and in high level flights. The interruptions of small duration, from 10 seconds to 2 minutes because the system is down, that were observed during the evaluation of the system, continue to exist and indeed a few times during more frequent periods.

Despite the efforts of our service—Mr Lourandakis continues in his report—to improve communications, the problems in frequencies persist and the consequences understandably are significant during the provision of control by radar.

In another part of the report, the man in charge of Elliniko Airport defines the problems that are created with military aircraft, stressing that this fact together with the slight experiences in recording altitudes in high levels of flight directly influences the provision of service with radar. The report also mentions the lack of personnel, both in specialists in radio controllers, and in the numerical strength of the Athens Communication Center.

The Problems

Mr Lourandakis also underlines that his service considers it necessary to add to the existing problems another two factors that have to do with the introduction of the radar system and with the participation of the human factor. Mr Lourandakis says it is understood internationally that the introduction of new control systems to an existing system of an EEK unit is handled at first by the controllers with caution, until the system is proven reliable and the controllers adjust to the new conditions and procedures that come from the related technical aids.

On the basis of the above, Mr Lourandakis observes that it is easy to reach the conclusion that difficulties are being confronted in the provision of radar service that particularly are caused by the performance of the system and proposes:

To pinpoint the reasons that cause the periodic interruptions and do whatever is necessary to correct them.

To examine the power of the transmission antenna, its correct angle as well as the need for a second check in the air.

In cooperation with the military air force, to establish procedures for the movement of military planes.

The service should make greater efforts to improve the communications systems of the Athens Communication Center.

The Athens Communication Center should hire the necessary personnel to cover the new radar and KDS positions.

Loss of Targets

The report includes documents—observations for the disappearance of planes in February and March 1987. Specifically:

On 5 February an aircraft flying from Thessaloniki to Alexandroupolis was lost three times at flight level 330. Furthermore, the same day other aircraft disappeared from the screens four times!

On 10 February at level 290, an aircraft disappeared over Rhodes in air corridor R19.

On 16 February at flight level 370, an aircraft was lost for 30 seconds.

The observations include many more cases of losing targets.

March was more "complete" from the viewpoint of losing targets since the planes were lost more than 50 times from the radar screens, the most characteristic case being on 27 March when a plane at the same flight level was lost for about 2 minutes.

9346/08309

Competition for Frigate-Building Offers Detailed 35210042d Athens TO VIMA in Greek 13 Dec 87 p 16

[Article by Nikos Khasapopoulos: "The Selection of Frigates in the Last Stage"]

[Text] KYSEA [Government Council for National Defense] is meeting in early January (barring unforeseen circumstances) to decide on the type of frigate that will be bought by the Navy. Already, the Chief of Staff of the Navy, Vice Admiral Leonidas Vasilikopoulos, announced last Sunday that the procedure for choosing the right offer for the purchase of four frigates is in its final stage.

Offers and proposals for counterbalancing benefits have been submitted by four countries: Holland, Britain, Germany and Italy.

Holland proposes frigate "M" with a displacement of 3,400 tons that was deemed from the start by the Navy as "big for the Greek realities and expensive," without however, turning it down. Recently, the Dutch have come back with an improved offer, by selling the same frigates at a lower price and offering better savings in counterbalancing benefits. Their new offer is being reviewed again. The Dutch also are interested in supplying the Greek Navy with material for uniforms and expressed their intention to give Greece 10 used "F-5" fighter aircraft. The Greek Government asked for more aircraft, but Holland had already given 24 to Turkey that had also shown an interest.

Italy is offering two types of frigates. The "Loupou," 2,400 tons and the improved type "Maestrale," 3,200 tons. Recently, the Italians significantly have improved their offer.

Britain, that is complaining that the Greek Government has not bought anything from them and preferred the French (in a television system, the subway, the tanks, the Mirage, etc.) offer the frigate "Leander," 2,800 tons. The British are about to visit Athens these days and they are expected to improve their offer. Similarly, they should improve the counterbalancing benefits that they are offering.

Finally, Germany offers the frigate "Meko-200," 2,800 tons and significant counterbalancing benefits. The Germans' basic argument in the negotiations is that they contribute to our defense with the free military aid they give every year, without, however, mentioning that this aid is not always "first quality."

The decision that will be taken by KYSEA will be first of all political, as it was in the "purchase of the century," in other words, the purchase of the "Mirage-2000" and the "F-16."

The year 1988 will be the year of the Navy. In addition to the frigates, the Greek shipyards already are building five freighters, five oil lighters, two oil tankers, a floating dock, two modern patrol boats and a water carrier of 1,200 tons.

Also, bids have been asked for building a hydrographic ship and the modernization of the weapons systems of three destroyers are in progress for the improvement of their anti-aircraft defense. The modernization of one destroyer already has been completed. The program should be completed by the middle of 1988. The expense will come to 3.5 million drachmae.

The General Staff of the Navy also is studying the modernization of electronic equipment and weapons, of the destroyers, of four submarines, of four missile ships

and ten minesweepers of American origin. Finally, the performance of general repair of destroyers and missile ships has been scheduled in Greek shipyards.

9346/08309

Details of Steyr's 'Hellenization' Agreement Questioned

35210042b Athens PONDIKI in Greek 11 Dec 87 p 14

[Text] The signing (last Friday) of the agreement with the Austrian "Steyr" to supply our army with 324 armored combat vehicles and personnel transports "Leonidas P" was celebrated with love and flowers.

We will not rest on the (reasonable) questions for this agreement that already have been published. The latest RIZOSPASTIS publication: the number of vehicles was increased from 292 to 324 with a similar disproportionate increase in the cost of production from 22 billion drachmae to 28.5 billion, the level of the counterbalances was decreased from 17.5 billion to 11 billion, while the outflow of foreign currencies was increased from 3.7 billion to 13.5 billion. We will rest on another point, equally significant.

This agreement, just like the other one (the co-production of vehicles by the Austrians and the Greeks) that was signed the same day between the Ministry of National Defense (signed by alternate minister St. Giotas) and the Greek Vehicle Manufacturing Co. (known to us as ELVO, represented by its president, Tambakis) is included in a greater package of subjects that are related directly both with the huge subject of Hellenization of ELVO that is being planned by the government and with the specific obligations of the Austrians.

The Austrian "Steyr" comes to Greece in 1972 and creates the affiliate company Steyr Ellas with the known factory in Salonica. The junta Royal Decree (no. 296/72) is signed by the then "regent" and "prime minister" G. Papadopoulos and the "ministers" of National Economy, G. Pezopoulos and of Finance, I. Koulis.

In December 1979, the procedure of "hellenization" begins (minister of industry, M. Evert). The Greek public takes over the majority of the shareholders of "Steyr Ellas" and the Austrian "Steyr" undertakes the management.

In 1983 (the minister of the national economy, Ger. Arsenis, the alternate minister, in charge of "Steyr," K. Vaitos), the Austrian company ceases to hold the management.

From that time, negotiations began for the withdrawal of the Austrians and the sale of their share percentage (about 32 percent) to the Greek public.

What is the status of these negotiations at this time? We do not know any details. We do know, however, that on 20 August, the general director of Steyer-Daimler Puch A.G. (the full name of Austrian Steyr) Voisard sent a memo to the then underminister of industry, G. Petsos, related to the text of an agreement—scenario for the departure of the Austrians.

Thirteen days later (on 3 September 1987), the Austrians submitted the text of an agreement—scenario and one day later (on 4 September), Petsos sent them a letter of intent that included the following subjects among those that should be examined:

The “out of power position” on all the demands that the Greek public could bring against the Austrians, both during the time that Stayer was the majority shareholder of the factory and during the time it was managing it.

The possibility for legal or administrative steps for writing off the Greek demands.

While waiting for the definite termination of the matter, you will allow us to ask certain simple but crucial questions and any answer is accepted:

1. Does Stayer have any obligations to the Greek public and if so, what are they?
2. If there are no obligations, then why is it necessary to release the Austrians from the demands that “could be brought up by the Greeks?”
3. If the Austrians have no obligations, then why are we releasing them and indeed with legal action.

Of course, someone could answer that the Austrians offer us a lot in exchange within the framework of the general agreements package. Perhaps what is being offered in exchange is also (acounterbalancing) in the agreement that was signed Saturday. And for these, however, as we wrote in the beginning (and as the other newspapers wrote—and not only at this time), there are certain questions to be answered.

Therefore? Therefore an answer is needed for everything:

Petsos’ answer to the Austrians.

The full text of Petsos’ letter follows:

“Referring to the letter dated 20 August 1987 of our general director, Mr Voisard, and the memo attached to it, regarding the discussion we had on 19 August 1987, as well as the text of the agreement—scenario that you submitted to me in your letter of 3 September 1987, I state that: because of the interest in a new arrangement for a manufacturing cooperation between the Greek Vehicle Manufacturing Co. (ELVO INC) and your company (SDP), in view of the full hellenization of ELVO as

planned by the Greek Government, I will make every effort to have the following matters that make up a package taken care of the latest by the end of October 1987, by reaching specific partial agreements or by making the appropriate decisions:

1. Have ELVO take over the SDP shares for the Greek public and reach an agreement on obtaining a loan from an Austrian loaning institution. A unanimous decision of the stock holders during the special general assembly of ELVO on 6 September 1987 for getting a loan of 2 billion drachmae for ELVO. Extending the manufacturing cooperation between ELVO and SDP on a long-term basis.
2. A payment by the old stock holders of ELVO of the claim on ELVO reaching 177 million drachmae by the shareholders agreement of 28 December 1979, with the understanding that the SDP will pay its relative share.
3. “Out of power” position for all the demands that could be brought up by the Greek side against the SDP as a founder, stockholder or former manager of ELVO and that is dependent on the agreement of the ministries of national economy and finance of our country. If legal or administrative steps are necessary to effect what has been mentioned in paragraph 3 above, then it is possible to postpone the deadline (late October 1987) accordingly for the matters mentioned in paragraph 3 above.
4. Reaching a specific agreement for starting the “Leonidas” program by the participants and approval of the necessary agreements between ELVO and SDP during the special general assembly of ELVO on 6 September 1987, during which the date the agreements will be established for starting the “Leonidas” program.
5. The establishment of the necessary groundwork in ELVO to permit ELVO the exclusive use of Stayer tractors in Greece.

