

313220

JPRS-WER-84-122

10 October 1984

West Europe Report

19980814 094

DTIC QUALITY INSPECTED 4

FBIS

FOREIGN BROADCAST INFORMATION SERVICE

REPRODUCED BY
NATIONAL TECHNICAL
INFORMATION SERVICE
U.S. DEPARTMENT OF COMMERCE
SPRINGFIELD, VA. 22161

5
125
A06

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

10 October 1984

WEST EUROPE REPORT

CONTENTS

ARMS CONTROL

DENMARK

Peace Movement Divided on Agenda, Tactics for Future
(INFORMATION, various dates; LAND OG FOLK, 8-9 Sep 84).... 1

Greater Internal Dissension Expected, by Jorgen Dragsdahl
Socialist People's Party Program, by Gert Petersen
Dispute on Wording With CP, by Povl Host-Madsen

POLITICAL

DENMARK

Voters Favor Continued Austerity, Back Governing Coalition
(Solveig Rodsgaard, Asger Schultz; BERLINGSKE TIDENDE,
2 Sep 84)..... 14

SDP Executes Swing Toward Left, Elects New Deputy, Secretary
(BERLINGSKE TIDENDE, 20 Sep 84)..... 20

Ritt Bjerregaard Dealt Double Defeat, by Solveig
Rodsgaard, et al.

Paper Sees SDP Moving to Left, Editorial

Marxist 'Union Common List' in Left Socialist Party Disbands
(INFORMATION, 5 Sep 84)..... 30

FRANCE

PSF Official Discusses New Government, PCF Withdrawal
(Georges Sarre Interview; LE QUOTIDIEN DE PARIS, 13 Sep 84) 32

Elysee Uses Police To Collect Files on Right (Jean-Louis Remilleux; LE QUOTIDIEN DE PARIS, 13 Sep 84)...	35
Cot, Taddei Examine Social Democracy, Union of Left (Jean-Pierre Cot, Dominique Taddei; LE MONDE, 13, 14 Sep 84).....	39
Chirac Discusses Franco-Japanese Cooperation (KYODO, 19 Sep 84).....	47
Commerce Minister Cresson To Visit Japan (KYODO, 20 Sep 84).....	48

NETHERLANDS

Interchurch Peace Council Seen To Be Declining (Frits Groenveld; NRC HANDELSBLAD, 1 Sep 84).....	49
---	----

NORWAY

Parties on Left Increase Lead in Latest Poll (AFTENPOSTEN, 8, 10 Sep 84).....	52
Labor Party Reaches 40 Percent, by Egil Sundar Paper Comments on Poll, Editorial	

PORTUGAL

'Other Parties, Undecideds' Seen Gaining in Poll (SEMANARIO, 11 Aug 84).....	58
Study Outlines Country's 'Electoral Geography' (O JORNAL, 24 Aug 84).....	62
PS, PSD Reportedly Wish To Minimize Eanes Role (O JORNAL, 10 Aug 84).....	72
Cooperation Agreements Signed With Cape Verde (DIARIO DE LISBOA, 5 Sep 84; DIARIO DE NOTICIAS, 16 Sep 84).....	75
Press Agreement Technical, Scientific Agreement	

SPAIN

Perspectives on NATO in PSOE Provincial Congresses (YA, 10 Sep 84).....	77
--	----

Hernandez Reviews State of Play in Spanish Politics (Abel Hernandez; YA, 10 Sep 84).....	79
---	----

SWEDEN

By Wooing Christian Party Falldin Precludes Real Alliance (Editorial; SVENSKA DAGBLADET, 11 Sep 84).....	82
Bitterness Over Falldin Move Toward Christian Party (Ola Gummesson; SVENSKA DAGBLADET, 13 Sep 84).....	84
Conservative Daily's Editor Pens Critical Palme Biography (Sven Thiessen; SVENSKA DAGBLADET, 9 Sep 84).....	87
SDP Ends Congress in Unified, Confident Mood (DAGENS NYHETER, 22, 23 Sep 84).....	90
Palme Gives Closing Address, by Dick Ljungberg 'Truce' With Labor Movement, by Sven Svensson Inflation Fight Gamble, Editorial	

MILITARY

NORWAY

Conservative Party Draft for 1985-89 Defense Program (Ivar Hippe; ARBEIDERBLADET, 30 Aug 84).....	96
--	----

ECONOMIC

PORTUGAL

Disappointments Voiced on EEC Membership (A TARDE, 13 Sep 84; DIARIO DE NOTICIAS, 17 Sep 84).....	98
Tie to Spanish Admission Clash of National, EEC Interests, by Mario Ventura	

SPAIN

Survey of Bank Agreement To Lower 1985 Interest Rates (Mariano Guindal; DIARIO 16, 23 Aug 84).....	101
Details of Conflicting Perspectives on 'Social Pact' (DIARIO 16, 12 Sep 84; YA, 13 Sep 84).....	104
UGT, CEOE, CCOO Meetings Public Spending a Key Factor	

TURKEY

Foreign Trade Deficit Continues To Widen (CUMHURIYET, 5 Sep 84).....	108
Giray, Erdem Elaborate on Housing Credit Terms (Suha Ortulu, Resat Yazici; TERCUMAN, 4 Sep 84).....	110
Private Sector Search for Shipbuilding Credit (DUNYA, 5 Sep 84).....	113
Koza's Alev on Housing Construction Finance Risks (Turgut Alev; MILLIYET, 5 Sep 84).....	115

ENERGY

TURKEY

Private Firms Vying for Thermal Plant Contracts (CUMHURIYET, 5 Sep 84).....	119
--	-----

PEACE MOVEMENT DIVIDED ON AGENDA, TACTICS FOR FUTURE

Greater Internal Dissension Expected

Copenhagen INFORMATION in Danish 8-9 Sep 84 p 8

[Article by Jørgen Dragsdahl]

[Text] The disagreements within the peace movement are becoming more pronounced after the deployment of new missiles in Western and Eastern Europe.

The peace movement is agreed, however, that new subjects and forms of action will be necessary in order for the movement to retain--or increase--its influence.

Political disagreements among the largest peace organizations have had the effect that a handbill has been circulated, calling a demonstration to be held in Copenhagen on 27 October. The handbill states that the organizers of the demonstration are agreed on four objectives, "but they have different ideas of the roads leading to these goals as well as of the political consequences involved."

This rather unusual text stems from differences which started years ago but which have deepened following the deployment of the first new American missiles in Western Europe and the Soviet "answer." The focus of the Danish peace movement has become more diffused, and it is widely recognized that "something new" will have to be attempted in order for the peace movement to retain and increase its influence in the future.

Especially the organization No to Nuclear Weapons is ready for a showdown in public with the sections of the peace movement which--partly under communist leadership--continue along the tracks which have been followed since 1979. "The waters are separating now," says Kaj Bollman, pastor. "The term peace movement has become so broad that the pants are bursting."

Disunion

The disunion became clear when nearly 100 peace activists met on Wednesday night at Nørrebro to formally approve a draft handbill which had been prepared

by negotiators from the Coordination Committee for Peace and Security, the Trade Union Movement for Peace, and No to Nuclear Weapons. As the discussion got going, it became interlarded with such expressions as "I[profane language] find you a bunch of eggheads," and "You must have been drinking out of the chamber pot." The draft handbill was only approved when the representatives of No to Nuclear Weapons said that any changes would mean that they would not participate.

Prior to the Easter march of the year, the Coordination Committee for Peace and Security and No to Nuclear Weapons had prepared a joint basis, which was referred to as a breakthrough for the positions of the latter organization, but which also encountered heavy criticism, especially on the part of communists within the peace movement.

Anker Scherning, who is chairman of the peace committee of the Communist Party and a member of the board of the Coordination Committee for Peace and Security, finds the basis of the Easter march "unfortunate on account of many ambiguous wordings." By way of example, freedom was demanded for peace work in both East and West. "The general reader of BT" was, according to Anker Scherning, bound to reach the conclusion that the demand had been raised because there is no freedom for peace work in the East. "The demonstration basis thus supported prejudices against the countries to the East," and Scherning says that "the peace movement in the West must not press for freedom to raise the demands made by some groups in the East.

No to Nuclear Weapons wanted the same basis to be used prior to the demonstration of the fall--though preferably more clearly worded. However, the Coordination Committee for Peace and Security and the Trade Union Movement for Peace rejected entirely the basis of the Easter march.

After negotiations, which were started last June, the parties to the negotiations reached agreement on four joint slogans: "Never Nuclear Weapons in Denmark," "Nordic Countries Nuclear-Free Zone," "In Support of a Nuclear-Arms-Free Europe--Removal of the Missiles," "Disarmament in East and West." In addition, agreement was reached on the above-mentioned emphasis of differences as well as on an added statement to the effect that "the organizing organizations, therefore, want to distribute their own material in connection with the demonstration."

Advertising of Disagreement

None of the participants in the meeting were happy with the text, which, according to those proposing it, was based on the assumption that it would be unproductive if they were unable to get together. Several of those who participated in the debate found that there was an "unnecessary display of our disagreements," as a representative of Albertslund Peace Council put it. "It is directly unwise toward the people who are not as much part of the circles as we are," he went on to say.

Teachers for Peace stated that "we are certain that 90 percent of the press will focus on these lines," and their representative said that he did not want to

provide the press with a clear opportunity to "pry into our differences."

A woman from Frederiksdal Peace Committee asked No to Nuclear Weapons people: "Are you ever in the street? People say: When not even the peace movement can agree, what is then the use?"

Representatives of No to Nuclear Weapons answered that they would have preferred a joint text, but since that apparently was no longer possible, "it is a positive thing that we openly admit that, on certain issues we agree--on others we disagree." An activist from No to Nuclear Weapons said that, in accepting the proposed compromise, they had gone to the greatest possible length.

No to Nuclear Weapons would have preferred slogans which also gave expression to solidarity with persecuted peace activists all over the world, which opposed the division into blocs of Europe, and which criticized the interventions of the superpowers in the Third World. This, coupled with slogans opposing nuclear armament would have reflected a recognition of the fact that "peace work cannot be narrowed down to opposition to nuclear armament and weapons systems; we also have to oppose the political climate underlying nuclear armament," said Peter Hartoft of No to Nuclear Weapons.

Lars Nielsen of Young People for Peace said: "Disagreement is a good thing. It helps develop the policy of the peace movement. It is an excellent thing if the press focuses on the fact that different currents exist within the peace movement. For we agree on very little. These are vague slogans. They do not, for example, indicate which missiles they want to be removed."

A remarkable aspect of the slogans is that the most recent missile build-up is reflected so indirectly. The difference in this respect appeared clearly in two statements. A woman from No to Nuclear Weapons said that one should not "attach too much importance to the 572 missiles. It is a detail and something which we already have lost." Anker Scherning of the Communist Party said, on the other hand, with reference to the flying time of the new missiles that "it is extremely dangerous living 5 minutes between life and death."

Common Danger

The demonstration on 27 October will thus be a demonstration of the fact that, regardless of differences, the different peace organizations are still able to get together. No to Nuclear Weapons does not have the strength to make large-scale demonstrations on its own, and the Coordination Committee for Peace and Security needs the lawfulness of the profile, critical of the Soviet Union, of the No to Nuclear Weapons organization. To this comes that, in spite of everything, the various peace organizations feel exposed to a common danger.

There are no prospects, however, that the tension among the various peace organizations will become reduced in the future--on the contrary. The Danish peace movement has always been more decentralized than in other countries and the subjects extremely varied, but now the interests are becoming more diversified, and considerable uncertainty exists when it comes to future activity.

An observer who is somewhat of an outsider says that "the peace activists do not know where to go." He is Major Michael Clemmesen, who, among other things, via numerous debates, is in touch with the movement. He says that already at the early meetings in 1984 it was clear that the attention no longer focused on missiles.

"On account of the missiles issue, other things were forgotten," Michael Clemmesen says. "Different conceptions of the Soviet Union have now surfaced because it no longer is possible to concentrate one's attention on specific objects. The Communist Party will be unable to control the peace movement in the future. They staked everything on a strategy directed against missiles, and that did not work. They no longer have a clear message on the basis of which they may obtain the support of others. The peace movement now makes an extremely confused impression.

Common Goal

Anker Scherning of the Communist Party admits that "the peace machine is somewhat heavier to get going this fall." "The things which ought to be done are more diffused."

The major problem, in the opinion of Anker Scherning, is that "as time goes on, one becomes accustomed to the presence of the new missiles. In the everyday life, we do not find that anything dangerous has happened to the quality of our lives, and that is why activists become involved in other tasks. Working with peace issues has become more complicated. The number of issues has grown, and the circles have become broader. New people have become involved who do not have the same traditions as the activists. The peace work must be given new forms in order for us to get people involved in manifestations."

Scherning's bid for future activity focuses on the contrast between the security policy resolutions of the Folketing and the actual activity of the government. "There is a majority for an active Danish peace diplomacy, and we, therefore, have to convert the willingness in the Folketing into action."

He wants for the government to take initiatives through cooperation with "similarly disposed countries." An initial step will be for Denmark to propose, within NATO, a halt to the deployment of new missiles in order for the talks to be resumed. It is true that the Soviet Union has indicated that that is not enough; they demand that the missiles already deployed be removed prior to the resumption of the talks. Scherning, nevertheless, expects a positive Soviet reaction to a halt to the deployment.

He, moreover, says that the Folketing may be persuaded already this fall to state that Denmark, in any circumstances, must be free of nuclear weapons. He, moreover, hopes that the government may be forced to contact the other Nordic governments in order for concrete negotiations to be initiated on a Nordic nuclear-free zone.

As a party, the Communist Party, undoubtedly, will also take up other issues, but the objectives outlined have already been accepted both by the Cooperation

Committee and the National Campaign: Stop Nuclear Missiles, which comprises the vast majority of peace groups in Denmark. At a broadly arranged peace conference at B & W last spring similar slogans also gained ground.

Within the Cooperation Committee, Preben Sørensen states that "the summer vacation has been somewhat too long," and that "there is a need for something different." An example of new activity are actions against a NATO naval visit next Sunday."

He, moreover, finds that the established peace groups will have to work on a more international basis than hitherto. In that context, he points to a Nordic cooperation. Treaty Now, which will launch a nuclear-free zone.

Bo Østergård Nielsen adds that it is no problem finding issues. It is the traditional forms which many people do not feel particularly inspired by.

The National Campaign, at present, is working on a collection, which will raise 250,000 kroner. In addition, they will soon be launching a campaign paper which will advocate a halt to missiles, Danish freedom of nuclear weapons, and the establishment of a Nordic zone.

No Ambitions with Regard to Mobilization

No to Nuclear Weapons says that the intensified conflict within the peace movement is due to the fact that "a large number of people have reached such a high level of awareness that we are capable of coping with the disunion now." Kaj Bollman, pastor, goes on to say that No to Nuclear Weapons has not "mobilized the ambitions." If, in a demonstration, there is "no impact beyond the mobilization, it is a waste of our efforts."

"It has got unfortunate consequences for the peace groups to get together on a minimum number of common issues," he says. "The minimum number of common issues is confused with the central issues. It is far from certain that the minimum number of issues on which we may agree also are the crucial issues. We have for too long accepted the idea that we had to agree on a certain number of issues, and we have, as a result, dropped the issues on which we did not agree."

Søren Møller Kristensen, who is editor of FORSVAR, a magazine critical of the military, shares the doubts with regard to the value of demonstrations. He does not find that it is necessarily a bad thing for mass demonstrations to become smaller and fewer in number in the coming years.

"The importance of the feeling of joint objectives within the peace movement is questionable," he says. "It is good to feel that one has got the right ideas in common with tens of thousands of others. However, new ideas do not develop in conjunction with vast demonstrations. On the contrary. Such demonstrations have a simplifying effect on us because they make us believe that we are right. It becomes difficult to explain why all of the others who did not come cannot see it."

Relaxation Initiatives

Several people within No to Nuclear Weapons see a future in peace work which takes up more complicated security policy issues than those which have hitherto nourished the anti-nuclear movement. "Positive" alternatives must be developed to the security policy pursued by states seeing that the bid of the peace movement in this area hitherto has not had sufficient impact. Many are gratified to learn that a peace research center is being established at the University of Copenhagen. The division into blocs of Europe is high on the list of priorities, especially in view of the attempts at a dialogue between the two Germanys and the general trends toward breaking up in Eastern Europe.

"The peace movement may languish unless given a broader perspective which may unite its supporters," says Troels Toftkær, a teacher, of No to Nuclear Weapons. "It must have a more long-term aim than the anti-missile movement. Especially in Western Germany, many were incited to believe that once the first Pershing II missiles had been deployed, the end of the world would have come. As this did not happen, the peace movement lost its credibility."

"In this country, we have had a different emphasis," he goes on to say. "We have won because the Folketing supports us. However, if we keep concentrating upon the missile issue, the peace movement will die. There is a certain future in saying that we must pressure the Folketing and the government to take new initiatives, but there is a limit to how far we may go before the pressure becomes tantamount to our aiming at withdrawal from NATO. That certainly would be a dead-end street."

Toftkær sees a greater future in political relaxation initiatives than in pressure for relaxation. "There is equally much peace policy in demanding that the Soviet Union leave Czechoslovakia as in demanding the removal of missiles. There is no prospect of either unless it takes place in a wider context."

The Cooperation Committee takes an almost diametrically opposed view of the problems. Anker Scherning, for example, says that disarmament initiatives further relaxation most.

A future goal of No to Nuclear Weapons is the drawing up of a list of relaxation initiatives which may be used from state to personal levels. It is hoped that Western peace groups may be able to set up committees with representation from the official peace councils in the East which delve deeply into some of the important issues, for example the significance of balance to the disarmament efforts. In contacts with the official organizations of the East which will be continued with visits of delegations in the fall, quite a lot of experience has been gained which may be applied in the dialogue. Toftkær finds it important to make it clear at the time when the peace movement in the West demands that the blocs be dissolved that the borders of Europe are fixed. "That is a message which we have neglected," he says. He also mentions that, in the course of the first meetings with

organizations of the East Bloc countries, it was necessary to "put one's foot down" to make it clear that we advocate a different policy than the official policy of East Bloc countries. However, the other party now has learned that differences do exist, and the dialogue, therefore, may take place under more relaxed and productive conditions.

Ideological Debate

The Cooperation Committee welcomes an ideological debate, but it is not to be mixed up with the efforts for mass mobilization. The debate will have to take place concurrently with such efforts. In the course of the spring, the group issued a thick pamphlet which deals with the issues emphasized by No to Nuclear Weapons. This week, No to Nuclear Weapons has issued a similar pamphlet in which the positions have been elaborated.

Since common objectives in the actions appear less clearly to many today, it is likely that this ideological debate will have a greater impact on the possibilities for cooperation in the future. It may deter many active members of the peace movement since a weak point of the peace movement, as pointed out by many people, is that still only a minority has become thoroughly familiar with security policy issues, and many issues raised by No to Nuclear Weapons, therefore, have a needlessly disruptive effect and appear incomprehensible.

Anker Scherning of the Communist Party says that the peace movement suffers not only from an inadequate climate for debates but also from a lack of political awareness. The reason is, he says, that the majority of the peace activists are young people: "They listen to music. They do not read as much as they used to do." He says that there are too few meetings with those who make books. "This is associated with the 'ditching'. Neither we nor No to Nuclear Weapons have together strived to create a climate for debates. Within the Cooperation Committee, we have worked for mobilization, and that is an enormous job, and it, therefore, is hard getting resources for both," Scherning says.

The low level of awareness within the peace movement, moreover, has had the effect that the public debate in the media is based on the contributions of a few people. The resolutions of the Folketing and the security policy initiatives of the Social Democratic Party, for example, have not been followed up by any wave of contributions in the press, delving more deeply into the brief statements of positions, and this has made it too easy for the critics.

But Few Read Books

"Very few of the members of the peace movement read books," says Søren Møller Kristensen, who has published a number of works on security policy issues, also through his own publishing company (EIRENE). "The peace movement has its opinions, and one does not need to read many books on those." As a result, he says, the movement "is becoming very sensitive to trends." If it is unable "through analysis, to find a connection, it cannot control its own development and future."

The sales figures for a number of important publications are not impressive if one compares them with the tens of thousands who participate in demonstrations or the even larger numbers who give expression to their sympathy for and interest in the issues of the peace movement.

Last April the publishing company of EIRENE published a major work by David Jens Adler, entitled "The European Theater," which describes the NATO missile project and the debate of recent years. The book has received numerous and often very positive reviews, but, so far, only close to 800 copies have been sold, a large part of which constitutes sales to libraries. Less than 200 books have been sold through bookstores.

Erik Vagn Jensen of the publishing firm of VINDROSE sees a "declining market for all books on political debates,"--publications aimed at peace activists do not constitute any exception. Books by Gert Petersen and Jan Øberg have sold approximately 1,500 copies each in the course of upwards of 12 months.

International Cooperation has ascertained "good interest" in its security policy publications, but "things have not improved over the years," says Uffe Geertsen of International Cooperation.

When the peace movement first started, a book by Jan Øberg was published which criticized the myths behind the Danish defense policy, and it sold approximately 7,000 copies. That level has not at all been approached since then.

Despite the crisis trends there is not much to indicate that the peace movement in Denmark is dying. Beyond the large organizations of activists, there is a broad spectrum of initiatives. One group is organizing a European popular strike against missiles. Physicians inform their patients of the dangers involved in nuclear warfare. During the coming weekend, Young People for Peace will be arranging a weekend strongly marked by music, clowning and theater in addition to political debates.

A process of transition, if anything, is underway. The distinctions have been marked more sharply, but that is largely associated with the fact that the peace movement is gradually reaching further out than to the traditional left wing.

The trade union movement has been activated. Last weekend, the Trade Union Movement for Peace held a conference, visited by many people, and from which union representatives from East and Est issued a joint appeal to the Stockholm Conference. The Semi-Skilled Workers' Union has issued a peace program, one of the objectives of which is "A joint Europe without military blocs." The Danish Federation of Trade Unions shows an interest in the demonstration on 27 October.

Drive by Church

Within No to Nuclear Weapons, big hopes are attached to an initiative taken by the church youth organizations with a total membership of 120,000.

Within the very near future, the local leaders of the Boy Scout Movement and a number of religious youth organizations will receive a lot of material on "peace and justice," prepared with a view to young people.

Christian Balslev Olesen of The Economic Joint Council, who is a coordinator of the project, says that the problem of the Danish peace movement has been that it has not been sufficiently broad: "It has been too easy to say that it was a matter which only concerned the left wing. Nonsocialist Denmark was able to reject the movement on that ground. We have to depoliticize the peace work in order later to be able to raise the issue more effectively from a political point of view."

The peace movement takes the initiative in a broad range of issues involving the society--video violence, conflicts in schools and homes are among the issues. Christian Balslev Olesen says that this "pulls in the direction of No to Nuclear Weapons." The church may, he says, create a constant pressure for discussion of peace policy issues in order for the discussion to be maintained even when there is no outside occasion for it.

Even within the Armed Forces, there is a growing interest in an exchange of opinions with the peace movement. Last May, the Military Science Society held a seminar to which approximately 20 representatives especially from the No to Nuclear Weapons group had been invited, who, together with leading officers, discussed the deliberations of NATO on strategy. No to Nuclear Weapons wants to follow the meeting up with another seminar, where the topic will be the same, but this time the discussion will be taking place on the premises of the peace movement.

Major Michael Clemmesen says that the group within the Armed Forces which deals with security policy matters has "multiplied." The objective of the officers is "no longer merely to catch the current debate and to throw the critics back. They would now like to test their own arguments. The peace movement no longer constitutes an enemy."

Socialist People's Party Program

Copenhagen LAND OG FOLK in Danish 8-9 Sep 84 p 2

[Article by Gert Petersen, member of the Folketing group of the Socialist People's Party]

[Text] I am somewhat surprised that Anker Scherning, whom I otherwise know as a wise fellow player and (sometimes) opponent, has totally taken leave of his ability to read. I have in mind his unusual analysis of the peace policy in general of the Socialist People's Party and the peace resolution adopted at our most recent national congress (LAND OG FOLK, 31 August 1984).

He says that there are two different strategies: the "Mutual Instant Halt" strategy, which he supports, and the "road of unilateral disarmament," which

he claims is the strategy of the Socialist People's Party. In making the latter claim, he refers to the statement made at the national congress of the Socialist People's Party. He, moreover, says that the Socialist People's Party rejects negotiations among the representatives of the various states.

Scherning, however, probably has a vague idea of skating on thin ice on account of his attitude. For after having praised, in many columns, the "Mutual Instant Halt" strategy, he adds that "the Communists, incidentally, are not opposed to unilateral disarmament steps as such. They may in many situations be useful and may contribute to furthering disarmament and peace."

What did the Socialist People's Party say in its statement at the national congress on this matter? That both unilateral and mutual steps are needed. Thus more or less the same thing as Scherning--with the difference that he attaches little importance to unilateral steps. The Socialist People's Party finds that both procedures are equally important.

In the paragraph "Unilateral disarmament steps are necessary" of the statement of the Socialist People's Party, it says, by way of introduction, that the course of negotiations, so far, shows that it "is by no means enough to appeal to the politicians to stop the armament craze." It is true that both superpowers have reached such surplus levels of armament that each of them would be able to take unilateral steps without jeopardizing their security; however, they have been caught up in the vicious circle of power logic.

That is why it is the task of the peace movement to "fight for such unilateral disarmament steps. /We can and ought to start with ourselves./" (The italics by Gert Petersen.)

When has one started succumbing to a "fashionable anti-Soviet current" in demanding unilateral disarmament steps of one's own party? I do not understand that.

The subsequent sentence goes on to say that the purpose, "however, is to get actual negotiations on mutual disarmament started."

What was that now? "Mutual disarmament"--it was, indeed, my impression that the Socialist People's Party was opposed to that! And "negotiations"--we were supposed to oppose those as well!

What, by the way, is the difference between the phrases that unilateral steps "may get actual negotiations on mutual disarmament started" (the wording is that of the Socialist People's Party), and that they may "contribute to furthering disarmament and peace" (Scherning's wording)?

Let me reveal the difference right away. Within the Socialist People's Party we do not believe that this disarmament process, let alone actual negotiations, may get started without certain unilateral steps, without somebody taking an independent initiative.

