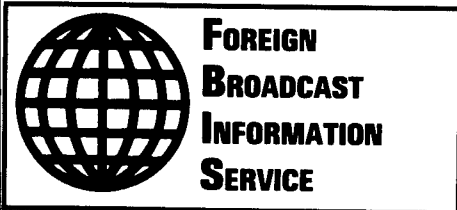


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CYPRUS

TRNC's Denktas Reveals Plan Not To Run in 1990

35540110 Istanbul HURRIYET (Supplement) in Turkish 23 Jan 88 p 1

[Feature column, "Without Changing a Comma" by Yener Susoy: "I Soften My Sorrow for my Children with the Kuran"]

[Excerpt] "Sir, your term of presidency will end in 1990. Are you thinking of running again at that time?"

"I don't want to be forced to run. I mean, when I see that the [Cyprus] issue has cooled down and that the Republic can stand on its own feet and that there is no internal threat to security, I would like to take it easy. It's still early, but I'm not planning to run in 1990. Rather than dying in office and observing the actions of my successor from the other world and wearing myself out with worry, I would prefer to see the one who's elected while I'm still alive. If, after he was elected, he asked me for my views, I would be glad to be of assistance."

"Mr President, when you look back over the past, in regard to Turkey's Cyprus policy—in particular, Operation Peace in 1984 [sic]—would you say that there were any errors of commission or omission? Do you think we should have taken the whole island?"

"The objective of the military operation was to put a halt to the occupation by the Greeks and Cypriot Greeks, who had begun to take over the country by force of arms, and to open the way for peace. In fact, this was accomplished with the amount that we had taken. But, beyond that, we had not given much thought to what we would do."

"In your opinion, at what point did Mr Bulent Ecevit go wrong or commit an error?"

"Ecevit's mistake was in his having resigned. Without first bringing to a conclusion an operation he had initiated, it wasn't right for him to be forced to hold elections. If Ecevit had brought his whole weight to bear at that time, the Cyprus problem could more easily have been resolved as a federation. If, during the first days of the operation, he had asked for Turkish troops, he would have taken Larnaca and reached the borders of Limassol. The whole of Nicosia could have come into our possession. Consequently, our leverage in bargaining would have been greatly increased. Nevertheless, bargaining could have been carried out on the basis of what was taken. Bargaining on that basis became impossible. As long as we were fearful of an embargo by the U.S. and negative 'world opinion' and they held the title of the government of Cyprus, we should not have sat down at any bargaining table."

"Mr President, would you be angry if I were to ask you for a statement of your assets for the readers of HURRIYET? Are you very wealthy? There are various rumors going around."

"Why should I become angry.... I have a house in Koskluciftlik at Nicosia. I have a plot of land at Girne that I bought for 100 lira in 1960. My wife has a house she inherited from her father. It's in Nicosia; we tore it down and built 11 stores in its place. Our twin daughters Ender and Deger have boutiques there. We borrowed Turkish currency equal to \$60 thousand to do that. The shops are mortgaged.... She's trying too pay back the loan from the rents. We have a flat that we bought for the 65 thousand TL that my wife put aside from my salary while we were living in Ankara and from the sale of our two cars."

12575/9738

FINLAND

Center Party Mounts Drive To Win Liberal, Swedish Voters

36170050a Helsinki HELSINGIN SANOMAT in Finnish 3 Mar 88 p 10

[Article by Arto Astikainen]

[Text] This spring, alongside a regular party congress, the Center Party will have to hold an extraordinary congress if the party administrators decide Thursday to go ahead and change the party's name. Party leaders will submit Keskusta-Centern [Finn. Keskusta = (the) Center; Swed. Centern = the Center] as the new name.

Party Chairman Paavo Vayrynen and party Secretary Seppo Kaariainen conceived the new name so recently that there was not time to include changing the party bylaws on the agenda for the regular party congress.

The idea is to hold the party congress necessary for changing the name in Kajaani right after the regular party congress. The same delegates are eligible for both congresses. The Kajaani congress will be 17-19 June.

Vayrynen and Kaariainen suggested last Thursday to the party's executive committee that the party's name be changed to the Center. The executive committee resolved to forward the issue to party administrators who meet today and who may decide whether or not to proceed with it.

If the decision is affirmative, the name will be discussed at the grass-roots level this spring, and the official proposal to the party congress will be made at the meeting of party delegates in Tampere on 23-24 April.

Agrarian League Abandoned in 1965

Leaders of the Center Party are not quite sure whether the name change will receive enough support from the members. In the party there are many conservatives and rural people in whom it may be difficult to kindle enthusiasm for the change. Just a few years back, a proposal was made at a Center Party congress to restore the name Agrarian League.

On the other hand, the name change is not as radical as the one 23 years ago. In 1965, trying to reach urban voters, the Agrarian League became the Center Party when Johannes Virolainen took charge. Now only the word "party" is being deleted from the name. The word party has a negative connotation nowadays, and that may make the name change easier. In addition, many people already call the Center Party the Center, and the name of the Center Party's parliamentary group was also changed to parliamentary group of the center when the Liberals became members of the Center Party for a short while.

The name Agrarian League managed to last nearly 60 years. The Agrarian League's roots go back to 1906 when a group of Young Finns, youth association activists, and farmers' association members founded two societies. They were combined into the Agrarian League.

Power Politics in Background

Behind the name change may be seen a move to give the party a more modern image. Power politics plays a role here, because there are at least two ancillary party program planks linked to the name change effort. To begin with, the Center Party would become a bilingual party, in name only at first, but "Centern" could also start to go in for Swedish-language activities. That possibility is apparently reserved for a situation in which the Swedish People's party (RKP), an old ally, continues to collaborate with the Social Democratic Party and the Conservative party in the government and the Center Party remains in the opposition. Through Swedish-language activities, the Center Party would unashamedly invade RKP waters to fish for people for its own ranks.

The Center Party already made its first inroad into the Swedish-speaking rank and file during the presidential election. Some RKP members worked assiduously in the campaign of presidential candidate Paavo Vayrynen. Especially heavy was Vayrynen's support among RKP adherents in the Vaasa electoral district.

Another spinoff of the plan to change names would be a decision on electoral alliances since party leaders do not intend to have the Center Party enter into any more electoral alliances with other Finnish-language middle parties. That decision would shake up the Finnish Christian League (SKL) and the Liberal People's Party (LKP). Without electoral alliances, it is quite difficult for SKL and LKP candidates to get elected to Parliament or even

to municipal councils. The Center Party would thus try to gradually entice into the Center's ranks Christians and Liberals who seek political office. If the RKP does not return from its government adventure to the Center Party's side, the ban on electoral alliances may extend to the RKP as well. Now, however, there is talk only of middle parties other than the RKP.

Rug Out From Under New Liberal Party

The name change and the electoral alliance ban are also intended to stave off the new Liberal party now being planned. Organizers of the Liberal party have already expressed to Center Party leaders their desire to enter into middle-of-the-road electoral pacts, if they can get their party on its feet. Without alliances, the party would find it hard to get into Parliament and the permanent limelight where it could grow.

Founders of the Liberal party have stayed behind the scenes for the time being. Targeted for leader of the new party, the rumor goes, is current RKP economist Bjorn Wahlroos, who was on the citizens' committee for Conservative Party presidential candidate Harri Holkeri.

Alongside a name change, the idea is to give the Center Party a new "center-liberal" tone in its programs and standpoints. In this way, too, the need for a new Liberal party would be dampened.

The plan is to have the Center become a member of the Liberal International. The RKP and the LKP belong to it now, and the Center Party's youth league is seeking membership in the International's youth organization at this very moment.

For some time now, the Center Party's "center liberalism" has been the brainchild of new youth-league chairman Olli Rehn, the party office's former planning secretary. He is obviously one of the ideological figures in the background to "Operation Center."

Delegation Unnecessary

The Center Party schemes do not bode well for the much-talked-about delegation of the center. It is possible the delegation will fade away and remain in name only if the Center Party decides to establish a similar organ within the Center by fishing for members among the top brass of the RKP, LKP, and SKL.

The delegation of the center was supposed to have the power which makes the Center Party a prime-minister party. The Center Party is in opposition but the RKP is in the government, and the SKL had made good budget deals with the government.

One idea behind the name change is the same as in 1965: to give the party a modern look and try to sell the Center Party to the city dwellers.

The name-change project got a boost from the presidential election in which Vayrynen made a great showing in Helsinki and other large southern cities. There is a desire to maintain and expand the bridgehead thus established. Most likely, the Center would also be the friend of business people and would thereby attempt to muscle in on the Conservative Party's urban support.

In both the direct presidential election and the presidential elector election, the Center Party received over 20 percent of the votes and crushed the Conservative Party. The goal of party leaders is to maintain that position in future elections. Bigger than the Conservative Party, the Center Party would not need any delegation of the center in government negotiations.

The name change might be advantageous to the Center Party in the sense that the short word Keskusta will perhaps in time replace the newspaper abbreviation Kepu. Party regulars still shun the abbreviation, and some even consider it derisive.

Double Zero Solution

The leaders' surprising plan to change the party's name apparently means that Chairman Vayrynen and party Secretary Kaariainen want to keep their leadership posts after the Kajaani Congress. Both have been asked to continue.

During the missile agreements last autumn, election of the old leaders was being called the "Center Party's double zero solution."

Vayrynen is expected to announce his wish to continue to party administrators on Thursday. Kaariainen will apparently have to eat his words, because there is no sign to indicate he wants to remain a rank-and-file member of Parliament.

The idea of choosing Kaariainen as the party's deputy chairman has not caught on.

Bank President Esko Ollila, the Center Party's big vote getter from Helsinki, seeks to replace Juha Pentikainen as new deputy chairman. In the name changers' view, Ollila would be a very suitable leader of the Keskusta-Centern, an urban-based party with a liberal image composed of business people.

12327/12232

GREECE

1989 Elections Scenario Details Main Campaign Points

35210074 Athens *ELEVTHEROTYPIA* in Greek
21 Feb 88 p 48

[Article by Panos Loukakos]

[Text] We are passing through the last, critical year before the 1989 elections and, already, the scenario within which the pre-electoral contest will develop, and

then the showdown at the ballot boxes, has been formed. It is now known that both PASOK and New Democracy will make their appearance in these elections. And, if unforeseen events which will upset this scenario do not intercede, the result of the coming elections is also now known.

The three main axes on which PASOK will rely to claim a third electoral victory are already visible:

The first of these axes is the political profile of Andreas Papandreou as incontestable in the area of political leader. All the recent polls give Papandreou personally a high popularity rating despite the mistakes of his associates and the atrocious gaffes of many of his ministers.

As has been shown in nearly all the elections, we Greeks vote more with a criterion of the personalities and far less with a criterion of the parties and their principles.

A second axis is the foreign policy. In the "post-Davos" period of time through which we are passing, Andreas Papandreou has already presented himself as the political leader who ensures peace with Turkey and the prevention of a clash between the two countries. On the opposite shore of the Aegean, Turkish Prime Minister Turgut Ozal has every reason, at least until the next elections, to support Papandreou in his effort to present himself as the "wizard" of foreign policy.

This is not because he is against Mitsotakis but because, by supporting Papandreou, Ozal is being reinforced himself against his domestic adversaries, mainly the military ones. Also, naturally, in the area of foreign policy there is the live question of the U.S. bases. It is already more than clear, after the completion of the third round of Greek-U.S. talks, that Papandreou does not intend to sign any agreement whatsoever with Washington before the next elections. It is also clear that the United States does not intend to pressure him in this direction, accepting that the political cost for PASOK will be heavy if the agreement is signed before the elections. Moreover, there is nothing to impede the contracting of an agreement after the ballot boxes close. Consequently, gratis until 1989, the government can appear to be maintaining an "inflexible stance" vis-a-vis the Americans, filching in this way the votes of left-leaning voters who maintain as a touchstone of their political thought "out with the bases of death." The picture is completed if one adds to all of these the fact that Papandreou will be, in the second half of 1988, the EEC president—which surely will be duly exploited for domestic consumption also.

A third main axis of Papandreou's policy until the next elections will be the customary pre-election favors. Already, day before yesterday, Kaklamanis announced that next May there will be mass hirings in the state, the banks and the organizations. Already being programmed, or beginning to be executed throughout Greece, are small-scale and low-cost works, such as local

roads, school buildings, small hospital clinics, etc. These works are proven to have a direct electoral payoff, as they are far more obvious and concrete for the average voter than large infrastructure works which only become noticeable after a long period of time. And it is clear that Papandreou is more interested in the present, and another electoral victory, and less in his posthumous fame. Of course, to all these should be added certain increases in wages and pensions which will be given the last hour before the elections, loans to farmers and the homeless which will be increased in number and size within the coming year, and all the other weapons in the modern pre-electoral armory which each government has the chance to use against its opponents.

What does the present New Democracy bring against all these? That it will employ a better management of the existing system. But this assertion is unproven for the average Greek voter who has already rejected, two times, exactly the same people who are now presenting themselves to claim the power from Papandreou. That it will restore the economy and re-establish a climate of confidence between the state and the existing or applicant investors. But this is also undemonstrated since today most industrialists clearly support PASOK politically, but also financially, forcing Mitsotakis to seek backing from London ship owners, who probably dragged him into his recent "royal gaffe." Most industrialists support Papandreou not because they have suddenly gone over to socialism but because PASOK ensures for them peace in labor relations, placing barriers to labor demands, a peace which obviously cannot be offered by New Democracy, if it were to ascend to power with PASOK and the KKE in the opposition. Finally, in foreign policy, since Papandreou is already conducting a dialogue with Ankara, it is not placing in dispute Greece's staying in NATO and the EEC, and is maintaining good relations with the United States. New Democracy also does not have persuasive arguments for the voters it is trying to attract in order to create a majority.

So what remains for Mitsotakis? Nothing other than declaring on a daily basis that Andreas Papandreou is untrustworthy and says one thing and does another.

This would probably be a sound argument if the Greek people had elected Papandreou in 1981 and 1985 to implement the program he stated he would implement. But what has happened in reality is entirely the opposite. Those who gave the absolute majority to Papandreou in the two elections gave it to him so he would not implement his program. So he would not leave the EEC, not get out of NATO, not throw out the bases, not disturb the existing arrangement of affairs, as he maintained he would do. The phenomenon of certain people voting for certain people so they will not do what they say they will do may be peculiar on a European level. But whether pleasing or not, this is the Greek reality. If it were not so, PASOK would have lost the elections since 1985. For

this reason, the allegations about Andreas Papandreou's untrustworthiness which Mitsotakis has been bringing up over time, rightly or wrongly, are falling on deaf ears.

So we are marching to the elections. If the present conditions are maintained, does one need to be a prophet to know their outcome? Does it require a large dose of wisdom to forecast that, while Papandreou will exercise a lofty policy before the elections and will turn on the taps for every kind of favors, Mitsotakis will struggle to prove that, if elected, he will not bring to Athens the deposed Constantine?

9247

Poll Shows Karamanlis Popularity, Gennimatas, Evert Preference

35210075 Athens TO VIMA in Greek 6 Mar 88 pp 1-15

[Article by Mikh. Dikaïou: "How the Greeks Rate All Politicians"]

[Text] A recent poll in Greece shows that about 18 months before the elections (to all indications they will be held in June 1989) PASOK continues to play the leading role in the country's political life and Andreas Papandreou continues to be the most popular active politician. TO VIMA has secured and is publishing today the results of this poll (sample: 3000).

It should be noted that while the premier's inevitable decay as a result of his being in power appears very limited, on the contrary, the electorate's dislike for the leader of the major opposition is surprisingly increasing and his popularity is decreasing further and significantly.

It is characteristic that the poll shows that today K. Karamanlis, who has not been in power for years, is the most popular personality and that among the active outstanding cadres of the two large political parties, Labor Minister G. Gennimatas and Athens Mayor Miltiadis Evert rank first in popularity.

The poll also shows that only part of the ND voters have confidence in Mitsotakis who lags behind G. Gennimatas, Milt. Evert, K. Simitis, G. Rallis and L. Kyrkos in the area of positive public relations.

With regard to the problems the country faces today, the Greeks place high priority on inflation, unemployment, education, environment, pollution, and crime.

The poll was taken last December and, according to some reliable evaluations, at least part of its conclusions have been fully confirmed by events that have occurred since then. For example, the decline in Mitsotakis' popularity and, subsequently, in the trustworthiness of the ND policy, was the result of the Mitsotakis mishandlings and statements with the London blunder [about the deposed king] at the top.

The poll shows that Karamanlis remains the most popular political figure while Papandreou continues to enjoy popularity and confidence among all active political leaders. With 29.3 percent, Mitsotakis does not enjoy the confidence of even his party's followers, while only 18.9 percent of the Greeks believe he is the "most competent leader the country has."

And even though he is the leader of one of the largest parties, Mitsotakis ranks lower than Gennimatas, Evert, Simitis, Rallis and Kyrkos, while among the outstanding cadres of the two large parties G. Gennimatas and Miltiadis Evert lead in popularity with 43.5 and 34.5 percent, respectively.

As concerns the country's economic problems, 25.7 percent of those polled consider PASOK responsible for them; 28.9 percent think ND is equally responsible; and 24.0 percent place the responsibility on the "wasteful and counter-productive public sector."

On the question of which party is considered most capable to solve the country's problems, PASOK again maintains its lead (but smaller than in the past). However, the poll reveals some serious phenomena: greater pessimism, an increase in the number of undecided voters, a tendency on the part of the voters to stay away from the two large parties without, however, showing an preference for KKE or any other of the small parties whose influence is continually increasing.

Popularity of Political Figures

Compared to the December 1985 poll, the results of the December 1987 poll show that Papandreou's popularity declined slightly—it dropped from 44.2 percent in 1985 to 42.0 percent in 1987. Mitsotakis' popularity also declined from 32.7 to 29.3 percent, while Karamanlis today remains the most popular political figure in Greece with 55.5 percent (compared to 45.7 percent in December 1985).

In the area of the New Democracy Party, Milt. Evert is the most popular cadre with 34.5 percent (positive opinion), while 30.1 percent showed no preference for him compared to 47.6 for Mitsotakis. The percentage popularity for other political figures is as follows: Varvitsiotis, 15.7 percent; G. Rallis, 33.0; K. Stefanopoulos, 25.7; and G. Gennimatas and K. Simitis are very popular with 43.7 and 33.0 percent, respectively. Koutsogeorgas is unpopular.

*It is generally admitted that Papandreou definitely surpasses Gennimatas and is "one of the best politicians."

In the critical category of the "undecided" as well as in that of the "centrists", the Papandreou-Mitsotakis picture emerges as shown in table 2.

TABLE 1

Popularity of Most Important Political Leaders and Personalities

	Positive Opinion	Negative Opinion
K. Karamanlis*	50.5	25.4
A. Papandreou*	42.0	35.2
G. Gennimatas	43.7	21.4
M. Evert	34.5	30.0
L. Kyrkos	33.5	22.5
K. Simitis	33.0	23.3
G. Rallis	32.0	28.8
Kh. Sartzetakis	30.0	30.9
K. Mitsotakis	29.3	47.6
Kh. Florakis	27.2	34.9
K. Stefanopoulos	29.7	28.0
Ag. Koutsogeorgas	20.2	46.1

It should be noted that a large majority of the 1985 ND voters had a positive opinion of Mitsotakis and that 8.3 percent of the 1985 PASOK voters reacted negatively to A. Papandreou.

In the area of individual abilities and characteristics of the two large party leaders we note that Papandreou is better than Mitsotakis. We also note another particularly significant fact about Papandreou which was projected in the December 1985 poll as well: the fact that, while Papandreou's overall picture is positive (the voters, that is, give a positive answer when asked about him), on the contrary, this picture is seriously tainted when the voters are asked about particular abilities of the premier (for example: "Can he led the country into the future," "is he the most capable Greek leader," etc.).

In other words, while Papandreou is generally liked (as indicated by the positive opinions about his personality), a more detailed analysis of the most particular characteristics of his personality provoke more negative reactions. In this case also, he lead Mitsotakis. Table 3 shows the poll results on the particular abilities and characteristics of the two leaders (in percent):

TABLE 2

	A. Papandreou		K. Mitsotakis	
	% Positive	% Negative	% Positive	% Negative
Undecided	42.2	15.8	13.7	48.8
Centrists	69.6	14.0	17.8	58.7
PASOK 1985 Voters	78.1	8.3	--	--
ND 1985 Voters	--	--	77.9	5.6

The figures clearly show that as concerns each leader's particular abilities and personal characteristics, there is a greater negative voter reaction between December 1985 and December 1987 as evidenced by the fact that the overall picture of both leaders became worse.

More particularly, Papandreou's most basic problem is that voter confidence in him dropped from 36.8 percent

TABLE 3

	Papandreou				Mitsotakis			
	Dec. 85		Dec. 87		Dec. 85		Dec. 87	
	+	-	+	-	+	-	+	-
Can he, as premier, solve the economic crisis?	37.3	47.8	37.6	48.0	30.0	49.5	28.9	55.7
Is he interested in people like me?	34.2	46.2	29.9	54.1	28.3	51.3	23.0	58.8
He cannot lead the country into the future	43.0	40.0	43.5	38.3	52.9	32.4	48.1	33.5
Is he the most capable leader the country has?	36.7	44.6	35.2	46.6	--	--	18.3	61.3
Is he an honest person capable of one's trust?	36.8	39.6	31.9	45.7	28.3	49.2	24.0	53.8

in 1985 to 31.9 in 1987. At the same time, there is an increase in the percentage of those who think that he is not involved with the people's immediate problems.

On the other hand, only 18.9 percent believe that Mitsotakis is the best leader the country has (compared to Papandreou's 35.2 percent).

The fact is also significant that 37.6 percent say that Papandreou is the man most capable to solve the country's economic crisis compared to 29.0 percent for Mitsotakis. It should be noted that 53.9 percent of the ND 1985 voters agreed that Mitsotakis is the best leader the country has, while 20.0 disagreed. By contrast, 70 percent of the 1985 PASOK voters considered Papandreou as the most capable leader.

The Country's Problems

Let us now see that "problems" the voters consider more important, whom they blame for them and whom they consider more trustworthy to solve them. The 1980-81 MRB [company] polls showed inflation to be the country's number one problem (by a great percentage difference). Gradually, however, and especially during

the period from 1984 to the 1985 elections, unemployment replaced inflation (by a small percentage difference) as the major problem.

In December 1985, inflation again became the major problem (74.1 percent) followed by unemployment (72.4 percent) and health (48.6 percent). The December 1987 poll showed inflation to be the first problem with 76.0 percent, unemployment second with 70 percent and for the first time since 1980 education became the third major problem. The high percentage (55.4 percent) for pollution of the environment was very impressive. More analytically, the December 1987 poll results compared to those of the polls taken in December 1985 and October 1984 are as shown in table 4.

Who Is Responsible for the Country's Problems?

The responsibility for the country's economic problems is attributed to the following (in order of importance): 1. PASOK's and ND's economic policies (28.9 percent); 2. the international economic crisis (27.2 percent); 3. PASOK's economic policy (25.7 percent); and 4. The

TABLE 4

The Country's Problems

	December 1987	December 1985	October 1984
Inflation	76.2	74.1	45.1
Unemployment	70.3	72.4	67.8
Education	55.4	35.9	35.4
Pollution of Environment	50.5	28.8	31.1
Health	50.2	48.6	41.9
Crime/Terrorism	48.2	29.9	
Operation of Public Services	38.5	41.9	31.1
High Taxes	37.2	42.1	31.8
Foreign Policy	34.9	35.4	36.7
Danger Against Democracy	12.2	--	17.4

TABLE 5

Who Is Responsible for the Country's Economic Problems?

	December 1987	December 1985
ND's and PASOK's Economic Policy	28.9	25.9
International Economic Crisis	27.2	33.0
PASOK's Economic Policy	25.7	28.9
Public Sector	24.0	24.9
Private Sector	14.3	18.7
Those Consuming Too Much	11.2	12.4
All Citizens	14.8	12.0
ND's Economic Policy	13.5	24.3

"wasteful" and "anti-productive" public sector (24 percent). Table 5 shows the percentage differences in public reaction as reflected in the December 1985 and December 1987 polls

The substantial drop in the percentage of those who consider ND responsible for today's problems (from 24.3 percent in December 1985 to 13.5 in December 1987) should be especially pointed out. There is an increase in the percentage of those who consider both PASOK and ND responsible (from 25.9 to 28.9 percent). Responsibility is also attributed (but somewhat reduced) to the international crisis, while the private sector's responsibility shows a decline. By contrast, 24 percent of those polled hold the public sector responsible for the country's economic problems.

Of particular interest is the way the "undecided" voters (especially those among the 1985 voters) react today. Only 11.4 percent of them fully blame PASOK. In the main, they attribute responsibility for the country's economic difficulties to various factors as in table 6.

TABLE 6

	%
PASOK and ND Policy	35.9
International Economic Crisis	31.7
Public Sector	26.5
All Citizens	21.5

The important fact that should be pointed out is that today only a small majority of the undecided voters consider PASOK exclusively responsible. By contrast, they tend to look for others or to attribute to other factors the economic depression.

Who Can Solve the Country's Problems?

All 1984 MRB polls as well as those taken during the pre-election period (1985) showed that a large percentage of those polled considered PASOK as the most

capable party to solve the country's problems (inflation, unemployment, health, etc.). This positive opinion for PASOK was reconfirmed (though significantly reduced) in the 1985 MRB poll.

But the most recent poll (1987) showed that for the first time, the voters' reaction to some problems (inflation, for instance) favored ND though slightly. This, however, does not mean that ND's trustworthiness increased. On the contrary, the 1987 poll shows that fewer voters expressed confidence in ND than in 1985. What has really happened is that PASOK declined at a fast rate.

As a result, the percentage of voters who in December 1985 said that neither ND or PASOK could solve the country's problems dropped from about 30.0 percent to around 20.0 percent in December 1987. Most of the voters maintained a "wait and see" attitude before reaching a decision as to which party was best qualified to solve the problems. At the same time the number of those who said that "no one" is in a position to effectively face the country's problems almost doubled (and this is very important) from about 5 percent in 1985 to around 10 percent today.

A picture of the voters' evaluation of ND's and PASOK's ability to solve the country's problems is reflected in table 7. (figures in percentages):

It must be pointed out that while most of the undecided voters declared ignorance as to who can best solve the country's problems (around 40.0 percent), those among them who did respond prefer PASOK as more trustworthy. On the question of inflation, for example, 19.4 of the undecided chose PASOK compared to 4.9 for ND.

In any case, it is clear the PASOK government's trustworthiness creates serious problems, especially in the economic sector (inflation, unemployment, and development). At the same time, however, ND does not gain significant ground.