Immediately after the special general assembly of ELVO on 6 September 1987, a task force will be introduced by the representatives of the appropriate Greek ministries made up by ELVO and SDP to work on the specific partial agreements for the matters mentioned above, considering that the basic principles agreed upon during the discussion I had with Mr Voisard on 19 August 1987 and which are included in his letter of 20 August 1987 are applied. the underminister, Giorgos E. Petsos

9346/08309

PORTUGAL

Army Shows Little Receptivity to Second NATO Brigade Proposal

35420035 Lisbon *DIARIO DE NOTICIAS*
in Portuguese 26 Dec 87 p 2

[Article by J. Fragoso Mendes]

[Text] The Atlantic Alliance may ask Portuguese officials to create another brigade to operate throughout Europe. Such a possibility, raised in Mons by high officials of the

European Allied Command, was conceded to be true although no formal request has been made to Lisbon.

DIARIO DE NOTICIAS has learned that exploratory soundings have been made on the matter. However, the Portuguese position on this issue is somewhat critical due to the difficulties it had in equipping the First Independent Mixed Brigade, the only Portuguese military force that could operate outside the nation's boundaries in case of outside aggression.

From the Portuguese armed forces point of view, the possibility "is not tempting". Although the armed forces understand the aim of the European command (it would always be a reinforcement of "manual labor"), they seem not to be very receptive since a second brigade would imply a heavy burden. The difficulties that Portugal has had to obtain equipment for the current NATO unit are known. It can be said that everything this unit has has been obtained as if "pulling teeth" and it would not now be wise to remove funds from other areas considered to be more important to national interests.

"It is better to have one well equipped and trained brigade than two that are underequipped," a military source told DIARIO DE NOTICIAS. He added that it was highly improbable that such a proposal would come to be.

However, it should be noted that NATO may put the question in completely new terms. It was not by chance that the leadership simply let the news "drop".

In fact, if significant concessions are made to create a second brigade the assumptions may easily change.

Troop Reduction

In view of a reduction in the number of American forces stationed in Europe, a possibility that seems to seriously concern alliance military leaders, and the reduction of forces on the part of some northern European countries, it is natural that reinforcements must somehow turn up.

Under these terms, it could be that NATO or some of its members may be forced to "negotiate" with Portugal compensation levels that are much higher than heretofore.

In addition, beyond the possible troop reductions, the alliance is working quickly on revamping its entire defensive strategy in view of the expected reduction in its nuclear arms deterrent.

In this regard, it should be said that the recent US-USSR agreement signed by Reagan and Gorbachev was still not, as of last week, completely known by the high allied command in Europe. The high command was very unhappy with this fact as well as with the signing of the agreement that some leaders consider to be "dangerous" to European security.

The Iberian Question

As for the Iberian question and its most recent facet involving Portuguese integration in the European air alert, control and defense system which, according to Madrid, would be in conflict with the proposals on military coordination of its strategic space, the weight of Portugal's word as a founding member of the alliance and member of its military structure (which is not the case with Spain) blocked Spanish aspirations.

Madrid argued that the agreements between NATO and Portugal on the integration of new infrastructures (devised and supported by Brussels) in the European system of air defense and control should be suspended until a military coordination scheme between Spain and the alliance took shape. This proposal was not accepted.

In essence, this was one more episode in the quiet "war" between the two countries, a "war" made worse by the fact that Spain is not part of the military structure.

If on one hand this situation gives Portugal a certain "moral superiority", on the other hand it makes things very difficult because of a lack of clarity.

It should be emphasized that the allies, especially the northern Europeans, do not understand very well the problems opposing the two Iberian countries. Diario de Noticias heard a high NATO official comment that the problems between Lisbon and Madrid (although the situation has nothing in common with the other) may be put at the same level as the Greek-Turkish problem.

Finally, according to highly placed sources in the NATO command structure, on questions concerning the peninsula, it should be noted that the question of the American F-16's stationed in Spain may evolve unexpectedly. Carlucci has admitted the possibility that in the absence of an agreement between Madrid and Washington this could become an alliance matter...

09935

SWEDEN

Exercise in Response to Heightened Threat to Stockholm

Enemy Intention To Isolate

36500014a Stockholm SVENSKA DAGBLADET
in Swedish 22 Sep 87 p 12

[Article by Roger Magnergard: "Danger of Stockholm's Isolation Increased; the Military Practices Defending the Capital City"]

[Text] The danger to Stockholm in case of war has increased. The military believes that encirclement of the capital city of Sweden is more and more obviously a principal objective of a surprise attack.

On Sunday evening an exercise was begun by a wartime formation involving 1,000 men who are to be trained to open up a route into Stockholm after enemy units have surrounded the capital city and fighting has started in central Sodertalje, among other places.

Indeed, the clattering noise made by submachine guns and the blasts resulting from the detonations of practice shells have caused some Sodertalje residents to cringe in fright. But the threat that constitutes the reason for the exercise is considerably more frightening for all the residents of the Greater Stockholm region.

"Personally, I am completely convinced that an adversary should begin by trying to cut Stockholm off," says Lieutenant Colonel Claes Holmgren, the Armed Forces commander for the district.

That viewpoint is shared by Military District research worker Gunnar Jervas and Colonel Bo Hugemark at the Military Institute of Advanced Study.

But how will a surprise attack take place? Will Sweden get any advanced warning?

They say we will get advance warning, and we can be ready to meet the enemy if the politicians interpret the signals in the right way and improve the readiness.

A surprise attack will probably take place in connection with an international crisis, possibly in Central Europe, where NATO and the Warsaw Pact nations are facing each other eye to eye.

Sweden Is Important

It is clear that both blocs would have much to gain from being able to make use of Sweden.

NATO should move its airfields forward and threaten the Warsaw Pact in Central Europe. At the same time, NATO's air force should increase its range over the Soviet Union.

It is of great importance for the Warsaw Pact to control all of Scandinavia in case of war, partly to secure a safe outlet for its Northern Fleet into the Atlantic, which is off the Norwegian coast, as is well known, and partly to be able to strike NATO's rear area with its air force and pose a threat to convoys from the United States with reinforcements coming to Europe, Gunnar Jervas and Bo Hugemark believe.

That evaluation of the situation is also presented in a big study by the Supreme Commander of the Armed Forces, a summary of which was published last winter under the title Europa-projektet.

An advance warning for Sweden could be the calling home of more roll-on roll-off ships than normal by the Soviet Union, for example. They would have to be used in a waterborne invasion that would have to follow a few days after a surprise attack. Troops in Sweden would have to be supplied.

But arriving at a decision to mobilize on the basis of such a circumstance can be very difficult for a politician. The ships could, indeed, just as easily be intended for a maneuver in the Baltic Sea.

But they also say that additional advance warning could be provided 12 hours, or up to 24 hours, before the surprise attack through crimes of unadulterated terrorism against the Swedish air force and Swedish submarine crews.

"The air force and submarines are a threat to an enemy," says Hugemark. "Therefore I would expect that 'picture salesmen' would attempt to knock out pilots in their homes and that midget submarines would fire guided missiles at the aircraft on the ground."

Hugemark thinks that submarine outrages are one of a number of methods that can be used to create chaos in Sweden if a decision to attack us is made.

There are primarily two grounds that argue for a surprise attack on Sweden. They are the following:

The attacking country can save troops who can be used to counter other threats. A surprise attack against an alliance-free country can provide big gains in exchange for a relatively small investment.

An attack against Sweden does not automatically signify that one alliance is in conflict with the other, and the danger that the whole thing will develop into a nuclear war is slight since Sweden does not have any nuclear weapons.

Through the Air

An attack upon Sweden and the encirclement of Stockholm will probably take place with airborne divisions. The Soviet Union has eight airborne divisions.

"Presumably they would use three divisions (with 7,000 men in each division), one regiment of marines (with approximately 3,000 men) and the estimated 7,500 'spetsnaz' soldiers who are specially trained for targets in Scandinavia," Gunnar Jervas believes.

That means that slightly more than 30,000 soldiers can be landed around Stockholm unexpectedly. It is easy to cut off the roads at a number of bridges, and that should make it impossible, in theory, to travel to and from Sweden's capital city.

What would an attacker gain by that means?

Purely militarily, there are many advantages. For example: In the Stockholm area, 140,000 individuals live who are liable for military service and would be mobilized in various parts of the country—many of them in Gotland and in upper Norrland. They naturally would be cut off, and that means that the forces in the north and on Gotland would be considerably weakened. That, in turn, opens up the way for new, quick attacks in those areas.

Furthermore, the country's leadership is located in Stockholm and the city is the center for telecommunications, among other things.

There are many ports—Kapellskar and Nynashamn, for example—in the Stockholm area that can be used for landing additional troops.

Psychological Warfare

An attacker probably would hope that Sweden would give up if its capital city was paralyzed.

The psychological effects would naturally be great if Stockholm was cut off and fighting occurred in the capital city. The civilian authorities probably would also have a hard time protecting the civilian population.

In the 1950s, a stoppage of air-raid shelter construction was introduced. Therefore shelters for everybody in the Greater Stockholm area do not exist at present.

The basis for Swedish plans for counteractions is that Sweden will not give up. Those who are surrounded are to carry on the battle in the expectation that relief forces will arrive, as the exercise now going on indicates.

But that requires that many Swedish soldiers shall be mobilized in greater Stockholm, which is expensive, and that they can be ready for combat without a week of instruction to improve the state of their training.

Thus, the situation is awkward, but it is not an impossible situation, according to Claes Holmgren.

"The problem is under observation. We have favorable conditions now under which to make plans to meet this threat," he says.