However, the Socialist People's Party will not be able to persuade anybody to believe that unilateral steps are the only procedure to be followed. We warn, on the contrary, in the following sentence against focusing /exclusively/ on unilateral disarmament: "Long-term disarmament aiming at abolition of nuclear weapons and removal of blocs may only take place through /agreements on mutual disarmament/ (Gert Petersen's italics), which may only be effected through a comprehensive pressure on the part of the people."-- Subsequently, "demands for a complete unilateral disarmament in one of the blocs" is even rejected.

We find that there is a dialectal connection between the pressure on the part of the people and the conduct (negotiations) on the part of the government. Actually, I believed that we had agreed on that, Mr. Scherning. Of course, we cannot manage without negotiations on the part of the government-- but they only result from a pressure on the part of the people, and all experience shows that they will lead to nothing unless one of the parties, through a pressure on the part of the people, is forced to take some initial steps itself.

(That ought to be the Soviet Union if the Soviet Union were to live up to the words of its own constitution. That is why we propose to the Soviet Union that it do it--just as the Socialist People's Party did it in the late fifties when it was a question of a unilateral halt to the testing of nuclear bombs. However, we do not, for that reason, forget where we are, and that we primarily may exert influence here in the Western bloc.)

Apparently overlooking what it actually says in the statement issued at the national congress of the Socialist People's Party, he seeks to support his claims with a reference to our not saying anything at all about 'freezing' in that statement. We have thus dropped this "mutual" demand.

If that is to be a proof, Scherning will have to tell us why it does not say anything either about concrete unilateral demands? Does that mean that the Socialist People's Party has dropped the demand that the Nordic countries become a nuclear-arms-free zone or the demand that Denmark reject nuclear arms under any circumstances?

Of course not. However, the statement in question contained an analysis and laid down certain principles for the peace work of the Socialist People's Party. It did not comprise any concrete demands. That was not the purpose of that statement. They had, incidentally, been expressed in the report of the executive committee, which was approved unanimously by the national congress.

The concrete demands, mutual as well as unilateral, with respect to a freezing, a nuclear-free zone, a Danish no to nuclear weapons, etc., Scherning may also find in the editorial of a publication which we published shortly after the national congress. That publication was, incidentally, edited by Lars Nielsen.

These demands constitute an integral part of the peace policy pursued by the Socialist People's Party--presented scores of times in the Folketing and

which will be presented anew in the upcoming session as well as in demonstrations throughout the country.

It is too cheap to accuse the Socialist People's Party of having dropped these demands. Scherning even knows that he is disingenuous. That is not doing the peace movement a favor.

Dispute on Wording With CP

Copenhagen INFORMATION in Danish 13 Sep 84 p 3

[Article by Povl Høst-Madsen]

[Text] The peace cooperation in Århus, which comprises approximately fifty peace organizations, will have to be regarded as ended following the recent decision on the part of the largest active group within the cooperation, the Socialist People's Party, to withdraw from the cooperation.

A classical dispute on slogans underlies the withdrawal. For the demonstration to be held on 27 October, the Socialist People's Party had proposed the slogan: "Stop the Persecution of Peace Activists in East and West." That slogan was supported by the Socialist Left Party, No to Nuclear Weapons, the Radical Liberal Party and the Socialist Workers Party; however, at a meeting held last Tuesday, the Cooperation Committee for Peace and Security, the Communist Party, the Communist Youth of Denmark, and the Common Course Club stated that they were unable to accept the inclusion of that slogan.

Annie Niebuhr, who is on the executive committee of the Socialist People's Party, states that well over twenty other organizations--including the Social Democrats--stated at the meeting that they agreed, in principle, on the slogan, but that they did not want to vote for it as they considered agreement more important than the content of a slogan. The result was that the Socialist People's Party was outvoted, and the slogan was not included.

We Will Not Split Up the Peace Work

The result has been that the Socialist People's Party has informed the other organizations that they intend to withdraw from the cooperation. Annie Niebuhr tells INFORMATION that the withdrawal "is not only due to the fact that the Socialist People's Party has not been able to have its way, but this particular slogan is all decisive."

"Does it not impress you that the twenty other organizations found that, in the final analysis it was more important to participate than to split up the peace work?"

"We are not splitting up the peace work, but we have had to take the consequence of that which has happened and state that, in that case, we cannot participate. In order for the peace movement to continue its development

at all, it will not do merely to unite on certain minimum demands which do not reflect at all the problems with which the peace movement is actually faced. On the contrary, the peace movement will be weakened, and that, we find, we cannot endorse."

Impossible at Århus

"But is it not better to remain within the cooperation and work on a more long-term view? Sooner or latter, one is bound to achieve a result, I suppose?"

"Well, you see, we have found that it is entirely impossible to get our positions adopted within the Peace Cooperation at Århus. Its organization is such that we have no way of getting our ideas through."

"Is it wrong to say that when the others do not want peace on your terms, you prefer discord?"

"I believe so."

"What will you then put instead?"

"We are in the process of considering that right now, and I cannot say anything about it yet. We do not know."

"But it will become very peaceful?"

"Absolutely. We are peaceful people."

7262

CSO: 3613/226

VOTERS FAVOR CONTINUED AUSTERITY, BACK GOVERNING COALITION

Copenhagen BERLINGSKE TIDENDE in Danish 2 Sep 84 pp 1, 7

[Article by Solveig Rødsgaard and Asger Schultz]

[Text] Two-thirds of the voters find that the four-leaf-clover government must continue for the remainder of the election period, and more than half of the voters want for the government to continue pursuing a tight economic policy.

Distributed on parties, it is 98 percent of the government's own voters who want for the government to continue, but also many of the voters of the Social Democratic Party, viz. 42 percent, prefer a nonsocialist government.

The interest among voters in a continued tight economic policy has remained more or less unchanged during the lifetime of the four-leaf-clover government. Twelve months ago, 55 percent of the voters preferred the economic policy pursued by the government. Today, the percentage is 52 percent.

This appears from a recent poll taken by the Gallup Institute. It appears from another Gallup poll, viz. the political index, that both the Conservative Party and the Social Democratic Party are advancing among the voters.

According to the poll, the Conservative Party today enjoys a bigger support among the voters than at the time of the elections to the Danish parliament last January, and the party has also advanced compared to the previous political index of last June. The party would get 44 seats as against 42 today. The support of the Liberal Party is somewhat below the election result but has increased in the course of the past summer despite all of the debate on the coming party chairman to succeed Henning Christophersen. Both the Christian People's Party and the Center Democrats lie somewhat below the election figures and the Gallup figures of June. According to the most recent poll taken among the voters, the government parties would advance by one seat, which is due to the advance within the Conservative Party.

The Social Democratic Party, on the other hand, will advance by 3 seats and is now 2 percent above the Gallup figures of June.

On the basis of the Gallup figures, BERLINGSKE TIDENDE, Sunday edition, has calculated the number of seats of the parties (the calculation comprises the 175 "South Danish" seats):

	(1) GALLUP	(2) NU
S (3)	59	56
R (4)	9	10
K (5)	44	42
SF (6)	21	21
CD (7)	8	8
KRF (8)	5	5
V (9)	21	22
VS (10)	4	5
FRP (11)	4	5
Frige Demo. (12)	0	1

Key:

1. Poll
2. Now
3. Social Democratic Party
4. Radical Liberal Party
5. Conservative Party
6. Socialist People's Party
7. Center Democrats
8. Christian People's Party
9. Liberal Party
10. Left Socialist Party
11. Progressive Party
12. Free Democrats

Politicians as well as economic experts have, in the course of the summer, been warning repeatedly against the economic development, among other things, the sharply increased balance of payments deficit.

The things which give cause for worry are the private consumption and, in this context, the coming wage trend, which, by many, is considered decisive for our economic competitiveness. After the restraints already carried through by the government, it, therefore, is faced with the possibility of having to intervene further in that, in the words of the Governor of the Central Bank, we are again approaching "the brink."

The Gallup Institute has previously, in May and September of 1983, elucidated the willingness on the part of voters to make sacrifices or the extent to which they are prepared for, or expecting, economic restraints.

In these polls, a representative section of the voters, approximately 1,000 respondents, were asked the following question:

"The present nonsocialist government has carried through economic restraints to improve the economic situation of Denmark, i.e. to reduce the deficit on the

national budget. This tightening of the economic policy has been unpleasant for many. In the fall, the government will have to have a new budget approved for the coming year. May I ask you, do you find that the government must continue to pursue a tight economic policy involving further retrenchments and wage restraints, or are you of the opinion that the government must relax its tight economic policy?"

This poll has now been repeated prior to the upcoming budget debate, and the following table shows the result and, by way of comparison, the results of the previous polls:

	(1)	(2)	(3)
	maj 83	sept. 83	aug. 84
	%	%	%
(4) fortsat stramme	55	55	52
(5) slække	33	36	32
(6) ved ikke	12	9	16
(7) ialt	100	100	100

Key:

1. May 83
2. Sep 83
3. Aug 84
4. Continued tight
5. Relax
6. No opinion
7. Total

As will appear from the above, the majority of the voters want the government to continue to pursue its tight economic policy.

Distributed on parties, the answers were as follows:

	(1)	(2)	(3)	(4)
	fortsat stramme	slæk- ke	ved ikke	i alt
(5) til højre for Socialdemokratiet	85	8	7	100
(6) Socialdemokratiet	30	55	15	100
(7) til venstre for Socialdemokratiet	15	73	12	100
(8) Firkløver-partierne ...	86	7	7	100

Key:

1. Continued tight
2. Relax
3. No opinion
4. Total
5. To the right of the Social Democratic Party
6. The Social Democratic Party
7. To the left of the Social Democratic Party
8. The four-leaf-clover parties

The voters of the four-leaf-clover government support the economic policy of the government practically unanimously, while the left-wing parties find that the economic policy ought to be relaxed. However, nearly every third Social Democratic voter (30 percent) is of the opinion that the tight economic policy pursued by the government is right:

The question whether the voters want for the government to remain in office reflects the degree of satisfaction among voters with the work of the four-leaf clover government.

The following question, therefore, was, furthermore, asked of the voters:

"Regardless of the party for which you otherwise vote, are you of the opinion that it will be best for the present government to remain in office for the remainder of the election period or are you of the opinion that the opposition must seek to overturn it and form another government?"

The answers to that question were as follows:

	%
(1) skal fortsætte	66
(2) skal væltes	23
(3) ved ikke	11
(4) i alt	100

Key:

1. Must continue
2. Must be unseated
3. No opinion
4. Total

Two-thirds of the voters (66 percent) want for the four-leaf-clover government to remain in office, and practically all of the government's own voters (98 percent) support that desire. This, however, also applies to a large section of the voters of the Social Democratic Party, as 42 percent of those voters want for the Schluter government to remain in office, and "only" 47 percent want for it to be unseated.

Reprinting subject to indication of BERLINGSKE TIDENDE and the Gallup Institute as sources.

(1)

Politisk indeks

Indsamlingsperiode: (3)
4. aug.- 18 aug. 1984

	(4) 10. jan. 1984 pct.	(5) marts 1984 pct.	(6) april 1984 pct.	(7) maj 1984 pct.	(8) juni 1984 pct.	(9) aug. 1984 pct.
Socialdemokratiet .. (10)	31.6	31.1	32.2	32.2	31.1	33.1
Radikale Venstre .. (11)	5.5	5.5	5.8	5.8	5.3	5.1
Konservative Folkeparti .. (12) ..	23.4	25.6	25.2	24.5	23.5	24.5
Retsforbundet .. (13)	1.5	-	-	-	-	-
Socialistisk Folkeparti .. (14) ..	11.5	12.5	12.1	12.1	13.9	12.0
Inter.soc. Arbejderparti .. (15) ..	0.1	-	-	-	-	-
Kommunistisk Parti .. (16)	0.7	-	-	-	-	-
Marx.Lenin. Parti .. (17)	0.0	-	-	-	-	-
Centrum-Demokraterne .. (18) ..	4.6	4.5	3.8	4.2	4.2	4.1
Kristeligt Folkeparti .. (19) ..	2.7	2.6	2.2	2.3	2.7	2.6
Venstre .. (20)	12.1	11.7	11.2	12.2	11.7	11.9
Venstresocialisterne .. (21) ..	2.7	2.1	2.0	2.5	2.6	2.1
Fremskridtspartiet .. (22)	3.6	2.4	2.6	2.2	2.6	2.4
Andre partier*) .. (23)	-	2.0	2.9	2.0	2.4	2.2
Ialt .. (24)	100.0	100.0	100.0	100.0	100.0	100.0
(25)						

*) Partier med mindre end 2 pct. af stemmerne.

Eftertryk kun mod anførelse af Gallup og Berlingske som kilde. (26)

(2) Spørgsmål: Hvilket parti ville De stemme på, hvis der var folketingsvalg i morgen?

Key on following page

Key:

1. Political index
2. Question: Which party would you vote for if an election to the Folketing were to take place tomorrow?
3. Period during which poll was taken: 4 August - 18 August 1984
4. 10 January 1984 percent
5. March 1984 percent
6. April 1984 percent
7. May 1984 percent
8. June 1984 percent
9. August 1984 percent
10. Social Democratic Party
11. Radical Liberal Party
12. Conservative Party
13. Single Tax Party
14. Socialist People's Party
15. International Socialist Workers Party
16. Communist Party
17. Marxist Leninist Party
18. Center Democrats
19. Christian People's Party
20. Liberal Party
21. Left Socialist Party
22. Progressive Party
23. Other Parties *)
24. Total
25. *) Parties with less than 2 percent of the vote
26. Reprinting subject to indication of Gallup Institute and BERLINGSKE TIDENDE as sources

7262

CSO: 3613/224

SDP EXECUTES SWING TOWARD LEFT, ELECTS NEW DEPUTY, SECRETARY

Ritt Bjerregaard Dealt Double Defeat

Copenhagen BERLINGSKE TIDENDE in Danish 20 Sep 84 pp 1, 8

[Article by Solveig Rodsgaard, Svend Bie and Michael Ehrenreich]

[Text] The Social Democratic Party's first congress as an opposition party moved the party to the left and a remarkably united congress showed that the Social Democrats will now go on the offensive. These were the conclusions of newly-elected deputy chairman Birte Weiss who also said that the period of soul-searching in the party is just about over.

"Yes, it was my candidate who lost. I did support Helle, of course."

That is how Ritt Bjerregaard, deputy chairman of the Social Democratic Folketing group, acknowledged defeat after the Social Democratic congress gave massive support yesterday to the party leadership's candidate, Radio Council chairman Birte Weiss who was elected new deputy chairman--while Knud Heinesen was given the seal of approval for a new 4-year period as SDP deputy chairman.

Birte Weiss got almost three times as many votes as Ritt Bjerregaard's candidate, Helle Degn, and Ritt Bjerregaard thinks the defeat was so great because "the congress decided it was necessary at this time to line up behind the choices of the leadership."

Ritt Bjerregaard said the same attitude was expressed in the political debate at the congress: "I will not say whether or not this is a positive thing, but I will just say that it is understandable," she said.

Another defeat was added to the one in the battle for the deputy chairmanship later yesterday when Ritt Bjerregaard's candidate for the post of party secretary, deputy mayor Inge Nesgaard, made a poor showing against the party leadership's candidate, Steen Christensen.

In the words of the party's new strong woman, Birte Weiss, the Social Democrats' first congress since the change in government 2 years ago moved the party to the left and the congress expressed the fact that the party now intends to go on the offensive.

"A process of soul-searching has been going on for a year now and the congress confirmed that the first phase of the process is now almost over," said the new deputy chairman.

Sharper Course

The Social Democratic congress rallied around the leadership, to Anker Jorgensen's satisfaction.

The biggest opposition party in Folketing will sharpen its political course in a number of areas and its tone toward the nonsocialist government will be harsher, it appeared from the congress, which by and large went as the party leadership had planned with respect to the delegates as well as to the union movement.

The roughly 600 delegates approved a new 4-year working program that in addition to intensifying the security policy area rejects nuclear power in energy planning and calls for stricter tax policies against such things as tax-free profits on exchange rate fluctuations. The program tightens up educational policy toward private schools and places increased emphasis on public influence on essential areas of society as a counterweight to the government's program stressing modernization and the private sector.

In general criticism of government policy will be stepped up, as a great many speeches during the political debate at the congress showed.

"We must not allow ourselves to be identified as nonsocialists who have just not learned to make both ends meet. And we should not feel like second-class SF [Socialist People's Party] people because we are unable to use the gross national product twice," said Birte Weiss.

The party yielded to the union movement on the issue of the 35-hour work week to be implemented in one step through a shortening of daily working hours. Party chairman Anker Jorgensen admitted at the congress that this formulation involved an intervention in local contracts.

The elections to the posts of deputy chairman and party secretary gave surprisingly clear victories to the party leadership's candidates and the congress played it safe and decided not to experiment with the next 4-year congressional period in which the Social Democrats may carry out a shift in leadership.

Only in the organizational area did passions run high at the congress, which postponed a decentralization of the party structure and rejected the demand of local societies and districts for more money and resources.

Black Day for Ritt B. and Colleagues

Women did not support Ritt Bjerregaard's candidates for posts in the Social Democratic leadership. One of the candidates, Helle Degn, is ready to fight for new posts.

The Social Democratic congress dealt Ritt Bjerregaard two concrete defeats. Her candidates for the posts of deputy chairman and party secretary did worse than expected and at no time was Ritt Bjerregaard herself in a central position. She kept a "low profile" and did not speak out once.

Ritt Bjerregaard's role at the congress was in sharp contrast to the influence she had at the congress 4 years ago. Inge Fischer Moller's candidacy for deputy chairman then was Ritt Bjerregaard's idea and the election was a demonstration of her strength.

Ritt Bjerregaard's strength has traditionally been based on women. She herself said that it was the women on the executive committee who wanted Helle Degn as deputy chairman to succeed Tove Smidth, but when the Social Democratic executive committee made a recommendation on the candidates, it was revealed that Helle Degn received fewer votes than there are women on the executive committee.

With 7 votes from the executive committee for Helle Degn and 38 votes for Birte Weiss, the recommendation was clear. In the actual vote Helle Degn did somewhat better relatively, but it was still a surprise that Helle Degn could only gather 152 votes compared to 470 for Birte Weiss and 536 for Knud Heinesen. With 536 out of 579 votes for Knud Heinesen his choice was more of an accolade than an election.

But after the defeat Helle Degn is clearly in the Social Democratic running again.

"Of course I am. Women must step forward and fight for the influential posts," she said.

She has not decided which position she will now go after.

"There are so many ways to perform party work. There are plenty of challenges.

"We have now come so far in the direction of equality that a woman can challenge a woman for a top post as a quite natural step in the democratic process," Helle Degn said after the vote was counted.

Inge Nesgaard was Ritt Bjerregaard's candidate for the post of party secretary. She was supported by 8 out of the 11 women on the executive committee and as the only woman among the four candidates it was expected that she would provide so much opposition to the leadership's candidate--Steen Christensen--that several ballots would be needed. But here too the party

Congress followed the leadership and Steen Christensen received more than half the votes on the first ballot.

A group of women at the congress were not satisfied with the working program that was approved and they are now offering to prepare a new one for the 1988 congress that is easier to read and sets priorities more clearly.

Party chairman Anker Jorgensen said it is always positive when someone wants to do some work and if the women prepare a new working program it will naturally be taken into consideration when the working program is scheduled for revision 4 years from now.

From External to Internal Problems

According to Anker Jorgensen, the Social Democrats' new party secretary, Steen Christensen, is neither a fox nor a hare. He does not run away from problems and he does not try any clever tricks.

He replaces Ejner Hovgaard Christiansen who has held this important post for 13 years and is now on his way to the EC Parliament.

There were four candidates for the post of party secretary, but Steen Christensen was able to gather more than half the votes on the very first ballot. It had been expected that Inge Nesgaard--Ritt Bjerregaard's favorite--would produce more opposition since she was the only woman among the four candidates, but she received only half as many votes as Steen Christensen.

Although he has an academic background he is not one of those smart well-educated people who spring directly into a top position without roots in the party or the union movement, something Kjeld Olesen has warned against recently. Steen Christensen was chairman of the DSU [Social Democratic Youth] international committee from 1972 to 1974 and a member of Free Forum's executive committee from 1969 to 1971.

In 1980 Steen Christensen, who is now 38 years old, came to the party office as international secretary. Presumably the party must now find a new man for that position.

The position as party secretary is not a lifetime job for Steen Christensen. "I doubt one can remain in that job for many years."

Applause

They clapped until their hands were sore at the Social Democratic congress when they re-elected Anker Jorgensen party chairman with tumultuous applause and when they heard the results of the deputy chairmanship votes for Knud Heinesen and Birte Weiss. The round of applause was not so long when the voting figures for Helle Degn were read aloud.

But there was a great deal of applause when Helle Degn mounted the speaker's platform and talked like a good loser. She thanked them for a fair election contest, wished the party good luck with the new deputy chairmen and underlined the importance of a democratic election for these posts.

After Helle Degn spoke, Knud Heinesen gave his thanks for being elected and then Birte Weiss made a speech that went straight to the hearts of the delegates. A speech on the party's identity, the class struggle for those who lacked opportunities, the nature of man, with an appeal to go home and work for the Social Democratic movement. That certainly produced applause for the new deputy chairman.

Applause was also the key word when Anker Jorgensen gave his final speech at the congress and said among other things: "The congress is a disappointment for everything that can be lumped under the designation of nonsocialist Denmark. No one has the breadth and impact we have. The congress has proved that."

And when the congress concluded with the traditional "Should Auld Acquaintance Be Forgot," the delegates could go home with the last congressional picture fresh in their minds: the Social Democratic leaders holding each other's hands.

Deputy Chairman Birte Weiss: Farewell to Frustrations

The new deputy chairman of the Social Democratic Party wants to remove frustration from the party and feels the congress expressed the party's desire to go on the offensive.

The SDP's new strong woman is Birte Weiss who with Anker Jorgensen and Knud Heinesen will make up the party's top leadership. Birte Weiss, 43, will continue to serve as chairman of the Radio Council but she has no current plans to return to Folketing. But now she will try to win voters for the party.

Frustration Groundless

"It is hard to come up with something definite that I consider to be my most important task as deputy chairman. But the important thing for the SDP is to eliminate the frustration that has also come out at the congress. I believe it is groundless. It can be hard to find one's identity when one is not heading the government. I tried to say this in my speech at the congress.

"Actually a process of soul-searching has been going on for at least a year and I think the congress confirmed that the first phase of the process is now almost over. And of course it is also important to pick up more voters.

Policy People Can Understand

"I also said in the debate before the congress that the important thing is to win many voters by creating a policy people can understand, one that is distinctive. One of the things I said in my speech to the congress was that it is a result of Social Democratic policy that people are critical and think for themselves and of course that means that people are starting to question what we do and what we say. But there is no use being offended by this. I think it is a positive sign that people are asking for better arguments. And I think this is a sign that our policy has succeeded."

Grass Roots

Wasn't it evident at the congress that people rallied behind the recommendations of the party leadership in electing individuals?

"I do not know if people vote for someone because he or she was recommended by the executive committee. After all the executive committee is also the grass roots. It is made up of county chairmen and some of the most active people we have working at the grass-roots level. The fact that we are representative in relation to their delegates is really all to the good."

Does she feel this was a showdown with Helle Degn and a choice between two lines in the party?

"No, that is utter nonsense. A recurring feature of the debate--in the candidacy speeches and so forth--was that Helle Degn and I have very similar views. We may work somewhat differently but our views are basically the same. That people choose one person over another when the political line is the same is not what I call a political showdown."

Shift to the Left

Did the party shift to the left at the congress?

"Yes, I think that in several areas we can say quite definitely that the line the Folketing group has pursued without having had congressional approval has now been backed up by the congress. Take security policy, where there was a distinct support for the line that has been pursued. Take energy policy where there was a real dismissal of nuclear energy. And it can now be noted that it is not the congress that is forcing the Folketing group to the left. The Folketing group has adopted some correct viewpoints--in my opinion--and now they have been confirmed by the congress. Now they have received official approval."

Drawing Together

There was not as much excitement at the congress as many people had expected. Why not?

"I think it is because people are really beginning to understand what it means for Danish society to keep the nonsocialist government in power. That meant that a number of things we might have fought more about did not amount to anything because people yielded to the majority at the congress. People moved together. I think it is a prerequisite for taking the offensive that we can say, all right, we have to pursue the line we can agree on instead of using up our energies in fighting each other."

The profile became sharper at the congress. Had she any thoughts about how long the opposition period might last?

"Of course I do not know how long it will last. I hope it will be as short a time as possible. Not for the sake of the Social Democratic Party but for the sake of the country. But I think we will return to government power before the end of this congressional period. In other words within the next 4 years. But of course it will be important for us to present a more distinct profile during this period."

Ambiguous Messages

How will they improve the presentation of their message?

"I think one of our problems has been that people have regarded many of our messages as ambiguous, hard to abide by because they sound right but perhaps they are at times formulated in such a way that people say, yes, that's true enough. But what of it? I think we had problems like this in the EC election campaign. I also think a little more generally in the everyday dissemination of political messages that people have a hard time seeing the fundamental difference between what the Social Democrats are saying now and what they themselves would decide to do in the government. I think this has been our major problem in the last few years, after we lost government power."

Program Approved

"Therefore I feel it is very important that the program that has now been approved should be carried out whether we are in the opposition or have government power. I do not think the program we have now is such that it will be put on the shelf the minute we acquire government power. Our program announces that this is where the Social Democrats stand and this is what we want--whether we are in the government or in the opposition. But attentiveness, movement have always been part of the Social Democratic working method and a sign that we would like to get something done and if we cannot get it all done at once we will accomplish what we can and leave the rest for next time."

Isn't that what the voters misunderstand?

"No, we should be able to handle that and we are too."

New Missile Debate

The congress eliminated all reservations in its opposition to nuclear weapons on Danish territory.

Right after the new session of Folketing opens at the beginning of October the Social Democrats will start pursuing their new sharper security policy in Folketing in the form of an interpellation debate in Folketing. The debate will be accompanied by a proposed resolution along the lines of the security policy statements at the congress and with the support of the Radical Liberals, SF and VS [Left-Socialist Party] the resolution would have a majority behind it.

The Social Democrats' new working program removes all reservations in connection with the party's opposition to nuclear weapons on Danish territory in peace, war or times of crisis and this objective is no longer linked to the establishment of a Nordic nuclear-free zone.