Satisfaction From PASOK and ND

The drop in PASOK and ND trustworthiness at a governmental level is also reflected in the dissatisfaction the voters expressed with both PASOK as government

TABLE 7

	May 1985		December 1987		December 1985	
	ND	PASOK	ND	PASOK	ND	PASOK
Unemployment	20.8	20.7	29.3	31.7	31.5	33.8
Inflation	22.9	21.4	29.0	30.6	31.4	36.5
Health	21.9	24.3	28.0	34.0	30.3	44.2
Development/Prosperity	23.5	21.9	28.2	31.2	--	--
Protection of						
Political Freedom	21.2	21.6	28.0	33.8	33.3	41.4
Education	22.9	22.6	28.5	33.2	--	--
National Issues	23.7	26.8	28.9	24.3	32.7	40.2

TABLE 8

Satisfaction With PASOK as Government

	Total of Voters	PASOK 1985 Voters	Today's Undecided
Yes	28.0	60.2	21.2
No	60.6	30.4	58.6

Satisfaction With ND as the Major Opposition

	Total of Voters	ND 1985 Voters	Today's Undecided
Yes	25.9	68.4	11.1
No	61.2	22.2	71.4

and ND as the major opposition party. The corresponding percentages are in table 8.

The figures clearly show that voter dissatisfaction with both PASOK and ND is about equal. Even though somewhat more 1985 ND voters were satisfied with their party than 1985 PASOK voters were with the government they elected, today's undecided seem to be displeased more with ND than with the way PASOK governed.

This dissatisfaction with both PASOK and ND is reflected in all three polls MRB conducted in 1986 and 1987 in the greater Athens area (table 9).

TABLE 9

Satisfaction With ND's Opposition			
	October 1986	March 1987	May 1987
Yes	35.0	27.0	25.4
No	53.0	62.0	66.1
Satisfaction With PASOK's Government			
	October 1986	March 1987	May 1987
Yes	33.0	29.0	25.6
No	57.0	61.0	65.9

Finally, as concerns the country's problems, let us see how much the voters are satisfied with the way democracy is functioning. Thus, 43.6 percent said that they were fully or sufficiently satisfied compared to 43.4 percent who expressed dissatisfaction. Moreover, it should be noted that 21.4 percent of ND 1985 voters said they were satisfied and that the most dissatisfied voters today are mainly KKE followers (45.4 percent) followed by ND voters (39.8 percent).

7520/9274

ND's Mitsotakis Derided for Handing Victory to PASOK

35210073a Athens KYRIAKATIKI
ELEVTHEROTYPIA in Greek 24 Feb 88 p 48

[Article by Panos Loukakos: "The 'King of Blunders' Votes PASOK Again"]

[Text] A friend in need is a friend indeed and Mitsotakis must be a bosom friend of Andreas Papandreou. How else can one explain the fact that whenever the premier is "in need" the ND chairman "is present."

To prove the point: To relieve Papandreou from the dejection the reactions on Davos caused him, Mitsotakis

rushed from London to Athens and, by declaring that "Papandreou will not sign the bases' agreement before the elections," he assured PASOK's electoral victory well in advance.

The following day, when Papandreou's tactless remarks about the missing persons in Cyprus caused a turmoil, Mitsotakis adroitly focused the public's attention on a totally different subject by declaring that the 1974 plebiscite was "unfair" and the deposed king would return to Greece in the future.

Again, while Papandreou's change of policy toward Ankara was causing strong reactions within PASOK, culminating with the letter of the "eleven" [PASOK deputies], Mitsotakis was giving full and unreserved support to the Davos agreements, imitating in his relevant statements the content and style of the government's spokesman.

As if all this were not enough, Mitsotakis—emerging now as a perfect "master of blunders"—denied all he had said in London about the plebiscite and the former king, despite the existence of the cassette with his now notorious press conference.

Koutsogeorgas, therefore, is fully justified when he repeatedly says that "we in PASOK offer daily prayers for Mitsotakis' well being" and justifiably, Papandreou looks optimistically to the future because, if indeed he has such enemies, he needs no friends. After all, he does not have to do anything other than quietly wait for the benefits from the monstrous political gaffes of his in-name-only adversary.

Of course, the ND Parliamentary Group hastened to re-echo its confidence in Mitsotakis, presumably to avoid displeasing Koutsogeorgas. But it failed to take into consideration certain basic facts:

First, that from early 1987 until last November PASOK and its government faced a very serious crisis. The financial scandals, the serials about Papandreou's personal life and repeated intra-governmental disputes, created a very unpleasant climate during this period. Some experts claim that around the fall of 1987 the government was about ready to crumble and all that was needed for a skillful, effective and sharp opposition to force it to call new parliamentary elections.

Second, that, last winter while Mitsotakis was talking about premature elections; while for next summer he was declaring an uncompromising struggle and tours all over Greece with an aim of "forcing Papandreou into early elections"; and while PASOK's situation was indeed deplorable, the ND chairman maintained a guarded, if not obscure, presence in the political arena.

Third, that, under these conditions, Papandreou was able to gain the time needed to lead his government to some recovery and subsequently shift the political turmoil from the burning and unsolvable internal problems to his treasured field of foreign policy.

Thus, the scandals are now forgotten and it is not easy for the major opposition to again bring them to public attention. Papandreou is again dealing the cards at will, the government has skillfully shifted public interest to foreign policy and PASOK has definitely regained its upward march while Mitsotakis is struggling to persuade the people that what he said in London [about the former king] was just a slip of the tongue.

Of course, the ND deputies had to reassert their confidence in him since they were unable to agree among themselves about finding a leader who could lead them to an electoral victory. But he will not get the confidence of the electoral body in the next elections because raising the issue of the deposed king will revive political emotions not only in the area between PASOK and ND but in the area of the Left as well.

The fact that Koutsogeorgas kept on celebrating while the people at Perissos [ND headquarters] were lamenting over the Mitsotakis gaffe is not at all incidental. They were lamenting because they well knew that PASOK would exploit to the utmost the opportunity Mitsotakis provided with his jabbering in London. And this means, of course, that in the next elections Papandreou will again make off with the votes of the Communist Left using the "Papandreou or the king" slogan which appeals to the feelings and not the logic of the leftist voters.

It is perhaps for this reason that at every opportunity, Florakis tries to minimize Mitsotakis' political blunder and it is perhaps for the same reason that RIZOSPASTIS has published an interview with Mitsotakis.

However, the damage to the New Democracy Party and, indirectly, to KKE is already done. Mitsotakis must now embark on an extremely harsh and audacious opposition using any legitimate or illicit means in order to survive as his party's leader. It is possible that PASOK may cheerfully follow the same tactics, in which case we may soon witness another, but greater, downsliding of an already undergraded political life.

There is no reason for such developments, of course, since Mitsotakis has already seen to it that the coming elections will be won by PASOK. He did see to it not only in London but also in all previous months, during which time he may not have committed blunders but he made serious mistakes in political strategy and tactics.

PASOK's 'Italian' Deputies Viewed as Hardliners
35210073b Athens KYRIAKATIKI
ELEVETHEROTYPIA in Greek 14 Feb 88 p 15

[Article by Giorgos Mavros: "PASOK's 'Italians' Strike Again"]

[Excerpts] The "Italians" have struck again...the reason being their reaction to all that Andreas Papandreou has reported about the Davos meeting [with Ozal]. These [11 PASOK Central Committee] members are of the opinion that the Movement's "national policy must act effectively" and not "answer passively or with gradual concessions to Turkish expansionism." They proposed, therefore, that "the Davos meeting constitutes a critical turn in our policy and we ask that a special meeting of the Central Committee be called to discuss the issue: national strategy, Turkish expansionism, and the Davos meeting."

In plain language, this proposal means, of course, that at least these 11 deputies are concerned about what was agreed at Davos and demand a debate in the Central Committee which (they insinuate) has been ignored until now.

As the experts know, the nucleus of this activity consists of the so-called "Italians" under the leadership of the very likable and most democratic Mikhalis Kharalambidis, a regular Central Committee member who for some time now "behaves like an Italian" as his opponents within the party characteristically like to say. Other "Italians" among the 11 are: Khristos Kipourous, Khar. Stamatopoulos, and Gian. Naos.

But what does "Italian" or the phrase, "behaves like an Italian," mean? First of all, they have no relation whatsoever with the policy of the Italian government, nor with Italian-cultivated ideologies. These 11 are called Italians simply because they studied in Italy and their additional common characteristic is that they all hail from Xanthi (what is Xanthi, what is Florence).

Ideologically, PASOK's "Italians" are united behind Third World orientations and behind totally hard choices for national independence movements. They also believe that PASOK must call a congress once a year.

But why did the "Italians" strike again? That's exactly what their unity aims at. For instance, their leader, M. Kharalambidis, has not voted even once on a resolution since the first time he was elected in 1977 as a Central Committee member. He has not voted even on national issues such as the one he now invokes—the Movement's national strategy—and for which he demands that the Central Committee call a meeting. No doubt he will vote against any committee resolution on the issue.

7520/6091

Poll Shows ND's Mitsotakis Popularity Down, Evert Up
35210076a Athens TO VIMA in Greek 13 Mar 88 p 8

[Article by I.K. Pretenderis]

[Excerpt] Today, TO VIMA publishes a poll conducted by the ICAP firm. The poll, taken in Athens and Piraeus, was conducted on the basis of a sample of 600 individuals representative of the population. Voters of the First and Second Electoral Districts of Athens and Piraeus, as well as voters from other areas who live in the vicinity of the capital area, were questioned. The especially interesting thing shown by this poll has to do with the time when it was conducted, namely 25-29 February, after the turmoil created by the well-known statements made by Mr K. Mitsotakis in London concerning the issue of the monarchy in Greece.

The first matter dealt with in the poll was what would happen if Mr K. Mitsotakis were to withdraw from ND's leadership.

In answer to the question who is considered suitable to undertake ND's leadership after Mr Mitsotakis, those questioned showed their first preference for the mayor of Athens, namely Mr M. Evert (25 percent), followed by Mr K. Stefanopoulos (14 percent), Mr G. Rallis (6 percent), Mr Ath. Kanellopoulos (6 percent), Mr I. Palaokrassas (3 percent), Mr I. Varvitsiotis (2 percent) and Mr A. Samaras (1 percent). Five percent of those queried expressed their preferences for other "heirs apparent," while 38 percent did not give an answer.

These figures, of course, relate to the total number of voters. It is understandable, however, that counting foremost is the opinion of ND members for whom, in the long run, the new leader will be intended. The preferences of 1985 election ND voters go toward Mr M. Evert with 40 percent, a percentage that rises to 43 percent among those who would vote for ND if elections were held today. Following are Mr K. Stefanopoulos with 17 percent (15 percent in the second case), Mr Ath. Kanellopoulos with 12 percent (14 percent in the second case), Mr I. Varvitsiotis with 6 percent and Messrs G. Rallis and I. Palaokrassas with 5 percent. Eleven percent of the 1985 ND voters prefer somebody else for leader, while only 3 percent did not answer.

As for voters of other parties, Mr M. Evert's precedence is less noticeable. Thus, for example, in PASOK voters' preferences Mr Evert "comes out even" with Mr K. Stefanopoulos, each getting 20 percent. Among KKE voters Mr Evert enjoys 12 percent of preferences, followed by Mr G. Rallis and Mr K. Stefanopoulos with 6 percent each. Voters of remaining parties (DIANA [Democratic Renewal], EAR [Greek Left], KKE (Int) A-A [Renewed Left]) prefer Mr K. Stefanopoulos (19 percent) followed by Mr Evert with 15 percent.

TABLE 1

For which of these parties did you vote in the previous parliamentary elections?

	(3)	ΕΥΑΘ (2)			ΗΛΙΚΙΑ (6)				
		ΣΥΝΟΛΟ	ΑΝΤΡΕΙ	ΓΥΝΑΙΚΕΙ	19-24	25-34	35-44	45-54	55+
ΒΑΣΗ=ΚΑΤΟΙΚΟΙ ΑΘΗΝΑΣ & ΠΕΙΡΑΙΑ	(1)	600	289	311	84	131	138	124	125
ΠΑΣΟΚ	(7)	167	83	84	13	42	54	22	36
		28%	29%	27%	16%	32%	40%	18%	29%
ΝΕΑ ΔΗΜΟΚΡΑΤΙΑ	(8)	139	70	69	11	35	31	26	36
		23%	24%	22%	13%	27%	23%	21%	29%
ΚΚΕ	(9)	52	24	28	2	18	12	9	10
		9%	8%	9%	2%	14%	10%	7%	8%
ΚΚΕ ΕΣΩΤ.	(10)	21	11	10	5	11	2	2	1
		4%	4%	3%	6%	8%	1%	2%	1%
ΕΠΕΝ	(11)	5	2	3	—	2	1	1	1
		1%	1%	1%	—	2%	1%	1%	1%
ΛΕΥΚΟ	(12)	7	1	6	—	5	—	1	1
		1%	—	2%	—	4%	—	1%	1%
ΑΡΝΗΣΗ	(13)	146	69	77	11	18	30	57	30
		24%	24%	25%	13%	14%	22%	46%	24%
ΔΕΝ ΨΗΦΙΣΑ	(14)	63	29	34	42	—	5	6	10
		11%	10%	11%	50%	—	4%	5%	8%
ΣΥΝΟΛΟ	(15)	600	289	311	84	131	138	124	125
		100%	100%	100%	100%	100%	100%	100%	100%

Key:

1. Basis: Residents of Athens and Piraeus; 2. Sex; 3. Total;
4. Men; 5. Women; 6. Age; 7. PASOK; 8. ND; 9. KKE; 10. KKE (Int);
11. EPEN; 12. Blank ballot; 13. Refusal; 14. I did not vote;
15. Total

Also interesting is the "age breakdown" of the persons giving their preferences for the various "heirs apparent." Among the overall voters, Mr Evert gets 33 percent of those in the 19-24 age bracket and 32 percent of those in the 45-54 age bracket. On the other hand, he shows a big drop among those in the 25-34 age bracket (15 percent) where, in fact, he is displaced by Mr K. Stefanopoulos (18 percent).

All of this is very nice, the only thing being that the original premise—that is, that Mr K. Mitsotakis would withdraw as ND leader on his own free will—seems extremely unlikely. Besides, in this particular case, Mr Mitsotakis is not taking part in the "competition" being waged exclusively among "heirs apparent."

Despite all of the above, three factors are apparent:

First of all, Mr Evert seems to be getting a significant lead over the other candidates for the position of leader.

Secondly, Mr Rallis—who was put forward as "an alternative solution" instead of Mr Mitsotakis in the last ND crisis—seems to be significantly weakened.

Thirdly, Mr Stefanopoulos is considered by quite a few members as a desirable successor to Mr Mitsotakis despite the fact that 2-1/2 years ago he went out on his own.

In this particular case, we have, of course, left the present leader out of the game itself. Nevertheless, do not think that the voters consider the issue of the ND leadership a closed case and are patiently waiting for Mr Mitsotakis to withdraw from the leadership on his own free will and to choose his successor.

Let us take the example in the tables where Mr Mitsotakis is considered with the other "aspiring leaders." Those questioned prefer Mr Evert as ND leader (35 percent of the preferences versus 20 percent for Mr Mitsotakis!) and even Mr K. Stefanopoulos (28 percent

TABLE 2

For which of these parties did you vote in the previous parliamentary elections?

		ΕΚΛΟΓΙΚΗ ΠΕΡΙΟΧΗ ΠΟΥ ΑΝΗΚΟΥΝ			ΨΗΦΙΣΑΝ ΣΤΙΣ ΠΡΟΗΓΟΥΜΕΝΕΣ ΕΚΛΟΓΕΣ					12 ΤΙ ΘΑ ΨΗΦΙΣΑΝ ΣΗΜΕΡΑ				
		A + B ΑΘΗΝΑ	A + B ΠΕΙΡΑΙΑ	ΑΛΛΗ ΠΕΡΙΟΧΗ	ΠΑΣΟΚ 7	Ν.Δ. 8	ΚΚΕ 9	ΑΛΛΗ 10	ΔΕΝ ΕΠΑΝ 11	ΠΑΣΟΚ 13	Ν.Δ. 14	ΚΚΕ 15	ΑΛΛΗ 16	ΔΕΝ ΕΠΑΝ 17
ΒΑΣΗ=ΚΑΤΟΙΚΟΙ ΑΘΗΝΑΣ & ΠΕΙΡΑΙΑ (1)		278 (+)	80	242	167	139	52	28	216	129	148	58	32	232
ΠΑΣΟΚ (18)		76 27%	30 38%	51 21%	100%	—	—	—	—	124 96%	12 8%	4 7%	4 13%	23 10%
ΝΕΑ ΔΗΜΟΚΡΑΤΙΑ (19)		68 24%	24 30%	47 19%	—	139 100%	—	—	—	—	125 84%	—	5 16%	8 4%
ΚΚΕ (20)		25 9%	9 11%	18 7%	—	—	52 100%	—	—	—	—	52 88%	—	—
ΚΚΕ ΕΣΩΤ. (21)		7 3%	2 3%	12 5%	—	—	—	23 81%	—	1 1%	1 1%	—	17 53%	2 1%
ΕΠΕΝ (22)		2 1%	1 1%	2 1%	—	—	—	5 18%	—	—	—	—	5 16%	—
ΛΕΥΚΟ (23)		2 1%	2 3%	3 1%	—	—	—	—	7 3%	—	—	—	—	7 3%
ΑΡΝΗΣΗ (24)		74 27%	8 10%	54 23%	—	—	—	—	146 68%	—	—	—	—	146 63%
ΔΕΝ ΨΗΦΙΣΑ (25)		24 9%	4 5%	35 14%	—	—	—	—	63 29%	4 3%	10 7%	3 5%	1 3%	45 19%
ΣΥΝΟΛΟ (26)		278 100%	80 100%	242 100%	167 100%	139 100%	52 100%	28 100%	216 100%	129 100%	148 100%	58 100%	32 100%	232 100%

Key:

1. Basis: residents of Athens and Piraeus; 2. Electoral district to which they belong; 3. First and Second Electoral Districts of Athens; 4. First and Second Electoral Districts of Piraeus; 5. Other districts; 6. Voted in the previous elections; 7. PASOK; 8. ND; 9. KKE; 10. Remainder; 11. Did not say; 12. What they would vote for today; 13. PASOK; 14. ND; 15. KKE; 16. Remainder; 17. Did not say; 18. PASOK; 19. ND; 20. KKE; 21. KKE (Int); 22. EPEN; 23. Blank ballot; 24. Refusal; 25. I did not vote; 26. Total

versus 26 percent for Mr Mitsotakis). On the other hand, the ND leader is preferred, remaining in his present position, as opposed to Mr Rallis (32 percent with 21 percent for Mr Rallis) and also opposed to Mr Palaiokrassas (31 percent with 19 percent for Mr Palaiokrassas).

These figures, of course, refer to the overall number of voters. Do not think, however, that ND followers reserve any better fate for their leader!

Fifty percent of ND leaders prefer Mr Evert, while only 44 percent remain faithful to Mr Mitsotakis.

Fifty-six percent, nevertheless, continue to prefer their leader over Mr Stefanopoulos who is favored by a 35 percent of the "blue preferences.

As opposed to Mr G. Rallis, preferences are clearly in favor of Mr Mitsotakis: 66 percent versus 24 percent for the former prime minister, Mr Palaiokrassas' record is better: he gets 28 percent of the "blue" preferences compared to 60 percent for Mr Mitsotakis.

The overall picture reminds one of anything but an indisputable leader! In the best of cases, Mr Mitsotakis has the confidence of two-thirds of his followers. In the worst of cases (for him), a majority of ND followers prefers Mr Evert to head up their party!

However, even these "bipolar duels" more or less lead to conclusions similar to those we ourselves have already come.

According to the answers given it is not only that Mr Evert obtains a clear precedence for the succession. It is,

TABLE 3

ΚΑ (1)	(40.85)	24.8%	38.4%	32%
ΠΑΣΟΚ (2)	(45.82)	21.5%	33.5%	28%
ΚΚΕ (3)	(8.89)	9.83%	15.3%	14%
ΕΑΡ (4)		2.33%	3.83%	3%
ΚΚΕ Εξ. Α-Α (5)	(1.84)	1.5%	2.33%	2%
ΔΙΑΝΑ (6)		0.83%	1.29%	1%
ΕΠΕΝ (7)		0.68%	1.03%	—
ΛΕΥΚΟ (8)		2.83%	4.4%	18%
ΑΝΑΦΟΡΑΣΙΣΤΟΙ (9)		12.83%	—	3%

Key:

1. ND; 2. PASOK; 3. KKE; 4. EAP; 5. KKE (Int) A-A /Renewed Left/;
6. DIANA /Democratic Renewal/; 7. EPEN; 8. Blank ballot; 9. Undecided

TABLE 4

		ΦΥΛΟ (2)			ΗΛΙΚΙΑ (6)				
	(3)	ΕΥΡΩΠΑ	ΑΝΤΡΕΣ	ΓΥΝΑΙΚΕΣ	18-24	25-34	35-44	45-54	55+
ΒΑΣΗ=ΚΑΤΟΙΚΟΙ ΑΘΗΝΑΣ & ΠΕΙΡΑΙΑ (1)	(1)	600	289	311	84	131	138	124	123
ΠΑΣΟΚ (7)	(7)	128	58	71	10	28	41	17	24
ΝΕΑ ΔΗΜΟΚΡΑΤΙΑ (8)	(8)	118	80	68	11	36	38	25	24
ΚΚΕ (9)	(9)	69	27	32	8	19	13	10	4
ΚΚΕ Εξ. Α-Α (10)	(10)	8	4	5	3	5	1	—	—
ΕΑΡ (11)	(11)	14	9	5	2	4	4	3	1
ΔΙΑΝΑ (12)	(12)	5	3	2	—	2	—	1	—
ΕΠΕΝ (13)	(13)	4	1	3	—	1	—	1	—
ΛΕΥΚΟ (14)	(14)	17	11	6	13	3	1	2	—
ΔΕΝ ΑΠΟΦΑΣΙΣΑ (15)	(15)	77	39	38	20	19	11	13	14
ΑΡΚΗΣΗ (16)	(16)	138	57	81	14	14	18	52	27
ΣΥΝΟΛΟ (17)	(17)	600	289	311	84	131	138	124	123

Key:

1. Basis: Residents of Athens and Piraeus; 2. Sex; 3. Total;
4. Men; 5. Women; 6. Age; 7. PASOK; 8. ND; 9. KKE; 10. KKE (Int) A-A;
11. EAP; 12. DIANA; 13. EPEN; 14. Blank ballot; 15. I have not
decided; 16. Refusal; 17. Total

primarily, that a majority of ND followers already consider him ripe to move into Rigillis Street even though it may become necessary to throw out the present leader. To the question "Mitsotakis or Evert," ND followers questioned tend clearly toward the latter. Mr K. Stefanopoulos continues to maintain a satisfactory picture in the "New Democracy public," while Mr Rallis' stock is impressively low.

In the final analysis, and in spite of what is usually recognized, the "strategy of succession" being cultivated

by Mr Evert from Liosion Street is being proven to be profitable. On the other hand, however, it is evident that he has the advantage to launch a "campaign of damage" against a leader who is already shown as being sufficiently damaged. Is it possible—under these conditions—for Mr Mitsotakis to get to the next election with some basic successes? Nothing is certain. More certain is the fact, on the other hand, that very shortly ND's leader will have to resolve an important problem: up to now, he has misled all of his intra-party opponents by embodying the unity of the party, a unity that he has advanced as being

TABLE 5

(2) (3)	ΕΚΔΙΤΙΚΗ ΠΕΡΙΦ. ΠΟΥ ΑΝΗΚΟΥΝ			ΨΗΦΙΣΑΝ ΣΤΙΣ ΠΡΟΗΓΟΥΜΕΝΕΣ ΕΚΛΟΓΕΣ 6					ΤΙ ΘΑ ΨΗΦΙΣΑΝ ΣΗΜΕΡΑ (12)				
	A + B ΑΘΗΝΑ	A + B ΠΕΙΡΑΙΑ	ΛΕΥΚΟ ΠΕΡΙΦ.	ΠΑΣΟΚ (7)	Ν.Δ. (8)	ΚΚΕ (9)	ΑΔΙΑ (10)	ΔΕΝ ΕΙΠΑΝ (11)	ΠΑΣΟΚ (13)	Ν.Δ. (14)	ΚΚΕ (15)	ΑΔΙΑ (16)	ΔΕΝ ΕΙΠΑΝ (17)
ΒΑΣΗ-ΚΑΤΟΙΚΟΙ ΑΘΗΝΑΙ & ΠΕΙΡΑΙΑ (1)	278	80	242	167	138	52	28	216	129	148	59	32	232
ΠΑΣΟΚ (18)	68 24%	22 28%	41 17%	124 74%	—	—	1 4%	4 2%	129 100%	—	—	—	—
ΝΕΑ ΔΗΜΟΚΡΑΤΙΑ (19)	73 26%	23 29%	52 21%	12 7%	128 80%	—	1 4%	10 5%	—	148 100%	—	—	—
ΚΚΕ (20)	28 10%	9 11%	22 9%	4 2%	—	52 100%	—	3 1%	—	—	59 100%	—	—
ΚΚΕ ΕΙ. Α-Α (21)	1 —	1 1%	2 1%	—	—	—	27 27%	—	—	—	—	9 28%	—
ΕΑΡ (22)	8 3%	2 3%	4 2%	2 1%	1 1%	—	10 28%	1 —	—	—	—	14 44%	—
ΔΙΑΝΑ (23)	3 1%	—	2 1%	—	—	—	4 4%	—	—	—	—	5 16%	—
ΕΠΕΝ (24)	1 —	1 1%	2 1%	—	—	—	4 16%	—	—	—	—	4 13%	—
ΛΕΥΚΟ (25)	7 3%	1 1%	8 4%	5 3%	—	—	1 4%	11 5%	—	—	—	—	17 7%
ΔΕΝ ΑΠΟΦΑΣΙΣΑ (26)	22 8%	15 19%	40 17%	18 11%	9 6%	—	1 4%	49 23%	—	—	—	—	77 33%
ΑΡΝΗΣΗ (27)	59 21%	6 8%	83 28%	—	—	—	—	138 64%	—	—	—	—	138 60%
ΣΥΝΟΛΟ (28)	278 100%	80 100%	242 100%	167 100%	138 100%	52 100%	28 100%	216 100%	129 100%	148 100%	59 100%	32 100%	232 100%

Key:

1. Basis: Residents of Athens and Piraeus; 2. Electoral district to which they belong; 3. First and Second Electoral Districts of Athens; 4. First and Second Electoral Districts of Piraeus; 5. Other districts; 6. Voted in the previous elections; 7. PASOK; 8. ND; 9. KKE; 10. Remainder; 11. Did not say; 12. What they would vote for today; 13. PASOK; 14. ND; 15. KKE; 16. Remainder; 17. Did not say; 18. PASOK; 19. ND; 20. KKE; 21. KKE (Int) A-A; 22. EAR; 23. DIANA; 24. EPEN; 25. Blank ballot; 26. I have not decided; 27. Refusal; 28. Total

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an indispensable prerequisite for victory. However, what would happen if the further disintegration of Mr Mitsotakis' political effect shows him to be exactly the biggest obstacle for this victory?

casting a blank ballot, those who said they were undecided and those who refused even answering the question make up a strong 39 percent group. The remaining 61 percent that expressed preferences is divided up as shown in Table 3.