Largest Urban Exercise Since 1961

36500014a Stockholm SVENSKA DAGBLADET
in Swedish 22 Sep 87 p 14

[Article by Sune Olofson: "War in the Middle of Sweden Costing 150 Million Kronor; 4,000 Civilians Involved in the Biggest Local Exercise in 26 Years"]

[Text] It was expected that 1,200 people living in the Hornett residential area outside of Ornskoldsvik would vacate their apartments on Saturday and make their way to Bredbyn. Six hundred twenty-one people have left the warmth of their houses. Simulated warfare is tough.

They were to be transported, fed and lodged, find air-raid shelters, pretend to be wounded, distribute fuel and practice spreading the alarm and exercising leadership in the municipality while tanks, Viggen aircraft and coastal corvettes defended their territory.

But many had shift employment at Domsjö factories, the oil docks and the chlorine factory in Kopmanholmen.

Nevertheless, war has come to western Norrland.

The "Central Sweden" all-out exercise of the armed forces is the biggest one that has taken place in central Sweden.

The King Is Superintending

Participating in the exercise are 15,000 soldiers and officers, 40 ships, 3,000 motor vehicles and approximately 100 aircraft and helicopters, plus 4,000 civilians.

The whole affair is being supervised by Defense Minister Roine Carlsson, Supreme Commander of the armed forces Bengt Gustafsson and his Majesty the King.

"It is 26 years since an evacuation exercise of this magnitude has taken place in a municipality," said the press chief for the exercise, Olle Bylund, to SVENSKA DAGBLADET.

The central town of Ornskoldsvik and its environs became the theater of operations for one day. Ambulances raced through the town at full speed and with their sirens turned on. One hundred twenty injured people were distributed, bleeding, over MoDo's industrial precincts after an air attack. MoDo's security force was put to work and specially equipped Fokker aircraft, DC-9s and helicopters transported the injured to Östersund and Ornskoldsvik's hospital.

Free Gasoline

Civilians used their own automobiles and each individual got 10 liters of gasoline from the government. The gasoline was put into the automobiles' gas tanks with the help of battery-operated pumps.

The National Telecommunications Administration, Telverket, tested a unique teledata system for military and civilian communications in wartime for the first time.

"The evacuated people from the Hornett Home Defense area were registered and they tested gas masks and inspected air-raid shelters. As a reward for their help, they got coffee, sausages and mush. There was a little grumbling in the queues for registration, but aside from that we are satisfied," Olle Bylund reports.

Sabotage in Norrland

For purposes of this exercise, which will last from 28 September to 7 October 1987, it is assumed that a war has broken out between the great power blocs.

Swedish air space has been violated. The enemy has presented a demand that Swedish air bases be put at its disposal. That demand has been rejected by the government, which has ordered general mobilization instead.

Lower Norrland is being subjected to sabotage, air attacks and airborne landings for the purpose of cutting off communications with the rest of Norrland.

To Safeguard Transportation

The armed forces' mission is to safeguard transportation to and from northern Sweden. The telecommunications and electrical networks have to be protected.

The total cost of "Central Sweden" amounts to approximately 150 million kronor.

The armed forces calculate that the extra costs for this exercise amount to 7 million kronor since the navy, army and air force had planned certain maneuvers during the fall anyhow.

Biological Agents

The primary purpose of "Central Sweden" has been to give personnel practice in performing joint military and civilian tasks engaging in combat and exercising leadership and in coordinating with elements of the country government board and the town of Ornskoldsvik. On Saturday, "evacuated people" appeared in Bredbyn, outside of Ornskoldsvik. Military personnel practiced decontaminating ABC agents after "the dropping of atomic bombs" and gases, as well as biological agents for poisoning the drinking water. On Thursday and Friday, the king got to watch the so-called "flexible preparation" of attack aircraft.

"The preparation procedure is one step in the process of making aircraft less vulnerable on the ground. Instead of putting fuel in the fuel tanks and replacing the weapons in the planes at a single location, that can take place almost anywhere in a large area since the formations can be moved easily," says Sector Chief Svante Liljedahl.

The king also watched a military unit's crossing of the Angermanalven.

In wartime, one of an enemy's weapons is spreading confusion and disinformation. This exercise also included defense against picking up information and intelligence illegally, and the Security Police chief of the region, Sven-Ake Westljung participated in that effort.

The navy's contribution to "Central Sweden" was threatened in June 1987. The commander in chief of the navy, Bengt Schuback, wanted to discontinue the navy's presence because of the expense.

There was a shortage of 60 to 80 million kronor in the navy's budget. Without asking the government or the Supreme Commander of the Armed Forces for permission, Schuback decided that the navy would back out of four wartime formation exercises. But he had to change his mind. The minister of defense and the supreme commander of the armed forces refused to allow him to withdraw, and now the navy is participating in the exercise.

/12232

SWITZERLAND

Deficiencies in Ground Arms Air Defense Cited

36200047 Frauenfeld ALLGEMEINE
SCHWEIZERISCHE MILITAERZEITSCHRIFT in
German Nov 87 pp 723-726

[Article by Brig Gen Hans-Rudolf Schild: "Need for Air Defense for the Ground Forces: On the Procurement of a Light Guided Antiaircraft Defense Weapon"; first paragraph is ALLGEMEINE SCHWEIZERISCHE MILITAERZEITSCHRIFT introduction]

[Text] Our antiaircraft defense, along with the flying weapons, is being given the role of the "force of the first hour." A high defense readiness of the air and antiaircraft defense troops is therefore necessary if they are to be a deterrent while still in peacetime. Different opinions of high Swiss officers on the question of the need for a new guided air defense weapon for battlefield use and above all the development of the enemy's air threat potential justify the illumination of the possibilities of existing antiaircraft defense systems and the drawing of conclusions with respect to the development of our antiaircraft defense in the foreseeable future.

The report of the Executive Federal Council from 9 September 1982 on the army model and the development step 1984-1987 dealt with the problems of antiaircraft defense in general and of the procurement of a light guided antiaircraft defense weapon (L Flab Lwf) in particular. There it was emphasized that it must be stated that there are "inadequate resources for defending against attack helicopters and low-altitude aircraft. These antiaircraft defense gaps above all in the area of combatants, especially the infantry, artillery, mechanized formations and stationary troops, are to be closed through the combat effectiveness upgrading of existing antiaircraft defense systems as well as through a suitable new weapon system. Top army officers and high militia officers made this clear especially with the background of the changed picture of the threat through enemy weapons technology.

Increased Threat in the Lower Air Space

The development of the modern conventional threat from the air can be characterized as follows: modern combat aircraft have not only greater passive protection but also more efficient and more accurate weapon systems. Their weapons can also be used increasingly under all weather conditions and at any time of day as well as at greater distances (4 to 8 km) beyond the actual range of anti-aircraft defense (standoff weapons). As Vietnam indicated and Afghanistan proves impressively, the importance of the use of helicopters has also increased enormously. The development of battle tank defense and transport helicopters requires special mention in this connection, above all for employment at the front. Because of them, attacks against operational reserves and above all against tactical bases and facilities, especially key facilities, are possible everywhere in our small area. Additional tasks of these airmobile forces would be the thwarting of the bringing up of our reserves, the support of actions in mountainous terrain, the gaining of beachheads for crossing forces, and the overrunning of command staffs. In addition, there are plenty of indications that the field of combat may be characterized not by rigid fronts but by a deep zone of smaller battles, in which the combat action could be concentrated along several main axes and where above all the attack helicopter could contribute greatly in the combat. The

objective thereby would be to attack our defensive positions frontally at the same time, to flank them and to land in their rear. Also decisive is the fact that combat aircraft and helicopters are less vulnerable, because they are being protected better and better forward and underneath. And a comprehensive electronic warfare provides in a preventive manner for the weakening of the enemy defense. It is supposed to make detection of the attacker from the air impossible and, at the same time, to paralyze our electronic communications.

This analysis (compare also table below) makes it possible by way of summary to draw the following conclusions with respect to the demands on our anti-aircraft defense. Since the time for the engagement of an air enemy (exposure time) is decreasing, it will be a matter of achieving shorter reaction times and of designing faster flying projectiles. Since in addition the air threat will be immediate with respect to space and time, it is necessary to optimize the density and distribution of our anti-aircraft defense protection. Large ranges of weapons and increasingly armored means of air warfare require an extension of the anti-aircraft defense ranges and better ammunition with with a promising effect on the target. Finally, it is necessary to establish good preconditions for anti-aircraft defense operations through electronic protective and countermeasures.

Operational Air Forces of NATO and Warsaw Pact in Europe

	Fighter Bombers	Fighter Aircraft	Reconnaissance Aircraft			
	1983	1985	1983	1985	1983	1985
NATO	1,950	1,960	740	795	285	235
Warsaw Pact	1,920	2,250	4,370	4,195	600	585

Source: 1985 White Book (Bonn, 1985)

It is clear from the comparison of the present numbers of combat aircraft of NATO and the Warsaw Pact that the air forces of the East have attained the capability of waging a massive air battle against the West that would be aimed at the depth of the area and simultaneously at the front. The fact that the Warsaw Pact has set up a broad and dense network of mobile and stationary anti-aircraft defense systems frees up additional resources for operations in the air.

On the Tasks of Our Anti-aircraft Defense

In the operational concept in effect today, the anti-aircraft defense in the scope of our air defense is primarily assigned tasks in three areas. In the upper air space (over 4,000 meters), the anti-aircraft guided missile system Bloodhound (BL-64) shares the task of general air defense with the Mirage fighters of the air force. For tasks in the protection of areas and facilities, the weapon

systems Skyguard/35-mm guns are used in the middle air space (up to 4,000 meters) and the mobile guided anti-aircraft defense weapons Rapier are chiefly used for the protection of mechanized formations. A large number of light 20-mm anti-aircraft defense guns is the backbone of the anti-aircraft defense for operations in the lower air space (up to 1,500 meters) for self-protection and protection of facilities against low-altitude aircraft and helicopters. What does the threat situation require for the present from the anti-aircraft defense resources that we already have?

Protection of Areas and Facilities

Let us begin by examining the planned innovations in the protection of areas or facilities as the second important operational-tactical task. This protection is to be strengthened by retrofitting the Skyguard/35-mm gun system (Figure 1). Improvements are to be introduced or provided for in the 35-mm gun including ammunition, the Skyguard fire control equipment, and probably later for the Rapier as well.