"It would be wise of the government to adopt the same attitude that was expressed at the congress. No other nuclear policy can be pursued in Denmark except the one the Social Democrats back and it is also the general feeling of the people that they do not want nuclear weapons," said Anker Jorgensen.

The Social Democratic chairman said that with its statements the congress had announced that nuclear weapons are not wanted as part of the forces to be received as reinforcements in a war. According to foreign policy spokesman Lasse Budtz, however, the Social Democrats do not want to call for any changes in the reinforcement agreements at this time.

"An addition to the reinforcement agreements is one of the ways to register opposition to nuclear weapons but at the moment we have no plans to propose anything like that," said Lasse Budtz.

An anticipated debate on the EC question was avoided at the congress after the party leadership partially complied with Arhus County's demands for a study of Denmark's situation outside the European Community.

In accordance with the congressional resolution the executive committee will now appoint a European committee that will write a report before the 1986 annual meeting concerning a stronger role for Europe with an eye to greater independence from the great powers, the future development of EC--including the advantages and disadvantages for Denmark--and an expanded Nordic cooperation in a European context.

The Social Democrats have had heated internal discussions on their position on EC since the EC referendum in 1972 and Anker Jorgensen expects these discussions to continue in the party.

"But I noted tendencies at this congress to put the big conflict behind us and look to the future instead," said Anker Jorgensen.

The party's former party secretary, Ejner Hovgaard Christiansen, who was recently elected to the EC Parliament, said:

"It is becoming clear to more and more Social Democrats who were not only hesitant but even opposed in 1972 that Europe's only chance between the two superpowers lies in closer European cooperation. In the economic and employment areas too, Europe risks being passed by other countries--namely the United States and Japan."

Paper Sees SDP Moving to Left

Copenhagen BERLINGSKE TIDENDE in Danish 20 Sep 84 p 2

[Editorial: "After the Congress"]

[Text] The congress is over and the Social Democrats ended their 34th congress by setting the party line for the years ahead. The work was extensive and time-consuming and--except when there were comic amateur theatricals and dancing--the mood was somewhat flat. After several years of setbacks it is hard to create enthusiasm for an opposition policy that has no immediate prospect of returning the party to the government power on which it once thought it held a monopoly. This is a difficult period for the big party both organizationally and politically. The decisions of the congress showed that clearly.

The Social Democrats re-elected Anker Jorgensen as party chairman as a matter of course. According to reports he gave heartfelt thanks and that is very understandable. There must be a growing awareness even in the Social Democratic rank and file that it will not be Anker Jorgensen's lot to lead the party back to its lost grandeur. The popularity he undoubtedly enjoys must be sustained increasingly by a feeling of pity.

The congress re-elected Knud Heinesen to one of the deputy chairmanships. This confirmed the trust the party has built up through the years in Heinesen as a faithful and loyal second in command who under shifting circumstances has had to put up with so much that he now seems tired and uninspired.

The delegates elected Radio Council chairman Birte Weiss for the first time to the second deputy chairmanship with a vote that through Helle Degn's defeat was also a defeat for Ritt Bjerregaard, who did not have her position

as the party's strong woman confirmed. For the public this little drama is less interesting than the fact that Birte Weiss and Helle Degn seem to be in agreement on their view of the party's current situation and the stand it should take in the immediate future. This stand is aimed at a sharper profile and a more distinct opposition policy. It is characteristic of these ideas that Helle Degn plainly favors the Social Democrats' voting against the budget this year too, thus repeating the situation that led to last year's election.

The congress approved a working program that on almost all points seems to involve a sharpening of the course the party will follow. When people do not have government power and have no immediate prospect of attaining it, the tone will automatically be harder and as an opposition party the Social Democrats want freedom of action without placing restrictions on themselves. New moves can be expected in the area of security policy that will try to tighten up the conditions under which the government must pursue foreign policy.

These impressions from the Social Democratic congress bear witness that the party will move another step to the left in its effort to give itself a more distinct profile in the eyes of the voters. That is the kind of decision that is needed to unify a congress. It is more doubtful if this unity can be transferred to practical work in Folketing. When the congress is over everyday life looks different.

6578

CSO: 3613/227

POLITICAL

DENMARK

MARXIST 'UNION COMMON LIST' IN LEFT SOCIALIST PARTY DISBANDS

Copenhagen INFORMATION in Danish 5 Sep 84 p 5

[Text] Preben Wilhjem's chief opponent within the Left Socialist Party, the 'Union Common List' faction, decided in a meeting held over the weekend to disband.

A spokesman of the national leadership of the faction which has now disbanded tells INFORMATION that only after a meeting today will the former national leadership be prepared to comment on the decision. Nor does he want to say whether the dissolution of the faction means that its members will be leaving the Left Socialist Party, and he wants to remain anonymous.

Earlier in the year, several prominent members left the faction, among them Elisabeth Brun Olsen, member of the Folketing. It happened after the faction had made it clear at a national meeting that its aim was to break with the other groups within the Left Socialist Party.

Wilhjem, who, during the summer, has been leading in an attempt to gather the Left Socialist Party on principles which are in direct contravention of the political line advocated by the 'Union Common List,' welcomes the decision of his opponents.

"That is excellent. 'Union Common List' had developed into a party within the party in a manner which has got nothing to do with our liberty to form factions.

They have made direct preparations to leave the party abruptly. That was an untenable situation. At the same time, some of them have represented the most blatant expressions of viewpoints which the rest of us do not find belong within the Left Socialist Party."

Not Enough

"In that sense, I do find that it is an excellent idea both for the Left Socialist Party and for themselves that they have taken this consequence," Wilhjem goes on to say. "I do not believe that it will be enough to put the Left Socialist Party back in shape the way I see it, but it certainly is a help.

However, it requires that the remaining members clarify our position on some extremely fundamental issues. In itself, the dissolution of 'Union Common List' and its partial departure will not be enough to motivate left socialists who do not have any party affiliation to become active members." Wilhjelm does not find that hidden tactical motives underlie the dissolution of 'Union Common List,' but that the decision is the result of actual disagreement within the faction on its relation to the Left Socialist Party as such.

In the early part of the summer, Wilhjelm gathered a group of 13 party members in an attempt to "rescue" the Left Socialist Party, which he finds is threatened by trends in the most recent development of the party.

Throughout the summer, the group has held a number of meetings and will, according to Wilhjelm, be ready in 2 to 4 weeks for a public move.

"The small but politically broad group will very soon have a brief, very concise statement ready for clarification of certain central issues. As a party, we still have to be able to disagree on a number of essential political issues, but a party cannot hold everything. We have got to have a clarification of three extremely decisive issues. They are the debate on democracy, the conception of the state, and the question of what the party is to be."

Wilhjelm says that the move on the part of the group will be a statement which will form the basis both for concrete decisions within the party as well as for a debate with 'left socialists' both within and outside the party.

7262

CSO: 3613/224

PSF OFFICIAL DISCUSSES NEW GOVERNMENT, PCF WITHDRAWAL

Paris LE QUOTIDIEN DE PARIS in French 13 Sep 84 p 8

[Interview with Georges Sarre, PS national secretary and deputy from Paris, by Florence Muracciole; time and location of interview not specified]

[Text] LE QUOTIDIEN: Why did the Socialists decide to cancel yesterday's PCF/PS meeting?

Georges Sarre: Our board will analyze and discuss the difficult situation that has been created by the recent statements by the Communist officials. I believe that without letting things drag out and without trying to conduct an ostrich policy of hiding our heads in the sand, we should not rush into defining what the effects will be on our relations with the Communists.

[Question] The CERES [Center for Studies, Research and Education] seems to have adopted a low profile. Is it because Jean-Pierre Chevenement is back in the government or because the economic policy that is being conducted satisfies you now?

[Answer] Before the legislature's session ended, it was important that we point up our solidarity, which Jean-Pierre Chevenement's return to the government demonstrates brilliantly. It couldn't have been a surprise, because we had already accomplished the synthesis at the Bourg-en-Bresse congress. What I should to emphasize forcefully is that we are never in the position of looking toward failure; our proposals and the defense of our ideas have been aimed and are aimed at putting together the conditions for success. In a big democratic party like the PS, the trend of our thinking, which has always been able to develop its theses, intends to continue to exercise free thinking without reservations, freedom to analyze and freedom of expression. When we did the synthesis at Bourg-en-Bresse, we were intending to preserve the future. The CERES hopes to organize a big symposium, the goal of which will be to promote anticipation for the new period that has just opened up. With Laurent Fabius' government, we believe there are certain shifts, having to do with selecting the men: the arrival of Pierre Beregovoy at Economy, Pierre Joxe at Interior, Jean-Pierre Chevenement at National Education, has political significance, not to mention the departure of Jacques Delors. Or the shifts involve methods: the Fabius government is a government that governs and decisions are made more swiftly. As far as priorities are concerned, shifts can be seen that are the result of a desire to develop an industrial policy, of the search, by all the realistic means,

for a recovery that will take into account the outside constraints, whether political or economic. We want a government of action and I believe that things are moving in the right direction.

[Question] The PCF doesn't seem to share your opinion, since it was thanks to Fabius' arrival in Matignon that it decided to leave the government and is now distancing itself from the majority. Where does the coalition of the left stand now, in your opinion?

[Answer] I think we have entered into a radically new period and that the coalition of the left as we had dreamed of it, imagined it, which was set up 20 years ago, is not only a thing of the past, it is dead. People seem to be discovering it now, but all of us have known it for several weeks. The coalition of the left as it was conceived was no longer a mobilizing myth, the break of 1977 had happened, things had been patched up in a manner of speaking after the victory of 1981.

But the coalition of the left no longer has the dynamics it had from 1972 to 1974. However, the worst thing we could do would be to resign ourselves, because there is a place for the PCF in the rallying we want to bring about. We are aiming at all men and women of good will as well as at certain majority political organizations. In fact, the PCF has to feel that it is doubly called upon: the exercise of power has weakened many certainties and the need for internal debate is very strong at the heart of the PCF. Having become fragile, the PCF has turned inward. It has submerged. But, as it has at each setback phase, the PCF leaders' activity has to do with "rallying." That was the case in 1934 or, closer to our time, in 1977 after the break-up of the coalition over the common program, when the Communists were talking about "grassroots coalition." For the time being, we Socialists are carrying on our shoulders the entire burden of the government. The French people have understood this very well and will probably judge the Communist leaders' attitude harshly.

[Question] Then how can it end in a rally?

[Answer] Simple, practical ideas are required, around a number of values, the values of democracy, republican values. To rally people, you have to throw out key ideas around which the left will re-form and the French people will rally. We will only do it by addressing ourselves to the whole country and by avoiding encounters with the left itself. We were for the coalition and we are still for it, while we are saying that what is decisive is the content of the unity. So it would be a mistake to leave the Communists by the wayside. We should have them go forward politically with us.

[Question] Are you in favor of expanding the majority?

[Answer] People will rally around a plan. We have always wanted to rally, with progressive people of good will who favor the country's highest interest. But what is ruled out is to seek compensation for the PCF's defection through a third force. The right, from the most moderate to the most extremist, is too much occupied and preoccupied in negotiation pacts on future successions to be seriously interested in a recentering operation. Besides, that would be a change of strategic orientation for the Socialists and they would have everything to lose by it. It would also be furnishing the PCF with alibis or, even better, opening up unwarranted space for it.

[Question] What do you think of the relaxation method?

[Answer] Being by character and by nature a man who is relaxed and open, I am for it. As long as the debate stays at an acceptable level. But I also believe that all the enticements will come up against the wall of the realities sooner or later.

[Question] Are you still in favor of proportional representation for the legislative elections?

[Answer] I myself have not forgotten our program and I think the complete proportional representation with a threshold should be decided upon. For several reasons: 1) We have said so and it appears in our program, therefore one does what one says one will do. 2) This is a fair way to hold an election. Finally 3), that choice would meet with a broad consensus. The Socialists, the Communists and the centrists are in favor of it, and many others as well; at least 65 percent of the French people are for it.

8946

CSO: 3519/510

ELYSEE USES POLICE TO COLLECT FILES ON RIGHT

Paris LE QUOTIDIEN DE PARIS in French 13 Sep 84 p 18

[Article by Jean-Louis Remilleux: "How We Trapped the Elysee's Political Police"]

[Text] Passing himself off as a seller of information on Charles Pasqua's past, QUOTIDIEN reporter Jean-Louis Remilleux has obtained valuable information about a group of "unofficial" policemen whose job it is to put together political dossiers at the Elysee.

Charles Pasqua, the president of the RPR group in the Senate, on 2 September denounced the creation at the Elysee of a combined police and political agency "responsible for fabricating mock dossiers on the opposition's elected representatives." LE QUOTIDIEN conducted the investigation and actually uncovered the names of the policemen concerned, whose irresponsible behavior on the telephone shows them to be more militant than effective. But their boss is really at the Elysee.

For the last 3 weeks, the Elysee personnel, surprised, have been seeking to put a name with a face, to find out the mission of a remarkable discreet but zealous personage, to guess at his credentials, which are not stated in any document. Mr Coulerez, for that is his name, is a 68-year-old former policeman, preferring, instead of the charms of retirement, the comfortable friendship of the chief of state, who recently sent for him to be near him. Appointed in the greatest secrecy--he does not appear in the OFFICIAL BULLETIN and his nomination did not come before the Council of Ministers--to No 2 rue de l'Elysee, where he took on the services of a blonde secretary, Mr Coulerez does not cause it to be talked about, willingly explains his appointment on the basis of his relations with Francois Mitterrand, "formerly, in the Nièvre," and posts the official title of "technical adviser for police problems."

Two RG [General Information] Officials

A policeman by training, it is not by chance that he is headquartered in the presidential offices. His presence is due to a political desire to see certain

special investigations conducted which he alone wants to conduct. In order to do so, he can utilize the services of two other general information officials who do not run the risk of working at the Elysee--where one is sure of no one--but who get together there occasionally: Superintendent Andre Ferrand, the deputy director of the RG's "research" section, and Superintendent Pierre Berges, the deputy director of "special information" (sic) at the RG. All three are associated with various persons working at the Interior Ministry, many of them under a false name. They form a police and political cell to which are entrusted, in particular, the "files" on the opposition's politicians.

"Hello..."

This agency, which was denounced the other day by Senator Charles Pasqua, really does exist, as can be confirmed by simply telephoning the central person in the operation at the Elysee:

"Hello? Mr Coulerez, please..."

"I am his secretary, who is calling?"

"It's personal--and very important."

"He is not here. But you can talk to me."

"Excuse me, I have information for him. Does that interest you? It's reliable, Pasqua..."

"Yes, of course."

"You are familiar with the file, Miss?"

"Yes, Mr Coulerez has spoken to me about it."

"Then there you are, I have to see Mr Coulerez to give him very important documents on Mr Pasqua. It's urgent. Do you see what I'm trying to say?"

"Yes, I see, sir. But call him again in half an hour. He will be here at that time. I don't know you. It is hard for me to talk to you any longer..."

"Oh yes, you do know me!"

"Oh, yes?"

"Yes, I was at the meeting with Superintendent Ferrand, the other day at the Elysee. You don't remember? You are blonde, aren't you?"

"Yes, I certainly am (what luck!). Are you a friend of Mr Coulerez?"

"What do you think? I have known him for 20 years!"

"Good, good. Then you can get in touch with Mr Ferrand at the Interior Ministry if it's very urgent!"

"That Interests me Enormously"

But, when I telephoned Superintendent Ferrand, the second member of the political information triumvirate, at the Interior Ministry, the conversation was just as enlightening.

"Hello? Is this Superintendent Ferrand?"

"Yes, this is he."

"I am calling you on behalf of a superintendent of political information who works with Mr Coulerez at the Elysee, and with you. I don't remember his name, something like Berez, Beharez, Berges, etc."

"Yes, I see, and so?"

"I have to see you, Superintendent, I have important information to give you about Pasqua, you see what I'm trying to say?"

"Yes, very well, and who are you?"

"I have worked with him in the past. Does this interest you?"

"Oh, yes, absolutely. It interests me enormously. Could you come by to see me tomorrow at Interior?"

"That is to say..."

"What?"

"I have worked at Interior in the past. I'm afraid I'll meet people I know."

"Right, we could get together in a cafe if you like, but it's stupid. Just go to Interior, you won't be taking any risks. No one will recognize you after such a long time! All you have to do is go to the little door at the back, rue Cambaceres, and go up to the fourth floor. You ask for me..."

"Superintendent, I need money for this information on Pasqua. I need it, that's why I'm doing it."

"You will be given money, don't worry about that!"

"How much?"

"I don't know, myself--a significant amount, depending on the nature of your information. Just come, I'm expecting you."

Imprudent Acts

These telephone conversations, published here in their entirety, are strictly accurate and lead to several observations:

1. A journalist from LE QUOTIDIEN, posing as an informant, obtains nearly all the information he desires, by cross-checking, by telephoning the policemen concerned, which proves that they are so greedy for information or that, if pressed, they forget routine methods and prudence.
2. There is no doubt that working meetings are taking place at 2 rue de l'Elysee around Mr Coulerez in collaboration with Ferrand and Berges, on the files concerning the opposition's elected representatives, since even Mr Coulerez' secretary is well-informed about the "Pasqua file." At this time, there is nothing to indicate--outside of the fraternal ties that link Mr Coulerez with Paul Roux, the former head of general information and the Socialist coloration of the two abovementioned officials--that this is a presidential initiative. An excess of zeal, someone at Place Beauvau, while at the Elysee they pretend not to know anything about the lair of this low-lying political police organization whose warrant officer is so close to the Good Lord.

8946

CSO: 3519/510

POLITICAL

FRANCE

COT, TADDEI EXAMINE SOCIAL DEMOCRACY, UNION OF LEFT

Paris LE MONDE in French 13, 14 Sep 84

[Series of Articles by Jean-Pierre Cot and Dominique Taddei*: "Did You Say Socialism?"]

[13 Sep 84 pp 1, 19]

[Text] I - Management Is Good, But Strategy Is Better

The government of Prime Minister Fabius has properly stated what the stakes are at present: a France which is open to the world, the maintenance of general economic equilibrium, and the modernization of our productive machine. Who would not agree with these objectives, which are clearly required by the circumstances? That is a program of the kind that should bring together all of the French people, since it is so much based on unquestionable needs. They are so unquestionable that, with only a few changes, one might ask if an effective government of the Right would not present the same kind of program!

That's where the shoe pinches. For where is socialism to be found in all of that? There is a socialist program, adopted solemnly and unanimously. What has happened to it? Certainly, we might conclude that it rapidly developed signs of old age, that it no longer responds to the challenges of tomorrow and is concerned with the quarrels of yesterday. But that's not what it's about! A careful pruning, one of those program reviews which the socialists know all about when they want to do it would make it possible to update the text of the program if they wanted to do so. However, do they want to do it?

Some 3 years after the Left assumed power, one might legitimately ask if it would not be truly courageous to say that we are social democrats and to follow the example of the German Social Democratic Party in 1959 at its congress at Bad Godesberg. Into the waste basket of history would go Marx, the class struggle, the wornout ideas which have uselessly obstructed socialist thought since World War II and the advent of the welfare state! For the sake of argument we might say that we accept the doctrine that capitalism has demonstrated its economic superiority

* Respectively, member of the Assembly of the European Community and a former minister and a deputy for the Socialist Party from the Department of the Vaucluse.

over the socialist systems set up in the Soviet Union and elsewhere, while maintaining the freedom of everyone. We could try to improve the capitalist system, mitigate its injustices, develop equality of opportunity for all by means of a bold social policy, leaving to the businessman, in accordance with his own logic, the task of dealing with the economy. A Helmut Schmidt, a Karl Schiller, but also a Willy Brandt or an Olof Palme, has functioned in this way as a loyal partner—we were going to say a loyal servant—of contemporary capitalism.

That is a coherent proposition which has the particular advantage of providing the appearances of a doctrine for the initial positions adopted and announcements made by the new government. Let us say clearly that we consider that this would be a major error, for at least three reasons which have made us remain socialists.

In the first place social democracy has performed two principal functions when it has succeeded: giving to the poorest elements of society the fruits of growth as a priority matter and developing the welfare state. It is clear that in a situation marked by a prolonged crisis these two objectives cannot be achieved. Hence the extreme difficulty the European social democrats have had in continuing to exist.

In the second place social democracy has been organically supported by a strong and united trade union movement. Certainly, we must deplore the situation, but that has not been the case in France for quite a long time.

In the third place social democracy is historically anti-communist. Now the course for the unity of the Left must be maintained despite and even because of these current difficulties.

Schizophrenia

Given the lack of this transition to social democracy, isn't there a risk that we will see the French Left sink into a traditional kind of schizophrenia? Contenting itself with words, enjoying revolutionary language while otherwise carrying out policies which cannot be distinguished fundamentally from enlightened conservatism?

While the name of Guy Mollet is associated with this kind of practice for many of us, this tendency did not disappear with him. The capacity of the French Left to project itself into a mythical future, even while it carries on its daily routine, is a practice which is repeated in each generation. The idea of breaking with capitalism stimulated the imaginations of militant socialists until 1981. However, how can we explain that the "time for the socialists to run things" has come when, on the basis of the evidence, we continue to live in a predominantly capitalist society?

Can the socialists hope to bring their supporters together by associating tough speeches and easy-going behavior, a government of the center and a party of the Left? In 1937 we tried to succeed by proclaiming a "pause" in the socialist program. Since 1982 the government has spoken of a "parenthesis." But what should we think of the latter if it lasts longer than the phase to which it relates?

In fact we see here once again the decisive problem for every socialist in a position of power and to which the well-known distinction made by Leon Blum between

holding power and seizing power provides only an illusory answer. That is why we are abandoning our revolutionary dream. The performance of the government of the socialists involves the question of how long it will last. The government only has a sense of direction when it tries to transform gradually a society whose fundamental principles of organization we challenge (the reign of profits, control of the market, and all sorts of exploitation and insanity). Therefore, it is not just a matter of holding power. It is also necessary to hold power at the risk of failure at the same time, because, on the one hand, there is a risk of cutting the party off from its social base and, on the other hand, of leading the country into bankruptcy.

That is why coherence over the long term must be the continuing concern of the socialists, both the party and the government, each in its own way, but united in a single effort. They must make clear for themselves, but, beyond that, for all of public opinion, a socialist strategy for our time which in a reasoned way will set out the actions to be taken over the short term (on a daily basis, in good times or bad times), over the medium term (the program proposed to the country for the term of the National Assembly and the length of the 5-year plan), and over the long term (the general principles for the organization of the kind of French society we want to see established).

For us the definition of such a strategy is the fundamental condition for teaching a philosophy of change. On the part of the Left we like to complain about the measures used or regret our lack of communication skills. However, in connection with the latter, we should ensure that the new techniques used do not deviate from the old golden rule: what is properly conceived will be stated clearly.

Liberal and Libertarian Convergence

We believe that each person has a capacity for development and for creativity. Society today too frequently prohibits expressing this hope in concrete terms. The socialists are now in the government to permit these possibilities to become a reality.

Yes, the socialists are concerned, first of all, with individuals, and they have been very much mistaken to allow this to be forgotten.

We hear the slogan "Lib-Lib" (an alliance of liberals and libertarians) chanted around us! This is a new source of mystery. When we speak among ourselves of freeing individuals, we don't think first of Marcel Dassault, Robert Hersant, or the Peugeot family. On the contrary, the socialists state that the liberation of the greatest number of the people is based on transforming the system which now makes it possible for these gentlemen to have more freedom to oppress others. This reminds us of the old fable of letting the fox loose in the hen house!

Do the socialists indefinitely repeat the same ideas? Yes, when it is a matter of interpreting the same realities. No, when it is a matter of proposing concrete changes based on new situations and which have the common feature of favoring the liberation of individuals. We might list three examples here:

--The claim for equality between the sexes is probably the most revolutionary change of our times, since it denies, in principle, the longest-standing division

of labor and thus the most widespread forms of domination. We should not only encourage equality of the sexes (laws on contraception and abortion, access of women to the highest responsibilities in society, equality of treatment and career opportunities) but should above all draw all of the consequences that flow from it, some of which are only slowly becoming apparent: an increase in unemployment, particularly on the part of women but also including men, a decline in the birth rate, a crisis in the family, as evidenced by fewer marriages and more divorces. It is not enough that women imitate men. It is the very nature of the tasks to be done and the jobs that are available which is placed in question for both men and women.

The increase in job qualifications is undoubtedly the factor most surely leading to economic development. It largely involves an extension of the length of time spent in school, which has the happy corollary of better trained citizens. However, does this involve extending the traditional forms of compulsory schooling? Who is not aware of the development of a sub-culture and anti-social attitudes on the part of young people and the fantastic dangers which this situation contains for the future?

And, on the other hand, are we going to continue to regard as retarded and unproductive those students who continue their higher education studies for much longer than previously? In fact, involved in the great idea of alternative education, under the most varied kind of arrangements, we must carry out a total recasting of the relationship between the time for study and the time for work, particularly between the ages of 15 and 30.

The growth in the number of retired persons is one of the most certain developments for the future and one sure to bring the greatest consequences for our social evolution, and not only in terms of financing retirement systems. The question before us is the segregation between age groups which we have allowed to develop. Keeping older people at home is, of course, a necessity. However isn't it also necessary to recognize the decisive social role played by older people, through the transmission to the younger generation of their collective memory, and therefore to the education of younger people? In much the same fashion, isn't it necessary to eliminate the absurd arrangement under which a woman or a man who counted for something is considered to amount to nothing from one day to the next because people who don't know them have so decided it, away up there in Paris? Selective and progressive retirement should be integral parts of socialist strategy.

The new socialist strategy can thus start off from many concrete situations of inequality which affect too many women and men in contemporary life. Moreover, listing the problems, seeking solutions, setting out the time necessary to deal with them, and always keeping a certain coherence between the short, medium, and long-term aspects are a collective task.

However, as the principal political organization of the government majority the Socialist Party should also say how it intends to implement its strategy, with what other political forces, and on what social basis.

[Paris LE MONDE in French 14 Sep 84 p 14]

[Text] II - The Unity of the Left Has Never Looked So Good

The Left has disintegrated. The communist ministers have left the government. Roland Leroy has announced that the communists will cure themselves by going into the opposition. Under present circumstances who would dare to speak of the unity of the Left!