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Poll Reveals Voters' Flight From PASOK, ND Gains

35210076b Athens ELEVETHEROTYPIA in Greek
9 Mar 88 pp 10-11

[Article by Giorgis Massavetas]

[Text] The number one party at this moment is the party of the mute. In answer to the last ICAP poll question, "If we had elections today, for which of these parties would you vote," those who refused to vote for any party by

In the first column the percentages are as determined from answers given to ICAP. In the second column the undecided percentages are determined proportionally since, according to standard statistical procedure, when they vote, they are given the same proportion of preferences as the already decided. In parenthesis are the percentages that each party obtained in the 1985 elections. In the third column the percentages that the residents of Athens had given to the ELEVETHEROTYPIA poll in December are apportioned.

However, let us have the tables presented to us by ICAP speak better for themselves. In Tables 1 and 2, the citizens queried answer the question what party they

TABLE 1

If we were to suppose that Mr Mitsotakis withdraws as ND leader, who do you believe is the most capable man to assume the ND leadership?

Σ% (1)	ΦΥΛΟ (2)					(6) ΗΛΙΚΙΑ				
	(3) Σύνολο	(4) Άνδρες	(5) Γυναίκες	19-24	25-34	35-44	45-54	55+		
Βαρβιτσιώτης (7)										
Εβερτ (8)	25	29	22	33	15	30	32	19		
Κανελλόπουλος (9)										
Παλαιοκρασσάς (10)	3	4	2	2	2	5	-	4		
Ράλλης (11)										
Σαμαράς (12)	1	1	1	-	1	1	1	2		
Στεφανόπουλος (13)	14	17	11	15	18	13	15	9		
Κανένας από αυτούς (14)	5	6	5	5	8	4	2	8		
Χωρίς απάντηση (15)	38	29	47	38	41	35	35	48		
Σ% (16)	ΨΗΦΙΣΑΝ ΤΟ 1985 (17)					ΘΑ ΨΗΦΙΣΑΝ ΣΗΜΕΡΑ (23)				
	ΠΑΣΟΚ (18)	Ν.Δ. (19)	ΚΚΕ (20)	Λοιπά (21)	Δεν είναι (22)	ΠΑΣΟΚ (24)	Ν.Δ. (25)	ΚΚΕ (26)	Λοιπά (27)	Δεν είναι (28)
Βαρβιτσιώτης (29)	1	5	2	4	1	1	4	2	3	1
Εβερτ (30)	20	40	12	15	24	19	43	12	25	21
Κανελλόπουλος (31)	4	12	-	12	5	4	14	-	9	4
Παλαιοκρασσάς (32)	2	5	4	8	1	2	5	5	3	1
Ράλλης (33)	8	5	6	8	3	7	4	8	9	3
Σαμαράς (34)	1	1	-	-	1	1	1	-	-	2
Στεφανόπουλος (35)	29	17	8	18	8	20	15	5	18	12
Κανένας από αυτούς (36)	5	11	6	-	2	5	10	7	6	2
Χωρίς απάντηση (37)	38	3	65	38	34	42	3	81	29	64

Key:

1. In percentages; 2. Sex; 3. Total; 4. Men; 5. Women; 6. Age;
7. Varvitsiotis; 8. Evert; 9. Kanellopoulos; 10. Palaiokrassas; 11. Rallis;
12. Samaras; 13. Stefanopoulos; 14. None of them; 15. No answer; 16. In percentages; 17. Voted in 1985; 18. PASOK; 19. ND; 20. KKE; 21. Remainder;
22. Did not say; 23. Would vote today; 24. PASOK; 25. ND; 26. KKE;
27. Remainder; 28. Did not say; 29. Varvitsiotis; 30. Evert; 31. Kanellopoulos;
32. Palaiokrassas; 33. Rallis; 34. Samaras; 35. Stefanopoulos; 36. None of them; 37. No answer

voted for in 1985. From the last answer, "I did not vote," it happens that 11 percent of those questioned are new voters who will vote for the very first time in the coming elections.

It is also pointed out that almost one in four citizens refuses to say what he voted for in 1985 and what he would vote for today. On the other hand, a big difference is noted between the 1985 preferences and those of today. The number of those who cast "blank ballots" drops significantly.

Much more decided in their preferences seem to be the residents of Piraeus since the percentage of those who refuse to answer drops to 10 percent.

After the Gaffe

The poll statistics show that during the specific period when the poll was conducted between 25 and 29 February, that is after the initial agreement in Davos but also after the "Mitsotakis gaffe," PASOK is in a retreat phase while, on the other hand, ND is in a winning phase.

More specifically, a flight toward other directions, at an unusually high percentage, has been observed among those who declared that they voted for PASOK in 1985. Almost one in four refuses to renew his confidence in the government party. From the table's statistics it appears that 7 percent of those who said they voted for PASOK in 1985 are now turning toward ND, 4 percent toward the KKE, 2 percent to EAR [Greek Left], 3 percent

TABLE 2

Who do you prefer as ND leader?

Σε % (1)	ΣΥΝΟΛΟ (2)	ΥΠΟΨΗΦΙΟΝ Η.Δ. ΤΟ 1985 (3)	ΟΑ ΥΠΟΨΗΦΙΟΝ Η.Δ. ΣΗΜΕΡΑ (4)
Μητσotάκης (5)	26	56	58
Στεφανόπουλος (6)	24	35	32
Χωρίς απάντηση (7)	47	9	9
Μητσotάκης (8)	32	58	60
Ράλλης (9)	21	24	24
Χωρίς απάντηση (10)	47	18	16
Μητσotάκης (11)	31	60	60
Παλαιoκρassας (12)	19	24	28
Χωρίς απάντηση (13)	50	12	12
Μητσotάκης (14)	28	44	42
Εβερτ (15)	35	50	51
Χωρίς απάντηση (16)	48	6	7

Key:

1. In percentages; 2. Total; 3. Voted ND in 1985; 4. Would vote for ND today; 5. Mitsotakis; 6. Stefanopoulos; 7. No answer; 8. Mitsotakis; 9. Rallis; 10. No answer; 11. Mitsotakis; 12. Palaiokrassas; 13. No answer; 14. Mitsotakis; 15. Evert; 16. No answer

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casting blank ballots and 11 percent remaining undecided. Thus, PASOK is shown holding only 74 percent of the 1985 voters, while ND holds on to 90 percent of its own voters and the KKE is shown as not losing even one of those who voted for it in the last elections.

Specifically with the poll that ELEVTHEROTYPIA had published on 1 December—also conducted by ICAP—the following conclusions ensue:

1. ND' supremacy remains firm among the residents of the Attiki panhandle vis-a-vis PASOK by about 3 percentage points.

2. The KKE is showing a rise.

3. Also showing a rise is the "Renewed Left" area, mainly in favor of the EAR as well as the KKE (Int).

4. The strength of the "blank ballot" is significantly diminished, while the number of undecided is greatly increased but the overall differences is not great. The number of undecided and "blank ballots cast" was 19 percent in November and 16 percent in February.

5671/08309

NORWAY

Progress Party Gains Two Points in Poll

36390051 Oslo ARBEIDERBLADET in Norwegian
18 Mar 88 p 6

[Text] The Progress Party moved ahead by 2.5 percentage points, meaning the party now has support from 14.5 percent of the electorate, in a political poll which Scan-Fact conducted for VERDENS GANG in March. The Center Party is the only one of the other parties in the Storting to advance, compared with the survey in February—from 6 to 7 percent, while the Labor Party has dropped in support by 1.5 percent, to 33 percent. The Conservative Party dropped one point, to 25.5 percent, while the Christian People's Party declined by two points, to 6.5 percent. The Socialist Left Party has an unchanged support in the poll at 7 percent. Of the parties outside the Storting, the Liberal Party dropped 0.5 percent, to 4 percent. The chairman of the Progress Party, Carl I. Jagen, and the deputy chairman of the

Labor Party, Einar Forde, are agreed that discontent with the wage agreement is the main reason for the results in the March survey.

/9604

PORTUGAL

Poll Reveals Cavaco Silva, Government Popularity Down

35420060a Lisbon SEMANARIO in Portuguese
12 Mar 88 p 4

[Article by Pedro Barreto; first paragraph is SEMANARIO introduction]

[Text] The government's popularity has dropped by 3 percentage points in 1 month, while Cavaco Silva's has declined by 17 percentage points in 5 months, resulting

in a similar average decline for both. This NORMA/SEMANARIO poll also shows that displeasure with the government's performance is starting to reach into the middle classes.

Last January, the government's performance was rated favorably by 27 percent of the Portuguese and unfavorably by 18 percent. A month later (in February), favorable responses had dropped to 24 percent, while unfavorable responses were up to 19 percent. Indifference—which was and is the majority's response—dropped from 41 percent to 38 percent.

This shows that the government's former admirers have not necessarily started rooting en masse for the other side. Only 1 percent tore up their membership cards. The others turned undecided or simply did not respond (the

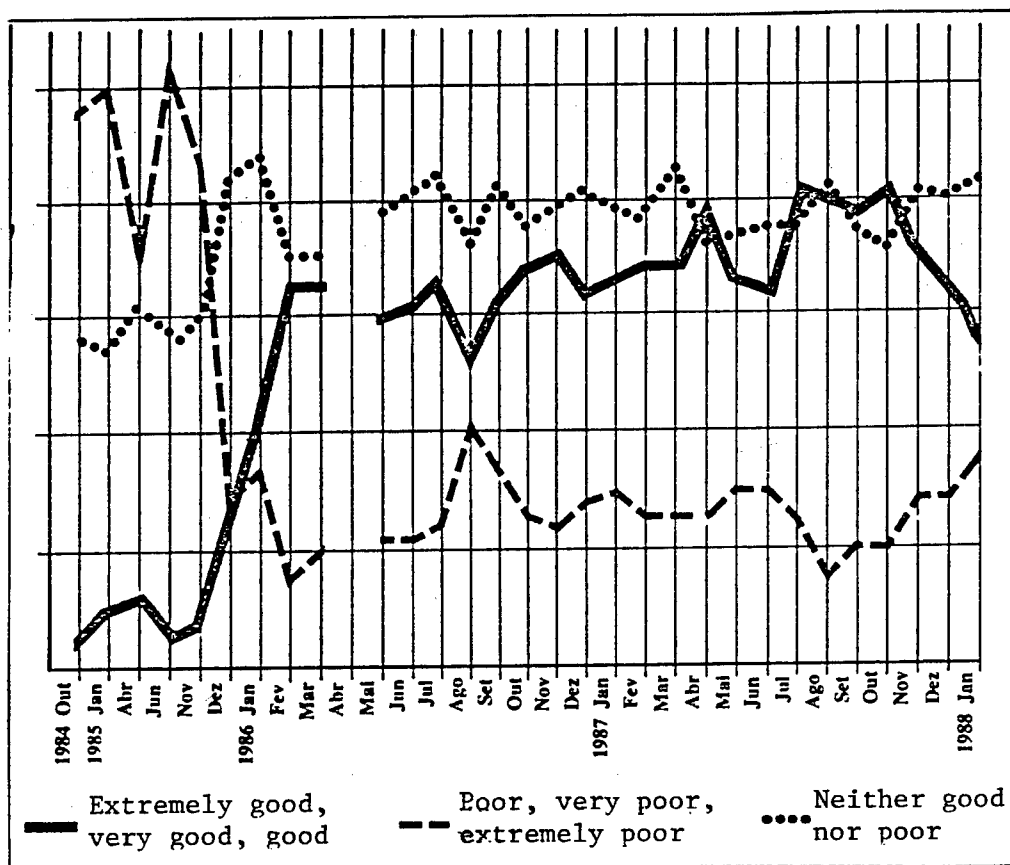
Government Performance in Recent Months: February Responses

Response	Govt.'s popularity in Jan.	Total	Sex		Age					Socioeconomic st.			
			M	F	15-24	25-34	35-44	45-54	over 54	(1)	(2)	(3)	(4)
Extremely good	0.8	.1	—	.3	—	—	.7	—	.1	—	.4	.1	—
Very good	3.6	1.8	1.7	1.8	.4	.5	1.1	1.1	4.4	.3	.8	1.2	5.6
Good	22.5	21.6	21.6	21.5	20.4	16.0	18.4	20.8	28.1	29.0	17.7	21.4	21.2
Indifferent	41.1	38.1	33.3	42.4	37.2	46.9	36.7	39.1	33.6	35.5	43.2	37.2	35.1
Poor	14.5	14.2	17.9	11.0	9.5	15.4	21.3	13.2	13.9	12.8	15.4	15.4	11.5
Very poor	2.0	2.3	2.7	1.9	2.9	.3	4.0	5.0	.6	1.2	3.9	2.7	—
Extremely poor	1.3	2.4	4.0	1.0	.5	1.6	4.3	7.0	.7	6.1	1.1	2.9	—
Don't know	7.3	4.5	5.9	3.2	8.0	3.9	2.8	1.8	4.5	4.4	2.9	2.7	10.4
No answer	6.8	15.0	12.8	17.0	21.1	15.3	10.6	12.0	14.2	10.6	14.6	16.5	16.2

Response	Region					Place of residence				
	(5)	(6)	(7)	(8)	(9)	0-2m	2-10m	10-100m	100-500m	over 500m
Extremely good	—	1.3	—	—	—	.2	—	—	.6	—
Very good	1.2	.8	2.0	3.1	1.1	2.2	.3	.9	2.4	3.0
Good	11.1	22.1	24.6	23.3	29.0	24.4	24.8	17.8	18.1	9.0
Indifferent	34.9	36.1	36.1	48.1	39.5	40.4	30.5	39.7	38.0	32.8
Poor	26.7	7.3	12.0	8.0	11.5	9.5	17.3	19.6	16.0	25.9
Very poor	2.7	1.2	3.4	—	1.9	2.5	.9	1.6	2.1	4.3
Extremely poor	2.9	3.4	3.2	.5	.4	2.1	1.8	2.8	5.4	3.0
Don't know	5.1	3.7	4.1	1.6	8.7	4.1	5.8	2.9	4.2	8.3
No answer	15.3	24.1	14.5	15.4	7.9	14.6	18.7	14.7	13.2	13.7

Key:

- | | |
|----------------------|----------------------|
| 1. Upper/high middle | 6. Greater Porto |
| 2. Upper middle | 7. Coast |
| 3. Lower middle | 8. Northern interior |
| 4. Lower | 9. Southern interior |
| 5. Greater Lisbon | |



percentage not responding more than doubled from one month to the next, going from 7 to 15 percent). Disillusionment does not always result in conversion to the enemy's side.

Not only is the government dropping in the charts, but a slight sociological change is noted in its crowd of supporters. That crowd is still male, upper class, and centered in Greater Porto. But it no longer has an assured place in the big urban centers on the coast; instead, it has moved, somewhat oddly, to the small towns and the southern interior. The age group is also younger and now comprises those between the ages of 45 and 54.

As for the opposing side's rooters, they are continuing to raise their cry from Greater Lisbon, the only difference being that they have spread to the coast and to cities with over 500,000 inhabitants. And—an interesting detail—they now consist primarily of individuals in the middle class (both upper and lower).

What should we conclude from all this? Perhaps that the stadium where the government is confronting its problems is a little emptier and that a few more hisses are being heard from those who remain. Point by point, the deterioration in the government's game that began last October is growing worse. February was a tough month, with many confused plays in the big government area:

labor agitation, Lajes, and so on. Despite the numerical superiority it gained in the last elections, the government has been having a few difficulties in handling the ball, and there is nothing to indicate that it will resolve those difficulties in March (more strikes, the "Roseta case," and so on).

Cavaco Losing Ground

Do you approve or disapprove of Cavaco Silva's performance as prime minister?			
	(1)	(2)	(3)
	%	%	%
1987			
Jun	47	20	33
Aug	65	10	25
Sep	60	11	29
1988			
Feb	43	25	32

Key:
1. Approve
2. Disapprove
3. Don't know/no answer

Keeping pace with the drop in his team's popularity, Prime Minister Cavaco Silva is also losing ground. The most recent data available refer to September, when 60 percent approved of the way in which he was doing his job and 11 percent disapproved.

Cavaco Silva's Performance as Prime Minister

Response	Total	SEX		Age					Socioeconomic				Region				
		M	F	15-24	25-34	35-44	45-54	over 54	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Approve	43.3	40.1	46.2	40.5	45.5	34.7	41.6	49.9	51.4	42.4	40.7	43.0	30.9	40.4	45.5	55.3	47.3
Disapprove	24.5	32.7	17.1	20.4	22.6	37.2	34.7	16.1	26.6	27.2	25.3	17.2	37.5	20.4	25.1	9.3	21.3
(10)	32.2	27.3	36.6	39.1	31.9	23.0	23.8	34.0	22.1	30.4	34.0	39.7	31.6	39.2	29.5	35.4	31.4

Response	(11)			
	0-2M	2-10M	10-100M	100-500M
Approve	48.3	38.0	40.3	36.7
Disapprove	19.1	26.1	30.7	33.2
(10)	32.6	36.0	28.9	30.2

Key:

- | | |
|----------------------|-----------------------------------------------|
| 1. Upper/high middle | 7. Coast |
| 2. Upper middle | 8. Northern interior |
| 3. Lower middle | 9. Southern interior |
| 4. Lower | 10. Don't know/no answer |
| 5. Greater Lisbon | 11. Place of residence: population in 1,000's |
| 6. Greater Porto | |

Five months later, Cavaco's defenders are no longer the absolute majority: 43 percent approve of his performance and 25 percent disapprove.

Who likes Cavaco? Upper-class women over 54 years of age living in Greater Porto and in small towns in the northern interior. And who does not like him? Upper-middle-class men between 35 and 44 years of age who live in Greater Lisbon and in cities of over 500,000 inhabitants. So at this stage of the playoffs, it is the men who are least excited over the prime minister, finding reasons for that attitude in the most populated and developed areas of the country: sociological data which may be important in deciding on some psychological end run or change in the game plan.

11798

Cavaco Silva Leadership Style Arouses Concern

35420060b Lisbon EXPRESSO in Portuguese
5 Mar 88 p 3

[Commentary by Jose Antonio Saraiva: "A Lonely Leader"]

[Text] The problem for this government, which has now been in office for 6 months, is that it has not yet struck a balance.

In the period just after it took power, it erred on the side of excessive passiveness—giving the impression that it had become entangled in a web of contradictory commitments and interests which were hampering its action.

In recent weeks, however, it has been erring on the side of excessive activity, conveying the impression that it is not properly weighing its steps and that it sometimes acts too hastily.

The government has not yet found the proper balance between one extreme and the other.

Besides that problem, there is also the question of the desirable relationship between the prime minister and his ministers.

The problem is this: at first, Cavaco Silva seems to give too much leeway to his various ministers, granting them freedom to solve the problems. But later (and especially if things are going badly), Cavaco takes matters into his own hands and resolves them in his own way—even though doing so may go against what has been said or done by the ministers.

That way of doing things obviously causes uneasiness.

To begin with, it causes uneasiness within the government itself because each minister is getting to the point where he does not know exactly how far he can go and what he can deal with.

It also causes uneasiness among those with whom the government deals because the ministers' interlocutors are getting to the point where they do not know whether the agreements they reach are really going to hold up or be undone later by the head of the government.

Lastly, it causes uneasiness in the country at large because such a state of things leads to advances and retreats which do nothing to further the image of dependability that any government should present.

Justifiably or not, the idea which is beginning to spread is that the only agreements worth anything are those made directly with Cavaco Silva. And if that is indeed the case, what are the ministers for, and why waste time dealing with them?

Salazar once told Antonio Ferro: "There is a lot to be done in this country, but I can't do it all."

It seems that the same obsession is taking hold of Cavaco: it is necessary to change Portugal—but every step is going to turn out badly if it is not taken by him personally.

It is clear that at this rate, the prime minister is going to reach the end of his term of office exhausted and alone.

As they come to feel less and less independent, the heads of some ministries are going to show less and less initiative.

By pretending to be several ministers at once, Cavaco Silva is going to run from ministry to ministry, and he will be left with less and less time for what is, after all, his job: that of coordinator.

Portugal's current prime minister has already given sufficient indications for us to know that he is a man who believes above all in himself.

That self-confidence is not a defect in a politician, because it gives him confidence and conviction.

But if taken to its ultimate consequences, it leads to paralysis and desperation, because governing a country is too complicated a job to be handled by one man.

Fifty years ago, it could still be thought that such a thing was possible—by closing the country off from the outside and reducing social tensions and the activity of "civil society" to a minimum.

Today it is unthinkable.

11798

Poll Shows Majority Denying Government Good Grades

35420056a Lisbon SEMANARIO in Portuguese
20 Feb 88 p 9

[Article by Jose Pedro Barreto; first paragraph is SEMANARIO introduction]

[Text] A majority that is indifferent, but a drop in popularity—that is what is revealed by the NORMA/SEMANARIO poll on how Portuguese view the government's performance. The decline began with the dry leaves of autumn. This survey by NORMA also includes data since October 1984.

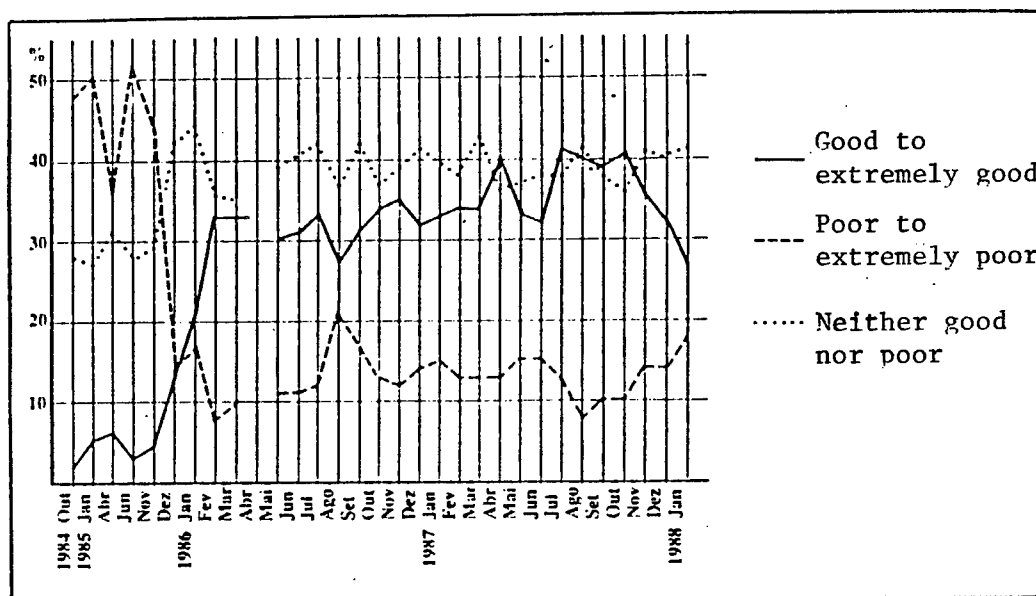
Who is satisfied with the government? Basically, it was the answer to that simple question—as old as politics—which NORMA's 40 interviewers went looking for all around the country last January. They found a country that was indifferent: in Porto or Lisbon, on the coast or in the interior, in the South or North, men and women, young and old, rich and poor—the feeling everywhere is that the government has not been governing either well or poorly over the past 4 or 5 months.

That makes the government happy, since at least it is not facing the possibility of a revolution breaking out around the corner. And the opposition is happy, too, since it is dealing here with people who have not been completely won over and therefore has a vast field in which to work as it wills. Is this a happy country? That is not so certain. Social contentment is not measured by love for the government. But that indifference!

Let us put that aside. Starting with the figures obtained by NORMA, let us go hunting—journalistically, of course—for those who have a more specific opinion. In this homeland of halftones, there is little extremism, and while not many people are giving the government a standing ovation with cries of "very (or extremely) good," neither are there many (even fewer, in fact) who are turning thumbs down in the direction of the Campo de Ourique and muttering the vilest curses.

So let us stick to those who feel that the government's performance is simply good or simply poor. And to start with, let us sketch out the robotlike portrait of the "satisfied man." We will find him in Greater Porto, with family offshoots on the coast, generally in urban areas with from 100,000 to 500,000 inhabitants. He is male, belongs to the upper classes, and is more than 54 years old.

That gentleman is unlikely to get into a heated discussion of government policy, since the "dissatisfied man" has nothing in common with him except that they are both males. The latter lives in Greater Lisbon or the southern interior, is between 35 and 44 years of age, and does not move in the same circles, since he belongs to the lowest social stratum.



- Graph showing government popularity since October 1984. Starting in November 1985 (first Cavaco Silva government), the data are monthly, excluding April 1986.

October-Winter Drop

The X-ray for January must be rounded out with a graph showing the monthly changes in the temperature of the government's popularity, that being an indispensable diagnostic aid. With that graph affixed to the foot of the patient's bed, it turns out that indifference by the majority has been a frequent occurrence—this was especially true between May 1986 and March 1987. One of the most obvious things on the graph is the relative stabilization in levels that began in May 1986. Another is the abrupt drop in favorable opinions beginning in October and continuing into the winter, accompanied by a noticeable rise in displeasure. The graph is implacable: Tepid indifference conceals a worsening of the patient's condition. It might be a good idea to alert the physicians on duty.

All the more since this marks the sharpest drop since current Prime Minister Cavaco Silva's first government took office. That government's popularity peaked in April 1987, around the time of the parliamentary motion of censure which toppled it. Following a return to average levels, it was to rise even higher in July, when the elections that gave Cavaco Silva an absolute majority were held. The current government remained at that high level until October, when its decline began.