That, of course, is hardly enough, for in this area it is a matter of overcoming the weaknesses of this introduced anti-aircraft defense system such as lack of massed concentrations, inadequate diversification with respect to possible effects, greatly limited possibilities for engaging high-flying air targets, and insufficient operational flexibility. That can primarily be done only with guided weapons-anti-aircraft defense systems. This is because they have short reactive times, larger effective areas, high hit expectation, and good possibilities for multiple target engagement and show high operational autonomy with respect to the identification, acquisition and engagement of targets. Such a weapon system in the form of the modern ADATS, for example, could effectively take over the large-area protection in the middle air space up to 6,000 meters. The existing 20-mm anti-aircraft disposition would thereby be strengthened and combat aircraft and helicopters would be effectively engaged at a great distance from the actual target of attack. Continuously combat-ready ADATS could also take over the prophylactic protection of important civilian facilities such as airports, energy-supply facilities or railroad junctions, which would likewise have an increased dissuasive effect.

Light Guided Anti-aircraft Weapon for the Protection of Facilities and Self-Protection?

Although a large number of 20-mm anti-aircraft defense guns as battlefield anti-aircraft defense and the backbone of anti-aircraft defense ensures the protection of facilities and self-protection for the army units and combat brigades, in the short term here it is also a matter of improving ammunition and thus of maintaining the system in combat effectiveness. But the fundamental question is whether that is enough in the medium and long term. When one considers that even in Afghanistan calibers of 20 mm have difficulty in penetrating armored attack helicopters, one cannot help but point out the possibilities of a 25-mm or even 30-mm gun. Whereas on the one hand the caliber question must be examined closely in the near future, there remains, on the other hand, the fundamental problem of clarifying the procurement of a light guided anti-aircraft weapon. Many troop commanders see this as the conceptual solution.

The performance of a portable or light one-man guided anti-aircraft weapon system, the "Stinger-Post" (Figure 2, fired by one man from the shoulder stand, caliber 70 mm, weight 15 kg, range 5,000 meters with a maximum effective altitude of 3,000 + meters) as well as the SATCP (F) or Blowpipe (GB), for example, is tempting. Such systems, however, quickly reach practical limits in use precisely in Swiss terrain. Exhaustive field tests in a tactically relevant disposition in the years 1974 (RBS-70) and 1982 (Stinger) confirm this. We will cite some of these limitations inherent in the systems and dictated by our environment. The Swiss forward visibility, that is, the conditions for the optical observation of attacking aircraft, is limited (haze, light conditions). Based on values determined over many years, this visibility

amounts to about 2 to 3 kilometers in the most favorable case. Thus, the maximum effective distance in the necessary temporal course of an action "detection-acquisition-engagement" is never approached, that is, the practical effective distance in the approach will drop to 2,000 meters or less in the most favorable case. Another factor is that the detection of attacking aircraft is made more difficult by the poor infrared radiation, that is, because of the technical infrared detection limits of the guided weapon search head. As a rule, then, the guided weapon system cannot be fully utilized until shortly before the closest point of approach and as the aircraft flies away. But the current examination of further developed weapon systems allows one to hope for substantial improvements in this decisive area for promising operations. The inherently rather long, technically conditioned reaction time can also be lengthened substantially through infrared interference from the background (reflected sunlight, edges of clouds, and open fires) as well as through active infrared interference by the enemy. To meet the technical performance parameters of such a guided weapon, it would need sensors and fire control computers, which would have to detect the targets in time and allocate them very precisely to the guided weapons. The choice of positions would have to be made in accordance with tactical viewpoints of anti-aircraft defense. But infantry bases are preferably established in accordance with other principles. At least one ought to strive to imbue them in the terrestrial air observation organization to improve visibility and cover somewhat through early warning. One should strive for coordinated employment at the army unit level with the use of the 20-mm guns. An additional disadvantage of a light guided anti-aircraft weapon system exists in relation to the interrogation security of the friend-foe-identification system (IFF system). It would result in the endangering of own ground-attack aircraft. From what has been said, it can be concluded that an autonomous employment under Swiss conditions is probably possible but would make sense only by taking into account various criteria and tactical requirements.

Requirement for Infantry Anti-aircraft Defense Not Covered

This brief analysis illustrates the possibilities and limits of a light anti-aircraft defense weapon. In January of this year, the conceptual and material development of the FF troops was acknowledged in a report of their new commander, Corps Cmdr W. Duerig. He correctly emphasized that it cannot be a matter of giving practically every small combat unit of the ground forces a "rocket tube against aircraft." Training and costs would be disproportionate and too high. The fact that a battery of light guided anti-aircraft defense weapons is to be established in the mobile light anti-aircraft defense detachments of the field and mountain divisions as well as of the border brigades takes into account the above-indicated weapon characteristics and means an important step towards a more secure air space. But this does not or at least only partially resolves the problem of the need

for a weapon that would protect against the threat to our infantry formations. Solutions such as the refitting of the 20-mm antiaircraft defense guns from the year 1954 and allocating them to the infantry are not convincing, because these guns are quite simply no longer technically and tactically adequate. It will therefore soon be necessary to investigate how one can meet the infantry's postulate for protection of its deployment areas against the threat from the air with its own resources. Could that be a weapon that is suitable as a partial machine gun replacement in the sense of "antiaircraft defense for all troops" for the engagement of directly approaching aircraft or helicopters at short range (up to 1.5 kilometers)? In view of the threat and the situation with the infantry weapons, such a flexible and penetrating weapon would do much to meet the infantry's antiaircraft defense requirement (Figure 3).

Photo Captions

1. Retrofitted 35-mm antiaircraft defense gun with Gun King sight, automatic reloading, integrated electric power supply, and various optimizations on the steering and gun.
2. Light (portable) guided antiaircraft weapon of the Stinger type ready for firing.
3. 25-mm-IK (infantry gun) in firing position.

9746

Subcontractors for Leopard 2 Serial Production Announced

36200048 Frauenfeld SCHWEIZER SOLDAT + MFD
in German Nov 87 pp 28-31

[Article by Josef Zeller: "Licensed Production of the Tank 87 Leopard as Planned"]

[Box] On the basis of information provided by general contractor Contraves AG, Zurich, Schweizer Soldat has become convinced that the licensed production of the battle tank 87 Leopard has begun according to program and as planned. Director Max Baumann explained that the expectations of Swiss industry in licensed production have been completely fulfilled. Deputy Director Walter Gross of Sulzer Brothers AG, Winterthur, is proud of being allowed to participate in this order, which is ensuring the enterprise a substantial and welcome basic capacity utilization for years.

[Text] In the scope of our Army's armament program, the federal councils decided in December 1984 on the procurement of 380 87 Leopard tanks at a cost of about 3.4 million francs. Producer Krauss-Maffei in Munich delivered 35 "Leos," as they are called for short, "from the rack." As you know, they were turned over to the troops on 7 July 1987. (Schweizer Soldat reported on

this.) The remaining 345 tanks are being built under license in Switzerland and their production has begun according to program and as planned.

Comprehensive Information

The structure and operational capabilities of this up-to-date tank were demonstrated impressively on film. Through comprehensive information, Contraves President Nik Schliep and Director Max Baumann made clear the importance of the order for Swiss industry. It was not just a matter of securing about 1,400 jobs for years in about 850 Swiss enterprises. The involved firms could not only bring their know-how in production engineering up to the latest level but also gain valuable experience in the management of a large-scale project. In addition, this program was for many participating enterprises the impetus for important investments of their own.

Significant Volume of Orders

The delivery of the first tank from Swiss production is planned for 17 December 1987. Deliveries are subsequently to be increased continually to six tanks a month, so that one can expect the entire series to have been delivered by the beginning of 1993. Two-thirds of the order volume will be handled in Switzerland, whereby Contraves has issued work amounting to about 600 million francs from its share to subcontractors. A substantial part of the two-thirds of the work going to Switzerland is wages, of which, in turn, a substantial part returns to the state in the form of taxes and levies.

Division of Responsibilities

The contracting authority for the handling of the tank production is the Group for Arms Services. This group, in turn, has employed Contraves AG, Zurich, as general contractor. It is responsible for the handling of the license program according to contract and also plans, controls and supervises the entire production with respect to quality, deadlines and costs. The assembly of the entire tank takes place at the Eidgenoessische Konstruktionswerkstaette in Thun and, as the second managing enterprise of the Federal Government, the Eidgenoessische Waffenfabrik, Bern, is responsible for the manufacture and delivery of the secondary armament. Along with the general contractor Contraves AG, responsible for the integration of the thermal imager with the main telescopic sight, the main firms are linked in a consortium. Their area of responsibility includes: SIG, Neuhausen, hydraulic weapon automatic guidance system; Georg Fischer, +GF+, hull shell; Ateliers des Constructions Mecaniques, Vevey, mechanical processing of the hull shell with the first protective treatment against corrosion; NAW, Arbon, drive block with the 12-cylinder multifuel engine; Sulzer Brothers, Winterthur, unfinished turret housing and SLM driving and steering gear; Jean Gallay, Geneva, ammunition holding system;

MOWAG, Kreuzlingen, final drive for power transmission; Schindler Waggon, Altenrhein, track and suspension and the fuel system; Von Roll, Bern, turret housing with the barrel produced in the Gerlafingen plant; Hild Heerbrugg, fire control subsystem with the main and auxiliary telescopic sights; Siemens-Albis, Zurich, central computer. In addition to these main firms in the consortium and the foreign subcontractors, more than 800 Swiss firms are involved in the licensed production. In accordance with the standards of the Federal Defense Ministry, the consortium has also provided for a balanced distribution of the orders to small and medium-sized enterprises in all regions of Switzerland. Thus, more than 150 firms in western Switzerland and about 25 firms in southern Switzerland are participating.