The paradox is only apparent. If we consider the unity of the Left as a situation, as a state of being, it is well and truly dead. However, the prospects change if we analyze it as a strategy, such as the one defined in 1971 at Epernay.

Let us recall the situation. Francois Mitterrand proposed the adoption of the simplest formulation by concluding an alliance without any illusions, admitting the existence of sharp differences between the two parties and betting on a reversal in the balance of forces. By means of a union of the Left he intended to challenge the communist party for the control of the ground where that party was strongly entrenched—as the expression of the interests of the workers and therefore of the Left as a whole. At Vienna in 1975, at the time of the congress of the Socialist International, the first secretary of the Socialist Party publicly admitted his intention: through a union of the Left this involved reducing the influence of the communist party in a united Left.

The communist party had long before adopted the same attitude and entered on the union of the Left without any sense of romanticism. Etienne Fajon summarized the analysis of the communists: union involves a battle. The innovative step came from the socialists who, setting aside their fears and their illusions, accepted the same rules of the game.

Unity of the Left is a struggle. It is an alliance marked by conflict, a form of constant pressure exerted on the partner. On the contrary, it does not exclude family quarrels, feuds, nervous crises, separation, and a return home. Ultimately, it does not need the acquiescence of one's partner.

"To be united enough for two" is an expression which was used, in turn, by the communists at the end of the 1960's and the socialists at the end of the 1970's. For, under the cover of unity, this involved continuing the struggle in determined fashion for hegemony over the Left in France.

Continuing to seek unity in determined fashion has paid off. The socialists increased their influence between 1972 and 1977. After the breakdown in negotiations on the revitalization of the common program with the communists and when the communists denounced their partners, resuming the use of invective left over from the 1950's, the communists stoically continued to follow the strategy of unity. They widened the gap even further and let Francois Mitterrand gain an historic and decisive advantage over Georges Marchais on 26 April 1981. Thanks to the results of the unity strategy of the socialists, the united Left won the elections on 10 May 1981.

In other words, the union of the Left has never been as fruitful as when the Left has been disunited. By refusing to enter a union in 1977 the communist party

created the conditions for unprecedented progress on the part of the socialist party and made it possible for the Left as a whole to win the subsequent elections. In the same way, the departure of the communists from the government in July 1984 encouraged the socialists to persevere in their strategy of union, the only way to keep the Left in power and the government to the Left.

The Electorate of the Center

However, you might say, how can you hope for a majority without reducing the power of an electorate which favors the center, the essential support for a Left which commands a minority of the electorate? Regarding the electorate of the center, there is a great deal to say. It is not clear that the Left will find new voters among the supporters of Jean Lecanuet or Edgar Faure, rather than among those who have not voted, newly-registered voters, or the supporters of Jacques Chirac or even of Le Pen.

For the rest, the centrist strategies developed under the Fifth Republic have had the common result of all having failed. There was the failure of the grand confederation in 1964 and the failures of the efforts made by Georges Pompidou and of Valéry Giscard d'Estaing. By a bizarre kind of political alchemy, the successive movements of voters from the center to the Right have always led to a loss of votes, and not to any advantage. See the cases of Duhamel and Fontanet in 1969, Lecanuet and Servan-Schreiber in 1974, which hardly expanded at all the support for the presidential majority. While it may be useful to induce some personalities to leave their parties, there should be no illusions about the extent of their electoral influence. There is no electorate of the center: there is only a floating electorate.

A centrist strategy carried on from the Left will encounter a further obstacle which relates to the historical tradition and the social realities of the Left. By proclaiming the end of the unity of the Left such a strategy opens up on the Left an unexpected opportunity for the communist party, which can thereby count on making up the distance it has lost, regaining its former supporters. Now a strengthened communist party means a reduced Left, weakened and incapable of becoming the governing majority. To those who may still doubt the foolishness of the temptation of a centrist strategy for the Left, we might remind them of the electoral results of the last misadventure of this kind. In the presidential elections of 1969, on the first round, Gaston Defferre obtained 5 percent of the vote, while Jacques Duclos obtained 23 percent. During the second round the Left lost out.

On the other hand a weakened communist party makes it possible for the voters to flock to the Left, as we saw in June 1981, despite the presence of the communists in the electoral coalition of the Left and then in the government.

This last remark disposes of the argument sometimes raised against a united Left: that a united Left drives the voters away. The victory of the united Left in May 1981 and the massive majority obtained by the parties of the Left in June 1981 are evidence of the contrary. The polls, like the reactions of public opinion and the press to the presence of communist ministers in the government, revealed the ease with which the fact of a united Left was accepted and which made its impact well beyond the Left. Foreign countries even took note of it. Neither the Great

Britain of Mrs Thatcher nor the United States of President Reagan took offense at this development. There was only West German Chancellor Schmidt who expressed concern.

The communist presence in the government in June 1981 made the union of the Left seem like something normal. In this connection the Right tried to mobilize public opinion against the communist peril. The Right made a mistake in this regard, helping the Left by using extremist language which was in conflict with reality.

From that point on the strategy of a union of the Left was freed from the suspicion which the Right had attached to it for so many years. It was possible to continue to develop this strategy in a relatively serene fashion. It is still necessary for the Socialist Party to provide itself with means equal to its ambition of achieving hegemony in the methodical sense of the term, which is based on convincing people and not forcing them to agree.

Lack of Enthusiasm

Can the Socialist Party be the dominant element in a strategy of unity of the Left? Isn't this an unreasonable objective, an absurd analysis?

The electoral achievements of the socialists have been worthy of note. At the time of the recent European elections, the socialist list of candidates held its ground well, while the traditional Right, united under the leadership of Mrs Veil, went well beyond its announced objectives, and the communists sank out of sight. However, the level of the socialist vote was between 20 and 25 percent of the total—very far from the 30 percent which would have made the Socialist Party a dominant force on the French political scene.

Access to government power did not give the Socialist Party the kind of enthusiasm comparable to that which the Gaullists once benefited from. The socialist presence in the government has not consolidated the progress made in 1981 and has not even made it possible to recuperate from the disappointments with the communists. There are good reasons for that. However, they don't make much difference! The fact remains: the socialist electoral base has shrunk as the months have gone by, declining to its pre-1981 level.

Regarding the social base of the Socialist Party, in terms of class reality, let's tell the truth! We like to describe it as a party made up of a class front organized around the working class, broadened to cover all salaried workers. In fact, Socialist Party voters resemble something that might be mistaken for the French. In terms of the officials of the party, they are made up of teachers as secretaries of party sections, professors at CEG's, or a tax inspector at the departmental level like Jacques Mandrin. At the national level they are products of the ENA [National School of Administration]. We may regret this, argue about it, pass motions to change it, set up quotas, establish training courses. Changes in the Socialist Party will take time to achieve. Meanwhile, we will have to do what we can with what we have.

Under these conditions how can we implement a strategy aimed at hegemony of the Left? How can we set up, around the socialists, an historic bloc of votes making it possible to remain in power and to carry out a socialist policy? Surely not

by placing everything in the hands of the state, setting up a kind of Leviathan, entrusting everything in our society to the hands of government officials, creating more public service jobs, making the entire people public servants. The claims for autonomy and the pressure for individualism are facts which socialists should take into account in providing concrete answers for the problems of our society. That implies a strategy of alliances with partners whose independence and separate identity we respect: parties, trade unions, and associations. All of this is the opposite of a strategy of dominance.

In this effort the socialists have important advantages. Socialist voters, like France, are evidence of a capacity for exceptional concentrations under certain circumstances. Their close links with the state apparatus at all levels is a precious benefit in a country where the role of public authorities remains the pre-dominant element. Membership in a party of government officials does not involve only disadvantages. Finally, the weakness of the competitors we have for adversaries serves socialist purposes under present circumstances. The absence of planning and divisions among the Right and the historical difficulties of the communists make things easier.

A Dialogue and Not an Undermining Process

We still have to be realistic to enter into the necessary alliances. Let us have the humility to recognize our true nature and stop speaking in absolute or eternal terms. Our intentions will gain credibility and we will perhaps be able to avoid some of the obstacles which the history of the social classes has been pleased to put in the way of political parties. If we have ambitions to achieve hegemony in the Left, this involves accepting the means necessary to achieve it. If the Socialist Party intends to unite a large group of voters around a few, simple ideas, it must recognize the existence of a variety of elements.

Let's not be afraid of words. This involves assuming and broadening the nature of the Socialist Party as a catch-all, even if it involves annoying those who specialize in social distinctions. If the Socialist Party wants to attract people and not repel them, its internal structure must encourage diversity and discussion. It must be animated by a logic which brings people together and does not exclude them. Finally, the socialist movement, according to the same logic, must be open to other partners in the social movement and be willing to enter into a dialogue, and not dominate or seek to undermine others.

Let us not misunderstand the sense of these remarks. This does not involve advocating some nebulous cause capable of attracting centrist votes which would make the difference. That is because the socialists, since the party congress at Epernay, have expressed a clear political strategy and have proved that they can demonstrate that they are open and attentive in listening to their partners. Their firmness regarding their basic choices frees them from language which is hermetically sealed, from bureaucratic behavior, from disciplinary temptation. However, it will be objected, all of that will not make a majority in 1986.

POLITICAL

FRANCE

CHIRAC DISCUSSES FRANCO-JAPANESE COOPERATION

OW190259 Tokyo KYODO in English 0248 GMT 19 Sep 84

[Text] Tokyo, 19 Sep (KYODO)--French opposition leader and Mayor of Paris Jacques Chirac Wednesday called for closer ties between Japan and Western Europe, not only in economic but political and cultural fields as well.

"What we (in Europe) would like today is for Japan to take a front-ranking political place in the world," Chirac told KYODO news service in an interview, "for it to have an international political role on the same level as its international economic role."

To this end, ties between Japan and Western Europe should be considerably reinforced, Chirac said, not only in economic but cultural and political areas as well.

He said it was with this in view that he and Tokyo Governor Shinichi Suzuki had signed a friendship agreement between Paris and Tokyo and agreed to hold cultural exhibitions and activities in each other's city.

The Paris mayor and head of the French Opposition Rassemblement Pour la Republicuq (RPR) party is in Tokyo to attend one of these activities, a "Paris week" including a joint Tokyo-Paris symposium on urban life.

He said a "Japan week" in Paris, including displays of Japanese traditional culture, modern art and high technology, was also being planned.

A former French prime minister heading the conservative group led by the late President Charles de Gaulle, Chirac himself is considered a strong contender for the presidency in 1988, when Socialist President Francois Mitterrand's first seven-year term in office ends.

But Chirac avoided comment on his political aims, saying the immediate task was for French opposition parties to make a combined effort to displace the Socialists in legislative elections scheduled for March 1986.

CSO: 3500/1

POLITICAL

FRANCE

COMMERCE MINISTER CRESSON TO VISIT JAPAN

OW200027 Tokyo KYODO in English 0002 GMT 20 Sep 84

[Text] Tokyo, 20 Sep (KYODO)--French Minister of Industrial Redeployment and Foreign Trade Edith Cresson will visit Japan 11-16 October at the invitation of the Japanese Foreign Ministry, according to an announcement Thursday by the ministry.

During her stay in Japan, she is scheduled to discuss with Japanese cabinet ministers promotion of exchange in the science and technology fields and expansion of industrial cooperation.

She is also expected to call on Japan to help rectify the trade imbalance in favor of Japan by increased Japanese import of French manufactured goods and reduction of tariffs.

Meetings are scheduled with Japanese Minister of International Trade and Industry Hikosaburo Okonogi and leading businessmen.

Cresson will be the first French cabinet minister to visit Japan since Laurent Fabius formed a new cabinet in July. Fabius, then minister of industry and research, visited Japan early in the month, shortly before he assumed the post of French premier 19 July.

CSO: 3500/1

INTERCHURCH PEACE COUNCIL SEEN TO BE DECLINING

Rotterdam NRC HANDELSBLAD in Dutch 1 Sep 84 p 3

[Article by religious life editor Frits Groenveld: "M. J. Faber Can Continue To Count on Support and Sympathy: The Fat Years of the IKV Are Over"]

[Text] Rotterdam, 1 September--The fat years are over. That can indeed be concluded from reading the documents that the Interchurch Peace Council (IKV) sent to churches this week as an aid to action and meditation during peace week (23-30 September), an event being organized by M. J. Faber and his supporters.

The IKV appears to be defeated. Not only by the cabinet decision of 1 June of this year, in which the possibility was held open that, in spite of all the divisiveness about it existing among the population, American cruise missiles could indeed be stationed on Dutch soil within the foreseeable future; also by the fact that IKV secretary Faber has pursued a rather awkward publicity policy recently, especially since 1 June. The awkwardness came to a climax on 17 June in the interview with two editors of IKON [Interchurch Broadcasting], which is otherwise well-disposed towards the IKV, for the radio program "The Other World of Sunday Morning."

In that interview, Faber forgot for a moment that the peace movement is first and foremost a campaign movement, and put forth the academic position that the Dutch peace movement should not thwart the temporary deployment of some cruise missiles in the Netherlands if such deployment could contribute to a concrete reduction and removal of nuclear missiles already deployed elsewhere in Europe.

Betrayal

From these observations, Faber received a torrent of criticism heaped on him. Here and there he was even accused of betraying the cause of peace. While officials from the Council of Churches and from the secretariat of the Roman Catholic Church Fellowship in Utrecht had earlier declared that the leadership of the IKV badly needs a facelift, other were now--after 17 June--joining in the chorus as well, and voices were raised, more outside than inside of the IKV, that it would be best for Faber to leave.

However shocked the executive committee of the IKV was about Faber's awkward outspokenness, it did not drop him. To be sure, the executive committee did feel that the moment of his effusion was highly unfortunate, but the executive committee did in fact agree in principle with its secretary. "For us it has always been true, and it still is," says one of the members of the executive committee, "that our slogan 'Help rid the world of nuclear weapons, starting with the Netherlands' has absolutely no dogmatic, fundamental meaning, but is merely a proposal for how Europe could achieve a reduction of nuclear arms. If that is made possible by temporarily allowing a couple of cruise missiles at Woensdrecht, then that's fine."

Distressed Letters

Faber can continue to count on the support and sympathy of his executive committee. It is also ready to keep him on as primary spokesman, that much was clear yesterday. Whether the rank and file of the peace council, the 9 churches and approximately 450 churches throughout the country, also want that remains a question. At least 40 action teams, groups of people who have rallied with heart and soul behind the slogan of the IKV, have in fact sent numerous distressed, sometimes furious letters to the secretariat expressing their dissatisfaction concerning Faber's comments over the IKON microphone. However, these letters will not cost the secretary his head.

Not just yet, because Faber is still the darling of his peace movement public and constitutes the personification of the struggle against nuclear arms; also, because he is so verbally gifted that he will indeed again succeed--this time with a little more difficulty than in previous incidents--in pulling the rank and file behind him. Much more fragile is the relationship between the council and the member churches. There too, it is realized quite clearly that the fat years of the IKV are over, and some might be thinking of orienting their commitment in a different direction from peace work.

This especially because the churches from time to time threaten to suffocate in the morass of polarization surrounding the IKV, which came into being in their midst.

The IKV is now facing the question of whether it can continue to count on the strong support of the churches, several of which even made extreme statements against nuclear arms last spring, but which have never really been able to plunge into campaigns.

Chairman Ter Veer and secretary Faber say that right now they want to intensify contact with churches and want to discuss with church leaders the question of where the limit of obedience to authorities lies for Christians. These church leaders, however, do not care much for civil disobedience and are looking apprehensively to the Right, at the rapid rise of groups in their midst which would like to be rid of the IKV as quickly as possible.

They are probably too decent or, if you like, too easily frightened to bring up for discussion the position of Faber, with whom they have a love-hate relationship. In fact, when two of them recently told us that a fresh wind must blow through the top of the council, indeed without wishing to mention the secretary by name, they denied what they had said the next day.

The fact remains that many a church leader feels that the IKV has in the past concentrated too strongly on leading campaigns against nuclear missiles and that it has not arrived at a true conception of peace.

Even if the IKV directors say that the slogan was not and is not itself a holy cause, their massive circle of friends was indeed until recently under that delusion, and many thought that one was not a properly oriented nuclear pacifist if one was not prepared to personally devote oneself to the denuclearization of the Netherlands. That the IKV leadership in The Hague now scarcely knows which peace strategy to follow is a bitter experience for them. That is why, after the frustrations of June, the executive committee wants to go all out in the coming months to hold (or, as the case may be, to bring) the organization together, and to improve relations between one another.

12271

CSO: 3614/125

PARTIES ON LEFT INCREASE LEAD IN LATEST POLL

Labor Party Reaches 40 Percent

Oslo AFTENPOSTEN in Norwegian 8 Sep 84 p 3

[Article by Egil Sundar: "Socialists Continue to Gain--Nonsocialists Must Gather Strength"]

[Text] The socialist bloc--the Labor Party [AP] and the Socialist-Left Party [SV] with the support of the Liberal Party [V]--are strengthening their position both in relation to the government coalition and the total of the nonsocialist parties including the Progressive Party [FRP]. That is the main message from the political opinion poll conducted by the Norwegian Institute of Public Opinion [NOI] for AFTENPOSTEN during the period 20-31 August. And there can hardly be any doubt about the conclusion: If it is desired that the Willoch Government continue in office after the election of 1985, all nonsocialists must participate in preparing the foundation for a nonsocialist election victory. The alternative is a new socialist government with Gro Harlem Brundtland as prime minister.

The August poll from NOI gives no startling or dramatic results, but it confirms the tendency that we have seen for several months. The socialist bloc retains the upper hand. If the Storting election were tomorrow, AP would most probably win the power to govern.

According to NOI Gro Harlem Brundtland's party had a following of 40 percent in August, compared with 39.3 percent in June. It is certainly debatable whether this is satisfactory from the party's point of view. Election strategists at Youngstorvet are hoping for a further advance of three to four percent.

NOI shows a decline for the Conservative Party [H]: 29.1 percent was the result in August, compared with 30 percent in June. With the small fluctuations that we have observed during the past several months, it is probable that the Conservatives are just under 30 percent. One must assume that the

new party chairman, Erling Norvik, has as his first goal to exceed the 30 percent figure, and it will hardly surprise anyone if this happens in the next poll. The strongly aggressive nature of the Conservative Party Congress, and the party's later emphasis on its view on tax policies can be expected to have a certain positive result.

As to the Christian People's Party [KRF] and the Center Party [SP], their standings are approximately unchanged. In August SP had a following of 5.8 percent, the same as in June, while the August following for the KRF was 7.4 percent compared with 7.8 percent in the previous poll. If one studies the NOI figures since March, one can see a declining tendency for Bondevik's party. It is obvious that this must be cause for concern--especially because the decline comes in a period in which the KRF, according to many, has distinguished itself in a very favorable way. And the chairman, Minister of Church and Education Kjell Magne Bondevik has contributed to this in various ways.

While FRP had a following of 5.6 percent in June, it had 5.8 in August. This also relates to a political development marked by great stability. But during the fall one must again expect a certain movement, and the presentation of the government's new state budget in the beginning of October will obviously be an important factor in this.

Only time will tell whether the budget can contribute to giving the nonsocialist parties a nudge forward in the polls. It depends entirely on how the average woman and man sees the contents of the budget and the political message. Unless we experience a new budget shock such as last year's proposal for an automobile fee (something which will certainly not take place), the results of the state budget could be somewhat different--because people react to the profile and priorities of the budget. The signals which have so far come from the government indicate that the nonsocialist parties will have a fairly good political instrument with which to go into the election campaign.

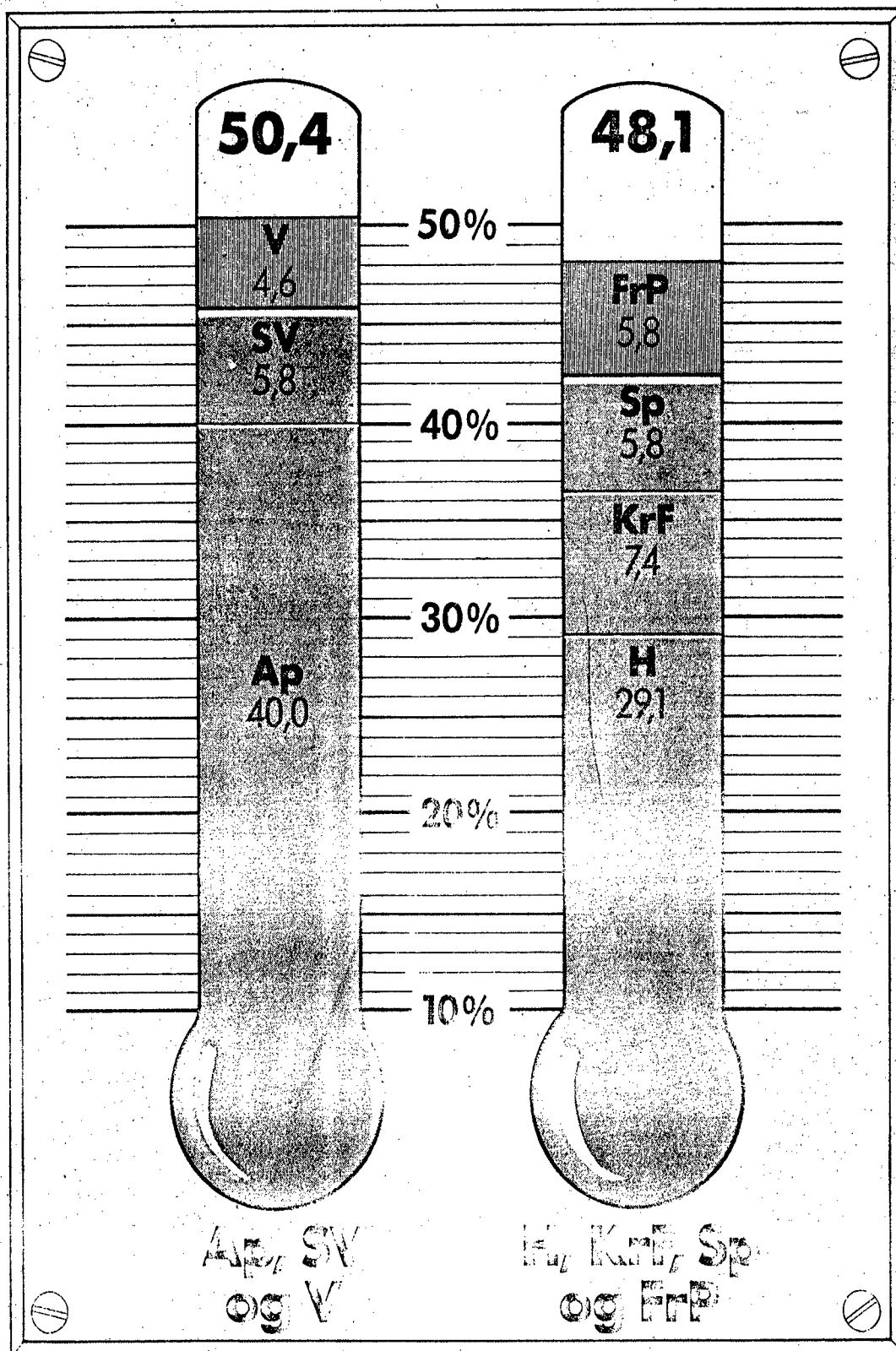
But for now it is the socialist bloc which has the upper hand. Even if the margins are not great, the situation shows that it will again be necessary for the nonsocialist side to gather its strength. Because the election will be a question of alternatives, a nonsocialist or a socialist government with all of the political consequences, that in itself is a reason for mobilizing. And naturally that means on both sides of the political aisle. Relative strengths are indicated clearly in both the following table and graph.

The situation now indicates that there will be an exciting race between the two blocs in Norwegian politics. Depending on which direction the election winds are blowing, the Progressive and Liberal Parties could tip the balance.

Question: If the Storting election were held tomorrow, for which party would you vote?

	Stor- tings- valget	1981	1984						
		Jan.	Feb.	Mars	April	Mai	Juni	Aug.	
	%	%	%	%	%	%	%	%	
A	37,1	39,8	38,6	38,5	38,6	40,3	39,3	40,0	
DLF ...	0,6	0,3	0,1	0,5	0,8	0,7	0,6	0,6	
FP	4,5	7,2	6,0	5,8	6,4	6,6	5,6	5,8	
H	31,8	27,4	29,4	30,3	28,4	28,5	30,0	29,1	
Kr.F....	9,3	8,7	8,9	8,3	8,0	7,8	7,8	7,4	
NKP ...	0,3	0,4	0,4	0,2	0,2	0,1	0,1	0,3	
RV	0,7	0,7	0,6	0,9	0,5	0,6	0,5	0,6	
S	6,6	6,0	7,4	6,6	6,4	5,7	5,8	5,8	
SV	5,0	5,7	5,5	4,8	6,2	5,4	6,1	5,8	
V	3,9	3,5	3,0	4,0	4,0	3,7	4,2	4,6	
Andre..	0,2	0,4	0,1	0,0	0,5	0,5	0,0	0,1	
Sum ...	100,1	100,1	100,0	99,9	100,0	99,9	100,0	100,1	
A + SV.	42,1	45,5	44,1	43,3	44,8	45,7	45,4	45,8	
H + S									
+ Kr.F.	47,7	42,1	45,7	45,2	42,8	42,0	43,6	42,3	
A + SV									
+ RV									
+ NKP									
+ V.....	47,0	50,1	48,1	48,4	49,5	50,1	50,2	51,3	
H + S									
+ Kr.F.									
+ DLF									
+ FP...	42,9	49,6	51,8	51,5	50,0	49,3	49,8	48,7	

Key: A - Labor Party
 DLF - Liberal People's Party
 FP - Progressive Party
 H - Conservative Party
 KrF - Christian People's Party
 NKP - Norwegian Communist Party
 RV - Red Election Alliance
 S - Center Party
 SV - Socialist-Left Party
 V - Liberal Party
 Andre - Others



The figures indicate for which party many of those would vote in a Storting election tomorrow, of those who surely would vote. It was also asked which party they voted for in 1981. The differences between the individual parties' percentages on this question and the actual election results of 1981 are used as weight factors.

The results are based on interviews with 953 authorized voters. Interviews took place during the period 20-31 August 1984. This was later than usual because interviews before the end of the school vacation reach an incorrect cross section of the population.