The data on the two Cavaco Silva governments stand in clear contrast to those concerning the Mario Soares government that preceded them. Notice that until November 1985, the month when the Central Bloc's reign ended, the country was not so indifferent—it was much more divided between "good" and "bad." Notice

Opinion:	Total	Sex		Region					Town (pop. in 1,000's)					Age					Socioeconomic class			
		M	F	(1)	(2)	(3)	(4)	(5)	under 2	2-10	10-19	20-29	30-39	40-49	50-59	60-69	70-79	(6)	(7)	(8)	(9)	
Extremely good	8	7	10	—	7	13	13	7	7	—	23	—	—	4	10	10	16	15	3	10	7	
Very good	36	38	35	25	31	60	21	10	41	25	39	37	19	32	55	29	52	23	94	41	21	11
Good	225	256	198	144	286	251	231	243	240	203	228	298	139	244	221	183	178	264	310	201	240	160
Indifferent	411	373	445	474	411	336	484	422	379	511	425	347	447	425	523	364	399	361	358	476	401	381
Poor	145	170	122	222	117	124	107	153	127	154	189	178	131	123	87	272	168	111	155	142	133	163
Very poor	20	22	19	24	22	17	17	20	15	26	10	64	46	18	16	24	38	14	3	32	22	16
Extremely poor	13	22	6	14	14	23	—	—	13	6	3	42	35	4	18	16	27	9	6	18	16	7
Don't know	75	52	91	41	67	68	80	141	93	42	56	22	56	76	48	35	49	120	33	42	102	92
No answer	68	62	75	56	46	109	47	15	85	34	27	12	127	74	28	68	79	82	25	46	55	162

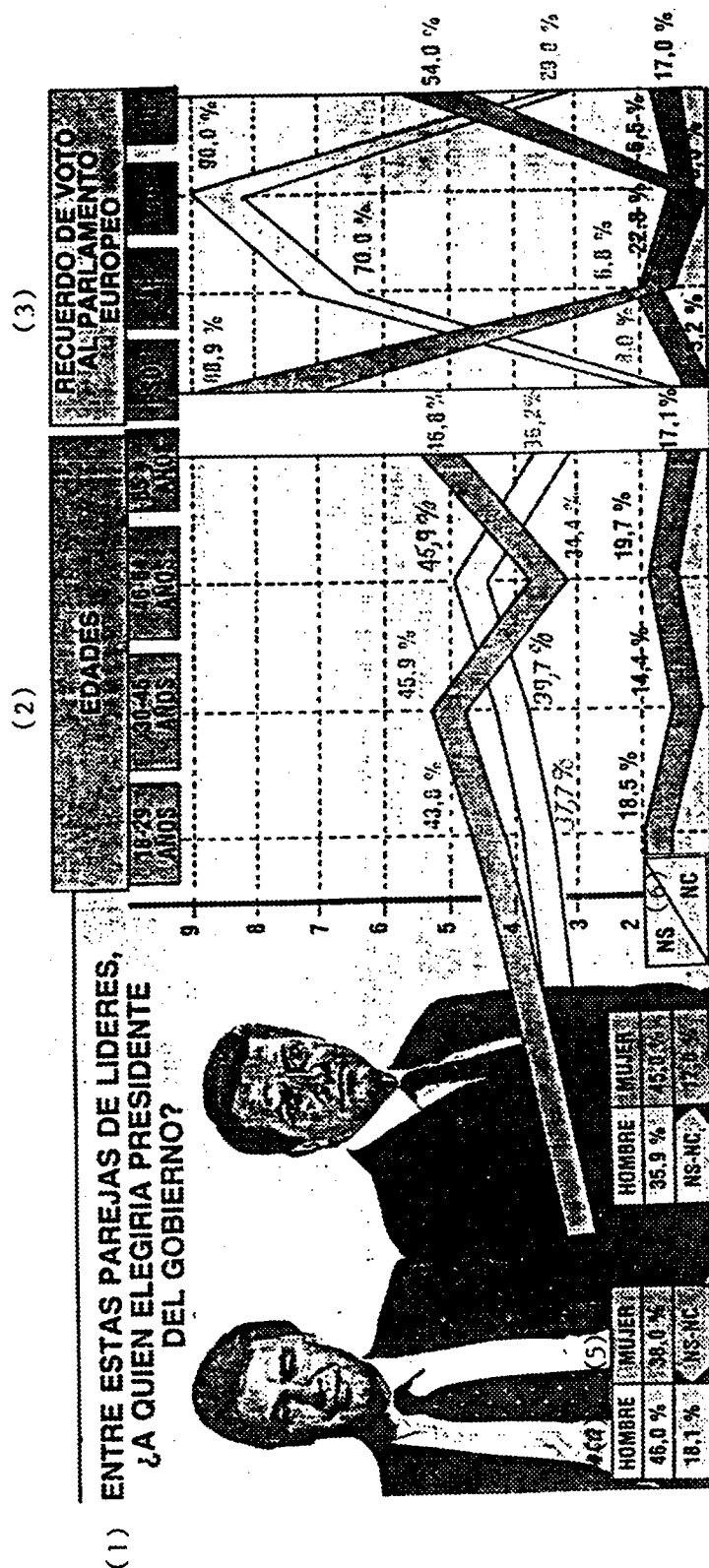
Key: 1. Greater Lisbon; 2. Greater Porto; 3. Coast; 4. Northern Interior; 5. Southern Interior; 6. Upper; 7. Upper middle; 8. Lower middle; 9. Lower

also how that circumstance was an advantage as far as opinion of the government was concerned.

SPAIN

Gonzalez Holds Slight Lead Over Suarez in Poll
35480071b Madrid CAMBIO 16 in Spanish
14 Mar 88 p 28

11798



Key: 1. Between these pairs of leaders, whom would you elect as prime minister?
2. Ages 3. Remember voting thus in European Parliament elections. 4. Men
5. Women 6. Don't know/no answer

Felipe Gonzalez	57.1 percent
Julio Anguita	17.9
Don't know/no answer	25.0
Felipe Gonzalez	56.0 percent
Antonio Hernandez Mancha	27.4
Don't know/no answer	16.6
Adolfo Suarez	58.1 percent
Julio Anguita	24.9
Don't know/no answer	17.0
Adolfo Suarez	60.7 percent
Antonio Hernandez Mancha	21.4
Don't know/no answer	17.9
Julio Anguita	35.2 percent
Antonio Hernandez Mancha	30.8
Don't know/no answer	34.0

[Text] A crash poll conducted among 1,000 persons by Sigma Dos exclusively for TIEMPO shows clearly that the only politician who can compete with Felipe Gonzalez as the head of a slate of candidates in presidential elections is centrist leader Adolfo Suarez. The gap between the two, which is just 1.5 points in favor of Gonzalez, widens enormously when Gonzalez' opponent is any other national politician.

Adolfo Suarez is preferred as president over Antonio Hernandez Mancha and Julio Anguita. The duke even gets more votes than Felipe Gonzalez among certain segments of the electorate: women and those between 44 and 64 years of age. Men, young people and the elderly vote more for Gonzalez.

The politician who gets the worst marks and whom almost no one sees as a potential prime minister is Hernandez Mancha, who is beaten even by the Communist Anguita, who was recently elected secretary general of the Spanish Communist Party. Even Democratic and Social Center voters would choose Anguita over Mancha by a 34 to 19 margin.

8743

Basques Evenly Divided on Independence Issue 35480070a Madrid DIARIO 16 in Spanish 3 Mar 88 p 7

[Text] Vitoria—According to a poll taken by the JMC, Inc firm for market and opinion studies, for the ETB-2 program, "Viewpoint," 34 percent of the Basque population would vote "yes" for the independence of Euskadi [Basque Country], and 33 percent would say "no."

This division of opinion is completed with 14 percent of the population lacking interest in the issue, who would not vote, and 19 percent who hold no view on the subject. The poll taken among 1,600 Basques concludes that the persons who would vote for independence are

essentially young, and for the most part sympathizers of HB [Popular Unity] and Eusko Alkartasuna; whereas among those who would say "no," there is a predominance of older persons and sympathizers of PSOE [Spanish Socialist Workers Party], AP [Popular Alliance], or CDS [Social Democratic Center], with the nuances that might also be found in Euskadiko Ezkerra [Basque Left].

2909

Poll Shows Suarez Distant Second in Voter Preference 35480071a Madrid CAMBIO 16 in Spanish 21 Mar 88 pp 32-34

[Article by Luis Peiro: "Felipe Does Not Have Suarez on His Heels"]

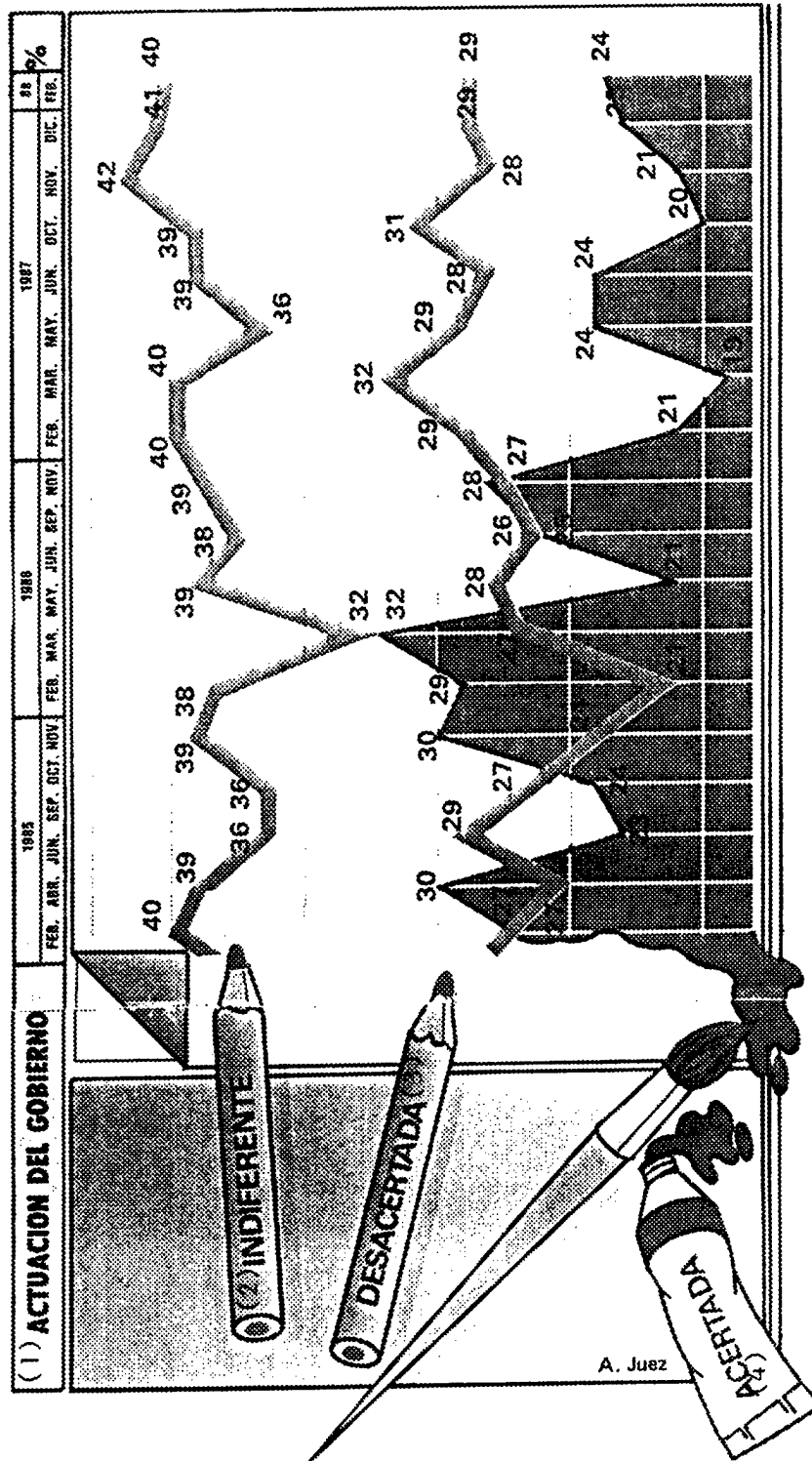
[Text] The gap is still large. Adolfo Suarez, the president of the Democratic and Social Center (CDS), is the only political leader who has the privilege of giving chase to the prime minister in the public's favor, but he still has a long way to go before he is on his heels. Moreover, his good star does not seem to be guiding his entire party.

According to a poll conducted for CAMBIO 16 by the DYM Institute, the CDS has seen its vote prospects decline, albeit slightly, so far this year, while the PSOE is consolidating its previous positions, the administration is maintaining or increasing its level of acceptance, and Felipe Gonzalez remains a "first among equals." The duke [Suarez] still has a long way to go...

The two politicians are separated by their "grades." While Adolfo Suarez is a pupil who is still slogging away to scrape by with passing marks from the electorate, Felipe is the sort of student who is passing his exams and has his eye on an "outstanding" even though it is still far away and he does not seem to arouse too much enthusiasm from the "professor" who will have to vote on him in 2 years.

The former prime minister's trek through the wilderness has been harsh and extremely meritorious, but it is not over if his destination remains the Moncloa. This is a fact that he himself realizes, even though it is blurred at times by the vigor of his public image. Whereas Felipe Gonzalez' image is solidly rooted in the electorate, regardless of the voters' age, status, region or autonomous community, Suarez is still having serious problems establishing his image in certain social circles, problems similar to the ones that his party is having in many cases. And this is the main difference between the two.

Both Suarez and Felipe have their supporters, basically among the people who are in their early adulthood, between 31 and 45 years of age. But whereas the prime minister is similarly well thought of among the youngest and oldest voters, Suarez is widely rejected by those under 31.



Key: 1. Administration's Performance 2. Indifferent 3. Poor 4. Good

The DYM survey clearly explains that the Spaniards who lived through the harsh years of the democratic transition as children or college underclassmen have hardly any attachment to either of the two leaders. It is among the group between ages 16 and 30 that the two are most resoundingly disapproved of. But for each youth who abhors Gonzalez' performance in government, there are almost two who reject what the duke is doing from the opposition.

Something similar can be seen with social classes. The prime minister has broad support across the classes, although it is the middle and upper classes of society that support him the most. Adolfo Suarez, in contrast, loses ground as the social status of the respondents declines, eventually reaching a very shaky position among the poorest of the poor; they are among his bitterest detractors, and as many reject as approve of him.

The South Against Suarez. This sort of situation ought to make the centrist leader and his staff stop and think about the efficacy of many of the political messages with which he is seeking to pass the PSOE on the Left. They could be falling upon deaf ears. Because in the meantime, in spite of the fierce criticism from organized labor, Felipe can still maintain the official doctrine that his is the "party of the poor," and it remains true that those who are least well off financially are least critical of the prime minister.

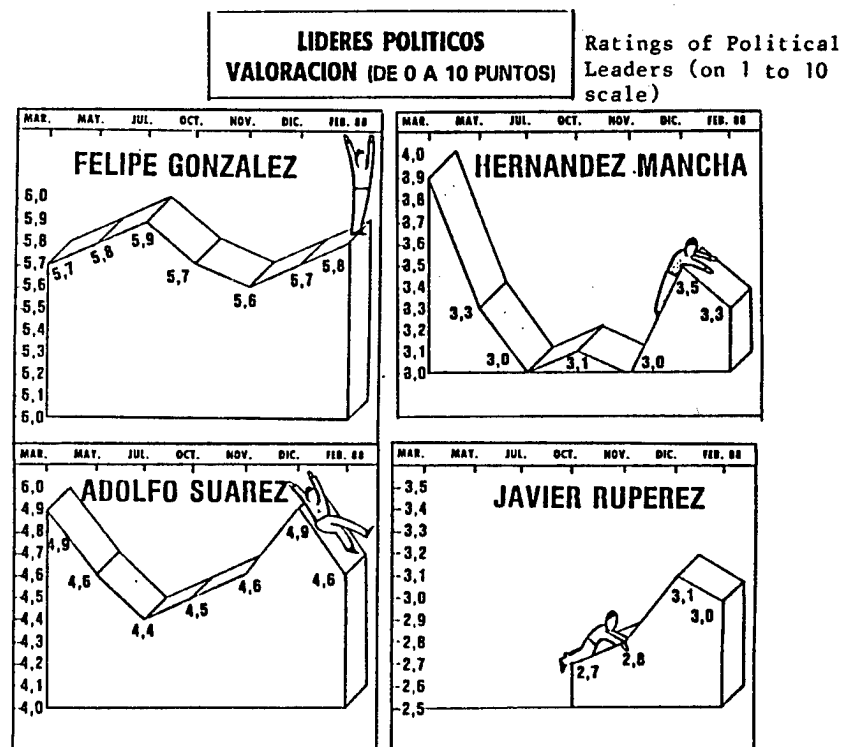
The striking differences in social acceptance between the PSOE and the CDS also produce adverse results for the duke in a series of regions. For example, whereas Felipe's

biggest supporters live in the southern part of the peninsula, it is in Andalusia and Extremadura that Suarez has scant backing. Those who reject the former prime minister are in the majority in these two autonomous communities. Nonetheless, if we examine Spain community by community, we will see that there is indeed something that the two politicians have in common. Neither is well thought of among respondents in the Basque Country, Navarre or Rioja. Quite to the contrary.

The example is valid evidence, however, that as far as the electorate is concerned, Suarez still overshadows the CDS, because whereas the party's president is a national leader, the party is a political group that hardly exists in 9 of the 16 autonomous communities in the country. Thus, he lacks a great deal of support to catch up with Felipe.

All in all, with 2 years to go before the ballot boxes are in place, most voters do not seem to be looking forward to this private duel between the two political leaders; this is especially true of women, who are more likely than men to not take a stand on one or the other contender. For the time being, the duke's efforts to make people forget that Felipe is almost 10 years younger than he is and the pains that the prime minister's advisers are taking to see to it that the weight of power and the inevitable dark circles under his eyes make him look older than his 46 years, do not seem to be having much of an effect.

The image that the two have among women voters is worse than among men, and women are also less enthusiastic about the matter. According to the DYM numbers, there are more passes and fails for the two principals among men than among women, although more women do seem to support the prime minister than back the CDS president.



In spite of the wide lead that Gonzalez still has, the fact is that Socialist officials grow edgy at times when they see the CDS and its president lying in wait. They are not overconfident. They know that they could lose power even if Felipe Gonzalez remains more popular and better thought of among voters than Adolfo Suarez. It is all a problem of attrition: the votes that the PSOE loses either stay home or go to Suarez. That is the case for the time being. And that is the way to lose an absolute majority and power. And it is here that the duke presumably has experience. This is why he is cause for concern, even if he is not on Felipe's heels yet. Technical Data: Universe: Individuals between 16 and 65 years of age residing in municipalities with more than 5,000 inhabitants. Sample: 2,000 interviews at home. Field date: 20 January-9 February 1988. Conducted by: DYM Institute, S.A. exclusively for CAMBIO 16.

8743

Poll Reveals CDS Rise, Suarez Rise Over Gonzalez

35480070b Madrid DIARIO 16 in Spanish
28 Feb 88 pp 12-14

[Text] Adolfo Suarez has managed to outstrip Felipe Gonzalez in the popularity rating and to hold first place, according to a poll taken after the debate on the state of the nation held in the Congress of Deputies. CDS [Social Democratic Center] accompanies its leader in the upward trend, receiving a voting expectation of 17 percent, the highest attained to date. All these results cannot be attributed to the debate.

Madrid—The Social Democratic Center (CDS) and its head, Adolfo Suarez, were the major beneficiaries of the parliamentary debate on the state of the nation held this week, based on an opinion poll taken by Emopublica and Associates for DIARIO 16.

CDS has risen 3 points in voting expectations, confirming its upward tendency, and seriously threatening the second place held by Popular Alliance (AP); while Adolfo Suarez for the first time exceeds the prime minister of the government, Felipe Gonzalez, in the popularity rating.

Concurrently, the Spanish Socialist Workers Party (PSOE), and its leader, Felipe Gonzalez, receive the worst results since the beginning of the political term in October of last year.

If general elections were held last Friday, the date when the poll was taken, PSOE would have won 38 percent of the vote; a result that is 6 points below that in the elections of June 1986 (see Table 4).

The leading opposition party, AP, would also decline (in this case, 3 points); and the centrist, liberal party, CDS, would undergo an extraordinary rise: 8 points, nearly

doubling its 1986 electoral quota. CDS is the party receiving the greatest increase in direct voting intention, exceeding that shown by its results in June 1986 (see Table 7).

Such is the new political map after the parliamentary debate held last Wednesday and Thursday. Nevertheless, it would not be accurate to attribute this change in the political balance exclusively to the debate; since the latter evoked but slight interest among the citizens.

The increase for United Left (IU), which rose 2 points, is due to different events. Gerardo Iglesias received a low rating on his remarks in the debate.

Gonzalez-Suarez

The absence of the AP and IU leaders (because neither Antonio Hernandez Mancha nor Julio Anguita, PCE's [Spanish Communist Party] new secretary general, is a deputy) benefited the hand-to-hand encounter between Felipe Gonzalez and Adolfo Suarez. The main perception among the citizens has also been the presence of this political "duel."

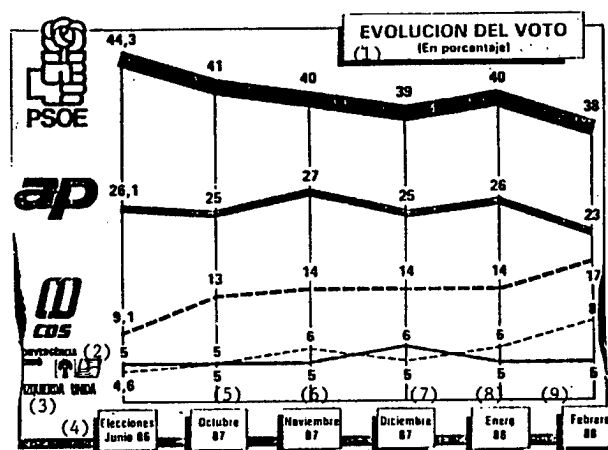
Only Gonzalez and Suarez received a popular rating of over 5 points. (Those polled were asked to grade each leader with between 1 and 18 points.) And, for the first time, Suarez gained over Gonzalez. The 6.08 points received by the CDS head are his best result since the summer; while the 5.76 points for the PSOE secretary general are his worst score during the same period. (See Table 3.)

Although other factors besides the parliamentary debate must be considered, Suarez proves to be the one benefiting most from the holding of this debate; because he received a better rating than Gonzalez among those who follow political events most closely. This means that the confrontations between the two, directly televised, could sway the balance toward the centrist leader.

Following the Debate

The state of the nation debate has not evoked any great interest among the citizens. Nearly half of those interviewed (44.8 percent) did not read, see, or hear anything about it. And only a minority of those concerned over the event paid much attention to the news media. Television stands out most prominently among these media, as compared with the slight influence of the press. (See Table 5.)

The debate had an effect on the voting intention of the citizens who followed it: 80.6 percent of those polled maintain their voting intention, but 12.1 percent have decided to change, and 3.5 percent are considering it. (See Table 6.) The party benefiting most from this shift of votes is CDS: 54.2 percent of those who expressed their intention of changing the direction of their vote now give it to Adolfo Suarez' party. (See Table 7.)



Key: 1. Evolution of the Vote (in percentage); 2. Convergence and Unity; 3. United Left; 4. June elections; 5. October; 6. November; 7. December; 8. January; 9. February

Technical Record

National scope (except for the Canaries). Universe: individuals aged 18 and over, with a telephone. System: telephone poll. Size of the sample: 600 interviews. Sampling error: + or - 3.2 percent. Sample distribution: proportional to region and habitat. Random selection of sample points. Selection of the individual by sex, age, and occupation quotas. Date of field work: 26 February 1988. Execution of field work and data processing: Emopublica and Associates, Inc. Planning and direction: DIARIO 16.

Adolfo Suarez receives a better rating among those who followed the debate closely, and is not dropped by the voters of the other parties: Those from IU even give him a score of 6 points. Felipe Gonzalez, on the other hand, is dropped by non-Socialist voters and is protected thanks to the high score that he receives among his loyal followers. Suarez' image has been considerably established by the debate, to the point where 40.1 percent

think that it has improved. For Gonzalez, the debate did not prove very positive: There is a larger percentage of people who think that his image has worsened.

The Socialist Party stands 6 points from its electoral level of June 1986. There is a high percent of chances that it has now lost its absolute majority. Meanwhile, in the opposition the tendency to replace parties has become marked. AP loses 3 points, the same number gained by CDS. The IU coalition has grown, possibly as a result of the repercussions from the recent PCE congress. The right of center groups still hold more votes, combined, than does the government party. The political picture appears to be in a state of transition.

One out of every eight citizens has decided to change his vote after the state of the nation debate. This is a high percentage, which could rise (given the presence of 3.5 percent undecided), and which reveals a certain amount of flexibility in the area of political preferences. The shift of votes is greater among those polled who claim to have followed the debate attentively; which must be assessed as an effect of the transparency in political action.

Television is the ideal news medium. One out of every three citizens followed the debate or had news of it only through television. The influence of the press, on the other hand, was minimal. None of those polled followed the debate "much" in the newspapers. But, in fact, the concern over the debate was slight. Nearly half of those polled did not follow it through any news medium; disclosing a great lack of interest in politics.

In this table [7], one also notes the growth of CDS, the only party that has a direct voting intention exceeding the number of votes won in the last general elections. With these and other data, including the recollection of vote stated by the person polled, Emopublica prepared the weighted voting intention, reflected in Table 4. One datum to be taken into account is the fact that a high percentage of the "changed" votes will go to CDS. PSOE has also benefited from this effect of the parliamentary debate among voters.

		SEXO (2)		EDAD (3)		CAMBIO VOTO (4)		INTENCION DE VOTO (5)		SEGUIMIENTO DEL DEBATE (6)	
		(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
TOTAL		Hombre	Mujer	De 18 a 30 años	De 31 a 45 años	No	Si	PSOE	AP	CDS	Regulador
Adolfo Suárez		6.08	6.08	5.57	5.76	6.43	5.49	5.96	5.20	8.02	6.00
Félice González		5.76	5.77	5.63	5.40	5.97	5.37	5.79	3.36	4.68	5.99

(16)

Después del debate, ¿considera usted que Adolfo Suárez tiene mejor, igual o peor imagen que antes? (17)

		SEXO (2)		EDAD (3)		CAMBIO DE VOTO (4)		INTENCION VOTO (5)		SEGUIMIENTO DEL DEBATE (6)	
		(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
TOTAL		Hombre	Mujer	De 18 a 30 años	De 31 a 45 años	No	Si	PSOE	AP	CDS	Regulador
Mejor imagen		40.1	38.5	28.6	42.0	43.2	50.0	38.3	45.2	57.4	31.0
Igual		43.0	43.4	42.6	52.9	42.7	39.1	26.8	45.8	22.6	53.8
Peor		8.6	9.0	8.1	11.4	8.0	7.7	10.5	8.7	19.4	3.3
NS/NC		8.3	6.0	10.8	7.1	5.3	10.1	2.6	7.1	12.9	6.6

(22)

Después del debate, ¿considera usted que Felipe González tiene mejor, igual o peor imagen que antes? (23)

		SEXO (2)		EDAD (3)		CAMBIO DE VOTO (4)		INTENCION VOTO (5)		SEGUIMIENTO DEL DEBATE (6)	
		(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
TOTAL		Hombre	Mujer	De 18 a 30 años	De 31 a 45 años	No	Si	PSOE	AP	CDS	Regulador
Mejor imagen		22.6	22.9	22.3	17.1	22.7	24.9	28.9	22.5	12.9	16.4
Igual		46.8	43.4	50.7	55.7	38.7	46.7	42.1	48.6	22.6	44.3
Peor		25.2	29.5	20.3	22.9	33.3	22.5	23.7	25.3	58.1	36.1
NS/NC		5.4	4.2	6.8	4.3	5.3	5.9	5.3	3.6	6.5	3.3

Key: 1. Table 1: Popularity Rating; 2. Sex; 3. Age; 4. Vote change; 5. Voting intention; 6. Follow debate; 7. Men; 8. Women; 9. 18-30 years; 10. 31-45 years; 11. Over 45 years; 12. Yes; 13. Much; 14. Fairly; 15. Little; 16. Table 2. Image of Adolfo Suárez; 17. After the debate, do you think that Adolfo Suárez has a better, the same, or a worse image than before? 18. Better image; 19. The same; 20. Worse; 21. Don't know/no answer; 22. Table 3. Image of Felipe González; 23. After the debate, do you think that Felipe González has a better, the same, or a worse image than before?