The Participation of Sulzer Brothers

As Deputy Director Walter Gross from Sulzer Brothers AG, Winterthur, put it, he and his colleagues are proud of being allowed to participate in this licensed production. In such a complex project as represented in the licensed production of the new tank, a well-conceived and operationally efficient organization in detail is of great importance. Sulzer has already produced 17 of the unfinished turret housings. Here as well, production is going according to plan, so that the production output of six units can take place beginning in early 1988. 17 December 1987, when the first tank under licensed production rolls out of the hangars of Eidgenoessische Konstruktionwerkstaette in Thun, will be decisive. The Leo is characterized by great firepower, high mobility and massive protection and in it the Swiss Army is getting an important weapon system.

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EUROPEAN AFFAIRS

EC Commission President on Progress Toward Internal Market

36200049 Munich SUEDEDEUTSCHE ZEITUNG in German 27 Dec 87 p 36

[Interview with Jacques Delors, president of the EEC Commission, by Franz Thoma; date and place not specified; first three paragraphs are SUEDEDEUTSCHE ZEITUNG introduction: "There Will Be No More Borders or Customs Duties in Europe in 1992: But the Integration Is Advancing Too Slowly/Will a Small Nucleus Form That Also Unites Politically?"

[Text] Brussels, Dec 87—The customs controls and all "physical borders" in the EEC will fall away by 1992. Because then there will be the large internal market. The value-added taxes and the excise duties of the individual EEC countries must, of course, be harmonized, that is, equalized. This was announced by Jacques Delors, president of the EEC Commission, in an interview with the Sueddeutsche Zeitung.

At the same time, Delors was dissatisfied with the fact that the EEC is making such slow progress; above all the Council of Ministers is slowing things down. Often it seemed that it was all a "huge battle among technocrats." He can imagine a Europe in the year 2000 that takes in 18 or 20 countries in a large common market; at the same time, there could also be a "small political community" of states that link their fate closely together. That must also apply to defense and the currency.

If the coming summit meeting in Brussels is a success, Delors is thinking about setting up a group of wise men to prepare a European central bank. Delors admits that heretofore, to be sure, the coordination of the economic policies has not functioned well. If, however, the summit in Brussels and the subsequent meeting of the chiefs of state and government in Hanover fail, then, according to Delors, it will be necessary to rethink "quite dramatically how Europe can be united." Then Europe will have to show its impatience and the president will have to "pound the table." The text of the discussion is as follows:

[Question] The last EEC summit in Copenhagen was a failure. Nevertheless, your package, the Delors package, is supposed to have been 90 untied—untied in the sense of being resolved. Under what conditions can the coming summit in Brussels on the 11th and 12th of January be successful?

[Answer] Two things have to be learned from Copenhagen. First of all, as for the method: the heads of state and government would be poorly advised if they were to complain that the discussion had to be about details. They should have made the necessary preliminary decisions in their governments months ago. And there is also a political lesson from this summit: no country presented

a truly coherent counterproposal for the whole thing. I personally would have been pleased about such a counterproposal, for we do not, after all, want to advance the Delors package but Europe. This package contains many parts: agriculture, joint policies for the creation of a common economic area, structure of the community's financial resources, and total amount of these resources available to the community. A compromise is really possible only on the basis of the commission's proposal. One must try to bring the positions closer together for each subject. That is the joint task of the German presidency and EEC Commission.

How the Rural Areas Are To Be Preserved

[Question] It still mainly involves the agrarian package. What might a solution look like here?

[Answer] For agriculture, it seems to me that the three basic orientations have been accepted. First, the necessity of adapting production to internal and external demand; it is intolerable that reserves are continuing to be stockpiled. Second, it is necessary to help develop the rural areas and thus to contribute to the defense of the small farmers. Third, we must demand that every other country make the same efforts to solve its agricultural problems as the community; that begins with the United States. I can hardly imagine that the FRG does not go along with these orientations. For it is clear after several years of dialogue between the German agencies and me that the Germans are pursuing precisely these three objectives. Especially in the case of the second goal, that is, the protection of the small farmers, we have allowed ourselves to be guided largely by Bonn's ideas on the preservation of the rural areas. So if the FRG were to reject this package, emotional reasons would be playing a role rather than objective considerations.

[Question] So does the difference of opinion between Brussels and Bonn lie only in the size of the area to be taken out of production?

[Answer] No. If, of course, we combine the area taken out of production with direct income subsidies for farmers and with rural development programs, we will be able to come to terms with Bonn. In my opinion, it is now only a matter of clearing up things. As for the subjects finance and structure funds, there is still no agreement but the positions are closer together.

A New Source of Finances Is Being Opened Up

[Question] But the transition of the payments of the member countries from the basis of turnover tax proceeds to the basis of the national product is still in dispute?

[Answer] Yes. There is acceptance of the principle of having, in addition to customs duties and price adjustments at the borders, two additional main sources of

income for the community. There is, for one, the classical source, namely the share of the value-added tax. In addition, there is a new source that would be calculated based on the gross national product of each individual country. Progress has effectively been achieved there. Now one must agree on the exact definition of this new (fourth) source of income, on the ratio to the share of the value-added tax, and on how progressively this system is to be applied so that each state can adapt to it. There are still misunderstandings in the question of the financing of joint policies accompanying the internal market, misunderstandings that are consciously being stirred up by some member countries that are unwilling to pay. The FRG is the most open among the rich countries. It is enlightened in the matter, that is, it is the government that is most interested in joint action.

The Underestimated Advantages of the Community: Need for Revival

[Question] In general, however, the previous euphoria about Europe has cooled somewhat, at least in the FRG. To what do you attribute that? Are the Germans now worse Europeans in comparison with before?

[Answer] It is not my purpose to give grades to the individual countries. But I believe that the enthusiasm in the FRG has diminished in comparison with the situation 20 years ago despite the very far-reaching commitment of Chancellor Kohl and Foreign Minister Genscher to Europe. In my opinion—and I here do not wish to present an inappropriate analysis of the German society—there are two reasons for this: In the first place, those responsible for the German economy underestimate what the community does for them. Secondly, the FRG's partners do not understand the intense feelings of the German people; they underestimate the importance of a true political revival of Europe. Such a revival, which would take into account the special position of the FRG as well as the different desires and strivings of the German people—be it the future relations with their brothers in the East, be it the general climate in central Europe, be it the ideals of German young people, especially in relation to nature, or be it solidarity with Third-World countries—cannot be established with a large internal market alone. Expressed in another way: one cannot fall in love with a large internal market without limits. With it, however, the FRG is still for a dynamic Europe.

[Question] The citizens throughout the EEC are constantly amazed by the fact that the community has already existed for a quarter century but so have customs controls. When will this situation come to an end?

[Answer] They have every right to be amazed by this. They should even be indignant about it and perceive it as a scandal. But these physical borders will fall away by

1992. Only under the condition, of course, that one can harmonize the value-added tax and excise tax systems. In this connection, our foreign ministers are jealously guarding their prerogatives.

A Pleading for Joint Financing

[Question] Will there be a common internal market in 1992 even if the taxes are not yet harmonized?

[Answer] I do not believe so. I would even go farther than that. I have proposed the establishment of a large common finance area in Europe. Even with a glance at the latest developments in the stock markets and foreign exchange markets, there is probably no need for me to say how important this finance area would be. One of the conditions for its realization, of course, is that one also harmonize the taxation of enterprises. That must also apply to the reinvested and distributed profits as well as to other things. Everything is related in some way. But all of that happens to be the precondition for a uniform economic area with all of its advantages—competitiveness and the saving of unnecessary costs, for example.

On the Way to the European Currency

[Question] Mr president, you are striving for a European central bank with a European currency, that is, the development of the European Monetary System. Can that be achieved without a uniform economic and monetary policy in the EEC?

[Answer] That is certainly the major question: what came first, the chicken or the egg? Some people precisely in your country take up these questions with great enthusiasm. The European Monetary System has a positive balance. And the more difficulty the German economy has in exporting beyond Europe, the more it will appreciate this stable European Monetary System; after all, two-thirds of its exports go to this area. As long as I have been president of the commission, I have been for a pragmatic approach. We have usefully strengthened the European Monetary System and otherwise tried to coordinate monetary policies. That has not functioned well, however. This is why my ideas have undergone further development. That applies to the chicken (that is the currency) as well as to the egg (that is economic cooperation). For the past 6 months, we have been experimenting with the countries that are involved in this monetary mechanism. We discuss our economic and monetary policy on the basis of a report made available by the commission as well as on the basis of indicators that we submit to those responsible in the individual countries. This method is proving to be fruitful. If nothing goes wrong, I believe that we will make progress in economic cooperation and thus in the leap in the monetary area. If the Brussels summit is successful, then I am almost leaning toward proposing that a group of experts be set up that, in cooperation with the central banks, can examine the question of how a European central bank can progressively be established. Cartesian

logic would naturally call for economic cooperation leading to monetary cooperation. Actually, however, exactly the opposite is happening.

[Question] Are you expecting, especially with the beginning of the uniform market in 1992, new applications for membership in the EEC—perhaps Austria and Switzerland? And does the EEC not grow together more slowly the larger it becomes?

[Answer] There have already been applications and there will be even more after 1992. That indicates that the community is probably seen more optimistically from outside than from inside. Purely politically and intellectually, however, there is a contradiction between the deepening of this community and its expansion. What I am saying here has absolutely no negative tinge. Life is full of contradictions with which one must live. Once I have finished my work here, I will try to come up with a formula for the Europe of the year 2000.

I see that approximately as follows: There is a large open common market for 18 or 20 countries. On the other hand, a small political community will then form with those countries that are willing to link their fate more closely together. That would also have to apply to the two things that are truly the core of every national sovereignty, namely defense and the currency. If, in the meantime, the European Council in Brussels fails and the subsequent meeting of the heads of state and government in Hanover is also unsuccessful or reaches only a shaky compromise, then I tell you quite frankly that one must quite dramatically rethink how Europe can be united. One must consider it with those who are not only prepared to accept the very promising aspects but also want to take over the duties and obligations. The European ideal must sometime show impatience. I am certain that I have thereby met the heart and mind of those in Germany who bear responsibility and who have committed themselves heavily in this matter.