Oslo, 7 September 1984.

Paper Comments on Poll

Oslo AFTENPOSTEN in Norwegian 10 Sep 84 p 2

[Editorial: "Abnormal Fluctuations"]

[Text] In the political barometer of the Market and Media Institute [MMI] published in DAGBLADET on Saturday, we again see that this institute operates with abnormally large fluctuations. For individual parties the results show that much more than 100,000 voters suddenly defected without any apparent reason. Obviously this is not the case.

Since the relative strengths of the parties are thoroughly characterized by a high degree of voter stability, it would be difficult to celebrate the drastic results which often mark the MMI polls. This is especially true during periods when political activity is stable. It would naturally be otherwise when great controversial issues are being debated and the voters are involved.

But even in such situations it turns out to be the same--according to most polling institutions--that the results are less than the political importance of the issues would indicate. An example of such a case was the heated and involved debate about the NATO dual resolution and the Labor Party's slide on that issue. The fact that the Labor Party did not experience a marked decline on that issue is primarily an indication that party loyalty continued to play a decisive role. In any case it is the case with Gro Harlem Brundtland's party. It is something else entirely that party loyalty alone is no longer sufficient to win an election. Through it the Labor Party wins tens of thousands of new voters.

In evaluating the latest MMI poll, especially for the Conservative and Labor Parties, it is worth noting that we have passed through a very calm period politically. Since the June poll was published there has been practically a continuous political summer vacation. Nothing has happened which would be likely to cause the voters to shift around.

Nonetheless the MMI August barometer results caused surprise. The Labor Party experienced a slump from 42 percent in June to 38.5 percent in August. That means that over 100,000 voters left the Labor Party during the summer. At the same time the Conservative Party made a considerable gain--from 30.8 percent in June to 33.1 percent in the August poll. If that were the case, there are many who would have been delighted. But it is not easy to give credibility to that outcome just now, just as it is unlikely that the Center Party lost almost one-fifth of its followers from June to August.

If there has ever been reason to say that one should never bet on the results of one individual poll, it is this event. A fluctuation of three or four percent from one month to another is seldom in agreement with political reality. It must result from a rather large shock, something that we have not had this summer. What will happen when the autumn storms come is another matter.

9287

CSO: 3639/158

'OTHER PARTIES, UNDECIDEDS' SEEN GAINING IN POLL

Lisbon SEMANARIO in Portuguese 11 Aug 84 p 7

[Text] A 4.3 to 10.1 percent leap forward for "other parties"--"others" referring to parties other than the four main ones--seems to be the result of the survey on Portuguese voters' preferences if they were to be called to the voting booths today to elect a new National Assembly. The question was put to them--with assurances that their replies would be completely confidential--between 16 and 27 July.

In comparison with the June survey, and as the table shows, the main change is not transfers of votes among the PS, PSD, CDS and APU, but instead a general movement to "other parties," or purely and simply to the category of "undecided."

As NORMA shows in its study, it seems likely that "news of the coming formation of the Eanist Party" may have something to do with this phenomenon of disloyalty. Perhaps it is not a bad idea to use this as an explanation of the sudden decline in those abstaining--from 24.6 percent in June to 18.5 percent now, a rate which in any case is close to the one indicated for the April 1983 elections (19 percent).

All the smiles are in the camp of the PSD, the only "historic" party grouping to recover points since the latest poll. The recovery was a happy surprise, certainly. In June they fell behind the APU and received one of their worst scores ever--21.5 percent. Now they have 23.6 percent, raising them to first place--and Lord knows why, since we know that NORMA's 30 interviewers were told to query 613 Portuguese citizens, using a random route, "kish" [as published] and following all the other requirements to ensure a scientific sampling of statistical data.

Either people are delighting in the memory of Mota Pinto's strong demand for "structural measures" before the end of July, or it is the enticement of the failure to act that has attracted them.

In comparison with June, the party of the professor from Coimbra fell in the polls by four points in Coimbra alone, putting it in an uncomfortable third place. In Lisbon it is still ahead, thanks to a slight increase (from 21.7 percent to 22.4 percent), while the clear rise it has shown in Porto has still not dislodged the PS from first place. It also holds the second spot in Viseu and Vila Real.

Socialism Beginning in Coimbra

Not the PS! With 21.5 percent overall in the cities surveyed, it has the APU hot on its trail, less than one percentage point behind. In Lisbon, with 17.5 percent, it is making a rapid descent to half of the votes it had in the 1983 elections. NORMA refers to "problems resulting from the Internal Security Law, with possible effects on the electorate of the PS above all." In the final analysis, it appears that the PSD had something to do with this law, by the approval of Mota Pinto and Soares.

In short, this summer the PS only holds sway from Coimbra up. It gained eight points in 2 months there and continues to be the preferred party, as it is in Porto, Viseu (where it also has made gains), and Vila Real (despite having lost six points in this region).

In the south, the situation is disastrous. For the purposes of this study, the south is Evora, and something strange is happening in Evora. There the APU is still in the lead, but it has declined from 40.3 percent in 1983 to 39.7 percent in June--and now, has made an improbable drop to 29.7 percent.

They could cry on the shoulders of the PS, but it has done even worse: from the 26.6 percent of the votes it received in 1983 in this lovely Alentejo city, it fell to 13.1 percent--when, just 2 months ago, it had 21.7. A socialist reaction to the idea of revising the Agrarian Reform Law may not be so far-fetched.

But the strangest thing is that only in Evora, second place after the APU goes to the so-called "other parties," at 21.3 percent. However, the PSD has not done so badly. Robbing space from the PS, it jumped from 13.1 percent in June to its current, respectable 20.4 percent.

APU Suffering a "Crisis"

As for the APU, besides the blow to it in Evora and the general slide--at 20.3 percent, it is now below the 21.1 percent in April 1983, having lost the momentum it gained last June when it hit 22.1 percent--it has declined notably in popularity in Porto, where in 2 months it lost six percentage points. Nevertheless, in the face of the notable failure of the centrists (from 16.9 percent in June to 12.2 percent now), the APU kept the third place in Invicta, which, together with a second place in Lisbon and Coimbra, is not at all bad for them--or good for the others.

However, NORMA is still saying that a possible explanation for the decline of the United People's Alliance [APU] is "internal problems"--since, as we all know, the MDP [Portuguese Democratic Movement] decided to seek its own identity.

Centrist-Lisbon Generosity

Finally, how is Lucas Pires doing? Things are unusual and intriguing. In Lisbon, because of one-tenth [of a percent] which was not informed of Dr Soares--the PS received 17.5 percent and the CDS [Social Democratic Center Party] 17.4 percent, which, given the probable margins of error indicated for

the survey, is significant. But its rising fortune begins and ends in the capital. In the other five cities surveyed, the word "spectacular" best described the decline of the centrists from June to now. In Porto, from 16.9 to 12.2 percent; in Coimbra, from 21.9 to 12.4 percent (!); from 14.5 to 8.2 percent in Evora; a seven point drop in Viseu and nearly five in Vila Real.

Overall, and thanks to Lisbon's generosity the Largo do Caldas party only went from 17 percent to 15.4 percent--better at least than the 14 percent in 1983. However, apart from its success in the capital and the relatively insignificant case of Evora, the CDS is moving far from the already disappointing results of the last elections.

Hand in Hand

Having considered all the possibilities, if we were by chance to combine the CDS and the APU to get an idea of the size of the opposition to the block, we would see that it was reduced from 39.1 percent in June to 35.7 percent now.

As for the majority coalition, the statistics show that it has been slipping from a glorious 63.8 percent in April of 1983 to 54.7 percent in January 1984, 47.9 percent last April, 45.7 percent in June, and 45.1 percent now.

Thus the parliamentary opposition is sinking, hand in hand with the power. Let's invite "the others."

9805

CSO: 3542/114

	(1) TOTAL DAS 6 CIDADES				LISBOA		PORTO		COIMBRA		ÉVORA		VISEU		VILA REAL	
	Eleições 83	Anho 84	(3)	(4)	Hoje	%	Eleições 83	Hoje	%	Eleições 83	Hoje	%	Eleições 83	Hoje	%	Eleições 83
(5) Abstensão	19,0	24,6	18,5		19,8	16,0	17,2	22,0	19,5	28,6	17,3	14,2	23,2	35,8	18,3	18,3
APU	21,1	22,1	20,3		22,6	22,3	17,1	14,8	16,9	21,6	40,3	29,7	6,4	7,7	10,6	11,7
CDS	14,0	17,0	15,4		14,3	17,4	14,3	12,2	13,6	12,4	6,3	8,2	19,8	18,5	11,1	14,3
PSD	24,8	21,5	23,6		23,7	22,4	27,0	27,6	25,7	20,5	21,9	20,4	34,1	25,4	32,3	27,3
PS	35,0	24,2	21,5		33,9	17,5	37,5	30,0	39,4	28,4	26,6	13,1	35,3	30,8	41,3	32,5
(6) Outros (*)	3,2	4,3	10,1		3,4	10,2	2,6	10,2	2,3	-	2,8	21,3	2,3	5,4	2,5	7,8
(7) Branco/Nulos	1,9	10,9	9,1		2,1	10,2	1,5	4,8	2,1	17,1	2,1	7,3	2,1	12,2	2,2	6,4
(8) Maiores Transferências de Voto																
					APU (9)	Outros CDS	Outros PSD	Outros PS	Indecisão CDS	Indecisão PSD	Indecisão PS	Outros CDS	Outros PSD	Outros PS	Indec. APU	Indec. Outros
					Outros CDS	Outros PSD	Outros PS	Indecisão CDS	Indecisão PSD	Indecisão PS	Outros CDS	Outros PSD	Outros PS	Indec. APU	Indec. Outros	Indec. Outros

Key:

1. Total of the 6 cities
2. 1983 elections
3. June 1984
4. Today
5. Abstentions
6. Others* (*According to NORMA's report, "other parties" includes the MDP, PCP and Eanist Party, in addition to the UDP, PPM, POUS, PSR and PCTP/MRPP.)
7. Blank/void
Undecided
8. Major transfers of votes
9. Others
10. Undecided

STUDY OUTLINES COUNTRY'S 'ELECTORAL GEOGRAPHY'

Lisbon O JORNAL in Portuguese 24 Aug 84 pp 6-7

[Study by the Damiao de Gois Institute: "The Map of Voting in Legislative Elections Since 1979"]

[Text] How have the Portuguese voted since 1979? What is the electoral geography we have today? What happened after the last elections for the Assembly of the Republic? How would they vote today if they had to do it before 1985, at which time presidential elections will be held? On these questions, which even the reader on vacation will not fail to ask at the coffee table or in a circle of friends, he will perhaps not lack a source of information (guide?) provided by the most recent study on what has been the voting behavior of all of us--and particularly how those votes are distributed throughout our geographical space in the history of elections for the Assembly of the Republic.

That work, which O JORNAL had first hand access to--"Elections for the Assembly of the Republic 1979-83--Studies of Electoral Geography"--has just been published by the Damiao de Gois Social Research Institute as part of the collection of "Social Studies." It is signed by Jorge Gaspar, Isabel Andre and Fernando Honorio. The first, absent in the United States during the last elections for the parliament, cannot therefore guarantee, in the pages of O JORNAL, a continuity in a contribution in which are contained the analysis on Electoral Geography--an analysis which decodes a complex universe which almost always has to be explained to be understood by the ordinary voter.

Thus, 8 years after the first elections, during which four legislative and one constituent elections were held, the need to proceed to an overall evaluation of the political behavior of the Portuguese people, either through their votes or through the configuration of their parties, has been posed with some clarity. To do this, it was necessary to carry out complicated in-depth research of a monographic nature originating in various scientific branches. The study now presented by the Damiao de Gois Institute is not yet that general evaluation but its authors want it to be an important and timely advance.

The study by Jorge Gaspar and his two collaborators mention three moments of different behavior in the voting by the Portuguese throughout that 8-year period: 1975-1976, 1979-1980 and 1983, which are characterized by alternation in power between the PS [Socialist Party], alone or in alliances to its right, and the coalition of the main conservative parties. The period between the interim elections of 1979 and the legislative elections of 1983, in Jorge Gaspar's opinion and that of his collaborators, deserved a very particular attention because of the importance of the political changes observed, as well as by the fact that up to now it was the object of a smaller number of geographical analyses. On the other hand, in addition to the attempts to explain the variations noted between 79 and 83, a significant part of the analysis appears to concentrate on the characterization of the behavior of the electorate in the last of those years.

The authors do not fail to stress the social and economic conditions that motivate the vote, which many times condition it, introducing a number of variables in terms of the various components ranging from the bourgeoisie, the agricultural proletariat, the industrialist, religious beliefs and the per capita rate of indirect taxes, social, economic and geographic deprivation, and so forth. It is possible, therefore, to seek a representation of the main structural trends of the voting behavior of the Portuguese in the light of the great lines of the social, economic and cultural structure.

These dominant traits emerge from that profile: At a national level the APU [United People's Alliance] appears clearly "prejudiced" in the urban areas and in the regions where the rural proletariat are in control and, on the other hand, is "prejudiced" the most where religious practice is the most intense and/or where the peasants are more numerous. The PS does not show at that level any very marked relationship with any of the structural components except with that related to industrial development. The PSD [Social Democratic Party] and the CDS [Social Democratic Center Party] are the most influential in the rural areas of the peasantry, as well as in those where the practice of Catholicism is the most intense. The PSD is also characterized by a negative relationship with the "urban" sector. Abstention appears to be particularly great in the rural areas, where the peasants are in the majority, and is minimum in the urban and industrial areas.

These same relationships are essentially maintained on a regional level; the greatest number of exceptions arising from the different positions of the PS, a fact which incidentally helps to make this party show relationships on a national level which are less marked.

Alentejo and Algarve are the regions which are most distinguished from the others with respect to the characteristics of voting behavior. Thus, while in the north and central part of the country the APU, and the PS in second place, show greater "advantage" in the urban areas, in the south is the conservative vote which has its greatest expression in those areas. Another aspect which differentiates these regions is the one having to do with the dominance of the PS in the rural areas of the peasantry, while in the rest of the country the party which has the greatest influence in such areas is the PSD.

Shifts

The authors note that the PS and the parties which made up the AD [Democratic Alliance] suffered the greatest absolute changes relative to voting between 1975 and 1983, with the most important shifts being made among those party forces. Such confirmation reflects very well a trend in voter behavior, which has been developing since 1976. A significant part of the electorate changed its voting preference from election to election, a trend which particularly affects the PS and the parties located to its right and which has led to the alternation in power as of the first legislative election.

Taking the PSD and the CDS separately, the authors confirm that between 1975 and 1976 the decline in the Social-Democratic vote and the accentuated decline in the voting by Centrists, are the result of a profound redefinition by their social bases of support, which took place after a period (1974-76), and of great ideological indecision, particularly in the recent creation of parties of the right. The voting obtained in 1983 not being significantly different from that of 1976, indicates a maintenance of voters by each of the parties despite the long period of coalition. That development, observe the authors, appears to indicate that despite the option for a common electoral experience, the two parties were able to unite in essential points but were able despite everything to remain different in several ideological areas.

In 1979, at a time when the PS, after the failure of its successive administrations, which was due in part to the weight of the parliamentary opposition, restricted itself to its social support base, the strategy of an alliance among the parties of the right was particularly based on the possibility of presenting to the voters a choice of a government based on a legislative majority. This picture, broadly disseminated during the interim election campaign, allowed the capturing of a substantial part of the votes, which would under other circumstances have gone--say the authors--to the PS and which were recovered by this party in 1983.

The development of the APU voting, in turn, shows different characteristics from the other parties since the shifting of the voters, which substantially changes the voting from one election to the other, appeared to have little effect on this coalition. If the votes obtained by the communists in 1979 are excepted, which the authors judge to be somewhat inflated due to the "erosion" suffered by the PS causing widespread shifts of voters to the right, as well as--although on a smaller scale--movements to the left, the voting of the APU has shown a much more stable nature than that of the other three parties. The slow growth, which is progressively noted in the APU voting, appears to be the result of the eminently ideological nature of this option in the opinion of the authors. It is stated there that the emphasis placed on the utilitarian aspect of the vote for the APU may be related to the impossibility of the attainment of power in the short or medium term. At best that characteristic is the result of an attempt to strengthen the legislative opposition.

Distrust and Abstention

The study by Jorge Gaspar, Isabel Andre and Fernando Honorio naturally analyzes the trends in abstention and does not fail to emphasize the main aspects which characterize that trend. The authors admit that the restriction of the analysis on voter participation to the 1975-80 period could possibly result in the hypothesis that abstention would be less if elections were spaced farther apart (participation was greatest in 1975 and 1979 and it declined markedly from 1975 to 1976 and from 1979 to 1980). This development could be easily related to a weariness of the voters, aggravated even more by the local government and presidential elections, whose dates would not change the hypothesis presented. In 1983, however, after 3 years without elections, abstention reached numbers that were significantly higher than previous figures.

According to the authors, the failures of the AD governments appear to have had several effects on voter behavior in 1983: A part of the voters, who in 1979 left the PS for the AD, returned to the support of the Socialists. However, a no less significant part chose to send a signal of no confidence or of alienation with respect to the political future of the country, by abstaining. Given that in 1983, 520,512 more voters abstained than in 1980, and that the rise in PS votes was more than 386,544 votes, the attitude of protest through abstention assumes a great importance, even if it cannot be applied to all the voters who abstained, as is also admitted by the authors.

The principal trends in the development of voting on a national level do not change significantly on the regional level, note the authors. They add: "While the standing of each of the parties shows accentuated regional differences, the different political turns which characterize the various elections have an impact throughout the country, which means that the local conditions that are relevance with respect to local elections, assume a very minor importance in the voting for the Assembly of the Republic."

It is a well-known phenomenon, which the authors describe in this manner: To this relative regional uniformity of voting, the way in which party campaigns are oriented is certainly no stranger. They are based primarily on criticizing or praising the actions undertaken by the previous government, which in one way or another affect the entire country. The lack of regional movements also contributes to the regional indifference which characterizes the shifting of votes."

The authors next ponder the main differences that distinguish the changes in voting patterns in each region, based primarily on the analysis of the specific nature of the regional mobility of votes, (either between the PS and the parties to its right or between the PSD and the CDS), the aspect of abstention and the regional changes in APU voting.

The Rise of the PS in the North of the Country

The authors point to two areas in which the PS shows different changes: the north and the center, on one hand, and the south on the other. In the north and center, the percentage of votes for the PS in 1983 exceeded those recorded in any of the previous elections, which together with the declines recorded between 1976 and 1983 by the parties to its right, appears to presuppose that the change in socialist voting is not linked only to shifts in support due to existing circumstances, but also shows an increasing implantation of the party in those regions. This growth, particularly accentuated in the northern regions, emphasize the authors, is not related only to changes in the social structure, since these changes do not appear to be more significant in the north than in other regions of the country. At any rate, they say, the rationalization of employment and the subsequent increase in the numbers of new petit bourgeois, as well as the abandonment of complementary agricultural activity by a large number of workers of industry, which may possibly affect the coastal north with more intensity, may be some of the hypothesis which explain that which Jorge Gaspar and his collaborators describe as the "growing implantation of socialism."

The authors of the work published by the Damiao de Gois Institute admit that the extent of those changes is insufficient for understanding the changes in political behavior if they were not complemented with other perhaps more relevant hypotheses which are linked to the growing access to information from large stratas of the population. Beyond those hypotheses, the relative similarity in the voting for the PS and abstentions, appears to presuppose that the phenomenon of abstention benefitted the socialists first of all, particularly in 1983, harming the PSD and the CDS. This shift by the electorate was already detectable between 1976 and 1979, if it is noted that the large decline of the PS on a national level in this period had no obvious corresponding decline in any of these regions. In the coastal north and center and in the interior center, the decline in the PS is less than on the national level and in the northern interior the socialists are practically maintaining all their voters.

In the southern part of the country, to the contrary, say the authors, the voting for the PS in 1983 was obviously inferior to that recorded in the 1975 and 1979 elections, generally suggesting that despite circumstantial fluctuations in voting, the social support base for this party actually declined. "This phenomenon is related to the different political position of the PS in the northern and southern parts of the country, which results primarily from its ideological lack of definition; while in the north the PS orients its activities toward the prospects of opposition to the right, allowing it to rally the voters of the left, the southern part of the country is characterized by a retraction in a lesser or great scale of the socialist voters which is linked to two relatively different situations. In the areas where the APU is in control--in general terms in Alentejo--the PS, which in 1975 and 1976 managed to obtain the votes of conservative voters because it was the most significant opposition to the communists,

there appears to be a tendency to allow the opposition votes to rally in favor of the PSD, thus losing part of their votes." In the areas where the PS is in control--Algarve, Vale do Tejo and the northern part of the district of Portalegre--the authors presume that the instability of the socialist vote is more accentuated. Although it suffered significant losses in 1979 and 1980, the PS managed to recover a large part of its former supporters in 1983, which suggests to the authors the awareness of those voters of the dynamic of victory imprinted on the electoral campaigns. At any rate, despite this recovery, say Jorge Gaspar and his collaborators, the PS appears to be progressively losing some voters in these areas, as much to the PSD as to the APU.

Voting for the PSD and the CDS

The analysis of the changes in voting for the PSD and the CDS is made particularly difficult by the period in which they worked in coalition (1979-83), an obstacle which makes an evaluation of the stability of the conservative voters difficult. However, according to the authors, a very accentuated regional difference in the behavior of these voters is apparent: In the regions of the north and center, the percentage increase in one of the parties always corresponds to the decline in the other. Between 1975 and 1976, the PSD suffered a more or less accentuated decline, while the CDS saw its votes increase substantially, this picture becoming inverted in 1983.

This alternation appears to reveal, in the opinion of the authors, a movement of votes which they associate to the competitive situation of the two parties in regions where their strong position allows them to present different programs. This movement is particularly obvious in the areas of the interior.

In the southern part of the country, voting for the two parties shows different characteristics: The PSD has invariably recorded percentage increases that appear to show an actual broadening of its support base, also obtained because of a greater political definition of socialist voters, which in some way--emphasize the authors--shows the perception by the voters of the similarity between the socialist and social-democratic programs. The centrist vote acquires a clearer social demarcation in the south, it appearing that there is no such overlap between the voters of the PSD and the CDS, particularly in Algarve, which is the only region of the country where the two parties are growing simultaneously.

Uniform Variation in APU Votes

Unlike the other large parties, votes for the APU show a much more uniform variation in any of the regions, which is very similar to the development throughout the country. This phenomenon, insist the authors, shows above all the weak influence of the circumstantial changes in the votes by the communist electorate and it confirms the markedly ideological nature of the vote in that party, or at least the inexistence of another option which justifies a significant shift of APU voters to a useful vote, which means a vote for the purpose of arriving at power.

Regional cleavages observed in the mobility of the vote in the other parties show themselves, however, to be less pronounced among the voters of the APU. However, there is generally a difference between the regions of the north and center and those of the southern part of the country. Stability noted in the former regions appear to result, according to the authors, from the political positions of the APU with respect to the other party forces, in the degree that the forces of the left express themselves through the PS in particular. "The communist vote corresponds, therefore, to a well defined ideological option, including because a good part of their voters are engaged in militant activities."

In the south, in absolute terms, there is a greater mobility of the APU votes since it is the main opposition force and it, therefore, covers a greater area, where a useful vote acquires a relatively greater importance.

Finally, the decline in communist votes from 1979 to 1980, more accentuated in the southern part of the country, appears to show, in the understanding of the analysts, a movement of the leftist vote toward the FRS, which based its electoral campaign on a strategy of being an alternative to AD, thus drawing on a part of the communist electorate.

In any of the regions analyzed in the work by Jorge Gaspar and others, the evolutionary profile of abstention is similar that which is observed for the rest of the country in almost identical form. This causes them to presuppose a certain independence of this phenomenon with respect to factors of a structural order, particularly the different social makeup of the regions.

The authors acknowledge that the complexity of the abstentionist behavior, already shown in previous studies by Jorge Gaspar, particularly with respect to the various facets it may assume, whether it be a sign of indifference, an attitude of protest or even as a form of statement, which is similar to a vote of opposition, it would require "finer" analyses that would involve an attempt to understand how abstentions affect the various social classes and strata at a specific time.

However, beyond the explanatory hypotheses mentioned, and which for the authors remain generally valid for the interpretation of regional cases, it appears important to them to point out the large variations in abstention in the coastal center and particularly in the interior of the north and south. Actually, the decline in voter participation in these regions--greatly accentuated between 1975 and 1976, and particularly between 1979 and 1983, is in some way tied to the political-social alienation of those areas, with special incidence in the areas of the interior, which means among the predominant social classes there. The absence of identification between the problems and hopes of the peasants and the proposals of society inherent in the political programs of the main parties may explain this behavior, say the authors. And they add: "Moreover, the decline in abstentions recorded in 1979, which could have been a hopeful bet on the AD Government, was also particularly accentuated in these areas and, more than in any other area of the country, the failure of the governing performance of the alliance aroused a reaction of distrust or even of protest

which was demonstrated by a large increase in abstentions in 1980 and particularly in 1983."

Spatial Distribution of the Vote

Votes for the PS

The socialist vote has shown a much more uniform pattern in several elections than the other party formations, which is due primarily to the diversity of its social support base.

The capacity of the PS to move a greater number of voters is in a certain way based on a less marked ideological definition, which allows it to be compatible in the proposals it presents with the hopes of the various social groups.

Regional variations contained in the preelectoral discourse, which make possible its adaptation to the social-cultural characteristics of the population at which it is aimed, also assumes more importance.

From 1975 to 1980, the greatest inroads by the PS assumed a relatively scattered nature and were in keeping with different situations: the areas of socioeconomic transition--Algarve and Vale do Tejo; some industrialized spots in the north and south and the northern coastal area, the textile industry area of the inner coast and also the district of Coimbra, where the republican and antifascist tradition, disseminated from some centers, particularly Figueira da Foz, Coimbra and Soure, may in some way also justify the present influence of the socialists.

In 1983 the PS maintained, not only its control in those regions, but it increased its voter strength significantly in a large number of rural councils located north of Tejo. This increase in the socialist vote in areas where in 1983 it was just getting started, led to the emergence of a North-South contrast, which was well-marked in all the other party patterns, but which up to the last election had not characterized the PS.