CUADRO 4: INTENCION DE VOTO PONDERADA (%) (1)

	(2) Febrero 88	(3) Enero 88	(4) Diciembre 87	(5) Noviembre 87	(6) Octubre 87	(7) Resultados elecciones junio 86
PSOE	38	40	39	40	41	44,3
AP	23	26	25	27	25	26,1
CDS	17	14	14	14	13	9,1
IU	8	6	5	6	5	4,6
CIU	5	5	6	5	5	5,0

CUADRO 5: ATENCION AL DEBATE (8)

¿Ha visto en Televisión Española, ha oído por la radio o leído en la Prensa este debate? (9)

	Total	SEGUIMIENTO DEL DEBATE (10)				(14)
		Mucho (11)	Regular (12)	Poco (13)	NS/NC	
Si, sólo Televisión (15)	31,8	14,9	30,9	53,1	0,5	
Si, sólo Prensa (16)	1,8	0,0	54,5	45,5	0,0	
Si, sólo radio (17)	5,1	19,4	22,6	58,1	0,0	
Si, Televisión y Prensa (18)	6,9	26,2	42,9	31,0	0,0	
Si, Televisión y radio (19)	5,6	2,9	41,2	55,9	0,0	
Si, Prensa y radio (20)	0,8	20,0	40,0	40,0	0,0	
No ha leído, ni visto, ni oído nada (21)	44,8	0,0	0,0	0,0	0,0	
NS/NC (14)	3,8	0,0	0,0	0,0	0,0	

Key: 1. Table 4. Weighted Voting Intention; 2. February; 3. January; 4. December; 5. November; 6. October; 7. June 86 election results; 8. Table 5. Attention to Debate; 9. Did you see this debate on Spanish Television, hear it on the radio, or read of it in the press? 10. Follow debate; 11. Much; 12. Fairly; 13. Little; 14. Don't know/no answer; 15. Yes, only television; 16. Yes, only press; 17. Yes, only radio; 18. Yes, television and press; 19. Yes, television and radio; 20. Yes, press and radio; 21. Have not read, seen, nor heard anything

CUADRO 6: CAMBIO DE VOTO TRAS EL DEBATE (1)

Tras el debate y según la opinión que se ha formado usted, ¿ha cambiado su intención de voto? (Suponga que las elecciones generales fueran mañana mismo? (2)

	Total	SEGUIMIENTO DEL DEBATE (3)				(7)
		Mucho (4)	Regular (5)	Poco (6)	NS/NC	
Ha cambiado (8)	12,1	16,7	14,2	9,4	0,0	
No ha cambiado (9)	80,6	79,2	80,2	81,8	0,0	
Está indeciso entre cambiarla o no (10)	3,5	4,2	2,8	3,1	100,0	
NS/NC (7)	3,8	0,0	2,8	5,7	0,0	

CUADRO 7: INTENCION DIRECTA DE VOTO (11)

Suponiendo que las elecciones generales al Parlamento se celebrasen mañana mismo, ¿qué partido votaría usted con toda probabilidad? (12)

	Total	CAMBIO DE VOTO (13)				(16)
		Enero de 1988 (14)	Si (15)	No	Indecisos	
Alianza Popular (AP) (17)	10,0	12,2	5,3	11,5	0,0	
Centro Democrático y Social (CDS) (18)	13,6	9,6	34,2	17,8	19,2	
Partido Socialista Obrero Español (PSOE) (19)	30,0	29,2	13,2	32,0	0,0	
Izquierda Unida (IU) (20)	2,9	4,3	2,6	4,7	0,0	

Key: 1. Table 6. Change of Vote After Debate; 2. After the debate, and based on the opinion that you have formed, have you changed your voting intention? (Suppose the general elections were held tomorrow.); 3. Follow debate; 4. Much; 5. Fairly; 6. Little; 7. Don't know/no answer; 8. Have changed; 9. Have not changed; 10. Undecided whether to change or not; 11. Table 7. Direct Voting Intention; 12. Supposing the general elections to Parliament were held tomorrow, for which party would you most likely vote? 13. Vote change; 14. January; 15. Yes; 16. Undecided; 17. Popular Alliance; 18. Social Democratic Center; 19. Spanish Socialist Workers Party; 20. United Left

DENMARK

Connie Hedegaard, Conservatives' Defense Spokesman, Profil

36130042 Copenhagen INFORMATION in Danish
20-21 Feb 88 p 5

[Article by Jacob Andersen: "Unbelievably Enduring Nonsense That Conservative Defense Policy Is a Bottomless Pot of Money"; first paragraph in INFORMATION's introduction]

[Text] The all too loyal officers have misunderstood their task, thinks Connie Hedegaard, who also finds the time to take Gorbachev at his word.

"The campaign against the neutron bomb," laughs Connie Hedegaard, the Conservative defense spokesman, when asked about her first major policy battle.

After September's election, it would have been hard for party chairman Schulter to find a sharper contrast to the peace movement's customary hostile image of a Conservative defense politician when he needed new spice for his defense policy stew.

The 27-year-old student of history and literature, who dresses in cowboy pants, resembles neither wooden colonels nor the latest line produced by the young Conservative zombie factory. And even if Connie Hedegaard sees herself as being so Conservative-that-you-really-can't-ignore-it, she is the object of as many angry editorials in the JYLLANDS-POSTEN as any other human being alive.

"But why do you think that's so atypical? My fellow party members generally share my opinions as well, and our elasticity is just what it ought to be in a national party," she said.

Connie Hedegaard has not seen any of the predictable clashes between a young, female defense politician and the old, stiff-legged military men either.

"People in the military long ago came to terms with the fact that they're living in a new era. But, to be sure, in addition, the issue is based on the notion that people in the military are a big, uniform mass in which no one can think and everyone just clings to their cannons. That's pure hogwash."

"In fact, it's much worse with a lot of peace activists and some liberals. I'm not infrequently treated like a minor—now and then you even see the little sexist halo peep out. Sometimes you can get really upset by how shamelessly liberals display their biases."

Wants To Make Cuts

"This is no less true about policy biases. Many people think that the point of Conservative defense policy is more (and more) money for the military. This is unbelievably enduring nonsense. In fact, we are advocating measures which overall will yield defense savings of more than 100 million kroner a year."

"There's nothing new about this. There have never been so many competing interests within the military and we couldn't possibly please all of them. It would be grotesque if we tried."

"If, for example, the Social Democratic Party finds reasonable savings, we wouldn't dream of opposing them. We are not absolutely committed to having the military cost this much or this little. We start with the duties politicians actually ask the military to carry out. Then we'll pay exactly what this costs. And unfortunately we can't do this without higher appropriations."

"We could suitably look more closely at the military's cost of living adjustment, as Knud Damgaard, the Social Democrats' former chairman, recommended as well. For example, the defense budget's salary line gets a 2 percent adjustment. This is completely out of line with this year's actual salary increases."

Duties Misunderstood

Connie Hedegaard does not hide the fact that her common sense comes from hard work trying to delve into the military's finances and organization:

"It's immensely hard to make cuts. On the one hand, you've got some interest groups who want to hold onto their barracks or whatever. On the other, you can't just assume beforehand that everything the officers say is a lie and a ploy."

"You've got to rely on their expertise. Otherwise you end up in the same situation as the Social Democrats last year, when they discussed new missiles for local air defense and the party's three negotiators each advocated their own missile."

"I think there's a great need for us to be more interested in directing defense policy, not the least the division of labor between the ministry and the Defense Command. I think we can see this need in both places. Yet we ought also to rely more on the Defense Staff College than we currently do."

"Above all else, we have to do away with the inertia in the military. Even if there are lots of military men with distinctive, independent ideas about how the military could be run better, we hear much too little from them. They don't buck the official sermon on the mount because of their careers. I call this misunderstood duties."

"Greater openness could help defuse the qualified opposition which people in the military have often noticed coming from politicians. It's not the job of politicians to become specialists, though on the other hand debate has seemed to indicate there was consensus on defense policy. There was no political prestige in getting involved in the details. To be sure, there were some leftward leaners who buried themselves in it, but on the nonsocialist side we took a long time recognizing that an interest in defense was not just a surface ripple. The month-long thorough investigation of defense expenditures we carried out in the defense committee was important. Maybe it also opened the eyes of some officers to the fact that our task could only be to get more money for them."

How Prepared

Connie Hedegaard knows that in the future priorities will have to be drawn up much more tightly within the defense budget than was true in the past. The problem is due, among other reasons, to sharply rising prices for materiel. For a while the Social Democratic Party's message was drastic reductions in the Navy and postponement of major weapons purchases. In some nonsocialist circles, thoughts circulated about whether it was reasonable to maintain such a comparatively high level of preparedness during such a peaceful peacetime. Should money not instead be used to arm and train a larger force which could be mobilized if there were the threat of war?

"There could still be something to be said for seeing whether, for example, we need this high level of preparedness in the Air Force and elsewhere. Of course we can't alter this in 2 weeks. But we could still get up a group which would be free to analyze the matter."

According to the textbook, the extent of preparedness is linked to the type of war we consider to be the least improbable. If it comes quickly, as a surprise, we have to be very ready. But, on the other hand, if war comes gradually, as an extension of larger periods of tension, there is time to gear up the entire mobilization force. Today's "worst case scenario" does not solve the dilemma. Nor does the Conservative spokesman—but she acknowledges the following:

"In the U.S. as well, some defense circles stress that a Danish presence might suddenly be needed, for example, in connection with a development in the North Atlantic or some other northern sea areas. I can't just write off the current worst-case scenario like that. Almost by definition, I have to believe what the military's experts and intelligence service tell me. If there aren't reasonable, current reasons to fear that war can strike like a bolt from the blue, then of course it has to be their job to do so. I think it would be exciting if, for example, the intelligence service would participate in the discussion of the current worst-case scenario."

No Wasted Chances

Connie Hedegaard observes that the need for unbiased assessments of the worst-case scenario has not lessened in the light of trends in the Soviet Union under Gorbachev and of the agreement to scrap European intermediate-range missiles:

"I'm not one to fall over backwards simply because the Soviet Union has a leader who appears to be somewhat talented. But the West needs to take the Soviet Union at its word much more than before. Not the least of all, the Americans have been inclined to dismiss this word as rhetoric from the start. If we get real chances, they mustn't go to waste."

"This applied not the least of all to the human rights issue, but it naturally applies as well to wider political and military conditions. I think it's great that the Warsaw Pact is now preparing to debate military doctrines, but seen in isolation, the debate isn't particularly interesting. What will we do with wonderful defensive statements if they aren't followed up with specific, verifiable reductions in conventional forces and a policy trend in the East Bloc—on human rights, for example—which makes it reliable?"

"If we're going to have better balance in conventional defense, we have to reach some common ceilings whereby the one with the most also has to cut the most. As Mr Genscher, the West German foreign minister, has pointed out, this naturally applies to NATO too, where NATO is the strongest. This means the process has to cover both reductions in troops and in a number of weapons systems all at once. For the first time in many years, we may get real disarmament and not just arms control."

"Denmark's interest is very clear. I wonder if we'll agree with the Social Democrats to fight for this together."

12789/9274

Armed Forces Planning Replacement of Centurion Tanks, Drakens

Army Considering Leopard I

36130043 Copenhagen BERLINGSKE TIDENDE in
Danish 28 Feb 88 p 9

[Article by Nils Eric Boesgaard: "Army Seeking Used Tanks"]

[Text] The armed forces hopes to be able to buy about 100 Leopard I tanks in West Germany as replacements for the 30-year-old Centurion tank.

At the moment the Army is trying to buy about 100 used Leopard I tanks in West Germany. If they succeed, the "new" armored vehicles will replace the oldest of the

30-year-old Centurion tanks, which the armed forces once received as part of arms aid, according to Lieutenant Colonel Ole Kandborg of the Defense Command.

"Two and a half billion kroner has been set aside for the project. We should be able to buy about 100 new tanks for this money. But then we would have to give up the modernization of a large part of the existing vehicles," Kandborg added.

The purchase of used West German tanks is part of a badly needed renovation of the Army's equipment, much of which is quite obsolete.

The plans are first of all to modernize the 120 existing Leopard tanks with better sights and equipment for night combat.

Second on the wish list is the purchase of the above-mentioned 100 used Leopards, and finally there are plans to replace the motors in the remaining Centurion tanks.

The result will be that two-thirds of the tank force will have modernized Leopard I tanks. The final third will still consist of modernized Centurions.

"This provides for a significant 'future security,' because in time the Leopards can be equipped with 120 mm cannon as replacements for the present 105 mm cannons, since the Warsaw Pact tanks are getting thicker armor," Kandborg said.

The project stands or falls with the possibility of buying the used Leopard I tanks—whether the Germans want to get rid of them or keep them in reserve.

The Defense Command is investigating this at present. If it should prove impossible, a solution will have to be found simply in a modernization of the Centurion tanks.

Do-It-Yourself Modernization

The American magazine, U.S. NEWS AND WORLD REPORT, recently investigated what it costs to renovate tanks. A series of Western arms industries deliver "do-it-yourself" modernization kits of, for example, the Soviet T-54 tank, which is the same age as the Centurion and which is used outside the Warsaw Pact by many countries in the Third World.

The magazine concludes that it would cost about 13 million kroner to provide the T-54 with a new motor, gearbox and wheel suspension, new laser sights, and a new 105 mm cannon.

The 13 million kroner is considerably more expensive than a Leopard I which is 20 years younger and in good condition.

The Defense Command calculates that such a tank can be had for under 10 million kroner, and if the Germans will let them go at this price, it will mean that there will be a considerable sum left over for the modernization of the rest of the Danish tank force.

F-16 Possible Draken Replacement

36130043 Copenhagen BERLINGSKE TIDENDE in Danish 28 Feb 88 p 17

[Article by Nils Eric Boesgaard: "Drakens Replaced in 1993"]

[Text] The Defense Ministry's independent advice and analysis group has published a report on the strength of the Danish Air Force.

"The Danish Air Force's Draken aircraft will be replaced by the mid 1990's," Defense Minister Bernt Johan Collet (cons.) said in commenting on a new report on Denmark's Air Force done by the independent advice and analysis group that was established in connection with the defense agreement of 1984.

The report says that the Warsaw Pact's ability to conduct an offensive war against Denmark has increased greatly in the past ten years. With current modernizations the Danish Air Force's F-16's can be used into the next millennium, but for reasons of structure and effectiveness, replacement of the Drakens should begin in 1993. They can possibly be replaced with used F-16's.

The advice and analysis group has investigated a series of alternative weapons systems and has concluded that none of them can be introduced before the end of the century. They say that both the Army and the Navy should have their own air weapons, and they conclude that the Air Force must continue to consist of a mixture of aircraft and missiles.

"The report does not surprise me," Defense Minister Bernt Johan Collet said. "It documents extremely clearly the need for new aircraft to replace the Drakens. The ability of the Danish defense forces to effectively meet the threat from the air must have a high priority, partly to assure the admission of allied reinforcements and partly to assure the operational freedom of the defense forces."

09124

DENMARK/GREENLAND

Copenhagen Paper Lauds Agreement With Greenland on Natural Resources

36130044a Copenhagen BERLINGSKE TIDENDE in Danish 30 Mar 88 p 10

[Editorial: "Historic Day"]

[Text] "This is an historic day," said the chairman of the Greenlandic home rule government, Jonathan Motzfeldt, when he and Energy Minister Svend Erik Hovmand signed a new Danish-Greenlandic agreement on exploiting natural resources [in Greenland].

The agreement, which hopefully will now be ratified by the Folketing and the Greenland Landsting, naturally does not alter the understanding that rights to the Greenland subsurface "belongs with the state." This is not something to raffle over, as Anker Jorgensen once expressed it. But the agreement does mean—as an obvious consequence of home rule—that the Greenlandic politicians and officials are to be assured greater sharing of information and influence regarding administering of natural resources by the Danish state, and that earnings from exploitation should be divided equally between Denmark and Greenland. Should earnings from these resources per year exceed 500 million kroner, the agreement is to be renegotiated, however.

Motzfeldt does not exaggerate when he speaks of an historic day in the joint nationhood. Today is historic because the agreement is yet another example of pragmatic cooperation without dramatic conflicts. May this continue to be the way in the future! If the Home Rule government's decision to postpone taking over the Health Administration for another five years, as INFORMATION reported a few days ago, this is also an expression of an increasing Greenlandic interest in a harmonious development of home rule and the relationship between Greenland and Denmark. Indeed, then the joint nationhood will function to the satisfaction of all—and without the minister for Greenlandic affairs, which was abolished in the fall with the agreement of both parties.

/9738

National Labor Confederation Elects New Chairman

36130044b Copenhagen BERLINGSKE TIDENDE in Danish 28 Mar 88 Sect III p 8

[Text] Ole Magnussen of Qasigianniguit (Christianhab) was elected on 25 March to be the new chairman of SIK, which is the Greenland's version of the LO [Danish National Confederation of Labor]. According to reports by RITZAU [wire service], this means that the organization which previously has been so split is about to be reunited again. Jens Johansen of Sisimiut (Holstenisborg), until now chairman, was elected deputy chairman. He belongs to the Siumut Party. The treasurer will be Kistat Lynge Hoegh, who is secretary to the teachers union, IIP. According to reports, he is more leftist oriented than are the other two.

There were three candidates for the post of chairman, but the delegates at the convention in Qaqortoq (Julianehab) elected Ole Magnussen, who is chairman both of the local SIK chapter and deputy chairman of the Social-Democratic oriented Siumut Party in his hometown.

/9738

GREECE

Shorter Military Service Seen Possible Following Changes

35210077 Athens ELEVTHEROTYPIA in Greek 5 Mar 88 p 9

[Analysis by Spyros Karatzaferis: "Everything Ready for a Reduction of the Service"]

[Excerpts] A reduction of the military service to 18 months is now possible but it will become a fact "when the government decides that the appropriate moment has come," as a senior officer, who is very knowledgeable on the subject, said characteristically.

The government couples the reduction of the military service, which is today the longest in all of Europe, with the course our national issues take:

If the detente in Greek-Turkish relations makes headway—a source from the Ministry of National Defense told me—reduction of the military service will be implemented within 1988. If the Davos and Brussels talks between Papandreou and Ozal are not productive, we shall have to defer indefinitely all thought of such.

But, how does one explain the fact that the much-desired reduction in military service is not occurring "here and now" when the strategic facts allow it and, moreover, the appropriate staff officers confirm that there could be a reduction of the service without decreasing the armed forces' preparedness for war?

The armed forces' preparedness for war will not be decreased because:

If the military service is reduced to 18 months in the three branches (army, navy and air force), they will be short approximately 20,000 soldiers.

For years, GES [Army General Staff] studies have reported this to governments which wished, usually before elections, to announce a reduction of the service.

Today, however, there is no such problem because of several initiatives—very successful ones—of Deputy Prime Minister and Minister of National Defense Giannis Kharalambopoulos which have given the armed forces around 40,000 soldiers, more than covering the vacancies and offering the possibility of reducing the service.

We hold, and we say:

Since the reorganization of the staffs—of GES and GEA [Air Force General Staff] and the completion of that of GEN [Naval General Staff] being awaited—there has

been an economizing of 2,000 officers and non-commissioned officers, and a savings of around 23,000 in conscript personnel has been achieved, to the benefit of the border units.

Before reorganization of the staffs occurred, all these people were underworked in "dead" units and the staffing of the armed forces presented fictitious vacancies.

As we see, the reorganization of GES and GEA alone covers the shortage which will emerge in the forces ceiling from the reduction of the military service.

But the Kharalambopoulos initiatives did not stop at the staff reorganizations; they also extended to legislatively modernizing the law on recruiting Greeks.

From the law's restriction of deferrals and "closing of windows," it is expected that an annual gain of approximately 10,000 conscripts will emerge.

Furthermore, it increased the production of career officers, implemented the statute on conscription of enlisted men with a five-year obligation and of volunteer non-commissioned officers, returned to active service officers with a long reenlistment and imposed the assignment of enlisted men, after basic training, to units in Evros and the islands.

All these began a year ago by order of Kharalambopoulos.

Today everything is ready for the reduction of the military service and the government refuses to implement it, with the excuse I wrote at the beginning:

"Let us see how Greek-Turkish relations develop."

This, however, is an excuse, because it is difficult to tell the truth which has two branches:

1. NATO has to agree to the reduction of the military service and
2. The government wishes to exploit, in a partisan way, the reduction of the military service which is a great trump for the elections. It is trying to gain time and announce the reduction in service on the eve of elections.

9247

PORTUGAL

Cooperation With Morocco Reviewed Favorably

35420058 Lisbon O DIABO in Portuguese
1 Mar 88 p 11

[Excerpt] When Mario Soares visits Morocco, he can (and will) do so in a private capacity, reciprocating the regard of the durable King Hassan II. But at the same

time the trip has a symbolic character which will not pass unnoticed by anyone, especially in the military community and in diplomatic circles. And above all not in Madrid.

History and geography cannot be rewritten. And both demonstrate that the Moroccans are today a strategic adversary of Spain at a time when Spain again dreams of becoming the continental power that it once was.

Morocco and Spain

Morocco is a sentinel of the Mediterranean and along with Spain controls its "choke point," the Strait of Gibraltar (in Tangier the kingdom of Hassan possesses a good naval base where its new missile-firing corvettes are anchored). Madrid continues to maintain enclaves in Moroccan territory, Ceuta and Melilla, defended by Mirage fighters (interceptors) and F5A combat fighters, in addition to contingents of the Legion.

Rabat, on the other side, can also claim to be a good agent for Western control and patrolling of the Atlantic, precisely from Gibraltar to the bay of the Canaries, a zone which equally enters into the strategic planning of Madrid, which recently proposed publicly that it be made a Spanish command with a carrier task force capable of securing this control. Moreover, destined obviously as the embryo of such a task force is the Principe de Asturias, the light aircraft carrier under construction (15,000 tons, capable of carrying 12 Matador vertical-takeoff fighter bombers, Spanish designation for the Anglo-American AV-88), which will command an aeronaval Spanish Armada (consisting of two submarines, a supply ship and four or five Oliver Perry class frigates with sea-to-sea and sea-to-air missiles, in addition to helicopters).

The Moroccan naval base at Agadir, near which is stationed a small squadron of Mirage F1CH fighters, could be the instrument for a north African challenge to Spain for the Western defense of the "gateway" to the South Atlantic and the around-Africa routes.

Morocco and Portugal

Portugal has no serious differences with the Kingdom of Morocco, and the Moroccans were the first to manifest a desire to strengthen relations with our country from the cultural and even economic points of view, but above all from the vital prism of geostrategy in all of its components.

In view of its privileged position and the existence of the "strategic Portuguese triangle," presently highlighted by the Lajes question and rumors about the Almodovar satellite tracking station, Lisbon needs to solidify its successes in the Western defense system.

For some time Morocco "courted" Spain for technical and logistical military assistance: Their defense systems—especially air—were the same (Mirage, F5, Chaparral missiles, etc.); territorial proximity assisted contacts. But this climate cooled some time ago, and today Morocco, for various reasons, some classified, prefers direct cooperation with France, with the United States (which is remodeling all of the armored and artillery forces of the African kingdom) and with Portugal.

In the shops at Alverca, Portugal earned respect for its aeronautical maintenance. Portuguese training schools are also well thought of. And Portugal has a more experienced and powerful naval component than the Moroccans, who might like to cooperate and learn from us. Opening channels of communication and collaboration with Rabat does not have to mean a "slap," on our part, at our Castillian neighbor. In spite of everything, the Spanish institutes of strategic studies are alert to the fact that the departure of American aircraft, missiles and radar from the territory of Madrid will weaken the capacity of the country to oppose any Moroccan military pressure on the Balearic Islands.

What should concern us above all, however, is the fact that with Morocco we could establish ties on terms of equality which would help us better to control access to our territorial waters and our strategic zone.

Thus a strategic alliance with Morocco—favorably viewed by Washington, for example, and especially by London—could be a good strategic instrument for us in the 90's.

12942/9604

SPAIN

Poll Shows Majority Wish for Further U.S. Presence Reduction

35480065 Madrid EL TIEMPO in Spanish
22 Feb 88 pp 40-42

[Excerpts] Bases no, Coca Cola, yes: Even after the Reagan administration has acceded to the desires of Felipe Gonzalez' government to withdraw the F-16's from the Torrejon base, this is still the opinion of the majority of Spaniards; a people who are becoming constantly more imbued with American habits in nearly all respects, so long as the military aspect is not mentioned.

It is the opinion of 39 percent of this country's inhabitants that the Spanish-American agreement on military cooperation should not be renewed, contrary to the position of the Socialist government which, last month, agreed to its renewal; inasmuch as the Americans had decided to reduce their military presence on Spanish soil, concretely, with the withdrawal of the 72 F-16 fighter-bombers at the Torrejon de Ardoz base, near Madrid.

A total of 21 percent expressed approval for renewing the agreement and reducing the presence of American troops, precisely what had been achieved by the Socialist government; and only 10 percent would prefer to continue as Spain has been since 1953, when the Americans established their bases here.

Little Information

The OTR poll, taken among 1,198 persons over age 18, also reveals that the large majority of Spaniards (51 percent) want to reduce the U.S. military presence, even though they may have to increase the defense costs from their own pockets. A total of 16 percent wish the U.S. military presence to decline, without increased expenditures for Spain; and 10 percent think that it would be best to maintain the bases as they are, and not raise the costs for our country.

The strangest part about the poll is the fact that most Spaniards have the mistaken notion that Felipe Gonzalez' government has decided not to renew the agreement whereby the Americans would remain present at the Torrejon, Moron, and Zaragoza air bases. A total of 11 percent think (also erroneously) that the government will maintain the bases as they were; and only 27 percent are correctly informed about the situation.

"It would appear that the image projected by the government upon public opinion is one of opposing the renewal of the agreements, influencing the public in this direction, and reinforcing the anti-American sentiment that the poll results clearly reveal," claims sociologist Francisco Alvira Martin, upon analyzing the results of this study.