"In the Paradise—and Purgatory—of the Politically United Europe"

[Question] But would that then be the return to a smaller but also politically merging community?

[Answer] Yes. But that would not be a step back. I am not Saint Peter and unfortunately I cannot determine who gets into the paradise of the politically united Europe and who will be intended for the purgatory of the large internal market. I am certain that the FRG will be one of the engines of this political Europe.

[Question] And who else? France, for example, in any case?

[Answer] Certainly France as well! The others that like us will just come along! The Benelux countries and Italy, for example. Within this political Europe, there will be no difference speed limits and no hierarchies. We will be one country and one voice to make decisions.

The Council of Ministers Applying the Brakes

[Question] To what extent today is the EEC Council of Ministers curbing the integration of Europe? One hears about so many unresolved commission proposals.

[Answer] With the unified European legal instruments, that is, with the modification of the Treaty of Rome, the member states have made important constitutional decisions: voting with a qualified majority, more executive powers for the commission, and a kind of quasi-right of codetermination for the parliament. But the Council of Ministers is indeed applying the brakes. Behind it are national officials who are holding on to their small powers. There have now been 130 proposals submitted for the internal market. But the national officials will try to hinder the commission in the efficient application of these proposals. The president of the commission must at some point pound the table with his fist. But first we must get the Delors package through.

The Majority Decision Goes Through but There Is Too Much Bureaucracy

[Question] How can one see to it that the majority decision will come to bear more strongly than heretofore?

[Answer] That is already going better. The number of decisions with a qualified majority has increased. The difficulty, however, is that our decisions are held up in the working groups of the council and the ministers as well as the presidency are not pushing matters energetically enough. The officials sometimes do the same work four times and even answer questions that the ministers have not even raised, merely to delay things! It is a huge battle among technocrats. We know, of course, that the politics thereby become less attractive and less efficient.

[Question] And when does the president think it is time to pound the table?

[Answer] In the second half of next year.

More Growth as a Duty and an Opportunity

[Question] What economic forecasts do you see for the EEC in 1988? Do you fear a reversal because of the fall of the dollar?

[Answer] First of all, I regret the following: The heads of state and government challenged me to a debate on the new economic situation that arose through the stock market crash as well as the events in the monetary sector. We had a very good discussion about this. But the heads

of state and government have not provided any impulses. In the discussion, I gave them only two messages to take with them: in the first place, mutual independence is increasing all the time in the world; the markets, above all the capital markets, have grabbed the power for themselves in the absence of adequate cooperation among the major industrial nations. But they are not in a position truly to exercise this power. The markets, namely, are short-sighted and nervous. It would be much better if the heads of state and government would regain the power.

The second thought is the following: Since Japan is still quite closed and the United States living beyond its means and sooner or later having to adapt, since the purchasing power of the oil-producing countries is declining and the Third World threatens to collapse under its indebtedness, Europe can depend only on its own strengths. It therefore has the duty—and the historic chance—to provide for more growth (with stability, of course). We could then contribute more efficiently to the growth of world trade and alleviate the fate of the poor countries. If, however, instead of that we allow ourselves to be carried along like a pebble in the sea, we will have a very mediocre rate of growth in 1988 and above all will not have fulfilled our duty as rich countries. We will then be missing the historic chance of using Europe as the indispensable element of a satisfactory world economic order. This absence of Europe is at least as momentous as the temporary failure of the Delors package. I must ask whether we really still have heads of state and government with vision.

[Question] Produce more growth—but by what means?

[Answer] We all still have a certain amount of latitude, without therefore having to renounce the fighting of inflation, for inflation truly is the worst thing that there is. I made it clear to the heads of state and government that I am against the locomotive theory. It is not the duty of the FRG alone to make a contribution but all 12 must do so in a cooperative growth strategy. That is quite different from 1978, when the FRG was pressured into additional efforts for growth. Today many of our member states have such a moderate rate of inflation and an internal equilibrium that easily allow them to be a little bit courageous. If this courage is lacking, our exports will decline. So if we can count on neither the exports nor an expansion of the private or public internal demand and do not fight against the—in many ways understandable—wait-and-see attitude of the enterprises, what could then act as an engine? That is the big question.

“We Must Stop Complaining”

[Question] If I can sum that up, you are very reserved in your judgment of the economic future in 1988.

[Answer] Yes. I am reserved, especially when I think back. At the beginning of 1986, Europe had the advantage of a kind of reverse oil shock: Prices were declining

and the dollar fell. Governments and economists heralded a zone of good weather. But the ultimate result in 1986 was a mediocre growth rate. So even when the external circumstances are advantageous, we are not able to find the way to a development adapted to our time that simultaneously creates jobs. We must stop complaining about the Americans or Japanese or whomever or whatever else. Nations that begin to complain are already on the decline. Instead we must gather our forces and play our trumps. There really should be only two slogans in the next European Council in Brussels: “Unity Makes Strong” and “Rely Only on Your Own Strengths.” That is also what a good paterfamilias teaches his children.

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DENMARK/GREENLAND

Copenhagen Rescues Home Rule Government With Subsidy Advance

Greenland Treasury Cash Shortage

36130038 Godthaab GRONLANDSPOSTEN in Danish
22 Dec 87 p 3

[Article: “State Rescues Home Rule”]

[Text] The home rule government will receive a 6-month block grant on 1 January, so it will have some money in its treasury once again.

In spite of everything, Economy Minister Emil Abelsen persuaded Denmark to help his home rule government at the last moment. On 1 January Denmark will deposit about 350 million kroner in the account of the home rule government, thereby solving its acute cash flow problem.

At a meeting on Tuesday 15 December at the Finance Ministry, the Danish government agreed to pay in advance a 6-month block grant totaling 700 million kroner. Normally the block grant is paid by the month, but minister Emil Abelsen wrote to the government requesting that it come to the aid of the home rule government. Department chief Christian Jensen of the Department of Greenlandic Affairs confirmed to GRONLANDSPOSTEN that the government has granted the request.

Paying GTO

But the home rule government will receive only about half the total amount, i.e. about 350 million kroner, since the remaining 350 million kroner will be used to pay outstanding debts in connection with the GTO [Greenland Office of Public Works].

One of the many plans developed by Minister Emil Abelsen would have postponed payment of the GTO bill. GRONLANDSPOSTEN learned that this plan was

dropped, however, when the home rule government found out that such a postponement would have to be presented to the Finance Committee for its approval.

Advance payment of the block grant, on the other hand, would not have to be presented to the Finance Committee. The government made that decision itself.

The agreement with the government means that the home rule government will have money to work with while trying to take out more long-term loans.

Home rule director John Jensen admitted last week to the RITZAUS BUREAU that there have been problems.

"We have planned all along to go out and obtain loans secured by real property. But this takes time and one day we looked and saw that the treasury was just about empty," John Jensen said.

Now the state has helped them out.

Paper Comments on Finances

36130038 *Godthaab GRONLANDSPOSTEN in Danish*
22 Dec 87 p 37

[Editorial: "Dear 'Cast-Off State'"]

[Text] Economy Minister Emil Abelsen has saved the joy of Christmas for his home rule government and for a number of top officials. He wrote to the "cast-off state" and told it there was a shortage of money in the treasury—the national treasury. Or, to quote the soon to step down director of the home rule government, John Jensen, "One day we looked and saw that the treasury was just about empty." That is truly unbelievable. With gangs of highly paid experts, whose only reason for existing is that during the major changes Greenlandic society is undergoing during these years there is a need for a large staff of experts to keep things under control and to make the necessary arrangements for the politicians, it should not suddenly be discovered that the treasury is just about empty.

Poor planning has been extremely costly in the form of bad publicity and it has fueled the more or less vicious assertions that Greenland is like a Latin American banana republic.

Greenland does not deserve this. We have had some difficult years in which, by necessity, we have taken over many functions of the Danish state as part of a natural development toward a more independent and responsible Greenlandic society.

Mistakes have been made, of course, with everything moving so rapidly—and it is not enough simply to say that everything has gone too fast. Things are interrelated and it is not always possible to set the tempo oneself, if one wants to implement solutions of benefit to the entire society.

But the episode with the almost empty treasury shows that, despite everything, the home rule government may not have the expertise it needs. Otherwise, Emil Abelsen would not have had to take his humiliating trip to beg for money from the "cast-off" state.

Denmark has been telling us for a long time that we are barking up the wrong tree. Money problems are a matter for the home rule government, Denmark has stated, quite correctly. This is understood to mean: Now Greenland must learn to solve its own problems and live with the consequences of poor solutions. Denmark has a right to say this but now, when it came down to the wire, it acted once again as Big Brother—or Santa Claus—and created a solution that will allow the home rule government to go yet another round with the international lending market, with mortgage institutes, and especially with its own naivete. For it was naive to believe that simply being a high official in the home rule government would be enough to come away with as much as 1.8 billion Danish kroner.

Now we must get moving in earnest—even if that means a little work on Christmas and New Year's Day. Greenland now has the money in the bank, but this also means that there will be no more block grants before summer. Thus, loans must be found.

The home rule government could not have acted differently, as events have developed, but we have a great responsibility during this wonderful Christmas Season, in which all of us are taking a little in advance from our next paycheck.

Merry Christmas and happy New Year!

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ITALY

Unmaking of Nuclear Energy Program

Grave Consequences for Industry

35280065a *Rome LA REPUBBLICA Supplement in Italian* 27 Nov 87 pp 4-5

[Article by Alessandra Carini: "Nuclear Power: An Industry in Its Death Throes"]

[Text] Rome—The Trino Vercellese nuclear power plant will not be built. For the moment, construction has officially only been suspended; but no one is betting on its future. Indeed, everyone is sure that when the national energy plan is revised, construction of the plant will definitively be cancelled—together with 1.6 trillion lire in orders and contracts already signed with the concerned industries. The Montalto di Castro power plant is in doubt. Here, too, a formal decision must be made within 3 months concerning the future of the plant and whether it should be converted from nuclear to

methane. The skeptics are already in the majority, however. The experts and the industries—with the ENEL [National Electric Power Agency] in the vanguard—maintain that changing from nuclear to methane is uneconomic and in fact impossible. There is no plant anywhere in the world that produces 2,000 megawatts from methane. After all, who will supply the 4 billion cubic meters of methane per year needed to operate such a plant? As a result, even Montalto is facing a precarious future—together with 6,000 persons who are affected either directly or indirectly (and for whom the Supplementary Fund is being considered) as well as almost 5 trillion lire in past investments.