Votes for the APU

The spatial pattern of voting for the APU shows, more than that of any other party, a great stability between 1979 and 1983. The communist vote is also that which shows the strongest regional contrasts--Alentejo and a large part of the Lisbon metropolitan area, where voting for councils almost always exceed 40 percent; the north and center of the country, where only a small number of councils obtains more than 10 percent, these cases, in the large majority, being in the largest industrial centers, with Marinha Grande, Covilha and Gondomar prominent among them.

The variation in the votes for the APU between 1980 and 1983 shows, above all, according to the authors, a great stability throughout the country, with some significant increases, however, where the APU records an average vote, specifically in Algarve, in the region of Vale do Tejo, and secondarily in the metropolitan area of Porto. In the first two areas--say Jorge Gaspar

and his collaborators--some of these increases in voting for the APU can be related to the effectiveness demonstrated by that political force in municipal administration--Vila do Bispo, Barrancos, Elvas, Nisa, Coruche, Chamusca, Loures, Sobral de Monte Agraco and Azambuja.

Votes for the PSD

The votes for the PSD generally follow a spatial pattern with a great dichotomy between the north and south. The implantation of the Social Democrats in the south appears to be particularly identified with two types of situations: councils where the influence of the peasants is greater (Eastern Algarve, Monchique, and in a certain way, some rural councils of Upper Alentejo) and councils of an accentuated urban nature (Evora, Faro, Portalegre and Estremoz), where the petit bourgeois are more entrenched.

In the center and north, where voting for the PSD is very high, with the exception of some more industrialized councils (Guimaraes, Covilha, Figueira da Foz and Marinha Grande), it is mainly the less economically developed and more remote areas which stand out because of totals of more than 50 percent--area of Pinhal, Terras do Bouro, Boticas, Vimioso, and others.

The trends of evolution of the PSD voters, visible through the percentual variations of the voting for this party in 1976 and 1983, denote a growing trend toward regional uniformity in the degree that greater increases are recorded, particularly in the southern part of the country. This trend appears to come, according to the authors, from the movement to the right of part of the socialist electorate, which in this way strengthens its ideological opposition to the communist vote. Particularly in Alentejo, the PSD has been helped by the useful vote of part of the CDS voters. The great increases noted in some councils of the metropolitan area of Lisbon, where the APU is the dominant force, may in some way suggest that the opposition shown by the PSD to the communists is showing itself to be more convincing than that of the PS, which could result from the populist tone which marks the Social-Democratic discourse and which even makes possible significant inroads into worker circles.

Votes for the CDS

The great dispersion of the areas of CDS implantation, confined almost entirely to the northern part of the country, since there are few councils in the south where the CDS shows votings of more than 10 percent, brings the authors back to the role played by the influential locals in the voting decisions of the more conservative voters. Actually, the number of council where the CDS has a strong showing or others where that party receives very few votes in the northern part of the country, where the differences in the social structure or the level of economic development does not justify such a cleavage, can only be explained, according to the authors of that study, by local conditioners, particularly those deriving

from the competition among the large parties of the right. The almost general decline in voting for the CDS between 1976 and 1983 had only one exception: A large area of councils which covers the metropolitan area of Lisbon, extending along the coast of Alentejo to Western Algarve.

8908

CS0: 3542/119

PS, PSD REPORTEDLY WISH TO MINIMIZE EANES ROLE

Lisbon 0 JORNAL in Portuguese 10 Aug 84 p 12

[Excerpts] Mario Soares and Mota Pinto will make every effort to ensure that the PS/PSD [Socialist Party/Social Democratic Party] coalition lasts until June, at which time the president of the republic will no longer be able to dismiss the executive. Personally, both leaders would prefer to withdraw from the government now to prepare for the presidential elections. But, by "tacit agreement" or for different reasons, Mota Pinto and Soares will try to make sure that Eanes is not the "arbiter" of a governmental crisis on the eve of the presidential elections.

Having eliminated the possibility that the president of the republic will dismiss the government—which would only be justified in exceptional circumstances or Ramalho Eanes would pay a tremendous political price for the decision—only a break-up of the coalition could bring down the executive. This is true until June, since, under the constitution, the president of the republic may not dismiss the government during the last 6 months of his term.

How Will Soares and Mota Pinto Come Out?

Both Mario Soares and Mota Pinto would like to leave the government earlier. The secretary-general of the PS cannot "afford" to stay in the government too long, because he needs to keep in touch with the electorate, given his presidential aspirations.

Mota Pinto, in turn, according to Social Democratic sources, would not turn down an opportunity to be the next president of the Assembly of the Republic, a post which goes to the PSD at the next legislative session. (As we reported months ago, the Mota-Amaral group plans to submit the name of Fernando Amaral.) In this post, Mota Pinto would be the second from the top in the government, a privileged spot to be in during the "hot" year of 1985.

The PSD president and deputy prime minister has a good argument for withdrawing, without jeopardizing the coalition: the "structural measures" to which he made a personal commitment have not been completed. Thus the government—but not Mota Pinto—must continue, the deputy prime minister could argue. It remains

to be seen whether the two parties will approve the departure of their leaders, and if the president of the republic will accept the nomination of another member of the majority party for prime minister. You will remember that Ramalho Eanes rejected the appointment of Vitor Crespo by the AD, and opted for general elections. None of this would happen if Soares would stay in the government until June.

Civilian Candidates "Pulling Out" of the Race

Since Freitas do Amaral has dropped out, another "civilian" is increasingly pulling back from the presidential race: Mota Amaral. Despite the fact that, at the express request of the Joao Salgueiro group, the next National Council of the PSD will include an item on presidential candidates, this group will not create much of a stir there, according to what we were told by Social Democrat sources. The National Council, scheduled for 22 and 23 September, falls on the eve of the Azores elections.

Mota Amaral, who is once again a candidate for the presidency of the regional government, cannot announce that he will head for the continent a few months later.

"The PSD does not have a candidate," a Social Democrat leader lamented. And "what is worse we do not have any alternative to the name Mota Pinto puts forward." Firmino Miguel is the favorite of Mota Pinto, who wants to rebuild the electorate of the Democratic Alliance in this way. If Maria de Lurdes Pintasilgo were not a candidate, this would confirm in a way what Andre Goncalves Pereira has pointed out in his book on "semi-presidentialism," when he says that on 25 April, there was a verbal agreement that the 1976 president of the republic would be from the military. The same thing was repeated in 1980, and if the presidential candidacy continues in 1985 as a military "stronghold," this will be one of the "pet topics" of Soares' campaign. The military, however, has not succeeded in "paling" the brightness of the "stars" in the eyes of the public since 25 April.

Nobody knows what will happen because Ramalho Eanes has said publicly that he would prefer a civilian candidate.

Capucho: President of the Parliamentary Group

Antonio Capucho will be the presidential candidate of the Parliamentary Group. The former secretary-general of the PSD, on vacation in the Algarve, seems ready to move forward following the rejection of Joao Salgueiro for the post.

At present, Antonio Capucho has the support of Mota Amaral's followers, and the sympathies of Marcelo Rebelo de Sousa. You will recall that Antonio Capucho and Santana Lopes (from Marcelo's group) worked together to change the electoral law.

National Council to Postpone Any Decision

As with recent PSD National Councils, no concrete results will come out of the next one. Mota Pinto's opposition does not want to (or cannot) take over the leadership of the party, nor does it want to jeopardize the government coalition, and it does not have a presidential candidate....

Mota Pinto has said that he intends to present a candidate in November--as the Victory Movement in Braga said--or even in January 1985. Perhaps there will be a special congress, as some of Mota Amaral's followers would prefer.

Mota Pinto and Mario Soares already have a common goal: to defeat Ramalho Eanes. Both were nominated and dismissed by the president of the republic. There needs to be a reckoning of accounts among the three men. The electorate will choose the winner.

9805

CSO: 3542/114

COOPERATION AGREEMENTS SIGNED WITH CAPE VERDE

Press Agreement

Lisbon DIARIO DE LISBOA in Portuguese 5 Sep 84 p 6

[Excerpts] In Lisbon, CABOPRESS, the Cape Verdian news agency, and the Portuguese agency ANOP have concluded a "broad cooperation agreement" providing for an exclusive exchange of news reports and cooperation in technical and journalistic training.

A specific accord for the exclusive interchange between the news services for a 3-year period was signed, along with a program of cooperation in the placement, training and advanced training of their professional personnel and the initiation of CABOPRESS operations.

The two accords were signed at the Cape Verdian Embassy in Lisbon, by Corsino Fortes, Cape Verde's secretary of state for public communications, representing CABOPRESS, and by Antonio Horta Lobo, general director of ANOP.

The ANOP-CABOPRESS cooperation agreement, which is for an indefinite period, provides for cooperation in the press services' transmission systems, a study of the development of programs of common interest and cooperation in the training and advanced training of journalists and technicians, the organization of courses and lectures and exchange of experiences.

According to the agreement, ANOP could study the possibility of making its news services available to Cape Verdian embassies and consulates abroad.

Technical, Scientific Agreement

Lisbon DIARIO DE NOTICIAS in Portuguese 16 Sep 84 p 7

[Text] Portugal and Cape Verde have signed an accord in Lisbon for institutional cooperation in scientific and technical research. According to the agreement, signed between Portugal's JNICT (National Board of Scientific and Technological Research) and Cape Verde's National Institute for Technological Research, the two institutions "will help to foster scientific and technical cooperation between the two countries."

Scientific cooperation between Portugal and Cape Verde could take various forms, including the exchange of scientists, researchers and technicians, the conduct of joint projects, manpower training internships and specialized programs in both countries.

The protocol was signed by the presidents of the two institutions, in the presence of a representative of the General Directorate of Cooperation, of the Foreign Affairs Ministry.

Meanwhile, a TAAG [Angolan Airlines] Boeing 707 arrived in Lisbon on Friday, for a maintenance inspection by TAP [Air Portugal].

From yesterday until 7 October, the maintenance shops of the Portuguese air transport company will inspect and correct any problems with corrosion that may have occurred on the Angolan airliner.

The contract for this service, which was awarded to TAP in international bidding, furthers the airline's close cooperation with TAAG, a representative of Air Portugal told the Portuguese news agency ANOP.

6362

CS0: 3542/140

PERSPECTIVES ON NATO IN PSOE PROVINCIAL CONGRESSES

Madrid YA in Spanish 10 Sep 84 p 6

[Excerpt] Yesterday, in 45 provinces, the PSOE [Spanish Socialist Workers Party] provincial congresses at which the position papers to be submitted to the federation committee in preparation for the national congress were discussed came to a close. We are publishing a summary of some of those which ended late last night: Granada: Socialist Left of Granada did not succeed in imposing on the PSOE provincial congress the proposition of Spain's departure from NATO, this proposal having been defeated by the party's government-oriented sector, which calls for the maintenance of our country's present "status quo" in the Alliance, as reported by our correspondent Miguel Martin Romero.

The issue of the Atlantic Alliance was the only one that polarized the debates in the PSOE provincial congress, and for over 7 hours the advantages and disadvantages of our remaining in the Alliance were analyzed. Finally, the proposal to leave NATO received a total of 58 votes in favor, as opposed to 71 received by the government-oriented proposition to leave the question unresolved until the debate at the federal congress is held.

Vitoria: Most of the Alava Socialists oppose Spain's remaining in NATO, as was evident at the party's provincial assembly. According to the member of Alava's PSE-PSOE executive body, Fernando Buesa, "The feeling of the majority of the Alava Socialists is that the resolution adopted at the party's 29th Confederal Congress should be maintained."

Buesa remarked: "We did not contrive anything in this regard, but rather are still of the opinion that this resolution opposing Spain's entry into NATO should be upheld."

Tenerife: The propositions advocated by the Socialist Left movement won a majority of votes in nearly all the position papers debated at the island's Socialist group congress in Tenerife, which took place over the weekend in the town of Orotava. The congress was attended by representatives of 26 Socialist groups, 31 of which are on the island, with 144 delegates representing 2,438 members.

The absence of the Socialist group from the town of La Laguna was a noteworthy feature at the congress, because it is one of the largest. This group did not

show up at the congress, inasmuch as the preliminary assembly held recently had been challenged.

Las Palmas de Gran Canaria: The Socialist Left movement at the Gran Canaria island congress won over the government-oriented group on the NATO issue, although both will attend the confederal congress because they received more than 20 percent of the vote. The position paper on international policy polarized the interest of the news media and the congress itself, when it was learned that there were two positions: the government-oriented one, with a vote of confidence for the government, and that of this movement, which demanded a referendum and immediate withdrawal from NATO.

Leon: Yesterday, the movement known as Socialist Left succeeded in having its propositions approved at the Leon PSOE provincial congress, in preparation for the federal congress, receiving more votes for all of them than the government-oriented positions. As for NATO, the position of the Socialist left, of excluding Spain from the Atlantic Alliance, received consensus in the commission which debated the position paper, in contrast to the more moderate propositions of the government-oriented group; although the Socialist Left yielded, allowing the references to Ceuta and Melilla to be removed from the text.

2909

CSO: 3548/340

HERNANDEZ REVIEWS STATE OF PLAY IN SPANISH POLITICS

Madrid YA in Spanish 10 Sep 84 p 7

[Article by Abel Hernandez: "On the Government and the Opposition"]

[Text] There is a pre-agreement between the Socialist government and the right regarding the issue of NATO. According to various converging sources, the understanding was reached during one of the talks held at Moncloa between President Gonzalez and Manuel Fraga, with Washington's approval. The PSOE [Spanish Socialist Workers Party] leadership, which is the same as that of the government, has pledged to defend Spain's continuation in the Atlantic Alliance, "freezing" for the present its complete incorporation into the military mechanism. The official announcement of this decision is regarded as imminent. The top-ranking Socialist leaders are confident that they will obtain the party's majority backing at the next congress without too much difficulty.

This "continuist" proposition will be put to a referendum in the spring of 1985, which is virtually the only useful political period for the present legislature. On this Moncloa timetable, there is the preliminary success of the culmination of the Brussels negotiations with the European Economic Community, which would serve as a cover for the impetus.

Consensus on NATO

Felipe Gonzalez' government, aware of the strong resistance among extensive progressive sectors, including some from its own party and union, needs the active cooperation of the right in this referendum to avoid a potential setback. After his talk with the president and his visit to the White House, Fraga knows that there can be no playing with these matters.

This explains the insistence among the government's "spokesmen" recently on the feasibility of reaching the broadest possible consensus on the NATO issue, and the proclamation by the "spokesmen" for the right that they are receptive to an understanding with the Socialist government on the major matters of state.

This sealed package of "matters of state" also includes the offensive against ETA [Basque Fatherland and Liberty Group] terrorism. Few informed observers doubt at this point that Fraga was in on the secret of the government's plans

for the antiterrorist battle and that he had given his approval with regard to them.

This approval turned into a kind of compromise established during a long talk, also at Moncloa, between President Gonzalez and the right wing leader. According to sources close to the Popular Alliance leadership, the compromise ranges from parliamentary silence concerning the use of the sizable funds "for free disposal" held by Minister Barrionuevo for the antiterrorist battle (while the Socialist government investigates the whereabouts of similar funds in the previous administration) to "becoming deaf and dumb" about the government's "underground dialog" with the ETA leadership. These more or less indirect contacts with the violent separatist organization date back far into the past.

The Government's Equator

With the passage of the Equator approaching, and in view of the parliamentary debate on the "state of the nation," it offers as major successes in its work the fact of having dispelled the specter of the coup movement, having progressed considerably in the battle against Basque terrorism, being about to incorporate Spain into the European Community and having expended a serious effort to put the Spanish economy in order and on a sound footing, although the harshness of the economic adjustment is currently entailing a high social cost and a loss of popular support.

Nevertheless, there are some independent observers who, without denying these commendable efforts of the Socialist government, are contemplating the national scene with increasing uneasiness. The extent of the Spanish society's resistance has a limit. Will PSOE withstand the blackmail of commissions without divisions? Will UGT [General Union of Workers], in particular, withstand? A government whose capacity is overtly questioned and a certain amount of "opposition vacuum" (with the construction of the state of the autonomies virtually bogged down, the "Basque issue" smoldering and a new front of unrest in North Africa) are features depicting a situation that is not overly pleasant.

Movements on the Left and Right

In fact, the offer of negotiation with ETA and the government's apparent inhibition regarding the new African situation involving Ceuta and Melilla have raised the temperature in the barracks.

Meanwhile, there are signs of radicalization, not only in the Communist Party and the PNV [Basque Nationalist Party], but also in the extreme right. The gradual weakening of the Socialist government after its overwhelming electoral victory and Fraga's studied "moderation", "coached" in his institutional role as chief of the loyal opposition by the Socialist government and intent, for electoral reasons, on "centering the right," have encouraged the extreme right to reconstruct a consistent force similar to what has occurred in France. Participating in the endeavor, in addition to its traditional figures, are well-known individuals who held important posts in the Carrero and Arias governments. In case something was missing in this "turning back," the mysterious GRAPO [Antifascist Resistance Group] is reappearing.

In view of this situation, starting this fall it may be predicted that the right wing coalition will heighten its visible opposition to the Socialist government, including President Gonzalez, expressly, but within agreed-upon limits. Operating for this purpose is the "institutional dialog" and the compromises regarding the major "matters of state." Another obvious reason is the plurality and fragility of the coalition itself.

PSOE is planning its next congress with a clearcut electoral strategy. (The general elections may be expected to be moved to the spring of 1986, after the signing of the treaty on entry into the EEC and coinciding with the Andalusian elections; in Andalusia the signs saying "Felipe, traitor" are proliferating.) In what remains of the legislature, the shadow of the polls will spur on the "accomplishments" of the Socialist government.

2909

CSO: 3548/340

BY WOOLING CHRISTIAN PARTY FALLDIN PRECLUDES REAL ALLIANCE

Stockholm SVENSKA DAGBLADET in Swedish 11 Sep 84 p 2

[Editorial: "New Front in Politics"]

[Text] Approaching the 1985 election, there is no three-party alternative in Swedish politics. The responsibility for that rests entirely on the Center Party and its party chairman Thorbjorn Falldin.

As is evident from observations so far, the three nonsocialist parties must have great success during the remaining year before the election in order to expect that they will rule over a nonsocialist government in their old alliance; there is much to indicate that KDS [Christian Democratic Union] is going to hold the balance of power if the socialist parties lose their Riksdag majority. Thereby KDS can make the ultimate demand as well as ask for a nonsocialist government combination as its government platform.

There is no longer a nonsocialist three-party alternative. There are four nonsocialist parties, of which one explicitly rejects the idea that it should enter a nonsocialist bloc.

The decision which brought about this totally new situation was made by the Center Party. Without any consultation whatever with the other nonsocialist parties the Center Party has taken this position.

In its way, the process behind the decision says as much about the relations between the three parties as the decision itself. The fact that the Center Party entered into a marriage of convenience with KDS without consultation with its previous coalition partners shows that three-party cooperation is not a shadow of its former self; the commentators seem to think that the distance between the parties is so great that the Conservatives and the Christian People's Party did not even claim to have a word on the subject. All by itself, the Center Party broke up the cooperation which has existed since 1971 between the three parties.

From the Center Party as well as from KDS there were expressions of common views and interests which exist between the three parties. And herein, naturally, is a factor behind the cooperation, if not the most important or

decisive. Previously the Center Party--naturally aiming against the Conservatives--gradually expressed its conservative profile all the more. Opposition to nuclear power has expressed the classic Conservative position; changes must not be made before they are shown to be good in all respects.

The new aspect is that the representatives of the Center Party actually are beginning to use the conservative concepts as descriptive of their own policies. In this respect, cooperation with KDS undeniably gives very clear evidence. The Center Party is now joining the same front as the other parties in Swedish politics which have expressly spoken of conservative values.

There is no doubt that a flow of conservative values could be seen in both the other nonsocialist parties, primarily within the Conservative Party. But it is not these values which the nonsocialist parties have previously brought forth to the middle of politics.

On the contrary the economy and the demand for changes which are necessary to return to economic balance have become the nucleus of the policy.

The Center Party and KDS are now opening a new political front. It is difficult to see what it will lead to in a few years.

The voters will naturally give the most important message on election day next year. If the Center Party and KDS--now together in the middle--get many voters, the new front in Swedish politics will have great influence over what is happening in Swedish politics until the end of the 80's.

If the voters remain with the more traditional cooperation between the non-socialist parties--and do not vote for the new middle--the old Center Party will try to return to traditional three-party cooperation.

9287

CSO: 3650/286

BITTERNESS OVER FALLDIN MOVE TOWARD CHRISTIAN PARTY

Stockholm SVENSKA DAGBLADET in Swedish 13 Sep 84 p 2

[Commentary by Ola Gummesson: "Has Falldin Lost His Grip?"]

[Text] Thorbjorn Falldin has a strong position with his supporters. He is appreciated, almost worshipped, by his loyal followers.

Falldin is seldom contradicted by anyone in his party. That is partly because the Center Party does not have a tradition of debate worthy of the name, but an equally important reason is the entirely dominating role that Falldin plays; people look up to him and seldom question his word.

Still it can be said that Falldin, during his year as party leader, led the Center Party in a fairly self-indulgent way. As one example, the nuclear power question would hardly have developed into such a completely decisive issue for the Center Party if Falldin had not put his heart and soul into it.

During the period that the nuclear power debate pushed reason, moderation and common sense aside in our country, along came the Center Party largely because of Falldin's violent personal commitment to stand out as a single-issue party in the eyes of the voters.

Then came the landslide, which was so overwhelming that every other party leader in every other party risked removal from office.

But not Falldin. He was of course the nonsocialist party leader who finally succeeded in reaching the post of prime minister, the man who defeated Palme. Back benches, government crises, split three-party governments were all experienced by the center movement.

Center Party members are also putting up with another of Falldin's peculiarities, his recurrent month-long disappearances from the public eye. Sooner or later he always returns, of course--apparently with greater authority among his friends in the party.

By remaining away from the arena, Falldin demonstrates that he is irreplaceable.

But now things are coming to a head around the Center Party leader. When Falldin at last seriously appeared in politics after an extra long absence it was to announce that the Center Party would establish an electoral pact in cooperation with KDS [Christian Democratic Union].

The announcement came like a bomb, both in and outside the Center Party. Especially for the People's Party, the agreement between the Center Party and KDS must have come as a shock. Not because so very much political value remains of cooperation in the middle. But the Center and People's Parties have stood close together for a long time, and cooperated while in the government.

Thorbjorn Falldin did not behave correctly toward the People's Party. Rather he was deceitful.

Within the Center Party reaction is also strong. A number of leading Center Party members are obviously very disturbed about being taken by surprise. Furthermore they do not conceal the fact that they consider cooperation with KDS as unfortunate and dangerous for their own party.

Considering the contentment and placidness which normally characterizes the Center Party, the reaction is amazingly strong.

Did Falldin foresee the strong protests? Would he have carried out the agreement if he could have anticipated them?

That is difficult to say. But there are signs which indicate that Falldin, during his latest long absence from politics, lost some of his grip on developments. At the same time the old Landsting politician Borje Hornlund has gained growing influence over Falldin and within the party.

Hornlund is a person with definite and often preposterous ideas. He was behind the so-called Dagmar agreement between the Center Party and the social democrats last spring. He has also obviously been the driving force behind the alliance between the Center Party and KDS.

Thorbjorn Falldin has in certain respects been a skillful political tactician. He is by no means the only opponent that Olof Palme has on the domestic scene.

But this time there are strong indications that Falldin did not convincingly foresee the consequences of his action. Either he was clever in the long run, or he did not sufficiently carefully analyze the results of cooperation with KDS.

It tends toward the latter, and toward Falldin's lately having come to depend dangerously on Hornlund and his similar way of thinking.

An official calm has presumably settled quickly back over the Center Party, but beneath the surface the apprehension remains, apprehension over where the episode into which Falldin has brought the Center Party can end.

It is impossible to tell today.

9287

CSO: 3650/286

POLITICAL

SWEDEN

CONSERVATIVE DAILY'S EDITOR PENS CRITICAL PALME BIOGRAPHY

Stockholm SVENSKA DAGBLADET in Swedish 9 Sep 84 p 6

[Article by Sven Thiessen: "SVENSKA DAGBLADET Editor Writes Critical Biography of Olof Palme"]

[Text] "Olof Palme is often misjudged, both in Sweden and abroad. They say that he is a cold intellectual. That is entirely incorrect. Olof Palme is an unusually emotional person who is largely controlled by his emotions for good and evil."

That was said by Bertil Ostergren, assistant editor of SVENSKA DAGBLADET, in an interview with TT [TIDNINGARNAS TELEGRAMBYRA].

He has written a book about the prime minister entitled "Vem ar Olof Palme? Ett politiskt portratt" [Who Is Olof Palme? A Political Portrait]. It will be published in mid-October.

The book encompasses Palme's entire life including his ancestral history from the time his forefather, the Dutch sea captain Palme Lyder, came ashore at Ystad at the end of the 1500's until the summer of 1984. A street in Ystad has been named after Palme Lyder, the first of the Palme family to make his mark on Sweden.

In answer to TT's question whether the book is a political pamphlet or an attempt to describe Palme objectively, Ostergren replied:

"It is neither, the book is a critical biography. All the political biographies which are written in Sweden, at least those I know about, have been works of homage. This one follows more the English or continental style, which means that one can write critically, even about a living politician.

"I would rather not call it objective. I do not believe that one can write objectively, within the absolute meaning of the word. Whether one writes a work of homage, a criticism or a pamphlet, it is an expression of judgment on the part of the author. That is naturally also true here. But I hope it is a fair book."

"In which area did he make his foremost contributions?"

"I believe that Palme is underestimated as a party leader, and also partly as prime minister. Palme has demonstrated a great ability to hold the party together, and he has played a major role in solving crises.

"The first time he demonstrated that was in the debate about a Swedish atomic bomb in the 50's, then later in the questions about the EC and nuclear power. I know that he himself believes that he has had his greatest significance for the party in such crisis situations.

"When Palme is being judged as a prime minister it must be remembered that the office has several facets. One facet is to organize government work effectively. I do not believe that Sweden has ever had such an effective prime minister in modern times.

"On the other hand he is not a prime minister who can collect all the parties behind him. That is not his nature. But in general I believe that Palme is underestimated as a national politician, also by many in his own party. They have not seen the role that he has played in holding the party together.