The government's spokesmen deny holding such ambiguous positions, and refer to the recent statements made by Felipe Gonzalez and those responsible for our foreign policy, in an attempt to make it clear that, despite what people think, in this government's view, the United States (with the obstacle of the F-16's surmounted) is a greater friend than ever.

Cause for Tension

Our country's ambassador in Washington, Julian Santamaria, asserts: "These relations will improve visibly, because the cause of the tension and friction of recent months, during which Spain strove to demand the withdrawal of the F-16's, has by now disappeared."

The ambassador thinks that, "It has been well understood in Spain that, with the Americans' acceptance of the F-16's withdrawal, there has been a break with the previous system, which had been maintained since 1953, and that the Reagan administration also realizes the effort that the Spanish Government has made to continue that country's military presence in other facilities, and to have the agreement accepted by the Spanish people."



(1) **POSTURA NEGOCIACION CON EE UU**

	ANDALUCIA	CATALUNA	CASTILLA- LEON	GALICIA	MADRID	PAIS VASCO (2)	PAIS VALENCIANO (3)	RESTO (4)	
Renovar y reducir (5)	21	16	24	28	25	24	23	18	18
No renovar (6)	39	35	45	44	27	47	50	38	34
Renovar y mantener	10	13	11	11	9	7	7	4	13
NS/NC (8) (7)	29	36	20	17	40	21	19	40	35
(9) POSTURA DEL GOBIERNO									
Renovar y reducir (5)	27	39	17	40	22	26	28	37	21
No renovar (6)	55	42	67	48	54	55	62	57	56
Renovar y mantener (7)	11	11	9	9	19	10	8	6	12
NS/NC (8)	7	9	7	3	5	8	2	—	11

(10)

POSTURA ANTE DESAPARICION/REDUCCION

(11) TOTAL	AP	CDS	PSOE	PCE/ IU	CIU/ PNV	(12)	(13)	(14)	(15) TOTAL
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(16)

(17)

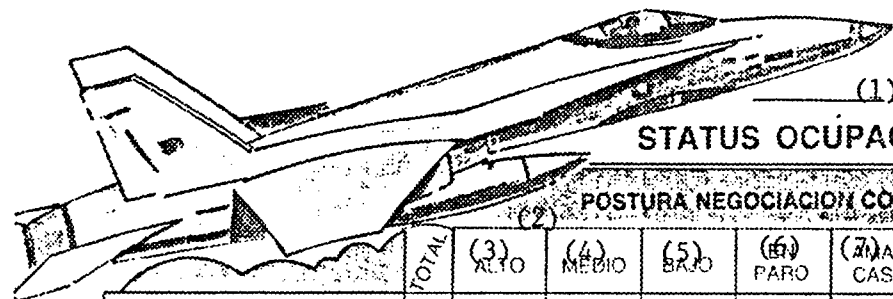
(18)

(8)

Reducir bases/Aumentar gastos	51	47	55	64	49	49	40	66	46	45	53
Reducir bases/No aumentar gastos	15	9	15	6	17	23	5	6	15	18	16
Mantener bases/No aumentar gastos	10	26	16	6	8	14	17	11	—	5	15
NS/NC	24	18	14	24	26	14	38	17	39	34	16

Key:

1. Position on Negotiations with U.S.; 2. Basque Country; 3. Valencian Country; 4. Rest; 5. Renew and reduce; 6. Don't renew; 7. Renew and maintain; 8. Don't know/no answer; 9. Government's Position; 10. Position on Disappearance/Reduction; 11. Blank; 12. Others; 13. Don't know; 14. No answer; 15. Not voting; 16. Reduce bases/raise cost; 17. Reduce bases/don't raise cost; 18. Maintain bases; don't raise cost



(1) STATUS OCUPACIONAL							
(2) POSTURA NEGOCIACION CON EE UU							
	TOTAL	(3) ALTO	(4) MEDIO	(5) BAJO	(6) PARO	(7) AS CASA	(8) LADOS
Renovar y reducir (9)	21	28	29	21	23	13	15
No renovar (10)	39	50	42	38	50	32	31
Renovar y mantener (11)	10	9	12	12	8	9	12
NS/NC (12)	29	13	17	29	18	46	42
(13) POSTURA DEL GOBIERNO							
Renovar y reducir (9)	27	25	25	41	21	26	30
No renovar (10)	55	56	54	40	55	60	55
Renovar y mantener (11)	11	11	16	15	16	6	6
NS/NC (12)	7	7	6	5	8	8	9

Key:

1. Occupational Status; 2. Position on Negotiations with U.S.;
3. Upper; 4. Middle; 5. Lower; 6. Unemployed; 7. Housewives;
8. Retired; 9. Renew and reduce; 10. Don't renew; 11. Renew
and maintain; 12. Don't know/no answer; 13. Government's
Position

A quite similar opinion is held by the former Spanish ambassador in the U.S. capital, Jose Llado, who, as early as 1980, recommended that the Adolfo Suarez government restate the defense agreement with the United States; so that the latter country's troops would gradually be replaced by Spanish troops.

"These relations are better than ever, particularly on the economic level," agrees the state secretary of commerce, Miguel Angel Fernandez Ordonez, who, before joining the Socialist government, had lived in Washington for 2 years. "The relationship between Spaniards and Americans is not a hate relationship, but rather one of love. To this country, with a deepseated democratic proclivity, the United States offers the image of being one of the few Western countries in which neither communism nor fascism has ever been dominant; it is the ideal democratic country," claims Fernandez Ordonez, who predicts that this admiration will improve over the long term, "when the relations between Madrid and Washington are not those of a dominated party on one side and a dominating one on the other."

The Superpower Is Disliked

Llado agrees that, in Spain, "the United States is very well liked; what is disliked is the superpower U.S. This country has a great sense of independence, and dislikes feeling dominated. Here, anyone who wants to be the one giving orders is disliked in principle." Julian Santamaria adds: "However, in essence, the Americans evoke a sense of admiration in Spanish society. They are the economic model and the model of Western life."

Sociologist Alberto Moncada, who has spent several years studying the phenomenon of the cultural Americanization of Spaniards, and who attributes the heightening of this to the fact that, "American culture arrived here during the postwar years of Spanish cultural deprivation, so it caught on unreservedly," declares: "The goals of Spanish middle-class children are now the same as those of Americans: basketball, computers, and English." According to representatives of the U.S. Embassy in Madrid, the fact that Spanish youth appears

to be so pro-American is a sign of hope that, within a few years, the "anti-Yankee" sentiment cultivated during past decades by both Francoists and antifascists will have disappeared.

Technical Record

Sample: 1,198 persons aged 18 and over, residing in Spain. Field work: done from 11 to 16 January 1988, through a poll of households by the Emopublica, Inc, field network. Sample error: maximum error of + or - 3.8 percent.

2909

Description of Latest Aircraft Carrier, Carried Group

35480073 Madrid EPOCA in Spanish
22 Feb 88 pp 54-57

[Article by Enrique Montanez: "So We Have an Aircraft Carrier, What Now?"]

[Text] The Aeronaval Combat Group, comprised of the aircraft carrier "Principe de Asturias," Harrier vertical takeoff planes, four frigates, and antisubmarine warfare helicopters, will cost over half a billion pesetas. The forthcoming delivery of this pocket aircraft to the Navy has started a controversy in military circles regarding the necessity for a ship with these features, which will be engaged in NATO missions to defend the southern flank of Europe.

Few admirals may be willing to admit that the Spanish Navy has finally fulfilled its dream of having in its fleet a brand-new, modern aircraft carrier thanks to the Communist Party; and more than one bewildered look is being noted among the NATO commanders when the Spanish military tell them that, if, within a few months, our country will be contributing to the defense of Europe's southern flank a naval combat group headed by an aircraft carrier, the credit for this is due to the Spanish Communist Party.

If Adolfo Suarez himself had known that his decision to approve the construction of the aircraft carrier to appease the wrath of a few admirals would entail 125 million pesetas from the state's coffers 10 years later, perhaps he would have thought twice about it.

This coming May, the Bazan National Enterprise will deliver the aircraft carrier, "Principe de Asturias," to the Navy 4 years behind the anticipated schedule, and after having had to pay the price of constructing, for the first time in Spain, a vessel of this size, which only existed in the plans because the Americans, creators of this pocket type aircraft carrier, had not even ventured to build a single unit.

In April 1977, Adolfo Suarez, prime minister of the government, took the most significant step in the political transition: legalizing the Spanish Communist Party; a decision essential in calling for democratic elections. Hours later, Suarez met with the irrevocable resignation of the Navy Minister, Adm Gabriel Pita da Veiga. The reports reaching Suarez' desk during the following days spoke of tension in the Armed Forces, particularly the Navy, some of whose commanders had become self-important upon their minister's decision, and were threatening a chain reaction of resignations.

Suarez maneuvered skillfully, and resolved the second major crisis in the Spanish transition in exchange for an aircraft carrier. Suarez knew how to win over the admirals where they were most sensitive. On 17 June, the construction order was signed. The initial cost of the project was set at 30 million pesetas.

Today, 10 years after the start of the work at the El Ferrol shipyards, the final cost of the aircraft carrier has received the classification "secret" from the Defense Ministry and the Bazan National Enterprise. The most moderate estimates cite a cost of 125 million pesetas, excluding the electronic warfare systems, radar, and communications which make up its Combat Intelligence Center (CID), the ship's "brains." Specialized facilities have increased the final cost of the "Principe de Asturias" to 200 million pesetas.

To be added to the 200 million pesetas is the cost of the aircraft placed aboard, the real weaponry and reason for the existence of an aircraft carrier. The "Principe de Asturias" will carry aboard six vertical takeoff Harrier AV-8B airplanes, at a cost of 12 million pesetas for each unit, totaling 72 million pesetas.

This amount does not include the cost of the spare parts or of the missiles and bombs used by the Harriers throughout their operational life. The final cost of the six airplanes will be approximately 100 million pesetas. The aircraft carrier will also take aboard 13 helicopters for missions involving antisubmarine warfare, reconnaissance, and logistical backup, which are already being used in the Navy, although some types of antisubmarine helicopters, such as the "Sea Kings," will be modified to adapt them to the Combat Group at an additional cost that has not yet been reckoned by the Navy General Headquarters. To enable the aircraft carrier "Principe de Asturias" to set sail with its operational capacity at 100 percent, and with its aircraft taken aboard, an outlay of 300 million pesetas would be necessary, as well as the 72 F-18 airplanes from the FACA [Future Combat and Attack Plane] Program.

Nevertheless, a pocket aircraft carrier such as the "Principe de Asturias," without its escort vessels, represents less than scrap to the torpedoes of a submarine. Four frigates built in Spain with an American patent will comprise the aircraft carrier's protective shield, designed essentially to cope with the submarine threat. The

"Santa Maria" and the "Victoria," already delivered to the Navy; the "Numancia," due in October of this year; and the "Reina Sofia," due in the mid-1990's, will require a total of 120 million pesetas for all four; a price that does not include the weapons systems and electronic equipment.

Each frigate will carry aboard a Sikorsky SH-60 "Sea Hawk" antisubmarine warfare helicopter. This system, known as LAMPS-III, is the most modern in the world; and the United States has agreed to sell it to Spain contingent on its being used on the sites of the Soviet nuclear submarines cruising in the Strait of Gibraltar. The six helicopters purchased for the Spanish Navy at a cost of \$90 million total nearly 150 million pesetas in 1985 dollars. In other words, the protective shield of frigates and LAMPS-III helicopters will not cost less than 270 million pesetas.

When the Aeronaval Combat Group becomes operational, about 1990, it will have entailed a total outlay for the state of nearly 600 million pesetas. This will be the largest investment in weaponry made to date by the Armed Forces.

The controversy has arisen in the light of these figures. NATO will be satisfied to have a modern, effective instrument for deterrence on the European southern flank, particularly vis-a-vis the Atlantic, which will not cost it a cent. However, high-ranking Spanish military commanders are wondering whether such a costly investment is profitable for national defense purposes.

Divided Opinions

The Navy is divided. During the next few years, the investment in the Combat Group will preclude undertaking the renewal of the fleet, the oldest one of the European navies. The ambition to have an aircraft carrier, when Spain was not yet imagining its membership in NATO, was an idea of Carrero Blanco, to protect a still Spanish Sahara from the claims of Morocco. With Sahara lost, there are Army strategists who do not see the need for an embarked air force, while having the natural aircraft carrier of the Canaries archipelago, and intensifying relations with Morocco in the political, economic, and military areas.

According to close collaborators, if the defense minister, Narcis Serra, could have done so, he would have eliminated the aircraft carrier "Principe de Asturias" with a stroke of the pen, "but when he arrived in the ministry, he encountered the sticky situation, and there was no recourse other than to go ahead." Defended by the most "NATO-oriented," such as the current Navy chief of staff, Adm Fernando Nardiz, and criticized by young officers stationed at Rota, who think that the Americans will be the main beneficiaries of the Spanish investment in the Combat Group, only time will tell who is right.

This weekly publication was told by a frigate captain: "So we have an aircraft carrier, what now? Our amphibious landing force consists of ships from World War II, and within 10 years the Navy will be disarmed, because 80 percent of the fleet will have gone for demolition."

2909

SWEDEN

Paper Examines Submarine Threat, Policy To Handle Intrusions

Pressure From Submarine Commission

36500076 *Stockholm DAGENS NYHETER in Swedish*
6 Mar 88 p 7

[Article by Anders Mellbourn; first three paragraphs are DAGENS NYHETER introduction]

[Text] The report submitted by the Submarine Commission in the spring of 1983 has become a basic document in Swedish security policy and Sweden's relations with the Soviet Union during the 1980's. As the fifth anniversary of that report approaches, its conclusions are again being examined.

DAGENS NYHETER spoke with a number of centrally placed politicians, government officials, and military men about the submarine threat and Sweden's antisubmarine policy. They were promised anonymity, but everything they said can be reported.

In a number of articles, DAGENS NYHETER will report on the problems still being faced by the government and military authorities as they attempt to meet the submarine threat and give the submarine intrusions their proper place in Swedish security policy.

The Palme government's decision in the spring of 1983 to single out the Soviet Union as being responsible for submarine intrusions was reached very quickly. Minister of Foreign Affairs Lennart Bodstrom and Minister of Justice Ove Rainer both felt that there was not enough support for the Submarine Commission's conclusions.

But by working entirely independently, the commission had placed the government in a situation where Prime Minister Olof Palme found it necessary for purely political reasons to go along with the commission's report.

Olof Palme was greatly annoyed when he read the commission's report. He objected to the fact that the chairman, Sven Andersson, had worked the entire time without contacting him or the leadership in the Ministry of Foreign Affairs.

He himself did not learn of the report's contents until 4 days before it was made public.

The parliamentary Submarine Commission's report dated April 1983 has developed into a basic document in Swedish security policy during the 1980's. The commission was appointed in October 1982 to determine what had happened in Hars Bay during the preceding weeks. Its conclusion that foreign submarine activity had clearly taken place and that the Soviet Union must have been responsible for it has subsequently governed both Swedish submarine policy and the discussion concerning Sweden's relations with the Soviet Union.

Renewed Scrutiny

Over the past few months, a new and more thorough discussion of the peacetime submarine threat to Sweden, its extent, and its meaning has been underway in the government, Parliament, and the military leadership.

Following the government's special study in November and December of the analysis material prepared by the supreme commander of the armed forces concerning foreign submarine activity in the summer of 1987, the government's highest spokesmen are saying with new clearness that violations of Swedish waters are irrefutably continuing and that Sweden will do its utmost to put a stop to them.

Circumstantial Evidence

But present in internal discussions at the same time is considerable but publicly unadmitted uncertainty as to what really lurks behind the submarine intrusions. There is concern that antisubmarine defense has come to occupy too large a place and an erroneous place in Swedish defense policy. It is claimed that the intrusions cannot reasonably be interpreted as playing a role in a larger security policy context in Northern Europe.

The Submarine Commission's material has been especially instrumental in the government's stand on the issue of pointing to a particular nation as responsible for the submarine intrusions reported over the past 5 years. While the Soviet violation of Swedish waters was visible to everyone in the fall of 1981, when Submarine 137 went aground off Karlskrona, the singling out of the Soviet Union in the commission's report was based on circumstantial evidence and inferences.

Several times since then, and especially last fall, the Navy's analysts have intimated more or less directly that there is reason to point to the Soviet Union again. The government has consistently maintained, however, that the evidence is not as strong as it was in the Hars Bay report.

But not even the Submarine Commission's report contained any legally binding proof on the nationality question. The word used by the commission itself was "assessment."

Political Choice

According to new information provided to DAGENS NYHETER by persons in central positions, the government itself did not make its own thorough assessment in the winter and spring of 1983 concerning the validity of accusing the Soviet Union. The government's action was based on its confidence in the members of the commission and on what was basically a completely political judgment that for both domestic and external reasons, it was necessary for the government to protest to the Soviet Union after what the commission had said about the nationality issue.

And it was Lennart Bodstrom and Ove Rainer, the government members with the least experience in party politics, who had definite objections to the action taken following the commission's report. The fact that then Minister of Foreign Affairs Lennart Bodstrom was consistently skeptical of information on submarine intrusions was long taken almost for granted in the public debate and has now been confirmed by DAGENS NYHETER's sources.

Rainer Completely Opposed

DAGENS NYHETER has learned that Minister of Justice Ove Rainer, who also had no party-political experience before accepting his post in the government and who was a close friend of Bodstrom's, also took exception to the Submarine Commission's line of reasoning. Ove Rainer was disappointed that his legal knowledge was not used in the government's assessment of the report and claimed that the proofs and circumstantial evidence adduced to show that the Soviet Union was responsible would not hold up in court.

Too Little Information

According to unanimous reports, Prime Minister Olof Palme was greatly annoyed by the Submarine Commission's work and report. No one with whom DAGENS NYHETER spoke was willing to assert that his annoyance was due to the fact that he actually doubted the commission's conclusions that intrusions had occurred.

But Olof Palme strongly objected to the fact that the commission's chairman, former Social Democratic Minister of Foreign Affairs Sven Andersson, had not kept him informed of the progress of the work but had simply presented him with a finished product on which he had to take a stand only a few days before the report was to be made public.

According to what DAGENS NYHETER was told, the prime minister also felt that the commission had exceeded its authority and its ability to make a judgment when it argued that the Soviet leadership must have been aware of the intrusions and ultimately responsible for them.

It is said that after the Soviet submarine went aground off Karlskrona in the fall of 1981, Olof Palme was of the opinion that the Soviet military alone was behind the intrusions and that the political decisionmakers in Moscow were not in agreement with the activity. That assessment, incidentally, was reportedly shared by Ola Ullsten, who was minister of foreign affairs in 1981 and the Liberal Party leader at the time.

As a result, the note of protest following the Submarine Commission's report was worded in such a way as to permit the Soviet leadership to respond by denying responsibility while also admitting that the intruding submarines had indeed been Soviet.

Bildt, a Commission Member

The Submarine Commission's members were chosen from Parliament. Besides the chairman, its members included the Conservative Party's Carl Bildt; former Governor and Center Party politician Lars Eliasson; the Social Democratic chairman of Parliament's Committee on the Constitution, Olle Svensson; and the chairwoman of the Social Democratic Federation of Women, Maj-Las Loow. It was an official commission and had every technical right to work independently.

Sven Andersson had chosen to keep both the Ministry of Foreign Affairs and the prime minister uninformed as to the progress of the work. In that way, the commission would be able to show that it had done its work completely free of political pressure, and at the same time, the government would be free to make its own assessment of the commission's work.

But in practice, the government was bound politically by the unanimous conclusions reached by a commission whose chairman was a former Social Democratic minister of defense and minister of foreign affairs and on which the Social Democratic Federation of Women—a branch of the party normally critical of the military and their views—was represented by its chairwoman.

Astrom Gave Advice

The Submarine Commission's decision to express itself on the nationality issue and to point to the Soviet Union as being responsible for the intrusions was made late in the process. According to what DAGENS NYHETER was told, the wording was Sven Andersson's own. One of the few people outside the commission to be consulted by Sven Andersson was a former undersecretary for foreign affairs, Sverker Astrom, who, according to what DAGENS NYHETER has learned, also advised the commission to name the Soviet Union.

Several people who were close to the commission say that it was regarded almost as a logical necessity for the commission to express itself on the nationality issue. The submarine hunt in the fall of 1982 had attracted a

tremendous amount of media attention both in Sweden and internationally. It would have been almost impossible for the commission to state simply that intrusions had occurred.

Skepticism Existed

For a time, there was considerable skepticism within the commission concerning the military's analysis material and general doubt that any foreign submarine activity had even occurred. Those doubts were dispelled mainly when the Navy showed its photographs of tracks on the sea floor that had been compared to data gathered by measuring the Soviet submarine that went aground off Karlskrona in 1981.

One of DAGENS NYHETER's informants says: "Once the skeptics on the commission had accepted that fact, the nationality issue followed as a matter of course."

The external political factors making it a logical necessity for the commission to express itself on the nationality issue were naturally even more important to the position taken by the government. In 1983, the domestic political debate over Social Democratic security policy and relations with the Soviet Union was a harsh one. Uncertainty as to where the political leadership stood would have increased if nothing were said about the nationality issue. And from the standpoint of foreign policy, it would have meant sending the wrong signal and showing "pusillanimity," as one of DAGENS NYHETER's informants put it, if responsibility had not been pinned on somebody.

Faced With the Accomplished Fact

It was in that political situation that Prime Minister Olof Palme received the Submarine Commission's final report 4 days before it was to be made public. According to DAGENS NYHETER's sources, he called Sverker Astrom in to ask his advice—the same Astrom who had previously urged Sven Andersson to single out the Soviet Union as responsible. Sverker Astrom was instructed to draw up a note of protest to be presented to the Soviet Union as soon as the commission made its report public.

The protest was then further refined by a small group consisting of the ministers of foreign affairs and defense, the undersecretary for foreign affairs, and the Ministry of Foreign Affairs' expert on international law at the time. The entire cabinet was then presented with the accomplished fact.

Palme Government's Reaction Criticized

36500076 Stockholm DAGENS NYHETER in Swedish
6 Mar 88 p 2

[Editorial: "When Sweden Singled out the Soviet Union"]

[Text] Small states can afford less than anyone to handle foreign policy matters in a hasty and careless manner. The Swedish Government should have been very sure of

its facts before protesting to Moscow in April 1983 about serious Soviet submarine intrusions. The series of articles beginning in DAGENS NYHETER today shows that on the contrary, the decision was made by a prime minister pressed by time after the Submarine Commission submitted its report. Expectations due to the domestic debate seem to have determined the way the matter was handled!

Can a government allow itself to be placed in such an emergency situation? In March 1985, Anders Thunborg of the Committee on the Constitution agreed with a questioner that there was not the slightest doubt that as far as the Hars Bay incident was concerned, one could be completely sure of one's facts. But before that, without anyone's really pushing him to do so, the then minister of defense had remarked that "accusing another nation when one is not on firm ground places one in an anarchic and chaotic situation from the standpoint of foreign policy."

If officials in the government posts directly involved felt later that a very sensitive security policy decision had been made too hastily, that makes some of their subsequent conduct more understandable. Commenting on the hunt for foreign submarine activity in the Karlskrona Basin that was underway at the time, Palme himself said in March 1984 that "either there is nothing there or this is an awfully tough job." Thunborg said at the same time that anyone who sees an "ice floe with a plastic bag floating around" naturally thinks it is a submarine.

A few months later, the minister of defense said during a debate in Parliament that "in view of events over the past few years, there are some points in the submarine issue that are unclear." Something of a key phrase stands out from a famous dinner party at DAGENS NYHETER early in 1985, when then Minister of Foreign Affairs Lennart Bodstrom complained that the Hars Bay report had restricted the government's freedom of action! Also illuminating, perhaps, is the Ministry of Foreign Affairs memo which, in connection with the key issue, showed a somewhat deferential Palme during an embarrassing conversation with Gromyko in January 1984.

Journalist Anders Hasselbohm's severe criticism of the Submarine Commission in his book "The Submarine Threat" in the spring of 1985—"a hodgepodge of loose assumptions, serious inaccuracies, and defective logic"—ought to have induced many people in leading positions to take another look at the documents with some concern. The debate over an earlier and in many ways crucial event—the grounding of U-137 in the Karlskrona archipelago in the fall of 1981—also gave the government reason to wonder whether it had been too hasty in completely ruling out the possibility of a navigational error even though it had been fully justified in issuing a protest to the Soviet Union over an obvious intrusion.

The problem with the Hars Bay case is not primarily that the Submarine Commission may have been mistaken on important points or that it may have drawn the wrong conclusions about the marks left by half-tracks on the sea floor, signal monitoring results that have never been satisfactorily explained, or doubtful sound recordings. It can be supposed that the government's starting point was that Sweden's territorial integrity had indeed been violated.

That is its expressed attitude today. Just look at how pleased General Bengt Gustafsson is with the fact that a few months ago—at Christmas time last year—the government said it "knew" that violations had occurred. The OB [supreme commander of the armed forces] was amazingly frank in pointing out that the purpose of the special working group from the cabinet office which had been appointed shortly before was to enable the prime minister to remove from the minds of defense personnel "a degree of uncertainty as to where the political leadership stands."

The government's obviously felt need for better information was satisfied to some extent this time by the working group. Something like that was exactly what Olof Palme had lacked in 1983 when he was faced with the demand to react to the Submarine Commission's material within a few days. One cannot understand why the prime minister went along with receiving information so late from the commission's chairman, Sven Andersson, even if Andersson was one of the party's real heavyweights whom even a head of government must treat with respect.

Besides the fact that time was too short because Sven Andersson had not kept the cabinet office and the leadership in the Ministry of Foreign Affairs informed of the commission's progress, Palme was also having troubles with the actual mood in the country. The picture being reported to DAGENS NYHETER from various quarters shows a head of government who found himself compelled for domestic political reasons to take a stand on the nationality issue. If so, he made the wrong move.

A parliamentary commission carries weight. But especially in cases involving security policy, the government must always have the last word. If Olof Palme felt uncertain as to how well the Submarine Commission's material would hold up, he should not have taken diplomatic action against the Soviet Union on the basis of its report.

Doubts About Soviet Minisubs

36500076 Stockholm DAGENS NYHETER in Swedish
7 Mar 88 p 7

[Article by Anders Mellbourn]

[Text] There are no specific ideas about the minisubs that are thought to be violating Swedish waters. Except for their own observations, Swedish authorities have no information to show that minisubs are a part of the Soviet Union's Baltic Fleet.

No one even knows for sure whether there are Soviet minisubs with operational missions or, if so, what they look like.

Minisubs are a growing part of the Swedish military leadership's picture of the submarine threat. But back around 1980, when the Navy began reporting more frequent observations of submarine intrusions, it was traditional submarines of the so-called Whiskey class that were being hunted. During the Hars Bay operation in the fall of 1982, everyone assumed that the intrusions were being made by Whiskey submarines.