Caorso

But that's not all. The Caorso power plant has been shot down for a long time, and no one knows whether it will be started up again. The Latina plant will probably be closed. In 1987 not a single kilowatt-hour produced by nuclear fuel has been transmitted out of Italian power plants. Moreover, experts in the sector and in the government are beginning to ask this question: "Why should the residents of Montalto accept the plant that the government has put off building at Trino?"

For the Italian nuclear sector—in suspense over the results of the referendum—the hour of defeat has apparently sounded. With investments that are in danger of being cancelled, existing contracts that may be invalidated, and the Supplementary Fund, big industrial firms such as Ansaldo, mid-sized firms such as Tosi and Belleli, and small firms such as the myriad of companies that revolve around this sector are all in danger of having to face a difficult reconversion crisis. An entire industrial sector built laboriously over the past 15 years could disappear from the Italian scene, thereby eliminating one of the sectors of advanced technology.

For the time being the watchword within the government appears to be caution. This entails delaying some decisions—and reviewing others—with respect to certain plants, according to Prime Minister Gorla and Minister of Industry Battaglia, who spoke as if in unison. No one has ever maintained that it is necessary to abandon nuclear power; indeed, everyone has declared that the door must be left open in order to monitor future developments in research.

Among the firms in the nuclear sector, however—and even within the ENEL—there is a good deal of pessimism, and the reason why is also understandable. After 1 year of "moratoriums" on nuclear power, the decision to hold the referendum came—for the industry—as a kind of liberation. "At least then the question of what to do will be settled: one will be certain of the choices to be made," was the comment of ENEL President Franco Viezzoli and the contractors of the sector. Today, however, a further postponement is hinted at; indeed, where nuclear power is concerned, the needle on the scales always seems to incline toward its cancellation. "Do

what you want, but do something and do it in a hurry," is the appeal that Luciano Radaelli, managing director of Franco Tosi and vice president of ANIA, is prepared to send to the government together with an open letter setting forth the arguments of the contractors. "If you really do not want to build nuclear plants, then go another route, but at least make up your mind," he adds. Viezzoli also maintains that the problem is not so much the energy problem as it is the problem of making it plain what the costs of these options are both for the nation and for the industry itself. "In the view of the ENEL, the problem is—selfishly—not one of saying 'yes' or 'no' to nuclear power," he says. "Wiping out investments is costly, just as the choices of how to produce energy are costly. This past year, the closing of the nuclear plants has entailed an additional expenditure of 150 billion lire for fuel. Cancelling Trino means losing 1.1 trillion lire of contracts that ENEL has already signed. If this is the decision that will be taken, then someone should certainly say how it is to be implemented."

What Are the Costs?

So are we therefore about to abandon nuclear power? And at what cost? Today, 100,000 persons—and tens of trillions of lire in investments—are involved in the energy sector. It is estimated that approximately 15,000 to 20,000 persons—workers, technicians, and engineers—are employed either directly or indirectly in the nuclear subsector alone. Then there are the organizations that are engaged exclusively in research in this field: there are the 2,000 persons who work at the PEC and Cirene, the 1,600 researchers of ISPRA, and the 5,000 researchers of ENEL.

But there are also the investments made in the past—investments that were still being made up to a short time ago—and along with them an entire industrial structure built with great effort over the past 15 years. Closing Caorso and Latina, and cancelling Trino II and Montalto di Castro, would entail for the ENEL alone a sudden loss of assets worth approximately 8 trillion lire. This is the value of the plants already built, after allowing for past depreciation charges. It is the expense that the ENEL would have to bear for the cancellation of investments already made, plus the penalty due to the affected companies for the discontinuance of the projects. Just eliminating the Montalto di Castro plant alone would "cost" more than 4.5 trillion lire.

The reckoning does not stop here, however: the ENEL has estimated what the additional cost of electric power would be in future years if it is decided to abandon nuclear power and produce energy from fuel oil and coal instead. The scenarios obviously vary according to the different hypotheses for the increase in crude oil prices over the coming years. If we choose an "intermediate" hypothesis, the increased cost over the next 30 years would be 2 trillion lire per years at current prices. There would also be "indirect" effects, namely a greater dependence on foreign countries for our supplies, and certain

supply problems that will occur in the mid-1990's—the period when the nuclear power plants would have been scheduled to go into operation.

At the ENEL they do not want to sound any alarms, if only so as not to throw gasoline on the fire of the interminable polemics that have arisen on the subject of nuclear power. "It's not our concern whether someone pays," they say with a polemical air. And Viezzoli continues to maintain in his public statements that Italy will not be without electric power, provided that the other plants are put into operation. The problem is—if anything—always one of distributing costs. This is because 2 trillion lire in increased outlay means a 10 percent increase in the cost of energy—that is to say, a 10 percent increase in electric bills—but it also means a loss of competitiveness in industry, for which energy is a raw material like any other.

Although for the ENEL the thought of losing 8 trillion lire in investments is no laughing matter, for the companies operating in this sector the risk amounts to a full-fledged debacle. Producing power plants—especially nuclear power plants—is not something that can be turned on or turned off according to circumstances, or in which it is possible to establish a steady pace of work.

To build the nuclear power sector required approximately 15 years, a thousand mistakes, and thousands of losses. Today, the assets of the sector consist not only of the plants already built but also of the investment in human resources and research. "If we get out of the sector," say the industrialists, "we'll never get back in"—because nuclear power is like all complex systems and is in addition full of risks. "In this way," they add, "after having 'missed the boat' where large computers and the telecommunications industry are concerned, we are in danger of being 'out of it' where the research of the future is concerned." They believe it is downright folly to shut down plants that are already in existence or already ordered. "Not even Sweden," they say, "which has decided to dismantle its nuclear power plants, has gone that far—that is to say, gone so far as to close a plant before it is amortized."

The Difficulties

The industrialists' difficulties had already begun, with the slowdown in orders for traditional power plants. For years the industrialists lived off foreign countries; those were favorable times, because of the strong investment programs. Today, however, the situation is in danger of becoming complicated for everyone. The competition is becoming increasingly severe, and the domestic market is taking on increasing importance. The prospects for quickly finding orders to replace the contracts cancelled by ENEL do not appear very good. Moreover, it is becoming impossible to export plants. "Because we have not carried out any significant construction in the domestic market," adds Radaelli (who is also chairman of the Energy Committee of Confindustria [General

Confederation of Italian Industry]), "we are not able to present any models for comparison. What power plant with PWR technology can we offer as assurance to our clients, when in fact the most recent power plant of this type was built at Trino Vercellese 22 years ago?"

In short, if we do not produce for the domestic market we shall not be successful in exporting either, because our clients abroad want to know what model the company is using. As a result—Radaelli says—we are exporting components "but not large and complex power plants, because no one will buy just on someone's word. Hence the importance of accomplishing some construction such as that at Trino II, which would be the first power plant made entirely in Italy in accordance with the unified plan." The companies believe it is precisely the construction of these projects that would enable Italy to keep its hand in the research of the future—in other words, not to abandon the sector completely.

For the present, however, the government has decided to deal with the most urgent problems, such as the question of the Supplementary Fund for those who work in connection with Montalto and who will be laid off to await developments. As for the rest, we shall see.

Conversion Possible but Costly

35280065a Rome LA REPUBBLICA Supplement
in Italian 27 Nov 87 p 4

[Interview with Bruno Musso, managing director of Ansaldo di Genoa, by A.C.; date of interview not given: "Ansaldo Is Able To Convert; It Is the Nation That Will Be the Loser;" first paragraph is LA REPUBBLICA introduction]

[Text] Rome—the Ansaldo Corporation (of the Finmeccanica-IRI [Mechanical Engineering Finance Corporation-Industrial Reconstruction Institute] Group)—with revenues of 2.5 trillion lire (one-fifth in the nuclear-energy sector) and the status of "main contractor" for all contracts in the sector—is one of the firms hardest hit by the decisions taken by the government with respect to nuclear power. With 2,000 engineers working in the nuclear power sector, and after 15 years of agreements that have made it the standard for licensing these plants, Ansaldo is today experiencing what is truly one of the most difficult moments in its history—so much so that the political parties have already begun to discuss what can be done with this wealth of acquired experience. The PCI is proposing that the engineers and technicians be put to work at the industrial-waste treatment plants, while others say that this experience could be rechanneled into the construction of traditional power plants.

It is not easy, however, to convert overnight. What Ansaldo's leaders feel today is a mixture of anger, defiance, and disappointment. "It is true that it is not easy to convert," says Bruno Musso, managing director of the firm, "especially when you consider the wealth of resources that is in danger of being dispersed. To be

sure," he adds, "we have weathered so many crises that we can—and will—weather this one too, but the costs cannot be borne by the company alone."

The Future

[Question] What is the effect on Ansaldo of the decisions made by the government concerning the future of Trino and Montalto?

[Answer] It is still not clear to what extent this amounts to an actual closure, and to what extent it is in effect a shutdown with the expectation of a resumption of work. I can say that approximately 1,000 of Ansaldo's people work in connection with Montalto, but if you count in the contractors and subcontractors it's an additional 5,000—and at least as many more if you also add in those who are indirectly employed. At the Trino complex, between us and the others approximately 1,000 people are employed. As you can see, these figures are comparable with those of the steel industry, except that in this case we are speaking of an advanced sector of technology and research.

We have working for us 2,000 engineers who were trained in the school of nuclear energy. They constitute a very high-quality team, and a valuable investment made over the years. Closure would mean that not only we but also the nation would be wasting technological assets and enormous resources.

[Question] There are those who say that you could reconvert production, specialize in the construction of conventional power plants, or increase exports.