"As an intellectual politician I believe, however, that he is overestimated. One reason is that we Swedes generally overestimate our own role in the world; that shows in every area. We have a sort of national arrogance.

"Palme is naturally the most prominent Nordic politician on the international scene, second to Kekkonen, and because of his knowledge of languages he is well equipped for an international role. With his brilliance and his experience he is something of an international charmer. What is lacking is results.

"The Brandt Commission, in which Palme participated, represented one view of the importance of massive inputs of aid, which was already overdone. The Palme Commission (for disarmament and security) is now important only in Sweden. Palme has misjudged the revolutionary movements in the underdeveloped countries. Vietnam and Cuba are outstanding examples."

"What is it which above all else characterizes Palme as a politician and a person?"

"There are many things. Palme is a person with many qualifications. He is greatly gifted, and has long experience. There is now no living Swedish politician with the same background in politics. What distinguishes him is his tactical way of doing things in many situations, and his idealistic involvement with developing countries and their people, an involvement which today leads to errors in judgment."

"Do you believe that Palme, like his predecessors, will be a father to his people?"

"No, I do not believe so for many reasons. One is the many confrontation policies which Erlander never had. But I also believe that it is much harder to be a father to the people than it was previously.

"It was easier for Branting, Per Albin or Erlander because social developments moved in a direction which they came to symbolize--such as universal suffrage, democracy and welfare. Now social democracy has reached the end of the road, and the opposition has become more difficult politics."

"How long have you known Olof Palme?"

"Since 1949. We met in SFS [The National Swedish Union of Students]. I eventually became chairman of SFS, and he became the chairman of the Foreign Affairs Committee. I wrote in the foreword that I used to say, a little recklessly, that he is my foreign minister."

9287

CSO: 3650/286

SDP ENDS CONGRESS IN UNIFIED, CONFIDENT MOOD

Palme Gives Closing Address

Stockholm DAGENS NYHETER in Swedish 22 Sep 84 p 8

[Article by Dick Ljungberg]

[Text] This congress did not approve any big reforms but rallied around the chosen course aimed at restoring the economy and increasing employment. This is a good platform leading into next year's election.

That was how Olof Palme summed up the week-long SDP congress that came to a close on Friday.

The congress ended almost on schedule even though at times the congress was far behind on scheduled discussions. As many as 798 speeches were made, 576 by men and 222 by women. Male dominance was particularly great in the nightly debates and when time was short.

When Olof Palme said in his opening speech last Saturday that there was a certain unyielding quality in the Social Democratic Party it led nonsocialist newspapers to describe the Social Democrats as "stone statues who are unable to make changes."

"That is a misunderstanding," Palme said in the closing speech. "Unyielding in this context is the same as a clearly perceptible identity."

"We will be testing our political measures in light of developments on many occasions and then identity will be important. It will be even more important in hard times when we may be forced to adopt unpopular measures that affect large groups of people. If our fellow citizens know that these are temporary measures forced on us by necessity we can gain understanding. If people think the party is changing its character it would be dangerous."

Palme praised the LO [Swedish Federation of Trade Unions] contract offer that was presented Thursday. LO is doing its part in the fight against inflation and for the 5-percent goal. This is a straightforward move and a clear indication that LO will take its responsibility for Sweden, said Palme who referred again to union policy cooperation.

Back to Everyday Life

Palme and LO chairman Stig Malm fell in each other's arms at the congress and displayed great unity.

"Now it is easy to proclaim everlasting peace but that is too simple. We are returning to everyday life and a number of very difficult problems await us there," said Palme. "There will be times when we have different opinions, so-called frank discussions will be held but in the end we must reach agreement."

"For we know that only through union policy cooperation will we have the strength to beat back Conservative assaults on the security and welfare of the vast majority."

The opposition got its share of blame. Palme attacked again the agreement between the Center Party and KDS [Christian Democratic Party]:

"When one resorts to manipulations like this one reveals oneself on another very important question. There is no common nonsocialist policy today and hardly a suggestion of a unified nonsocialist government policy. There are only the outlines of a dismal nonsocialist policy that will lead to higher unemployment and social cuts."

Increased Confusion

The only chance the nonsocialist parties have of becoming credible is to present a clearly-defined nonsocialist government program before the election, in Palme's view.

"Instead they are busy strengthening the so-called middle policy with KDS. This just increases the confusion with three parties pushing toward the center to show which of them is farthest to the right."

The congress overrode the party leadership on two matters that will cost money in the budget: the abolition of classes without teachers and the restoration of the 1-percent goal for aid to developing countries.

"This is not an urgent decision. The decision will be made by the government and on that point I must be correct," Palme said at a press conference after the congress ended. But traditionally Social Democratic governments always pay a great deal of attention to congressional decisions.

The many local government people at the congress forced the party committee to tighten up the language on three points: municipal tax adjustment, public employment and childcare appropriations.

Palme felt the decision on childcare was the most definite indication of direction while tax adjustment and employment just involved wording. But he would not make any promises about childcare funding in the next fiscal year.

Silent on Funds

Only Stig Malm took up the idea of wage-earner funds to any great extent at the congress, otherwise there was silence on this score. Palme did not think this was so strange. The funds have been debated at two previous congresses and a decision was made at the last one.

Nor did he think it was so strange that there was no proper economic debate. The delegates would rather discuss more immediate issues, such as employment.

'Truce' with Labor Movement

Stockholm DAGENS NYHETER in Swedish 22 Sep 84 p 8

[Commentary by Sven Svensson]

[Text] A truce in the War of the Roses but at the same time a declaration of war on the nonsocialist opposition. That was the bottom line of the solid SDP congress.

The 350 delegates dutifully backed the government's economic policy. As Olof Palme put it at the last press conference, the congress wanted to take the responsibility for the Social Democrats continuing to run the country. The main lines in the government's economic policy were never questioned. Red roses and white ones were mixed in a lovely combination.

There was unity on the demand for jobs for everyone, general welfare policy and a fair distribution policy.

These are goals almost everyone can subscribe to. The Social Democrats said in their theme for the congress that Sweden is on the right track. The nonsocialist parties are pointing in another direction. They think revisions are needed in general social policy, in tax policy and in the wage policy's emphasis on low incomes.

Therefore we are headed for an inevitable increase in confrontations prior to the election. There is no possibility of cooperating across bloc lines, the bridges have been burned.

The big reconciliation scene between Olof Palme and Stig Malm was a red sign for the nonsocialist parties, the cooperation between the Center Party and KDS was a green sign for those nostalgic Social Democrats who believed in a new red-green coalition with the Center Party.

Thus the positions have been drawn up with a hard hand before the big campaign struggle. Bloc stands against bloc to a greater extent than ever even though this is not regarded by the nonsocialists as making another

three-party government an inevitable necessity. In his concluding speech Palme again extended a hand toward cooperation but there is no nonsocialist party that will accept the offer.

The big reconciliation scene between Palme and Malm naturally gave the Social Democrats a boost before the approaching election conflict.

But at the same time we cannot close our eyes to the fact that this matter also has two sides. The party/union grouping is regarded by many voters as much too monolithic, as a much too great concentration of power.

Therefore the association between Palme and Malm will automatically increase nonsocialist mobilization in the election. A great many nonsocialist voters will go to the polls simply to vote Palme out. The fact that the earlier nonsocialist governments broke up will not mean very much.

If anyone doubted who runs and controls the Social Democratic movement, the mists have parted. Olof Palme has strengthened his position and Stig Malm largely had to adjust to government policy with the possible exception of the remarks about the wage-earner funds, and Finance Minister Kjell-Olof Feldt did not assume any really dominant position at People's House.

Olof Palme was also responsible for what was beyond question the most important speech. It concerned the security policy choices with specific reference to how Sweden should react toward the Soviet Union following submarine and airplane violations. Listen and be amazed: even the constantly antagonistic Carl Bildt (Conservative) has concurred.

Although the party congress did not question the government's main political lines the army of municipal councillors could still go home with some booty in their suitcases.

For instance municipal tax adjustments will be more effective and the government must promise municipalities resources so they can expand childcare as pledged in the future program.

Women must also feel quite satisfied with their efforts. They could note success on video violence, the 1-percent goal for aid to developing countries and eliminating classes without teachers. But there was more mass media hoopla than reality in the voting victories. The women lost on the most important issue, defense.

The congress lasted for 7 days, often far into the night. Even so there was not enough time to discuss the bankruptcy of the year, the closing of STOCKHOLMS-TIDNINGEN. STOCKHOLMS-TIDNINGEN was delivered by the last congress and buried in silence by this year's congress.

Inflation Fight Gamble

Stockholm DAGENS NYHETER in Swedish 23 Sep 84 p 2

[Editorial: "The Continued Journey"]

[Text] "Party discipline was perfect, there were no rebellious young people, no breaking away, not even to the overflowing bar in the lobby"--that was P. O. Enquist's description of the Danish Social Democratic congress held in Copenhagen last week. Conflicts inside the party were kept well hidden during the congress. The 800 delegates dutifully voted for the party line. Their problem is that "they are outside the main political groove, lacking a strategy for the future." They also lack "contact with power for the first time, they lack both power and solutions for the future," Enquist wrote.

The Danish Social Democrats are in the opposition while the Swedish Social Democrats are running the government. But that is not the biggest difference. A ruling party can also stand outside the main track and lack a solid belief in its own policy. That was the situation for Swedish Social Democrats in the years just before and after the government shift in 1976.

The change can be traced back to the spring of 1981. That was when they decided on the so-called crisis program which was later approved at the party and LO congresses that fall. In contrast to most of what the party professed during the opposition period, the crisis program was intended to provide a basis for a responsible government policy. It was strongly influenced by the criticism a number of economists had made of the party's policy. Although the most important item in the crisis policy--devaluation--did not appear in the program the ideas in that document have largely dominated economic policy since 1982. They have returned to the comfortable main groove. The new program of ideas, "The Future in the Hands of the People," is almost bourgeois in its low-keyed tone and caution. This gray socialist policy is the reason why the party congress in Stockholm was a stronger manifestation than the one in Copenhagen (despite somewhat poorer party discipline in the voting). Right now the party has a strategy that active members can take a chance on believing.

In both his opening and concluding speeches at the congress Olof Palme referred to the "unyielding nature" of Social Democratic policy. He did this because the party's policy has proved to be so very flexible. It is almost disturbing to see how meekly the party accepted the idea that the profits of individual firms would be the driving force in economic policy at the same time as the wage-earner funds were transformed into something that the delegates to the 1981 congress would have had a hard time recognizing.

It is also hard to predict how long the present line will last. The progress since 1982 is largely due to the effects of devaluation and it is not yet certain whether the competitive advantages will be lasting this time. The policy is based on taking a chance. If the trend of cost

increases and inflation cannot be broken the Social Democrats will eventually wind up in the same dreary situation as their Danish colleagues. There is no ideological preparedness for such a situation. Any alternative action would release the latent differences within the movement. In reality they are probably counting on the fact that the voters would soon free the party from all government worries if the crisis policy fails.

This means that almost everything stands and falls for the party with the fight against inflation. The economic policy in itself will not solve the problem. The government lacks a majority in parliament and will have a hard time getting an austerity policy passed without making concessions on state spending that are taboo in the party. The main instrument then will be an effort to persuade the labor market factions to keep wage increases down, a task no government has accomplished so far. But perhaps there is a greater realization of the necessity of this step than there was before.

Kjell-Olof Feldt has pointed to a number of other conditions for the success of the policy. According to him there is a structural deficit of 20 billion kronor in the finances of the public sector. This tends to produce both inflation and unemployment and must be eliminated as quickly as possible.

But according to Feldt the tax burden cannot be increased more and room must be made for a continued lowering of marginal taxes. At the same time big changes are required in the public sector's way of functioning.

The party cannot avoid dealing with these structural problems without jeopardizing the continued success of the crisis policy. The experiences of recent years largely confirm the correctness of the market economic analysis of Sweden's troubles. Economic incentives, not "planning" or "coordination," are decisive for growth and thus the solution to our balance problems.

The congress gave the party leadership a fairly free hand. But there is an election coming up in a year and the decisions that are required are not popular or easy to explain to party members. As early as the 1987 party congress the Social Democrats may have ended up outside the main political groove.

6578

CSO: 3650/286

CONSERVATIVE PARTY DRAFT FOR 1985-89 DEFENSE PROGRAM

Oslo ARBEIDERBLADET in Norwegian 30 Aug 84 p 8

[Article by Ivar Hippe: "Real Growth for Defense"]

[Text] Privatization, activation and growth are the political key words which will lead Conservative policies during the coming session of the Storting. These concepts run like a red thread through the proposal presented as a program for the Conservative Party in the period 1985-89. "A main purpose of the program is to show that there is no conflict between economic liberalism and an active state which takes care of the elderly and the sick," said Per-Kristian Foss, chairman of the Program Committee, at a press conference yesterday.

The draft at hand will now go out for a hearing to all parts of the conservative organization. All comments will be part of the foundation for the new program proposal which will be presented at the Conservative Party Congress in April 1985. The round of hearings before the present program brought in 5,000 comments, said Per-Kristian Foss, who hoped for as broad participation this time, despite the party's now being in the governing position.

More Growth

The program presented differs from the existing program in several ways. Foss emphasized that today's situation is more open for a program marked by growth.

"The program was written after the most pressing cost problems were brought under control," he said. "Growth and privatization will be central goals for the Conservative Party in the coming period."

Per-Kristian Foss especially emphasized a new chapter on the distribution of power and democracy, which he described as more ideological.

"It deals with the old questions from a viewpoint more of principle. It recommends that the relationship between the state and the market be somewhat changed, so that the market economy would have a stronger input.

"The technology program which was presented during the weekend congress also actualizes the question of the role of the state in a modern liberal economy. In countries such as the United States and Japan the state is very actively involved in developing growth areas in the economy, and we have much to learn about that," said Per-Kristian Foss.

Defense is one of the few areas in society which the Conservative Party wants to give real growth. In addition the draft program wants to emphasize strengthening care for the elderly and higher education. On the other hand pensions must follow cost development if the Conservative Party wants to remain in power, while expansion of the health care system must be stepped up.

"I regret that the Center Party and the Christian People's Party are planning to enter an electoral pact with the Conservative Party. That can cause the parties to lose their middle political identity and bring about a two-bloc division in Norwegian politics. A monolithic bloc consisting of the three parties can lead to the voters considering the three parties as one."

That was said by Liberal Party leader Odd Einar Dorum in a commentary on the decision of the three parties to form an electoral pact. He continued: The Liberal Party believes that an electoral pact is a bad technical electoral solution. The electoral pact will not give greater justice between the parties, but will cause the identities of the parties to disappear. The Liberal Party Storting Group will therefore oppose the introduction of the electoral pact. If the electoral pact nevertheless becomes a reality, the party will not enter such nationwide cooperation. Among other things that will be decided by the Liberal Party national directors in a unanimous statement in February of next year. Also the Young Liberals oppose the electoral pact because they believe that this will wipe out the identity of the parties and contribute to dividing Norwegian politics in two.

About the relationship between the electoral pact and Liberal Party cooperation in the future, Dorum said:

"I look at the question of electoral pacts as being independent of the Liberal Party's future political cooperation. Just because we have a clear answer in the question of choice of government alternatives does not mean that we will enter into technical election solutions which can lead to the voters considering the Liberal Party as identical to other parties. The Liberal Party will oppose dividing Norwegian politics in two."

9287

CSO: 3639/158

DISAPPOINTMENTS VOICED ON EEC MEMBERSHIP

Tie to Spanish Admission

Lisbon A TARDE in Portuguese 13 Sep 84 p 6

[Commentary by A.B.C.: "No Light in the Tunnels"]

[Text] Amid the great hue and cry over the irresistible political will to admit Portugal and Spain into the EEC, it has been announced that, after all, the negotiations are at a standstill, that there is no light at the end of the tunnels for the passage of wine, fish, olive oil, emigrants, etc., etc.

When integration was the priority of priorities in Portugal, the Spanish issue was always separate from our own, so that the wine of Rioja would not block the way of the wine from Dao and the oil from Badajoz would not cause problems for the oil from the Alentejo. But this was a theory which there is no point in going into now. The political style of Sa Carneiro and Freitas do Amaral was replaced by that of the new governors, who are no longer concerned with distinguishing between the two [admission] processes; the necessity of the simultaneous admission of the two Iberian countries has become a given, no longer in dispute... and the results are there to see.

The integration was turned over to Finance. No matter how much Dr Gama blusters, it is Dr Lopes who calls the shots. It is obvious that, for Dr Lopes, everything is on track, as sure as two and two make four, but when, as is often the case in politics, two and two do not make four, there is Dr Lopes, barefoot, and all of us, trailing behind the Spanish brothers.

It is interesting to note that no one knows for certain what is going on. For some, a great political victory was won in Dublin. For others, it was only the postponement "sine die" of a deadline scheduled for 30 September.

Why is it that, in the case of the beaches, the block takes great care to speak the "truth" to the people and, in this case of the EEC, no one is at all concerned about it?

Clash of National, EEC Interests

Lisbon DIARIO DE NOTICIAS in Portuguese 17 Sep 84 p 6

[Commentary by Mario Ventura: "What Is Good for Us Is Not Good for the EEC?"

[Text] For some time now, I have sincerely tried--and almost succeeded--to understand the advantages of Portugal's admission to the European Economic Community. I have disregarded the favorable arguments of the governments (because, with governments, no matter what governments, you cannot be too cautious) and have applied myself to reading the newspapers. When, by simple statistical observation, I found that the overwhelming majority of them support our entry into the European community, with an advocacy appropriate to great causes, as if this were the most important thing to come along since the victory at Aljubarrota, I did not hesitate to conclude: The EEC is good for the country.

Later, I began to have some doubts, when I perceived that the difficulties--insignificant and surmountable, according to the press in general--with our entry were not our own problems, which we accepted as less important than the achievement of admission, but the problems of the parties who were supposedly awaiting us with outstretched arms. Our good will, which was said to have been encouraged by the European orchestra (seriously distressed by the lack of the Portuguese oboe and the Spanish bassoon) was now confronted with obstacles set by those who seemed to see us now more as intruders than as eagerly awaited traveling companions.

If, previously, our understanding of the admission process suffered from a lack of solid and convincing arguments, now there was no lack of reasons for the European partners to speak against our full entry into the club.

Then I perceived that it all boiled down to a question of give and take, a haggle over amounts and quantities, a debate that could go on for some years, demonstrating that our influence in the community of nations is not so negligible as one might suppose.

Does our country want to stimulate the beet sugar refining industry? Inconceivable; the EEC is frontally opposed. Does it want to produce a few thousand tons of isoglucose? Nothing doing; Europe is against it. Does it want to increase its sugar imports? Unthinkable; we must be content with the modest quota permitted by the club. Is Portugal thinking of carrying out its steel program? Come now! And the community with a surplus? Does Portugal intend to exploit its natural resources to the fullest? Nonsense, when in this other Europe there is so much mineral wealth and coal waiting for the dollars that we can bring in, or lacking that, our gold.

Partner With Equal Rights

Given these data, and many others that might arise in time, I am led to ask--like the concerned or curious reader--whether the EEC will see us as a partner with equal rights in the fierce competition that characterizes today's Europe, or merely as a submissive adherent which is to be accepted with tolerant sympathy as long as it does not go beyond the bounds of its underdevelopment.

If this is the case, and the evidence points this way, I am very much afraid that the political victory of our entry into the EEC will mean the defeat of our hopes for economic and social well-being, even 15 or 20 years in the future. Hence this very simple observation, based on the arduous negotiations in progress: What is good for the country is not good for the European Community, and vice versa.

Confirming the law of the strongest, we will have, not a marriage of love, but a union of contradictory interests in which only one of the newlyweds comes out ahead. The other, although satisfying a dogged passion, will spend a lifetime suffering the consequences of not seeing that passion returned.

So we will go on having cellulose factories but not paper mills, pulling up our olive groves to plant eucalyptus, so that the Europeans can keep their beautiful forests intact, and we will go on paying the price which our friends impose upon us for paper, while, in this country, the cost of newsprint will continue to be invoked as partial justification for the newspaper crisis. And we will not have a merchant marine because this is contrary to the interests of the great European ship owners and we already know that the maritime expansion of the 16th Century was the cause of our later decadence. And perhaps the Alqueva project will not even be carried out, because Europe produces an abundance of vegetables. As for the free circulation of people, it is all settled. If the escudo does not circumscribe our borders, there is Europe to tell us, circulate freely, yes, but only as far as Badajoz.

So I continue to sincerely try to understand the advantages of admission to the EEC, always eagerly interested in what is being discussed in Dublin, Brussels or Paris, and thus distracted from our own crisis, which obviously has nothing to do with Europe.

6362

CS0: 3542/140

SURVEY OF BANK AGREEMENT TO LOWER 1985 INTEREST RATES

Madrid DIARIO 16 in Spanish 23 Aug 84 p 11

[Article by Mariano Guindal]

[Text] Following a downward trend which started before the summer, Spanish Banks, members of the AEB [Spanish Banking Association], decided this past 18 July to come to an agreement further to cut back their interest rates by 1 point starting next year. This financial agreement is one of the administration's keystones to start the economic recovery and will have to be accompanied by a wage agreement for which negotiations are scheduled to resume next Monday. DIARIO 16 has had access to the text of the agreement signed on 18 July.

Madrid--On July 18 this year all the official representatives of banks which are members of the Spanish Banking Association reached an internal agreement to reduce the rates of interest this coming year of 1985. This agreement, yet to be made public, textually states that "the banks plan to reduce by 1 point the entire range of interest-bearing liabilities. The timetable for implementation of this decision will be a 0.5 point cut back on 1 May 1985 and a 0.5 point cut back on 1 July 1985, and to this end appropriate talks will be held in due time." This agreement is the result of what has been called the "financial pact"--sponsored by the CEOE, the Bank of Spain, the government and the AEB--which calls for a cutback in the interest paid by the state for treasury bonds while the banks reduce the cost of their money to boost the economy.

The "18 July" agreement sets out a list similar to the one which served as a basis for the agreement of December 1982 which was then successfully implemented.

In the case of the second category--industrial banks and banks without reserve requirements--"they will be allowed to increase by 0.5 points each step of the scale. The same is allowed for foreign banks and other Spanish banks." It was on the basis of this pact that it was agreed to eliminate payments in kind (gifts and drawing lots) and it textually states: "In any event, this is a practice which must come to an end before 30 October of this year; and by that date it must have completely disappeared."

Regarding the optional interest paid on current accounts, "the current rules must be fully respected. General rate of 0.1 percent. Payments of interest higher than the legal rate are exclusively reserved for institutions duly allowed to do so by the law and the general interest rate established in their case will be 8 percent gross with a top ceiling of 10 percent gross for institutions where the bank must cover all the reserve requirements and 12 percent gross for institutions where full coverage is not required."

Promissory Notes

The agreement specifically prohibits "automatic changes from current accounts to higher interest-bearing accounts and sets the limit at certain average balances so as not to impair the concept of current accounts and to prevent the creation of additional types of concealed accounts."

On the subject of savings accounts, the agreement says: "Their value can be computed only on a 2-weekly basis."

In the chapter on time deposits it is noted that "for terms of less than 6 months the maximum allowed rate of 6.5 percent will apply and, in any case, the minimum term will be 3 months. Interests will be paid at the end of the period and every 3 months."

On the subject of promissory notes issued by the treasury, the document talks about "a surrender value in all cases at least equivalent to the price fetched in their latest auction" and "a minimum 3-month investment period."

This agreement will go into effect on 1 August "for all new operations and on the date of their renewal for operations as they come to their maturity date. There is also a commitment to notify depositors about the changed conditions 10 days prior to the maturity date of each operation."

In another development, somewhat connected with the agreement between Spanish bankers, the Bank of Spain will reduce by 1 point the interest rate paid until now on the cash reserves required of all financial intermediaries. Until now, the Bank of Spain withheld 18 percent of the deposits as reserves with 5 percent of these deposits receiving 0 percent interest and the remaining 13 percent receiving 13.5 percent interest; but now it will pay only 12.5 percent. This will have strong repercussions on the banking business since it means that their profits will drop by between 12 and 16 billion pesetas.

Insurance

Discounts to gasoline stations are also cancelled and the agreement sets a ceiling of 750,000 pesetas as the maximum amount of insurance against accidents: "It is prohibited to offer any other type of insurance (robbery, fire, and so on)..."

To determine the degree of compliance with the agreement, the document states that "all the terms of this agreement can generally be checked to see whether they are observed. The banks will hold monthly meetings to discuss the extent to which, in their view, the overall scheme has been implemented."

How Banks Pay

Deposit Levels in Pesetas	Fixed Term Interest & Deposit Account (%)	Drafts & IOUs (Equi- valent Annual Due Rate) (%)
Up to 100,000	8.00	---
100,001 to 200,000	9.75	---
200,001 to 500,000	10.25	---
500,001 to 1,000,000	11.00	10.25
1,000,001 to 2,000,000	11.75	10.25
2,000,001 to 5,000,000	12.35	10.75
5,000,001 to 10,000,000	12.75	11.25
More than 10,000,000	13.00	12.00

8796

CSO: 3548/328

DETAILS OF CONFLICTING PERSPECTIVES ON 'SOCIAL PACT'

UGT, CEOE, CCOO Meetings

Madrid DIARIO 16 in Spanish 12 Sep 84 p 17

[Text] Yesterday, the respective executive bodies of UGT [General Union of Workers] and CEOE [Spanish Confederation of Business Organizations] devoted their meetings to specifying their final demands for the signing of the economic and social agreement [AES]. In the case of the management organization, today it will have to be its board of directors that ratifies the executive body's decisions. There would appear to be a desire within CEOE to shelve the issues on which agreement has been impossible and to move to more limited pacts. This possibility has been discredited both by the government and UGT. On the other hand, CCOO [Workers Committees] will hold a "summit" meeting today at which the final word will surely be given regarding whether or not it is feasible to sign the AES.

Madrid--The progress of the negotiations on the economic and social agreement was the main topic among the UGT and CCOO executive bodies which met separately yesterday. Although the news media were not informed of any of the decisions, there is every indication that both organizations gave their final word yesterday on whether or not it is feasible to sign the AES and set their minimal requirements. The management organization will, for its part, hold a meeting of its board of directors today, and CCOO will do the same with its executive board.