Frogmen on Board

But the parliamentary Submarine Commission appointed to investigate the Hars Bay incidents discovered something different. It concluded that Sweden was being subjected to intrusions in which Whiskey submarines were simply the mother ships for minisubs of some kind that were responsible for most of the offensive operations.

The commission's line of reasoning on the subject of minisubs was not only new but also a little uncertain. Despite that, the minisub threat thereafter came to dominate the Swedish submarine debate.

The idea is that minisubs carrying frogmen gather the intelligence and prepare the sabotage work that are often regarded as the most important reason for foreign submarine activity.

But as more and more people in the domestic debate over submarines are pointing out, the problem is that there is no certain proof that the Soviet Union even has any offensively operational minisubs for such purposes in its fleet. Minisubs have not been observed on the surface at sea, and they do not appear in any spy photographs of Soviet Baltic ports. The only thing known for sure is that there are Soviet minisubs for research and rescue missions.

Hard To Accuse Anyone

Naturally, it is quite possible, as the Swedish military leadership now assumes, that the same or similar minisubs are also being used in a more offensive manner. But as long as Sweden does not know exactly what it is that is violating Swedish waters, it is extremely difficult both to get a firmer picture of what the threat really is and to accuse a particular nation of being responsible for the intrusions.

"The important thing is to build up Sweden's own intelligence capability so that we will know what we are looking for," emphasizes one government official.

But the problems of proof in connection with submarine hunts do not end there. From time to time, there are very definite reports that Sweden can confirm violations and even determine the nation responsible for them using technical means of detection and advanced signal monitoring.

Increased Radio Traffic

DAGENS NYHETER has learned that those reports are often exaggerated.

"Signal monitoring" means, among other things, that the Swedish intelligence service can record or monitor telecommunications between embassies and agents in Sweden on the one hand and what might be a country responsible for intrusions or even an intruding vessel on the other.

There is no question that Swedish authorities have been able to observe increased radio traffic from the Soviet Embassy when intrusions are occurring. DAGENS NYHETER has been told that when the government accepted the Submarine Commission's opinion that the Soviet Union was responsible for the intrusions, that kind of information regarding the embassy's communications was regarded as important circumstantial evidence.

But according to what DAGENS NYHETER is being told now, the commission itself did not assign the same importance to the results of signal monitoring. And intelligence experts tell DAGENS NYHETER that all assessments of the volume of radio traffic are speculations. They also claim that it is completely impossible to pick up radio traffic directed at a submerged foreign submarine.

Moreover, the value of the so-called library of propeller sounds that is being built up by the Navy is being challenged as imperfect by DAGENS NYHETER's informants.

With Their Own Eyes

That leaves what are called visual observations—that is, what the public and the military have seen with their own eyes and reported. The fact that most of the submarine observations are based on visual observations is also apparent from every quarterly report by the OB. In fact, that is stated in the most recent report (dated 18 February), which also says: "As before, many observations have reference to objects in the water which resemble periscopes or parts of submarines."

The tracks on the sea floor that have been photographed in areas where submarine intrusions have been reported can also be regarded as a kind of visual observation. They were of decisive importance to the Submarine Commission of 1983.

Greatest Value as Proof

The OB's detailed report on intrusions during the summer of 1987 also mentions a very clear track on the sea floor as being one of the most important kinds of proof of an intrusion.

Visual observations have many obvious weaknesses as evidence. But those government experts who are skeptical of a great many submarine reports share the view that they are of the greatest value as proof and that in some cases, they are well enough substantiated that an observation can be regarded as absolutely certain.

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TURKEY

Armed Forces Support Fund Accumulates Wealth *35540116 Istanbul DUNYA in Turkish 16 Feb 88 p 3*

[Text] Ankara DUNYA—The total value of the assets of the Turkish Armed Forces Support Foundation, established in the latter part of September 1987 following unification of the Army, Navy and Air Force Support Foundations, has been determined to be 185.5 billion liras.

Minister of Defense Ercan Vuralhan announced that the foundation's assets consist of transfers from the old military foundations. Vuralhan said further indicated that the 185,540,234,708 liras' worth of assets consist of 124,387,021,701 liras in liquid assets and 61,153,213,007 liras in fixed assets.

Minister of Defense Ercan Vuralhan, briefing DUNYA on the activities of the Turkish Armed Forces Support Foundation, said that the revenues of the foundation would be used to meet the urgent needs of the Turkish Armed Forces.

Minister of Defense Vuralhan explained that according to provisional article I of the Turkish Armed Forces Support Foundation Bill, dated 17 June, 1987 on 15 September, 1987 Army, Navy and the Air Force Support Foundations formally ceased to exist and on 26 September, 1987 the Turkish Armed Forces Support Foundation actively started functioning.

Minister of Defense Ercan Vuralhan said, "The Turkish Armed Forces Support Foundation receives no appropriated funds but gains strength through donations by private business and individuals and fund-raising activities and spends the funds raised and cumulative assets towards meeting the emergency needs of the Turkish Armed Forces within a strategy determined by the board of trustees.

Minister of Defense Ercan Vuralhan said that spending from the income of the Turkish Armed Forces Support Foundation includes emergency and short term plans and programs of the Armed Forces.

The bodies of the Turkish Armed Forces Support Foundation which formally began functioning on 16 September, 1987 consists of the Presidency of the Foundation, the Board of Trustees and the General Directorate. As a result of the transfer of shares from the three Military Foundations which ceased to exist, the foundation presently is the largest shareholder of many firms such as Aselsan, Air Electronics Industry, Turkish Aircraft Industry Corporation and Aspilsan which manufacture military related products.

12777/9274

FINLAND

Helsinki Region, South Prospering as Industry Leaves North

36500081 Stockholm DAGENS NYHETER in Swedish
10 Mar 88 p 11

[Article by Steffan Lundberg: "Predators and Financial Cubs in Finland's Wealthy Capital"]

[Text] Helsinki—It is 7:30 am. The cars on Vasterleden creep along toward downtown Helsinki 10 meters at a time.

Many of them are equipped with ABS nonlocking brakes, direct injection, a sun roof and a telephone. The car telephone network is overloaded for the next hour. Most people amuse themselves by calling home to their wives in Esbo or Grankulla. Here are the representatives of Finland's prosperity—alone in their cars.

It is hard to see any difference between the people here in southern Finland and those in London or Stockholm. Down here there are jobs, money for consumption and traffic jams.

The people live in Vanda, Esbo and Grankulla and work in Helsinki. Vanda and Esbo are "towns for young people," as it says on quite a few of the cars. They are not real towns, they are housing areas spread out in big municipal districts that call themselves towns.

A million people are packed into a small area. Everyone wants to go south to prosperity, businesses as well as people. There are too many cars and people and not enough housing units. The rest of the country is depopulated and the politicians are tearing their hair out.

Now the northern politicians are calling for tough measures to stop the migration and the establishment of companies in the south. This would be done by means of higher investment taxes, among other things.

Things are going better than ever for Finland—on the average.

In the 12 o'clock crush, the "financial cubs" of the stock exchange put on their jackets, stuff their papers into their attache cases and melt into the crowd on the street in their dark-blue overcoats. They certainly deserve a lunch at Konig on the other side of the stock exchange district.

Never before has the stock market turned over as many millions as it does now. The "stock market collapse" in the fall did not affect Helsinki much.

"It was the amateurs who got burned, everyone else did all right," said a broker who has barely recovered from his teenage acne.

The bankers and the stock market sharks realize the consequences of their actions. They know that an avalanche is in progress. The rich are getting richer and the poor are getting poorer. No one has to starve, but class distinctions are becoming greater. People talk openly about A and B people.

"The politicians will have to deal with that issue. It is the task of company managements to make sure that the company is profitable and provides yields for its stockholders," said Kaj-Gustaf Bergh, 32, the vice-president and part owner of a medium-sized banking firm in Helsinki.

He admitted that the new culture of company purchases and prosperous Finland's enormous interest in stock speculation will create even greater gaps between people. And between north and south.

Stuck

"You would have to be blind not to see that. Some people will not be able to get off the ground," said Bergh. "We can see how things have gone in England."

Kaj-Gustaf Bergh is a member of the most successful young guard in Helsinki's stock market and financial circle. He has a crystal-clear view of what is happening in Finland just now.

"Companies secure their growth through purchases, that is what is new. They also sell off profitable parts if they do not fit into the overall picture."

An example of the way it works in practice is that a big company sells off part of its enterprise to another company that is active in that particular area. The buyer makes an offer that is too good to refuse and the deal becomes a fact. A little later on the enterprise is shut down. A competitor has been eliminated. Company purchases and mergers are so common that only the big giants receive more than a small notice in the newspapers.

Bergh likes to make comparisons with nature, where the strong gobble up the weak.

"Before, when we had a protected market, we could keep less profitable companies going. Now we are heading into an open market and then it is not enough to be only somewhat profitable.

"A company that assumes a social responsibility loses out to its competitors. It is up to the politicians to take care of the social aspects.

Predators

"Our job is to function the way predators do in nature. If a company is not being managed well, it is bought up, even though it may have potential."

It is that simple—and that hard for the blue-collar workers to understand.

"Things have never gone as well for Finland as they are going now, but it all goes into the stock market and options. In the past unprofitable industries were closed—people could understand that—but now normal profitability is no longer enough," said Pauli Suvanto, chief representative of the big sawmill in Joensuu in northern Karelia, which will continue to provide employment for 180 men for another 2 months.

The alternative is to move south.

"There are many people here who would rather hang themselves than move once again. We have the country's worst suicide statistics," Suvanto said.

In Hango, in the southernmost part of Finland, the stranglehold of structural change feels just as tight as it does in the north. The Koverhar iron and steel plant with 500 employees will be closed by 1991 at the latest.

"We are profitable and we are doing our utmost to demonstrate that," said chief representative Olavi Qvist.

"So they can't justify closing the plant by saying it is unprofitable."

But they probably will anyway.

The terribly wealthy in Finland can be counted on the fingers of both hands. The British Embassy is practically the only place that has a Rolls although sales of Jaguars have multiplied in recent years. But private individuals have a lot of ready cash. This is the money that is being invested in huge company stock issues.

Finnish companies are using this money to buy up Sweden. This is the money they use to make deals in order to pay their growing number of stockholders more money. In this way more and more Finns are becoming capitalists and the distance between them and impoverished Finland is growing. Wood and metal giants merge and parts are shut down. Hundreds of people in small communities lose their jobs—there is no replacement industry.

Bergh freely concedes that this is the case, but the politicians also have increasingly better opportunities to take care of the B people when companies are more profitable and better run.

In an attempt to reduce the gap between northern and southern Finland and to achieve the Holkeri government's goal of "controlled structural change," the Internal Affairs Ministry is planning a broad program to check the growth of the capital region.

One part of the program is based on making it more expensive for companies to set up businesses in the capital region with the help of various tax penalties. The other part is based on giving abatements to companies that move out.

Stifles Initiative

Naturally there has been harsh criticism of the proposals in Helsinki. The mayor of the city, Raimo Ilaskivi, said the plan "stifles initiative." Among other things a new company would be saddled with a 15 percent investment tax and an employer's social tax payments would be increased by 2 percent within the capital district. But those who choose to move out would be encouraged with various state subsidies.

Ilaskivi sees the restrictive measures as having a negative effect on the entire country—including the northern areas where unemployment is high.

But something must be done. Even the lady in the silver-gray Porsche who parked in the middle of the sidewalk outside Feminett on Alexander Street realized that.

"This will probably cost me 100 markkas, but it is so crowded that it is impossible to find a place to park," she sighed to her friend.

06578

FRANCE

Public, Commercial Transport Show Gains in 1987
35190049 Paris *LES ECHOS DE L'ECONOMIE* in
French 3 Mar 88 p 10

[Article by Didier Pavy]

[Text] In 1987 transport companies in France did not suffer too much, if we are to believe OEST (Transport Economics and Statistics Observatory), which comments on the final results of the sector's 1987 activities in its economic report of last month. Freight forwarders have all the more reason for displaying their satisfaction since the services they performed increased on the whole in both value and volume.

On the subject of prices, OEST first of all notes that public transport rates have on the average increased by 3.7 percent a year with a "recovery" rate at the generous level of 5 percent for urban public transport companies, whereas rail transport figured as a model of moderation, remaining behind the general index (3.1 percent) with an increase of only 2.9 percent in its rates. On an annual average, public transport rates increased 5.1 percent while commercial freight rates increased only 3.4 percent.

Obviously, business firms, where competition is of most importance, more willingly practice a certain austerity as regards rates. It is true that, where freight is concerned, French carriers still have a great deal of progress to make in terms of competitiveness in comparison with their European counterparts. In any event, transport companies have in general contributed to the inflation of the services index, which rose by 7.8 percent last year (LES ECHOS, 29 February). An extenuating circumstance for truckers: The price of diesel fuel rose again in 1987—after having dropped in 1986—by 3.5 percent.

Aside from the profit thus gained from the freeing of their rates, freight companies were able to benefit last year from good support from industrial operations—particularly during the second half of the year—and a noticeable increase in the volume of foreign trade, with a rise of 3 percent in exports and 6.7 percent in imports. In terms of volume, it was trucking that profited the most from the 4.5 percent increase in freight capacity that resulted from this favorable economic situation. Independent truck fleets experienced an increase of 3.5 percent in their operations while truckers working for others increased their volume by 10 percent. The favorable state of our foreign trade also benefited international trucking volume, which was 11 percent higher than in 1986.

While rail transport stagnated (the SNCF [French National Railroads] market suffered a loss of 1.6 percent) and water transport volume continued to drop, trucking bounded to the top of the freight sector last year. This has not prevented the number of bankruptcies from considerably increasing again (up 17 percent) while registrations of vehicles weighing over 5 tons increased by 15.1 percent. OEST is of the opinion that these investments were more the result of an extension in freight capacity. This sector is witness to a reorganization of ever stronger companies that keep better tabs on their costs.

And lastly, in the passenger transport sector OEST reminds us that the boom in automobile sales in France last year (10 percent) is another obvious sign of the success of road transport over other modes of surface transport. Even though the increase in highway traffic was lower last year (4.2 percent more versus 6.3 percent in 1986), the freeways continue to attract ever heavier traffic (up 6.6 percent in 1987 versus 7 percent in 1986, nonetheless). As for passenger transport, regardless of how it is conducted, air transport was definitely the star of the year: up 11 percent for international traffic at the Paris airports and up 14 percent for Air France traffic. Despite the flight controllers and pilots strike, Air Inter continued to briskly advance (up 8.3 percent following 11.2 percent in 1986). Only UTA [Air Transport Union], suffering from the poor economic situation in Africa, experienced an atypical slowdown (in comparison with international air transport as a whole) in its traffic.

11466/08309

Layoffs Hit Auto Industry

35190050 Paris *L'USINE NOUVELLE* in French
3 Mar 88 p 70

[Article by Jean-Paul Le Guern]

[Text] Among Peugeot, Renault and Citroen, 9,000 jobs will be canceled this year. And it is far from being over.

The personnel of the French auto industry is hit with new clear cuts: Peugeot uses a chain saw, Renault an ax and Citroen pruning shears. To be sure, these are different types of surgery, but endured equally in a climate of resignation.

Peugeot's announcement last week that it was canceling 4,271 jobs over the next 16 months was greeted with surprise. As a matter of fact, 7 percent of the work force (60,256 employees as of 31 December 1987), is far more than was expected. Yet, this stepped up move (the 1987 plan only concerned 2,160 employees) only gave rise to protests in principle. To be sure, the company with the lion symbol learned to appear strong by acting as though it were.

Besides the fact that every layoff is limited to voluntary early retirement, two measures are particularly appreciated by the unions. The first one is the FNE pre-retirement benefits offered to those "over 55 years of age." Then, there are the conversion agreements proposed to those "under 55 years of age," made more attractive by a bonus for retiring quickly: 25,000 francs for retiring prior to 30 July 1988; 20,000 francs, between 1 August and 30 September; and nothing beyond those dates. There is also a bonus offered to voluntary retirees for leaving without the agreement. The two groups can count on being supported by a relocation system set up in each company and by the temporary decreasing benefits meant to compensate a loss of salary higher than 10 percent after relocation. The return of immigrant workers to their country, part-time and leaves without pay combined with financial incentives (2-month salary with a minimum guarantee of 10,000 francs) until 30 September 1988, and reemployment priority (but no guarantee) complete the system.

The more moderate 1988 Renault plan (3,835 employees affected out of 75,011) is being implemented smoothly, except for a few isolated demonstrations, particularly in Flins (1,120 positions canceled) and Cleon (280). To be sure, the layoffs are not as numerous as the unions feared. In addition, these past few weeks, the latter gave priority to negotiations. Wages and profit-sharing are on the agenda.

Billancourt is the only one to tremble. And yet! The storm unleashed by the CGT [General Confederation of Labor] remains verbal. The union challenges the latest transfers of subsidiaries decided by the administration (See *L'USINE NOUVELLE*, No 8 dated 25 February). It also condemns Raymond Levy's social strategy. The

CGT members, continuing the objections voiced by the Communist Party, claim antiunionist repression; the PDG [President- Director General] answers that it is normalization. As we can see, the threatened 964 on-site jobs are far from being the primary concern.

This leaves Citroen, which seems to want to take a break this year. No layoffs are anticipated, so they say, other than the 630 caused by the closing of the Levallois plant on 29 February, a shutdown marked by occasional symbolic demonstrations.

The three French manufacturers consequently approach 1988 with different strategies. Yet, all three anticipate a declining market for the second semester. All three also aim for the same productivity increases: +10 percent annually. Finally, all three are involved in modernization, one of the effects of which will be to make many qualifications obsolete. Under these circumstances, chain saw, ax and pruning shear should soon change hands.

6857

PORTUGAL

Spanish Investments Seen Steadily Increasing
35420063 *Lisbon SEMANARIO in Portuguese*
19 Mar 88 p 3

[Article by Antonio Simoes]

[Excerpts] In the past 2 years Spanish investments in Portugal have increased to 10 times more than what they were in 1985. First it was the multinationals. Now it is Spanish capital alone.

In its last issue the Spanish magazine TIEMPO pointed out that in 1987 Portugal was the country preferred by Spanish capitalists. In fact, since 1986, the year when Portugal and Spain joined the EEC, Spanish investments in our country increased to more than 10 times what was reported in 1985.

Thus, Spain has strengthened its position among the principal countries investing in Portugal, being the second major investor (20.1 percent of the total) and close on the heels of the United Kingdom.

In 1987 investments from Spain rose to more than 12 million contos— five times more than the investments made in 1986.

The biggest share of Spain's investments in Portugal in 1987 went to nonmetallic mineral production (35.2 percent) and wood and cork production (22 percent). In 1986 Spanish capitalists had already invested in Portugal's chemical industry (35.8 percent), iron and steel industry (17.3 percent) and its wholesale market.

Spanish investments in Portugal have encompassed a multiplicity of small projects, nearly all under 200,000 contos. However, in the past 2 years there has been a substantial increase in the number of projects in excess of 200,000 contos.

But the most important aspect of Spanish investments in Portugal in the past 2 years is the fact that a considerable portion of the capital coming from Spain involved companies whose headquarters are not located in that country.

According to our information, shortly after Spain and Portugal entered the EEC, the influx of Spanish capital into Portugal was concentrated on Spanish affiliates of multinational companies.

From 1985 until the end of 1987, the amount of foreign investments made in Portugal via Spain represented about 40 percent of the total investments coming from that neighboring country. For example, in the past 2 years multinational groups, especially French (Renault, Saint Gobin and Carnaud), made investments in Portugal through their Spanish affiliates. Meanwhile, a source from the IIE (Foreign Investment Institute) contacted by us advised that, beginning in the second half of 1987 and extending into the near future, Spanish investments in Portugal will be Spanish based, that is, their headquarters will be located in Spain. Those Spanish based investments seem to have the fundamental objective of supplying Portugal's domestic market through the import of goods produced in Spain. Therefore, a large number of the Spanish based investments are concerned with wholesale business transactions.

But the Spanish based investors also showed an inclination to purchase Portuguese companies and this inclination slightly exceeded the average attained by other countries (16 percent compared to an overall average of 13 percent). According to the IIE, the capitalists of the neighboring country, having considerable experience in the wood, ceramic and ornamental-stone industries, showed great interest not in founding their own companies but in acquiring Portuguese firms which were not very competitive technologically.

The enormous volume of Spanish investments in our country is in keeping with an overall strategy of expanding that country's trade capabilities to supply a market which, by 1990, will encompass about 50 million consumers and, from that time on, more than 300 million. In fact, Spanish investments in our country have been oriented toward the establishment of promotional and marketing firms involving products whose exports to Portugal have been at pretty high levels. In 1986, Portugal imported 157 million contos worth of merchandise from Spain and, in 1987, that figure increased to 223.8 million contos (an increase of 42.5 percent).

In still greater support of that strategy, the Spanish Government is exerting considerable pressure on certain Portuguese financial institutions aimed at forcing them as soon as possible to open a Portuguese branch of the Foreign Bank of Spain and another of the Bilbao Bank which would then lend greater support to Spain's investors.

08568

Considerable Rise in Foreign Investment Noted

35420059a Lisbon O DIA in Portuguese 24 Feb 88 p 6

[Text] Official data which have now been released indicate that direct foreign investment in Portugal increased almost six-fold this past January in comparison with the same month in 1987. A document from the Foreign Investment Institute (IIE) reveals that, in January of this year, foreign investors invested 15,994,546 contos in Portugal, compared to 2,774,101 contos during the same period last year.

The IIE authorized 164 investment transactions (compared to 81 in January 1987), from which foreign currency in the amount of 12.8 million contos came into the country.

Of the amount from last January, nearly 9.8 million contos were invested by investors from countries that are Portugal's European Economic Community partners. That is more than 61 percent of the total.

In January of 1987, EEC investments in Portugal were around 2.1 million contos.

Country by country, the largest amounts invested in Portugal this past January were made by investors from the United Kingdom (5.4 million contos), followed by those from the United States (3.3 million contos), West Germany (2.4 million), Switzerland (1.7 million), and France (1.2 million).

The sector that attracted the largest amount of foreign capital this past January was the financial institution sector, where a total of 5.8 million contos was invested.

9895

Unemployment Statistics Show Significant 1987 Drop

35420059b Lisbon O DIA in Portuguese 25 Feb 88 p 7

[Text] The latest official statistics reveal that employment in Portugal grew by 2.6 percent in 1987 compared to the previous year (annual average), while unemployment went down by 16 percent.

Data from the National Institute of Statistics (INE) for the last quarter of 1987 indicate that the increase in employment in 1987 was "strongly marked" by a 14.3 percent growth rate in short-term contracts.

The unemployment rate (in the broad sense) was 7.9 percent at the end of 1987, compared to 9.6 percent at the end of the previous year. In the narrow sense, this rate came to 6.6 percent at the end of last year, compared to the 8.0 percent rate recorded at the end of 1986.

The number of people unemployed (in the broad sense) at the end of 1987 was 356,900, compared to 433,300 at the end of 1986. In the narrow sense, the number of people unemployed was 295,700 at the end of last year, compared to 359,500 at the end of 1986.

The increase in employment (2.6 percent at the end of 1987) resulted especially from the increase in workers with short-term contracts (14.3 percent), self-employed (5.0 percent), and employed by others (2.2 percent), while the number of workers with permanent contracts showed no change.

Improvement in the Secondary Sector

Ranked according to age, and compared to 1986, a decrease of 18.2 percent was registered in the number of unemployed who are 24 years of age or younger; for those between the ages of 25 and 49, the figure was 15.6 percent; and for those 50 years old or older, the figure was 4.3 percent.

Ranked by activity sectors, both the primary and the tertiary sectors suffered a setback in their levels of employment in the last quarters of 1987, while the secondary sector showed a slight improvement (up 0.7 percent). In this context, the primary sector, clearly showing a new decrease (down 1.6 percent), is maintaining its share of the employment picture with around 22 percent of total employment.

The active population registered an increase of 0.7 percent in 1987, with its rate settling at 46.9 percent (annual average). At the end of 1987, the active population was 4,530,100 people, compared to 4,501,900 at the end of 1986.

Between the third and the fourth quarters of 1987, the active population registered a decrease of 2.2 percent. At the end of 1987, the total population on the Continent was 9,765,200 individuals, compared to 9,735,700 at the end of 1986.

9895

TURKEY

Ozal Announces Major Economic Package

New Measures Tighten Government Control

*35540117 Istanbul HURRIYET in Turkish
5 Feb 88 p 15*

[Text] Ankara—Prime Minister Turgut Ozal yesterday disclosed the "package of measures" designed to end speculative activities in the economy (ventures undertaken for the purpose of reaping excessive profits), to resolve the foreign exchange crisis and to prevent the outflow of money from banks by withdrawing money from the market.

Ozal announced that the interest rate on 1-month time deposits has been raised to 40 percent and that the maximum gross interest rate on 1-year time deposits has been raised to 65 percent (net 58 percent).

The Prime Minister also disclosed a new system which "rewards exporters who repatriate their foreign currency earnings early and penalizes those who delay the repatriation of their foreign exchange earnings."

In a statement after a 2-hour-and-10-minute meeting with President Kenan Evren, Prime Minister Ozal said that his government will "keep the banks under very close surveillance." Ozal stated that the Central Bank has been given the authority to set the upper limits of interest rates on deposit accounts and that the interest rate on 1-year time deposit accounts will no longer be freely set. In this way, Central Bank Governor Rusdu Saracoglu who said "interest rates should not be set freely, we must set the rates" has been given what he wanted. On the other hand, Yusuf Bozkurt Ozal, the minister of state responsible for the economy, who asked for "freely-set interest rates" has not been granted his wish.

Meanwhile, the reserve requirement ratio for banks (the portion of the bank deposits which must be deposited with the Central Bank) has been raised from 14 percent to 16 percent; the liquidity ratio (the amount of cash banks must maintain in their safes) has been raised from 23 percent to 27 percent; and the import security deposit ratio (the amount of foreign currency that importers must deposit with banks before any import transactions) has been raised from 7 percent to 15 percent.

The new "shock" decisions which will reportedly have a major influence on the economy have been described as a "stick" against the banks as well as "Tahtakale" [the currency black market].

Economic Measures

Prime Minister Ozal stated that a series of major economic measures have been taken to end the speculative activities observed on the market and to steer the economy away from certain inaccurate evaluations. Ozal said that these measures were taken after lengthy research by the appropriate technicians. The Prime Minister continued:

"One group of measures is primarily designed to shrink the supply of Turkish currency on the market. Some other measures are designed to curb the recent speculative activities.