[Answer] To be sure, if nuclear plants are not built, something else will be; although at the moment it seems to me that neither the one nor the other is being done. Changing course suddenly is not easy, however, there are problems that cannot be fixed in such a short time. For example, you cannot turn back suddenly from projects that have already reached the "workshop stage"—that is to say, an advanced stage of execution. Although this does happen, 2 or 3 years are required for a project to be revised if execution of the project has begun. As for exports, I wouldn't want anyone to have many illusions on that score. We are making great efforts to prevail over the competition, but the foreign market is very competitive both in the nuclear sector and in the conventional sector. These competing firms have very low costs, because—among other things—they are able to charge their structural costs to the domestic market and therefore have a base of production volume on which to build. If such a base is lacking, if there are no models—in other words, if a company is not able to present a "curriculum" of already-completed power plants—that company's prospects for exports are very scarce, and in the case of nuclear power plants I would say its prospects are reduced to zero.

Technological Door

[Question] But the government contends that it wants in any case to keep a technological door—that is to say, a kind of experimental road—open so as not to be cut off from the development of research on the reactors of the future.

[Answer] Yes, but we must also realize that in the nuclear power field there is technological continuity, and technology cannot live without concrete achievements. Anyone who thinks otherwise does so on the basis of an abstract concept. If there is no experimentation, if no power plants are built, the factories lose their specialization and suffer the probable dispersion of their best personnel. Who will then build these plants of the future?

[Question] How much would abandonment of the nuclear power field cost Ansaldo?

[Answer] Just closing Montalto di Castro for 2 months is costing approximately 500 billion lire. Converting it into a methane-fired plant would be like building it over again from scratch. Not even the turbine would be saved. If it were then decided to abandon nuclear power definitively by cancelling the contracts already signed, that would certainly pose problems for us involving a surplus of personnel; for other firms, it would mean certain death. But I repeat: it is not so much a question of how many people will have to leave—a calculation that it is not possible to make today; it is a question of not destroying a human capital that required years to accumulate. For the present, Ansaldo's economic problems can be managed with the aid of instrumentalities such as the Supplementary Fund, to which we in Italy have become only too habituated. For the future, we shall try to develop a strategy.

[Question] What strategy?

[Answer] To the extent that we as a firm are able, we shall try not to break up our work force; we shall try to divert resources to other sectors in which we are present—such as transportation and conventional power plants—and thereby speed up the processes of diversification. We shall do our part, but the government—the source of many of the contracts—should also do its part.

Reconversion

Reconversion should be accompanied by measures that would help the firm get through the transition period: measures, for example, that will stimulate exports by facilitating the creation of the kind of domestic market that can help to bring down costs and promote competitiveness in foreign markets. We shall employ our imagination and our resources to the greatest possible extent. Working as we have for years in the field of electric

power plants, we are accustomed to difficulties and to change. Many times we were given up as a hopeless case, and yet won through—and we shall do so this time as well.

Greens More Optimistic

35280065a Rome LA REPUBBLICA Supplement
in Italian 27 Nov 87 p 5

[Interview with Greens leader Gianni Mattioli by A. Bon.; date of interview not given: "More Jobs Without the Atom;" first paragraph is LA REPUBBLICA introduction]

[Text] Rome—"Does society want to guarantee its own health? Then it must provide for the workers who are ousted from nuclear power production when that production is abandoned." Gianni Mattioli, one of the principal leaders of the Greens, says these things quite naturally, as if they were obvious and to be taken for granted. He also observes, however, that abandoning the "energy that pollutes" does not mean that the workers and engineers must give up working and go home to await their unemployment allowance or some other gift from the government. "Because," he says, "by initiating energy-conservation and renewable-sources programs it will be possible to create as many as 300,000 jobs—far more than those created by the reactors."

The Government Will Provide

[Question] Should the government therefore provide for those who will lose their jobs?

[Answer] We might even evade this question, because the way it is posed causes one to imagine that the confrontation is between us environmentalists on the one hand and the citizenry on the other. But if a plant doesn't provide guarantees of safety—as is the case with the nuclear power plants—or if it pollutes, it is the government—and certainly society—that must provide for them, even if this opens up a controversy with the plant management."

[Question] but what will become of these workers? Will they too wind up in the Supplementary Fund, perhaps for life?

[Answer] Certainly not. Approximately 3,500 technicians are working today in the nuclear sector alone. They are almost all specialists in data processing, electronics, the structure of matter, and electronic engineering. These are the same skills that are essential to the application of the energy=conservation and renewable-sources technologies that we favor. It is not just a question of technologies, however. By investing in clean energy it would be possible to create quite a few new jobs—many more than could be created by nuclear energy.

[Question] How many, exactly?

[Answer] The entire program we are proposing is capable of creating 300,000 new jobs, according to our calculations; and the return on the investments made in clean energy would be much higher than the return on the investments made in nuclear energy. Take for example the old government program: with 50 trillion lire, it proposes to replace—by the year 2010—the equivalent of an annual consumption of approximately 17 million tons of petroleum through the creation of 8,000-megawatt nuclear power plants and 6,000-megawatt coal-fired plants. If we invest the identical amount of money in energy-conservation and renewable-resources technology, by the end of the century we can replace the equivalent of an annual consumption of as much as 30 to 35 million tons of petroleum.

[Question] On what do you base your prediction of 300,000 new permanent jobs?

[Answer] It costs something like 900 million lire to create one job in heavy electronics. In the alternative energies this figure would never exceed 200 million lire, and the averages would be much less. One month ago the minister of industry informed Parliament that with a modest funding of 1.015 trillion lire for the clean-energy programs he has attracted another 2 trillion lire in private investments. This has generated the equivalent of a savings of 3.5 million tons of petroleum. If the Montalto di Castro nuclear power plant were to be completed, it would cost at least 6 trillion lire and replace the equivalent of only 2.7 million tons of petroleum. The figures speak for themselves.

Montalto

[Question] Let's take another concrete example. What will happen to the workers if Montalto is converted to gas?

[Answer] There are enormous possibilities for increasing employment. Using the water for remote heating of the neighboring regions, for example, will create a strong indirect effect in the related fields of industrial plants and pipe.

[question] You speak of energy conservation, wind energy, geothermal energy, and solar energy. Your critics acknowledge that these are all fine things but that for the present they belong in a dream book. Who knows? Perhaps in 30 or 40 years....

[Answer] Here we have many misunderstandings that must be cleared up: misunderstandings that moreover are the result of a press campaign unfavorable to us. Above all, it must be said that the technologies we propose are definitely not fanciful concoctions but are already available commercially. In short, we are proposing only what already exists, without however denying that exploitation of the alternative energies will entail major investments in the future. Let's take a cement plant as an example. To avoid risks, more energy is

brought into the plant than is necessary, whereas by employing an electronic installation it would be possible moment by moment to send only the energy necessary and not a bit more, eventually saving some 25 to 30 percent. This is what we mean by energy conservation, not what people—because of widespread disinformation—usually think it means, namely that less heating and lighting should be used.

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SPAIN

Figures Show Persistent Unemployment

35480050 Madrid YA in Spanish 28 Dec 87 p 29

[Article by Enriqueta de la Cruz]

[Text] Madrid—A total of 1,319,900 of the 2,918,300 unemployed persons in our country have been looking for work for more than 2 years, according to the latest data from the Work Force Survey (EPA). Spain is second in the European Community in the number of long-term unemployed. Only Belgium is doing worse, as highlighted in a recent study by Worker Commissions (CCOO).

According to statistics, unemployment in Spain is among the most persistent in Europe. A study conducted by the union Workers Commissions, whose conclusions were made public recently in Madrid, emphasizes that only Belgium "is enduring" higher percentages of long-term unemployment than Spain. "But the jobless rate in Belgium is 9.6 percent," the union underscores, compared to 20.21 percent in our country, according to the latest data from the EPA.

In its analysis of the job market, which includes comparative Eurostat data on the European Economic Community, CCOO emphasizes that in late 1985 "56.8 percent of the unemployed were jobless for 12 or more months," and in 1986 "the situation remained the same, with 56.6 percent." As for the hardest-core jobless group, "who have less of a chance to reenter the labor market and whose levels of economic and public assistance protection are the lowest of all the unemployed," the study asserts that the number of people who have been looking for jobs for more than 2 years increased during this

period in relative terms from 35 to 36.1 percent of the total jobless population. By late 1986, 32.9 percent of the unemployed under the age of 25 had been seeking jobs for more than 24 months.

In absolute terms, of a total unemployed population of 2,918,300 in our country, according to the most recent data from the EPA (the third quarter of this year), 1,319,900 have been looking for jobs for more than 2 years; 524,800 for between 1 and 2 years, and 674,900 for less than 6 months.

Long-Term

According to the statistics, the numbers of the long-term unemployed are greater among those who have previously held jobs than among those who have not. The EPA's more than 2-year category thus includes some 715,100 unemployed persons who have held jobs before and 604,800 people who are looking for their first job.

Of the total number of people in this category (1,069,900), 146,000 began looking for work less than 6 months ago; 87,900 between 6 months and a year ago, and 221,300 from 1 to 2 years ago. Of the 1,848,400 unemployed persons who have held jobs, 529,000 have been looking for work for less than 6 months; 280,600 between 6 months and a year, and 303,500 between 1 and 2 years.

At the close of the third quarter of 1987, according to the EPA, there were 1,579,000 unemployed men and 1,339,300 jobless women. Almost twice as many men as women have been looking for work for less than 6 months (415,600 compared to 259,300), and there are also more men who have been looking for between 6 and 12 months (208,600, as against 159,900). The numbers begin to level out among those who have been looking for jobs for 1 to 2 years: 268,800 men and 256,000 women, and among those who have been seeking work for more than 2 years: 667,000 men and 653,000 women.

The breakdown by autonomous communities shows that Andalusia and Catalonia head the list in the category of unemployed persons who have been looking for jobs for more than 2 years, with 292,200 and 252,600 respectively. There are 151,500 jobless persons in this situation in Madrid, and just 47,400, of a total of 295,000 unemployed people, who have been seeking work for less than 6 months.

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