The pessimism shown at the last meeting held this past Monday might well be part of the typical scenario of agreements with this complexity. In earlier pacts, optimism alternated with pessimism as the talks progressed.

There are obviously reasons for differences among the various spokesmen, but it is nevertheless true that, in substance, at least between the government, UGT and CEOE, there are no differences that would entail a failure of the negotiations.

CCOO have been the ones who, from the outset, have appeared before the public as very far removed from the contents of the agreement that is making its appearance. This may be the reason that the "back-room" negotiations between

the closest sides have really taken place for the purpose of devising the main points on which the AES will hinge.

But what appears more difficult from the tone of the denials made by the parties involved is the fact that it existed just as a Madrid morning paper was claiming a "secret pact" on the concrete contents of the AES.

Withdrawal

Although there are signs of an obvious uneasiness within the management organization, CEOE, simultaneously with differences as to whether or not it is fitting to sign an agreement which would undoubtedly benefit the Socialist government most, it is virtually impossible for the more political than professional opinions to prevail in the end, forcing CEOE to withdraw from the negotiations.

In the event that this should occur, the business owners know that, not only will they have to withstand criticism from the public for helping to spread lack of confidence in the country, but also their relations with the government, which will hardly be unseated in the coming elections, would embark upon dynamics marked by confrontation and tension, that have been non-existent since the PSOE came to power.

Even the statements made yesterday by the Popular Alliance official for economic affairs, Abel Matutes, reaffirm this argument, to the effect that "CEOE has no recourse other than to stamp its signature on the AES."

The management organization gave the labor minister at the Monday meeting a list of important petitions dealing with the points causing the most concern in CEOE, which relate to public spending and the increase in tax rates.

The business owners want to know the following facts: Whether a change is possible in the bases for payments to reduce the 12 existing groups to six, maintaining the minimum and maximum base structure; whether the government has quantified what might be the cut in public spending based on the hypothesis submitted; and a specific statement on the tax pressure during the years 1985-86; and they want to know the increase in net cash assets for the private sector; and, finally, whether the government will announce the tax reforms that it would accept.

Concurrently, big management asked the labor minister for a response on the plan devised by it to curb the spending on social security, whereby 125 billion pesetas could be saved, and there would be a point and a half cut in their payments.

They also requested a postponement of the change in the autonomous entities' payments and their association with the general social security system. And, finally, they demanded guarantees for a sufficient flow of financing that would not affect the cut in interest rates.

Unknown

We shall have to wait for the meeting next Thursday to find out whether the situation is actually as bad as they depicted it last Monday. However, as the labor minister noted, the time factor is indeed disturbing, because the deadline has been set for 20 September.

For this reason, the negotiators have planned to return on Saturday to the INSS [National Institute of Social Security], and possibly not to "adjourn" from the table until the negotiations end. On the other hand, CCOO and UGT did not reach any agreement at the meeting that they held on Monday afternoon; something which definitely clears up the unknown factor relating to CCOO which, moreover, has started an intensive information campaign among its members to learn the feelings of the majority of the organizations regarding whether or not to sign the AES.

Public Spending a Key Factor

Madrid YA in Spanish 13 Sep 84 p 19

[Text] The key to learning whether the economic and social agreement is possible lies in the changes in the rate of increase in public spending. While the trade unions are calling for an increase in it, the CEOE makes success contingent on the curbing of public spending and its proposal to release funds for investment. The government must decide whom to heed and, as a result, whether it will be possible to reach an ambitious agreement to surmount the crisis or a lesser pact limited to wages and the granting of new contracts.

Madrid--The latest discussions of the Council of Ministers yesterday indicate that the government has agreed that the public deficit next year will stand at 5 percent of the GDP as an unchangeable goal, and that spending will be arranged so that this figure will not be exceeded; something which requires cuts in certain items, along the line of the conditions which CEOE considers essential for releasing funds to give an incentive for investment that will make it possible to generate employment.

Today, another meeting will take place among the social spokesmen to negotiate the economic and social agreement, which could be critical if the government's representatives determine the goals that it is sought to attain.

Yesterday, the board of directors and executive committee of CEOE analyzed the status of the talks, concluding that the negotiating process is running a serious risk involving the two purposes of this agreement stated by the president of the government himself 2 months ago, with which management agrees: to introduce, with major social backing, economic policy measures to improve the climate for investment and employment, and possible, feasible measures to adapt our productive system to the European Economic Community with a view toward our integration.

Yesterday, Jose Maria Cuevas, chairman of the CEOE, commented: "The trade unions are not realistic in their proposals, especially the CCOO, which is attempting to negotiate its political and labor union program, thereby distorting the negotiations."

Priority Goals for Employment

For business owners there are some priority issues to be dealt with in order to improve the state of the economy and the financial capacity of private and public enterprises: namely, the curbing of spending and directing it toward the release of funds for investment; taxes to facilitate investment; a reduction in social security payments; making the labor market flexible; gearing payrolls to the rules in effect in the EEC; and reforming social security. Nevertheless, according to remarks made by Cuevas and Juan Jimenez Aguilar, there is no sensitivity in the government, nor realism among the trade unions, for dealing with all those issues; and the latter are attempting quite the contrary, that is, to create more public spending.

It seems by now precluded that a change will be undertaken in the adjustment of payrolls, particularly in the regulations for collective layoffs, as the CEOE has demanded. However, the management association agrees that there may be significant progress in regulating the new contracts.

Surprising Position of CCOO

Today, the business owners' organization will propose to the government that it define the groundrules immediately and also the goals that it wants to fulfill. Cuevas said: "If these goals are to give an incentive for investment and employment, there will be an ambitious economic and social agreement. If we are unable to achieve it, we shall move to Pio Baroja (headquarters of the Institute of Labor Studies, where the interconfederal agreement on wages was discussed) to hold management and labor union negotiations alone for a lesser pact, to avoid labor conflict, as has occurred in other years."

All impressions indicate that this lesser pact will be achieved without the signature of the Workers Committees. This organization's position in these negotiations appears to have been determined by the propositions of those advocating the trade unionism of resistance; which is surprising when compared with the results of their Third Congress, at which the negotiators' strategy was victorious. At the first meetings on the AES, CCOO proposed a very extensive platform, described by one negotiator as "the charter of the Magi," aimed at changing the government's economic policy; and now they seem to be focusing their interest on the procurement of measures based on a mere trade union platform, such as the reduction of the work day, trade union assets, retirement at age 64, the creation of the Economic and Social Council and a solidarity fund.

2909

CSO: 3548/341

ECONOMIC

TURKEY

FOREIGN TRADE DEFICIT CONTINUES TO WIDEN

Istanbul CUMHURIYET in Turkish 5 Sep 84 p 9

[Text] ECONOMIC SERVICE - The foreign trade deficit which had narrowed in the early months of the year under the impact of rapidly mounting exports began expanding with the second quarter. The deficit, at \$123 million in January, reached \$456 million in July. Nevertheless, it warrants notice that the foreign trade deficit registered in the first 7 months of the year is down 15 percent compared to the same period last year. Meanwhile, imports of consumer goods are increasing.

The reduction of tax rebates on exports first in April, then again in September, accounts for exports' being concentrated in the early months of the year. The growth rate in exports in February and March almost cut the monthly foreign trade deficit figures in half, making the deficit around an average \$100 million in the first 3 months.

Deficit Growing

Nevertheless, the export growth rate fell to around 27 percent in second quarter figures, causing a jump in the foreign trade deficit to an average of \$350 million in April, May and June. This trend continued into July and the deficit for that month was a half billion dollars. The new reduction in tax rebates in September and the continued upward trend in imports make it look as though the foreign trade gap will be a bit wider in the second half of the year.

Despite steady growth in the monthly foreign trade deficit figures, the deficit this year looks better than last. It was \$2.54 billion in the first 7 months of last year, but declined to \$754 million in the same period this year, thus representing a 14.6 percent narrowing of the deficit.

Industrial Exports

Meanwhile, according to an ANKARA AGENCY report, three-fourths of Turkey's total exports are industrial products. In January-July, \$2.956 billion, or 74.5 percent, of the \$3.966 billion in exports consisted of industrial products. Industry's share in total exports was 66.5 percent in the same period last year.

As opposed to growth in the industrial share of total exports, the share of agriculture and livestock fell from 30.2 percent in the first 7 months of last year to 22.3 percent this year.

Imports Have Highest Rate

The area of most rapid growth in imports is reportedly consumer goods. Consumer goods imports were \$19.8 million in January and had risen to \$50 million in July, bring imports for the first 7 months of the year to \$265 million. This is an increase of 135 percent over the \$112.7 million in imports in the same period last year.

Foreign Trade Deficit Growth (millions of dollars)

Month	Exports	Imports	Deficit
January	541.3	664.0	123.1
February	600.4	694.4	94.0
March	713.0	821.4	108.2
April	612.4	924.6	312.2
May	540.5	876.8	336.3
June	521.5	846.0	324.5
July	437.2	893.7	456.5
First 7 Months	3,966.3	5,721.1	1,754.8

8349

CSO: 3554/310

GIRAY, ERDEM ELABORATE ON HOUSING CREDIT TERMS

Istanbul TERCUMAN in Turkish 4 Sep 84 p 5

[Article by Suha Ortulu and Resat Yazici: "67 Billion Liras in Housing Credit Available"]

[Text] Public Works and Resettlement Minister Safa Giray, in announcing their stepped-up home building, said they have distributed in the first 7 months of this year more credit for home building than in the past 3 years all together.

Noting that "the housing shortage arises from the failure to provide the financing needed for housing construction," Giray said the measures they had introduced had eased credit on a broad scale, adding, "Since passage of the Public Housing Law, we have opened 67 billion liras in new credit."

Minister of Public Works and Resettlement Giray stated that by the end of the year the amount of credit given in the past 3 years will have been doubled and said:

"We may even exceed twice the amount. This is to say providing financing for housing construction. Of course, when we provide financing we also step up housing construction. The best measure to combat the housing shortage is financing.

"The total credit that had been provided when we took office was around 53-odd billion liras. We made 67 billion liras more available after passage of the Public Housing Law. We are both paying the unpaid portion of the 53 billion liras where construction is in progress and making 67 billion liras in additional credit available. Thus, there is a total credit ceiling of 127 billion liras."

Zoning Plans

Minister of Public Works and Resettlement Giray said that public zoning plans would be made "public," thus eliminating certain irregularities.

Asserting that public availability of zoning plans would "allow them to be sold by the section," Safa Giray said, "If zoning plans are publicly available, work in these matters can be done in conformity with the zoning plans. It will ensure conformity to the engineering bureau' zoning plans and the availability of certain services."

Accumulated Money

Meanwhile, Vahit Erdem, chairman of the Public Housing and Public Partnership Authority, was interviewed by TERCUMAN, responding as follows to questions about the relationship of the latest arrangements to the seven kinds of credit systems administered by the authority:

[Question] Would you tell us how much money has accumulated in the fund thus far?

[Answer] The fund, at the Central Bank, has accumulated 30,026,980,000 liras to date. Of these resources, 15,655,422,000 liras have already been turned into credit and the credits have been paid to newly-opened cooperatives.

[Question] How much money is likely to be paid into the fund this year and next?

[Answer] There will be around 200 billion liras a year going into the fund. We expect an input of around 100 billion this year.

[Question] How much credit is needed for the cooperative housing construction which has around 70,000 units in progress?

[Answer] There are now 4,039 cooperatives with 272,469 partners whose eligibility has been approved. For the cooperatives whose eligibility has been approved by communiques issued especially for this purpose, regular payment has begun on the one hand of their entitlements and credit is being quickly opened, on the other, for those which are waiting. Credit has been opened in the amount of 116.996 billion liras for 103,911 partners of the 1,789 cooperatives out of 272,469 partners in the 4,039 cooperatives to which this practice applies, and 41.3 billion liras have been paid to them. Of these payments, 15.655 billion liras came out of the Public Housing Fund authorized by Law No 2985.

The resource requirement just for the cooperatives for which credit has been opened, then, is 75.696 billion liras.

In Progress

[Question] Could you explain all of the types of credit in your system and their processing times?

[Answer] Resources were allocated for all the types of credit in the system by the "Public Housing Fund 1984 implementation schedule" approved by the Council on Public Housing and Public Partnership. In this framework, credit has begun to be applied to cooperatives, cooperative unions and social security organizations, to home buyers (individual credit) and to tourism infrastructure purposes.

Applications for public-housing-builder and housing-builder credits, for public-housing-buyer credit and for investment-management credit are being evaluated and, if approved, will go into practice within the framework of the schedule.

[Question] Would you provide some information on your involvement in the credit to be given by banks?

[Answer] [These are] public-housing-builder credit, housing-builder credit and public-housing-buyer credit. They can be utilized if applicants for this credit put in their applications at the banks and the banks approve them and forward them to us. There are some in progress.

[Question] Would you comment on your involvement with the Emlak Kredi Bank as regards infrastructure and social services allowances, interest and other matters?

[Answer] There is a protocol between our Authority and the Emlak Kredi Bank on "housing-buyer credit (individual credit) and repayment." This protocol covers matters having to do with credit implementation within the framework of the implementation directive.

The repayment plan is described in the implementation directive.

[Question] You don't think credits will increase in line with steadily increasing housing costs, do you?

[Answer] Increasing the credit amounts is not under consideration at present.

8349

CSO: 3554/311

PRIVATE SECTOR SEARCH FOR SHIPBUILDING CREDIT

Istanbul DUNYA in Turkish 5 Sep 84 p 3

[Text] NEWS CENTER - Credit is needed for the completion of 24 of the 54 ships under construction at private-sector shipyards. Construction of two ships has been halted for lack of credit.

There are 54 ships under construction at 35 member shipyards of the Shipbuilders Union. Construction of 24 of these 54 ships has had to be suspended. Officials say these ships can be completed only if additional credit is made available; otherwise, construction will be halted all together.

Meanwhile, construction has already halted for lack of credit on the 3,200 dwt dry cargo ship which Saban Hantal and Partners was having built at the Gamsar Shipyard. The Saban Hantal and Partners firm has reportedly been forced to cancel its contract with the Gamsar Shipyard for that vessel.

Ships Awaiting Credit

The 24 ships being built at 35 shipyards that are members of the Shipbuilders Union and whose construction has been suspended until new credit is obtained are:

A 3,250 dwt cry cargo ship named the "Cemil Akdeniz" being built by Akdenizler, Inc at their own shipyard and a 7,500 dwt dry cargo ship on which that firm began construction in 1983.

The "Salih Kalkavan," a 7,100 dwt dry cargo ship being built for Gibas, Inc at the Anadolu Maritime Construction Ways shipyard; 3,500 dwt dry cargo ships named the "Turunca" and the "Gulperi" and the 5,000 dwt "Hulya-I" dry cargo ship under construction at their own shipyard by Celik Tekne, Inc.

The 1,400 dwt "Kaptan Riza Atasoy" dry cargo ship under construction at the Desan Shipyard for Mumcuoglu Maritime Transport, Inc and the "Hasan Arol," a 3,500 dwt dry cargo ship for Minak, Inc, also at Desan.

Dry cargo ships, the 3,500 dwt "Emine Erdem" and 6,500 dwt "Erdem" being built at the Erdem Shipyard by Erdem Transport. Construction on these ships has halted and it is stressed that they are awaiting additional credit.

[Words omitted] at the Gelibolu Shipyard by Eser International Maritime Transport; the 2,000 dwt "Karaer-II" under construction at the Gunsin Shipyard for Hayri Karaer and Brothers; and a tourist yacht, the "Gundogdu-I," being built at the same yards for Gunal Tourism.

The 7,500 dwt dry cargo ship, the "Kenan Kolotoglu," under construction at Emirler Ship Operation's Kok Shipyard, was 80-percent complete, but construction was suspended until additional credit is obtained. Marmara Transport also has a ship awaiting credit, a 7,100 dwt dry cargo vessel under construction at its own shipyard.

The Erturkler firm's 7,500 dwt "Erturk" under construction at the Selah Machine Industry's shipyard, 3,300 dwt "Transmarin I" and 1,800 dwt "Hilal" dry cargo ship at the Tuzla Ship Industry, Inc shipyard.

Meanwhile, construction has been halted for lack of credit on Kamer Maritime Transport's 3,300 dwt "Mirgut" at the Tuzla Ship Industry, Inc shipyard.

A 3,250 dwt dry cargo ship being built by the Uzundemir Collective Company at its own shipyard. Akcan Maritime's 3,200 dwt dry cargo ship and Abdullah Tomba's 3,300 dwt "Abdullah Tomba" and 1,000 dwt "Recep Reis" at the Yildirim Shipyard.

8349

CSO: 3554/311

KOZA'S ALEV ON HOUSING CONSTRUCTION FINANCE RISKS

Istanbul MILLIYET in Turkish 5 Sep 84 p 2

[Article by Koza Construction Company Deputy General Manager Turgut Alev: "Risk Question in Public Housing"]

[Text] Turgut Alev:

Born 1948. A graduate in 1969 of Robert College Department of Construction Engineering and in 1970 of Istanbul University's Institute of Management Economics. He started out in 1973 in the Koc Holding Planning Group. Is currently deputy general manager of Koza Construction Industry and Trade, Inc, a Koc Holding subsidiary. Joint author of two books: "Proje, Planlama ve Kontrol Modern Teknikleri - PERT-CPM" and "Uzun Vadeli Planlama." Has published articles in various newspapers and magazines and presented papers at seminars, conferences and lectures.

Until the '70's, the housing need in Turkey was met for the most part by "village houses" and "building one's own home." As a result of rapidly growing urban population in subsequent years, the "build-it, sell-it" type of home builder emerged and home-building has continued largely under this system to the present.

After 1978, however, sale prices reflecting the cost of housing have risen significantly in parallel with the general economy in Turkey and the price of construction materials. Despite the continued and steady increase of people's desire to buy homes, first a slump followed by a decline appeared in housing sales and, therefore, production, as savings became inadequate to meet the cost of buying a home.

Because of the interdependence of the housing sector and other industrial and service sectors, the slump in housing production created negative effects on the general economy on one hand and sent the housing shortage spiraling on the other. The social and economic pressures this created have forced post-1978 governments to place steadily growing emphasis on the housing problem. The first important legislation on housing was the edict on "National Housing Policy," published on 11 May 1980. The edict proved insignificant in practice, but is the first official documentation of the state's no longer viewing housing production as an "investment

graveyard." On 25 January 1980, convertible foreign exchange accounts for housing had been created to encourage foreign-exchange sales to workers employed abroad and, on 10 May 1981, home sales concluded in foreign currencies were designated as exports.

Law No 2487, the first extensive legislation to encourage housing production, became effective on publication in RESMI GAZETE No 17579 on 19 January 1982. However, because inadequate resources were being transferred into the fund, it was unable to make any significant contribution to housing production from its inception until 17 March 1984. On that date, Public Housing Law [PHL] No 2985 went into effect upon publication in RESMI GAZETE No 18344, bringing a new way of looking at housing production and state housing incentives.

Basic Problem

The basic problem in housing production is financing. In our country, the desire, and therefore the demand, for home ownership is particularly strong. However, in the inflationary climate of recent years, a wide disparity has arisen between housing costs and people's ability to save. For this reason, the lack of purchasing power despite the housing demand has made it impossible to convert demand into production.

Public Housing Law No 2985, then, from this point of departure, is intended to close the gap between people's savings and the cost of housing through long-term, low-interest housing credit. Though primarily subsidizing public housing, but offering opportunities for almost all types of housing, the Public Housing Law also offers credit to commercial home builders to enable them to begin housing production and therefore sales. The housing credits envisaged in the current Public Housing Law fall into three major groups:

--Credits for Home Builders:

- a. Credits available to builders of public housing (builders in designated public housing areas),
- b. Credits available to home builders (outside public housing areas but inside municipal limits).

--Credits for Home Buyers:

- a. Credits available to buyers of public housing (individuals who buy housing from builders in public housing areas),
- b. Credits available to home buyers (individual credits for buyers of complete, occupied housing that has been occupied for less than 1 year and is located inside municipal boundaries).

--Credits for Cooperatives, Cooperative Unions and Social Security Organizations:

Credits to be made available to cooperatives and housing buyers will be employed much the same way as past practices. Credits to be made available to housing builders and public housing buyers will be handled through banks.

Implementation, Example

It would work like this:

Up to 40 percent or 50 percent of the sum of a project drawn up by a public housing or housing builder and handled through a bank as the PHL envisages would receive credit for 3 years at 35 percent to 40 percent interest. The bank through which the credit is funneled would draw from the Public Housing Fund the sums qualified for, based on the initial 10-percent advance and the course of construction, and pay them to the housing builder. The builder, meanwhile, would begin marketing activities. Home buyers wishing to purchase from this builder would go to the bank in question and deposit their share, becoming eligible for public housing or housing buyer credit through this same bank. This credit would be deducted from the home buyer's credit. As seen, the current Public Housing Law rightly does not envisage home building on housing credits alone. In order for public housing or housing builders to carry through their projects, it is necessary that builders devote their own resources and, more important, that people devote their savings to home building. Otherwise, both the builders and the banks would face serious difficulties and risks.

Suppose a public housing organization drew up a project for 1,000 units, including all the technical and social infrastructure, and that the total project sum was 4 billion liras, excluding land cost. The building firm would be eligible for 2 billion liras in credit, half the project total, and would be paid 10 percent of this, or 200 million liras. If there were no financial input from home buyers and/or net assets, the firm would be able to do only 5 percent of the construction with this money. This would then give it an eligibility for a total of 100 million liras. A deduction of 20 million liras on the advance account would be made from this 100-million eligibility, and the remaining 80 million liras would be paid to the firm. This amount, however, would qualify the builder for only a 2-percent eligibility. The deduction of 20 million liras on the advance account would be made from this eligibility in the sum of 40 million liras, and the remaining 20 million liras would be paid to the firm. This would then qualify for only a 1-percent eligibility. Because 20 million liras would be deducted on the advance account from this second eligibility of 20 million liras, the firm would be paid nothing from this third eligibility, and construction would be halted at 8 percent complete.

Proposals

As seen, in housing projects taking advantage of the PHL, it is necessary that construction be started and buyers lined up. Otherwise, the project will be deadlocked in the first 3 months and doomed to failure. It will be possible for public housing or housing projects to proceed solidly only if every lira obtained through credit is matched by a lira from potential home buyers and/or net assets. And then only if building cost projections are realistic; otherwise, the latter input will have to be even more. In short, it is a must that PHL-based projects be able to sell at realistic prices.

Home builders must keep squarely in view not only the resources available through the PHL, but also whether project locations answer the needs of the market sector they are aiming for and whether sales prices and payment schedules are realistic. Construction schedules absolutely must be coordinated with marketing and financing schedules. Otherwise, the projects will soon be at a standstill and the building firm may be faced with foreclosure under the rules of the PHL, in all likelihood going under.

Public Housing Law No 2985 holds builders responsible for construction and the banks for employment of public housing credits. Housing builders wishing to take advantage of public housing or housing builder credits obtain the credit through a bank. The directive leaves to the bank responsibility for examining the financial status of the home builder, obtaining the required documentation from the builder and procuring guarantees for the credit to be provided. That is, "taking measures to ensure getting its money back" is the bank's responsibility. Though the directive does not spell it out, any liabilities arising from failure to complete projects will significantly affect the banks also.

According to the Public Housing Law Implementation Directive, separate credit contracts are to be signed between the housing builder and the bank and between the bank and the Office of Public Housing and Public Administration. What this means is that the banks will be directly responsible to the Office of Public Housing and Public Administration for the credits they give to housing builders, for the completion of the projects to which these credits apply and for repayment of the credits.

Not only are home builder credits expressed in billions, but the fact that the public housing buyer obtains public housing buyer credit from the bank which provides credit to the housing builder also puts the bank under a moral responsibility to these persons.

Conclusion

For all these reasons, it is necessary, first, that public housing or housing builders be careful and realistic in the projects they draw up and, then, that the banks be careful and realistic in evaluating these projects and the builders. That is, public housing or housing organizations must keep the dimensions and sales prices of their projects at a level to enable completion of the projects and banks must stress this. The housing to be built must be consistent with the builder's ability and, more important, with the number of potential buyers. Sales prices must cover realistic costs and possible increases in construction costs.

It would be much better both for the housing builders and the banks, as well as for the Turkish people in need of housing, to begin on hundreds of houses that can be completed than to start on thousands that will never be finished.

8349

CSO: 3554/309

PRIVATE FIRMS VYING FOR THERMAL PLANT CONTRACTS

Istanbul CUMHURIYET in Turkish 5 Sep 84 p 9

[Text] Ankara (CUMHURIYET BUREAU) - With amendments to the Turkish Electric Power Enterprise [TEK] Law making private-sector investment in this area possible, a number of businesses are showing interest in energy projects, it was learned.

According to information from TEK officials, a number of consortiums formed under the guidance of private firms have applied to the TEK for the 150-megawatt, 2-unit thermal plant planned for the Saray District in Tekirdag. TEK officials, as the result of studies they conducted, asked that the consortiums applying to build the plant be required to line up and confirm credit for the foreign currency needed and other matters by 16 September. Among the pilot Turkish firms having foreign affiliates with international experience in thermal plants are TEKFEK [Construction and Installation, Inc], ENKA [Construction and Industry, Inc], KUTLUTAS [Construction Company] and GURIS [Construction and Engineering, Inc], according to information obtained. It is estimated that the Saray thermal plant, with a total investment figure of around 55 billion-60 billion liras, may be completed in 1989.

Meanwhile, the TEK has received the technical proposal drawn up by GAMA [expansion unknown], the local partners of the U.S. firms Babcock and General Electric, for the Beysehir thermal plant, another 150-megawatt, 2-unit facility, planned as the supplier of energy to the Seydisehir aluminum plant.

If the group's technical proposal, for complete building of the plant, is approved, it will be asked to submit price bids.

A 12-megawatt hydraulic plant to be built in Hasanlar, near Bolu and Duzce, by the ALARKO [Industry and Trade, Inc] group has already reached the investment permit stage. SOYTEK, a firm formed by the TEK and the Soykan group of companies, is to build a thermal plant putting out 150 or 210 megawatts in Adiyaman-Golbasi. The Koc Group has applied to build a hydraulic plant on the Kizilirmak River. Investment permits will be issued for private-sector energy investment projects following examination and approval by Energy and Natural Resources Ministry authorities.