"I can explain the measures designed to shrink the Turkish currency supply as follows:

"One measure is related to imports; it raises the import security deposit ratio from 7 percent to 15 percent from today until 1 March. This rate will drop to 14 percent

during the period 1 March to 1 April. It will drop further, and during the period 1 April to 1 May it will be 10 percent. After 1 May the said rate will revert to 7 percent. In other words, the import security deposit ratio has been increased for a temporary period of time.

"The second group of measures can be summarized as follows: The reserve requirement ratio for banks has been raised from 14 percent to 16 percent, and their total liquidity requirement ratio has been raised from 23 percent to 27 percent. Memoranda to this effect will be published by the Central Bank. In other words, these measures increase the reserve requirement ratio by 2 percentage points and the liquidity requirement ratio by 4 percentage points adding up to a total of 6 percentage points."

Interest Rates

The Prime Minister said the following about the new rules on interest rates on time and demand deposit accounts:

"In view of the fact that after interest rates on 1-year time deposit accounts were freed our banks came to a type of agreement among themselves and kept the interest rates at the upper limit, it has been decided to give the Central Bank the authority to set these upper limits for some time. Accordingly, the upper limit of interest paid on demand deposit accounts has been set at 36 percent. The other interest rates have been set as follows:

"—The upper limit of interest rates on 1-month time deposit accounts is 40 percent.

"—The upper limit of interest rates on 3-month time deposit accounts is 45 percent.

"—The upper limit of interest rates on 6-month time deposit accounts is 52 percent.

"—The upper limit of interest rates on 1-year time deposit accounts is 65 percent.

"The banks will make their own decisions subject to these upper limits."

Export Earnings

Prime Minister Ozal said the following about the new system regarding foreign currency earnings from exports:

"This system will be applied to actual exports made after 1 March 1988. The system will operate as follows:

"Foreign currency earned from exports must be repatriated within 3 months. According to the rules of the new system, exporters who repatriate their foreign currency earnings within 1 month will have their tax rebates and premiums increased by 20 percent. In other words, if an exporter is eligible to receive a tax rebate of 10 percent,

he will get 12 percent according to these rules. If he is eligible for export incentive premiums of 4 percent, those, too, will be increased by 20 percent.

"Exporters who repatriate their foreign currency earnings within 2 months will receive only 90 percent of the tax rebates and premiums they are eligible for.

"If they repatriate their foreign currency earnings within 3 months, they will receive only 50 percent of the tax rebates and premiums they are eligible for.

Penalties for Delays

"If they repatriate their foreign currency earnings after more than 3 months, they will not receive any tax rebates or premiums. Moreover, the foreign currency will be converted into Turkish currency at the exchange rates that were prevalent at the end of the 3-month period. The repatriated foreign currency must now be exchanged at the Central Bank. Unlike the practice in the old system, exporters will no longer be able to retain 20 percent of their foreign currency earnings. They will have to exchange 100 percent of their earnings into Turkish currency.

"A change has been made in the Law on the Protection of the Turkish Currency—that is, in Statutory Edict 30—to penalize those who do not repatriate their foreign currency earnings within 6 months.

"Accordingly, if this time period is exceeded, the offenders may be barred from engaging in import or export transactions for up to 3 years.

"This system will go into effect on 1 March. Those who have not repatriated their earnings prior to that date will not be subject to any legal action or penalties if they repatriate their earnings within 10 days from today."

Warning to Banks

Ozal said that the practice of depositing official funds in the Central Bank or in the Agricultural Bank in locations where the Central Bank has no branches will continue and that this practice will be kept under close surveillance. He added: "However, interest rates on these accounts will not exceed 10 percent. The Central Bank and the Undersecretariat of the Treasury and Foreign Trade will continue to keep the banks under close surveillance. In fact, they will keep them under closer surveillance."

Stating that the banks must be very careful to comply with rules and regulations in effect by virtue of their position as "institutions of public service," Ozal said that the Central Bank and the Undersecretariat of the Treasury and Foreign Trade "will not shrink from implementing all necessary measures" to enforce compliance.

Stating that the attractiveness of Turkish currency as well as foreign currency accounts to the savers is important for the Turkish economy, Ozal continued: "Foreign currency savings accounts have been very helpful to our country and their contributions will continue. These accounts grew by 68 percent in 1987 and by 20 percent in the last 3 months. That growth is an indication of confidence in our government's policies."

No Quick Transition to Convertibility

Stating that the Central Bank has initiated work to establish a foreign currency trading market, Ozal ruled out the possibility of starting a "foreign currency market" this year. Ozal added that convertibility (free trading of foreign currency and the setting of currency values freely) can be achieved only after the establishment of a foreign currency market.

Ozal said that the Central Bank will set foreign exchange rates daily as in the past and that interest rates on credit will not be cut. He concluded his remarks on the new economic decisions as follows:

"I am hoping that our banks and other institutions will continue to comply with the rules that have been set up. Hopefully, our foreign currency and financial markets will stabilize soon. Then the free implementation of the measures we just enumerated may be comfortably considered."

New Arrangements in Incentives

Undersecretary of the Treasury and Foreign Trade Yavuz Canevi disclosed that the implementation of export incentives will parallel the regulations regarding the timing of the repatriation of export earnings. According to Canevi's announcement, the following time frames will be implemented with respect to the payment of tax rebates and premiums for exports:

—Exporters who repatriate their foreign currency earnings within 30 days will have their export tax rebates and premiums increased by 20 percent.

—Exporters who repatriate their foreign currency earnings within 31 to 60 days will receive only 90 percent of the tax rebates and premiums they are eligible for.

—Exporters who repatriate their foreign currency earnings within 61 to 90 days will receive only 50 percent of the tax rebates and premiums they are eligible for.

—Exporters who repatriate their foreign currency earnings after more than 90 days will not receive any tax rebates or premiums.

Repatriation of Delayed Foreign Currency

A separate regulation gives a new chance to exporters who have not repatriated their foreign currency earnings within the legal time period. According to this regulation, those who repatriate their foreign currency earnings within 30 days from yesterday will have their foreign exchange accounts closed and will not be subject to any legal action. Those who repatriate their foreign currency earnings within the first 10 days of the said 30-day period, will receive the Turkish currency equivalent of their earnings at the current exchange rate without any penalties. Those who repatriate their foreign currency within the 11th to 20th day of the said period will receive the Turkish currency equivalent of their earnings at the current exchange rate with a penalty of 0.5 percent for each day after the 10th day, and the penalties charged will be paid to the Support and Price Stability Fund.

Economists React, Explain Implications

35540117 *Istanbul HURRIYET in Turkish*
5 Feb 88 p 15

[Text] Economic experts made the following comments with regard to the new decisions announced by Prime Minister Ozal yesterday:

1. Tight Regulation of Foreign Trade: A "tight rein" has been imposed on export-import transactions to prevent the foreign currency shortage from assuming critical proportions. The "temporary" nature of the hike in the import security deposit ratio from 7 percent to 15 percent suggests that the government believes the foreign currency shortage is temporary. The provision in the decision envisaging a reduction in the import security deposit ratio after 1 March and a return to 7 percent after 1 May is interpreted as follows: "The government is hoping that the foreign currency shortage will end in the intervening period and that this will at the same time cut the foreign trade deficit."

2. Graduated Penalty System in Exports: A system has been developed whereby exporters repatriating their foreign currency earnings early will be rewarded and those who delay repatriation will be subject to graduated penalties. The purpose of this system is to repatriate foreign currency funds kept abroad as soon as possible. While exporters who repatriate their foreign currency earnings "within the first 1 month" will receive bonus tax rebates and premiums, these incentives are reduced as the delay in repatriation increases. Because of changes in Statutory Edict 30 on the Protection of Turkish Currency, exporters who do not repatriate their foreign currency holdings within 6 months may be barred from export and import transactions for up to 3 years. In addition, the requirement that all repatriated foreign currency be exchanged at the Central Bank is interpreted as an indication of the extent of the foreign currency shortage felt by that bank.

3. Shrinkage of Money Supply: The increase in interest rates on bank deposits under the control of the Central Bank is aimed at withdrawing substantial amounts of Turkish currency from the market in the form of bank deposits. It is thus hoped to make significant headway in the control of inflation. A larger portion of money deposited in banks will have to be deposited at the Central Bank, and the banks will have to increase the amount of their cash reserves. This way, the credit that can be lent to borrowers will be reduced.

4. Warning to Banks: In disclosing the new decisions Prime Minister Ozal also said that the Treasury and the Central Bank "will begin using the powers vested in them." Thus, in accordance with the Banking Law, the government will not shrink from appointing Treasury inspectors to banks which cause "artificial foreign currency shortages" or which harm certain stability criteria and to bar such banks from engaging in any foreign currency transactions.

5. "Monopoly" on Foreign Currency: One of the important decisions announced by Prime Minister Ozal is the requirement that from now on exporters will have to exchange their foreign currency earnings at the Central Bank rather than at commercial banks. This decision is an important step taken toward ending the "foreign currency confusion." The Central Bank was seriously preparing for "foreign currency planning" this year. However, the Bank was unable to establish an effective control mechanism over the flow of strong foreign currencies because the exporters were exchanging their foreign currency at commercial banks. From now on, exporters will have to exchange the foreign currency they are encouraged to repatriate early only at the Central Bank. As a result, commercial banks will act more cautiously in undertaking foreign currency loans because their foreign currency holdings will be significantly reduced.

9588

Impact of Central Bank Foreign Exchange Regulation Explained

35540105b *Istanbul DUNYA in Turkish*
5 Jan 88 pp 1, 10

[Text] The foreign exchange regulation published in yesterday's Official Gazette entails a net worth of \$1 billion. By this circular the Central Bank has withdrawn a sizeable amount of foreign exchange from the banking system.

The ratio of foreign exchange reserves the banks have to transfer to the Central Bank has increased from 15 percent (in 1987) to 25 percent. DUNYA estimates that the net worth of this ten-point increase adds up to \$1 billion. In other words, while the amount withdrawn by the Central Bank in 1987 was \$1.5 billion, this year the figure is expected to reach \$2.5 billion.

At a time when the foreign exchange markets and liberalization plans are in the limelight questions might be raised as to the meaning of this intervention. When the question is posed to the Central Bank officials they characterize it as "normal."

The Central Bank forms its foreign exchange reserves in this way. Since it cannot print foreign money its sole source is the banks. As there is an expectation of an increase in total foreign exchange revenues in 1988, they may well think it is time to jack up the reserve ratio as well!

It can be agreed that the Central Bank has no option but incur debt to get hold of foreign exchange. That is one interpretation of yesterday's circular. In the same instance, one can also say that total foreign exchange revenues will rise in 1988.

But, there may be another interpretation. While revenues are expected to increase in 1988, expenditures will also rise. First, there are the external debts. Having paid \$5.8 billion in 1987, the Central Bank will have to pay more in 1988. Looking at the debt schedules, between \$6 and \$6.7 billion may be needed. And it may even be more.

Furthermore, while the Central Bank sees theoretical benefits in things like foreign exchange Interbank or convertible lira, it is being more realistic and pragmatic. The decision to withdraw \$1 billion may be explained in such terms. Central Bank obviously wants to strengthen its foreign exchange position.

The net effect of the circular may mean an infusion of an extra TL1.1 trillion into the economy. Thus, the banks (which are not very happy with the circular) will not find the ease in speculative foreign exchange activity that they enjoyed in 1987. But, they will not encounter a shortage of Turkish lira either.

Then, there is the question of inflationary pressures, partly created by the infusion of TL1.1 trillion (resulting from the foreign exchange withdrawal), and "official sources of inflation"—such as printing money, treasury notes and public credits.

This circular somehow helps clarify the main issue to be facing the Central Bank and the managers of the economy in 1988. The issue is that of foreign exchange. The officialdom is faced with the question of paying the ever-increasing debt in such a way as to not impact upon the economy negatively. For that they would have to fashion an innovative foreign exchange and debt-paying policy.

12466/9604

Arms Exports Reach \$318 Million

35540113b Ankara YANKI in Turkish 29 Nov 87 p 33

[Text] A senior official of the Office of the Chief of the General Staff made the following important comments with regard to the nation's growing defense industry:

"The quest for a national defense industry which began with the U.S. arms embargo against Turkey after the 1974 Peace Operation in Cyprus has turned Turkey into the superpower of the region on the 13th anniversary of the embargo. Had we not had the embargo incident, this process might have taken longer."

This argument which fully reflects the truth also embodies the following points:

- a) Funds allocated to Turkey's defense needs were freed from budget restrictions.
- b) Perceiving the U. S. intention to emphasize its nuclear arms while encouraging its allies to develop conventional weapons, Turkey attained a more advantageous position relative to its neighboring allies in the area of conventional arms.
- c) Within 10 years Turkey became an exporter of arms and defense equipment.
- d) The military advising vacuum that was created in the Middle East is now filled by Turkey.

More importantly, Turkey's allies in NATO were also pleased with these developments. Because in view of its geographical position Turkey is capable of doing—without any guilt feelings—what the allies would not do because the region is not the responsibility of the alliance and because of fears of retaliation from the opposing bloc.

In taking its place in this new configuration, Turkey has not resorted to any pressure tactics. It does not manufacture arms for the purpose of exporting them. It sells on foreign markets the surplus of what was manufactured for use by the Turkish Armed Forces.

Today 18,000 people work at Kirikkale which is the largest arms factory in the Middle East and which was built to meet the needs of the Turkish Armed Forces.

In a sense, this factory owes its capability to manufacture LAW antitank rockets to the 1974 arms embargo, 2.75-caliber antiaircraft ammunition, 120-caliber mortars, rocket launchers, 35-caliber antiaircraft ammunition, tank cannons, various types of mines and 60 types of ammunition.

While a G-3 infantry rifle imported from abroad costs \$600, the same rifle is manufactured at Kirikkale for \$200.

Meanwhile, exports of surplus arms and equipment now total \$318 million.

The Machine and Chemical Industry Establishment [MKEK] has added its own creativity to the development of the national defense industry and has begun mass production of a radar-controlled antiaircraft cannon system that was developed in-house. Greece is manufacturing a similar system under the name "Artemis."

Other inconspicuous work carried out by MKEK includes:

High-technology products for gunboats, frigates and submarines for the Turkish Naval Forces.

Project for the domestic production of tanks, armored battle vehicles and tactical wheeled vehicles for Turkish Land Forces.

Project to develop gun barrels including those for heavy artillery in the near future.

The manufacture of tactical wheeled vehicles will soon be completely turned over to the private sector. In addition, parts for the newly established aircraft industry will be purchased from the private sector.

Contracts on which the Turkish Armed Forces is working can be enumerated as follows:

Transport planes: Currently the Turkish Armed Forces use C-47, C-130 and C-160 transport planes. Canada's De Havilland, Spain's CASA-Cn and Italy's Aeritalia-222 are competing for this \$600-million contract. The Project Evaluation Department of the State Planning Organization is examining the bids within the "offset" framework. However, it is the Turkish Armed Forces who will have the final say on which plane will be the most suitable.

Helicopters: Helicopters with electronic warfare capabilities will be purchased to be added to the Turkish Air Force's special electronic intelligence fleet 224 at Etimesgut. Italy's Bell EH-IH electronic surveillance and warfare helicopter is among the candidates.

According to the U. S. publications DEFENSE AND DIPLOMACY and DEFENSE AND FOREIGN AFFAIRS, the equipment the Turkish Armed Forces intends to buy, but has not yet invited bids on include:

Stinger missiles: Arrangements are being sought to manufacture the missiles jointly in Turkey. These missiles have the capability of hitting a target with 98-percent accuracy on the first try. They can distinguish between enemy and friendly targets electronically. Foreign experts are considering ASELSAN as the supplier of the DM 60-million electronic equipment part of the contract which is worth DM 1 billion.

Infantry radar: This equipment plays an important role in locating enemy personnel within a 6-kilometer radius during night maneuvers. After the enemy positions are located with its 4-kilometer-range night-vision binoculars, action can be taken to destroy the enemy.

Roland missiles: This is a missile manufactured jointly by the Germans and the French. They have proposed to work jointly with ASELSAN.

9588

Business Saves With Dollar Financing, Not Liras
35540105a Istanbul DUNYA in Turkish
13 Jan 88 pp 1, 10

[Text] During the past year the cheapest source of financing has been dollar-denominated credits. While dollar financing costs 61.6 percent, financing in Turkish lira costs 96 percent, and in the case of private sector bond issues the cost can climb over 70 percent.

Dollar financing is also the cheapest source as far as the banks are concerned. Therefore, during the past year the banks have resorted more and more to dollar financing and syndicated credits provided by a consortia of banks. Banking circles explain the attraction of dollar financing in terms of the low inflation rate in the U.S. economy, far below the rise in the rates of interest. The same circles note that even when interest is added on top such credits are 30 points cheaper than Turkish lira credits for private firms and 20 points cheaper for the banks.

Alternative Sources of Financing

Meanwhile, a comparison of short-term financing sources for private firms reveals that the cost of a TL100,000 credit in exchange for \$100 turns out to be TL61,900 whereas a TL100,000 credit coming from Turkish lira sources costs the user TL97,700 over the course of the year.

Private sector bond issues, which were seen as the cheapest form of financing in early 1987 (TL60,000 for a TL100,000 credit) are no longer viewed as such since the cost has reached TL70,000. Thus, dollar financing has replaced bond issue as the cheapest form.

The Break-Up of Dollar Financing

The rate is determined by adding two points on the 'libor' interest rate. When the yearly appreciation of the dollar vis-a-vis the lira is added the net interest paid by the user comes out. Since the dollar has appreciated 35 percent during the last 2 years, the appreciation in the dollar-denominated credits is a similar amount (TL35,000 out of a TL100,000 credit).

There are also fees to be paid. Resource Utilization Support Fund (RUSF) takes in 5.6 percent (TL5,600), banking-insurance fees are 5 percent (TL5,000). And

since foreign exchange-dominated credits pay interest every 6 months the compounded interest brings the total cost to TL61,600. With the principal added the credit user has to pay back TL161,600 at the end of the credit term.

The Cost of Lira Financing

On the other hand, the minimum cost of financing in terms of Turkish lira is TL65,000. When the RUSF fee (TL8,000) and the banking-insurance fees (TL5,000) are added the total cost reaches TL78,000. Since interest payments in lira-denominated credits are made on a 3-monthly basis there is a compounded interest of TL18,000 bringing the total to TL96,000. Thus credit user at the end of the year has to pay back TL196,000, including the principal.

Cost of Bond Issues

The interest costs to companies issuing bonds vary between 60 and 65 percent. When the fees (5 to 6

percent), commissions (5 to 6 percent) are added the cost reaches to around TL70,000.

25 Percent Share

It is noted that the share of foreign exchange-denominated credits within the total has risen to 25 percent. Banking circles point out that such credits are given only to foreign exchange-earning firms and organizations, which helps the banks keep their foreign exchange balances on an even keel. Also noted is the fact that according to the Banking Law the banks have to issue as credit at least 50 percent of the amount remaining after the lira equivalents of the foreign exchange deposits are paid.

Officials point that while U.S. dollar-denominated credits enjoy the highest demand, the D-mark-denominated credits also attract a good deal of demand since they are 10 points cheaper than the lira-denominated credits.

12466/9604

FRANCE

Government Findings on Immigration Not Made Public

35190044b Paris *LIBERATION* in French
2 Mar 88 p 32

[Article by Jean Quatremer]

[Text] Called for by the General Planning Commission in February 1986 and completed in November 1987, a study on immigration was gathering dust until *LIBERATION* found it. Its proposals for improving integration threaten to embarrass the administration in an election year and reopen the debate over foreigners in France.

What is voluminous (700 pages) and has been languishing on a ministry shelf for over 4 months? It is the report, "Immigration: the Obligation of Integration," called for as part of the ninth plan, assigned to a task force by the General Planning Commission in February 1986, and completed last November. The Ministry of Social Affairs, which is most directly involved in the subject, denies any knowledge of it. It seems the circles of power are afraid the report appears to be a statement by the administration, although it is understood that such reports reflect only the conclusions of the writers. The fears are understandable, though, as soon as the report is opened.

The task force offers a series of practical measures to facilitate "insertion"—a term preferred over "integration"—of immigrants: from their participation "in the allocation committees and departmental housing committees" to "access to local citizenship." Nothing less. After the Hannoun report on racism and the report from the Commission on Nationality, the publication of such a report threatens to paint the majority as too sympathetic to immigrants. This is clearly not the best thing in an election year when everyone is luring voters on the extreme Right.

The task force was created in February 1986. Stephane Hessel, French ambassador and well-known Rocardian, headed it, assisted by Paul Schiettecatte, a former member of the Lionel Stoleru cabinet. It was composed of researchers of all stripes, civil servants representing the ministries, and associations. Its official mission was "to prepare a rigorous and well-supported study providing a solid and incontestable foundation for public debate" on immigration.

When the Right came into power, it found itself holding the ball. There could be no question of eliminating the study with a stroke of the pen: Continuity of administration demanded that they live with it. But the administration jumped at the first opportunity to reduce the scope of the assignment. In July 1986, the task force released a status report in which it expressed concern over the restrictions on residency requirements for immigrants contained in the draft of the Pasqua bill. The

administration immediately issued a stern letter barring the task force from addressing the issue of residency requirements for foreigners since the question was going to be decided definitively by the proposed Pasqua law. Similarly, the plan is also barred from addressing questions of nationality.

Its scope thus redefined, the task force took over 20 months to complete its report. Several efforts were necessary to produce agreement among the members. The final version of the report—which, curiously, not all the task force members knew about—is an impressive study of the issue of immigrants in France. It agrees on numerous points with the conclusions of the Hannoun report as well as those of the Commission on Nationality. No longer can integration be left to happen on its own: Intervention is necessary, but with a light hand. "We can no longer fall back on the traditional ideas of assimilation or the 'melting pot,'" notes Stephane Hessel in his foreword. This is because "immigration," continues the report, "has changed: These days, many immigrants claim a distinct cultural identity. French society has changed too: It is markedly more diverse." Further, the report finds that facts and figures on immigrants are completely inadequate.

Above all, the task force is worried that immigrants may be marginalized, their status left shaky, which could "have destabilizing effects for our democracy." On a new note, the report stresses that the immigrants bring to light "living conditions of French as well as foreign populations." These conditions resemble "sweat shops" where French of the same social class, of foreign origin or not, are found too. Yet the report finds that not all is bleak for the immigrant population in France. It notes positive trends for the future, such as the demographic injection needed to halt the aging of the French population.

Integration of immigrants is already underway, as "the growing employment of immigrants in the tertiary sector (business, services)" demonstrates. This is a spectacular adaptation clearly ahead of the average in terms of "current trends in the production system" in France. Similarly, in school, for equivalent social classes, the performance of the children of immigrants equals and "even surpasses" that of French children. Even so, barriers exist in education, in access to housing, in government relations, in social insurance, in access to information and to jobs, etc.

"There are no miracle answers," says the report. "It is less a matter of coming up with new measures than of lubricating certain mechanisms." The writers propose, for example, a reexamination of family housing—which "fits the present demographics of immigrants less and less,"—personal assistance with housing, better application of ".1 percent" financing aimed at immigrant housing, participation of immigrants in the allocation and departmental housing committees, and more housing suitable to larger families.

In the area of education, the proposals are just as pragmatic: promote participation by immigrant parents in parent education associations, encourage students to undertake more ambitious career preparation programs in spite of hesitation by their parents, increase tutoring. As for social insurance, the report finds that already disadvantaged groups are placed at even greater risk by the adoption or practice of discriminatory measures (public assistance, for example, illegally made subject to a certain residency requirement, even over objections from the public health service). For the task force, "the present mass of discriminatory actions, although generally presented as inoffensive economy measures, but looking like just so many little deterrence mechanisms," adds up to discord between immigration control and social policy.

With no fanfare and between the lines, the writers appear to be saying that the right to vote in local elections would be the best means for immigrants to apply pressure on local elected officials to deal with their problems. Now it is up to the administration to take the report off the shelf and make it public.

13220

1986 Naturalization Figures Released
35190044a Paris LIBERATION in French
4 Mar 88 p 30

[Text] In 1986, 74,000 people became French citizens. Some 18,000 youth, born and living in France, became French automatically upon attaining majority, compared to 1,683 who refused French nationality upon reaching 18 years of age. In addition, 6,312 minors born in France opted for French citizenship before their eighteenth birthday. The number of people naturalized by decree was 33,402; 15,190 became citizens upon declaration following marriage to a French citizen. Half the naturalizations involve Europeans, a little over one quarter are Africans (60 percent of whom are Maghrebians), and approximately one fifth are Asian.

13220

TURKEY

Missionaries Arrested in Gaziantep, Hatay, Eskisehir

Arrests in Gaziantep, Hatay
35540139 Istanbul GUNAYDIN in Turkish 18 Mar 88
pp 3, 9

[Text] Gaziantep—Christian missionaries are throwing down the gauntlet in Anatolia. They have been increasing their activities lately and are using various methods

to attract converts. One method is to use telephone directories to compile lists of names and addresses in different provinces and districts which are then sent to missionary centers abroad. The missionary centers, most of which are in the U.S., send "surprise letters" to addresses supplied to them. All of the letters say that "humans are born sinful, but Jesus was crucified to atone for human sin" and thus a truly happy life is to be found in Christianity. Numerous books, brochures, calendars and pocket notebooks are also sent in addition to letters. The missionaries also use direct propaganda methods, trying to attract as broad a circle as possible. They also use cheerful, upbeat language to set their hooks in the unemployed and distressed children of poor families, thus gaining fewer, but firmer converts by this method. The youths converted to Christianity through communications and suggestion are given training at missionary camps for a while and then are assigned the task of conducting their own activities among their own circle of friends.

Muharrem Gunduz, a university student arrested while engaged in missionary activities in Gaziantep, said that he had received training at a missionary camp in Kapakli Village in the Gemlik District of Bursa, and had then been commissioned as a missionary. Gunduz said that he had been converted to Christianity by Richard Allen Sholwar, an American who had been deported for missionary activities while teaching at the Middle East Technical University. "I became a missionary in 1986. I attended a number of camps. I have been given all kinds of material assistance for this purpose. I formed my own missionary team and expanded my activities," he said. Meanwhile, five others, one of them a woman, were arrested for allegedly engaging in Christian propaganda in Iskenderun District of Hatay Province.

Arrests in Eskisehir

35540139 Istanbul HURRIYET in Turkish
20 Mar 88 p 3

[Text] Four young people, including two college students, were arrested in Eskisehir by Security Political Branch squads for engaging in Christian propaganda under the name "Disciples of Christ." Questioning revealed that Abdullah Covut, the Eskisehir provincial leader, is a graduate of an imam-preacher school. Security Directorate First Branch squads learned that groups have organized and are spreading Christian propaganda throughout Turkey under the "Disciples of Christ" name and conducted a search of Eskisehir, resulting in the discovery of Abdullah Covut, a 23-year-old fourth-level student in the English Department of Anadolu University Education Faculty, as the Eskisehir leader.