

R  
350034

JPRS 82059

22 October 1982

# West Europe Report

No. 2049

19980914 049

**FBIS**

FOREIGN BROADCAST INFORMATION SERVICE

9  
102  
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.

## WEST EUROPE REPORT

No. 2049

### CONTENTS

#### TERRORISM

##### PORTUGAL

- World-Be Assassin of Pope Interviewed in Prison  
(Juan Fernandez Krohn Interview; PROCESO, 6 Sep 82)..... 1

#### ENERGY ECONOMICS

##### INTERNATIONAL AFFAIRS

- Briefs  
Record Norwegian Gas Sale to Continent 5

##### DENMARK

- Observer Charges Natural Gas Project Costing Too Much  
(BERLINGSKE TIDENDE, 27 Sep 82)..... 6

##### SWEDEN

- Country Weighs Importing Gas From Denmark, Norway, USSR  
(Steffo Tornquist; DAGENS NYHETER, 13 Sep 82)..... 9

#### ECONOMIC

##### DENMARK

- Country Posts EC Record for Decline in Real Income  
(Frank Dahlgaard; BERLINGSKE TIDENDE, 27 Sep 82)..... 17

Study Indicates Danes Beginning To Drop Support for Welfare (Bent Bjorn Christensen, Kermit Norlund; BERLINGSKE TIDENDE, 27 Sep 82).....	18
NORWAY	
Stagnating Oil Market Bringing Unemployment to Country (Bo. A. Ericsson; DAGENS NYHETER, 16 Sep 82).....	19
SWEDEN	
Swedish Industry Investing Less in Plants, More in Research (Thomas Lerner; DAGENS NYHETER, 12 Sep 82).....	23
POLITICAL	
DENMARK	
Liberal Party Congress Backs Austere Economic Measures (BERLINGSKE TIDENDE, 27 Sep 82).....	29
Excess-Profits Distributing Supported Break From SDP Policies Applauded Youth Wing Behind Party Paper Comments on Congress, Editorial	
FINLAND	
Parties Preparing for Parliamentary Elections in 1983 (Mikko Pohtola; SUOMEN KUVALEHTI, 17 Sep 82).....	33
FRANCE	
Krasucki: CGT Plans, Wage Freeze, Strikes, Rights (Henri Krasucki; L'HUMANITE, 8 Sep 82).....	36
Traditional PCF Struggle Versus Governmental Role (Felix Damette; CAHIERS DU COMMUNISME, Sep 82).....	44
GREECE	
KKE(INT) Official Raps Government for Slow Changes (I AVGI, 2 Sep 8 ).....	54
Athens Paper Calls for Openness in Cyprus Issue (I VRADYNI, 7 Sep 82).....	56
Theological Congress Voices Criticisms (V. A. Lambropoulos; AKROPOLIS, 4 Sep 82).....	57

Bills Presented for Abolition of Two Metaxas Laws  
(Gioulis Zitouniatis; EXORMISI TIS KYRIAKIS, 4 Sep 82).... 59

Briefs  
PASOK-KKE Electoral Split 61

#### NORWAY

Labor Party Organ on Polls Showing Socialists Gaining  
Majority  
(Editorial; ARBEIDERBLADET, 20 Sep 82)..... 62

Paper Comments on Christian Party Chief's Coalition Refusal  
(Editorial; AFTENPOSTEN, 27 Sep 82)..... 64

Poll Indicates Left Continuing Gains in Voter Favor  
(AFTENPOSTEN, 25 Sep 82)..... 66

#### MILITARY

#### FRANCE

Leclerc Squadron Aids Security of Second Armored Division  
(Christian Domergue; TAM, 19 Aug 82)..... 68

Chain of Command Events at Air Base Described  
(H. de Lacotte; TAM, 19 Aug 82)..... 69

Picardie Fighter Squadron 2/12 Plays Role in Air Defense  
(Christian Domergue; TAM, 19 Aug 82)..... 71

Eighth Infantry Division at Margin Carries Out Maintenance,  
Repairs  
(Ph. Caboche; TAM, 19 Aug 82)..... 73

Corsica Squadron 3/11 Part of Rapid Assistance Force  
(Christian Domergue; TAM, 19 Aug 82)..... 75

Production Figures for Milan, Hot, Roland Missiles Revealed  
(AVIATION MAGAZINE INTERNATIONAL, 15-30 Sep 82)..... 77

Briefs  
Ships Return to Toulon 79  
Colombian Ship at Brest 79  
Frigate 'Commandant Ducoing' Commissioned 79  
Epsilon Trainer Nears Production 80

SWEDEN

New Air Force Chief Discusses Merits, Role of JAS (Steffo Tornquist; DAGENS NYHETER, 17 Sep 82).....	81
Firms Enter Competition for JAS Subcontracts (Erik Liden; SVENSKA DAGBLADET, 6 Sep 82).....	84
Largest Arms Maker Forced To Cut Labor Force as Exports Drop (Steffo Tornquist; DAGENS NYHETER, 9 Sep 82).....	87
Paper Comments on Proposals in New Civil Defense Study (Editorial; SVENSKA DAGBLADET, 7 Sep 82).....	89
Briefs New Mines for Army	91

GENERAL

FRANCE

Machine-Tools Industry Being Reorganized (Philippe Gazier; LE NOUVEL ECONOMISTE, 23 Sep 82).....	92
---	----

## WOULD-BE ASSASSIN OF POPE INTERVIEWED IN PRISON

Mexico City PROCESO in Spanish: 6 Sep 82 pp 50-51

[Interview with Juan Fernandez Krohn by Maria Helena Sanchez in Lisbon, date not specified]

[Text] Imposter? Mental case? Member of a strange plot? Juan Fernandez Krohn, traditionalist Spanish priest residing in France, who tried to assassinate Pope John Paul II last May 13 in Fatima, Portugal, continues to present a mystery both to the Portuguese judicial system and to the psychologists who are examining him.

In prison in Lisbon, the priest for the first time gave an interview to Maria Helena Sanchez Ozorio, from the Portuguese JORNAL DE LISBOA, which PROCESO reproduces here today.

[Question] Were you trying to kill the Pope?

[Answer] I made an attempt on the life of Karol Wojtyla. Yes, I admit it.

[Question] Were you carrying out a special mission?

[Answer] I made a verbal declaration the same night that I was arrested in Fatima; and the next day, 13 May, in the Lisbon police offices I explained in detail in signed statements and to the inspectors who were interrogating me the reasons for my action. I ratified this same declaration the next day before the judge. I stated that I wanted to put an end to the crisis in the Church and the sins of the modern world. Fatima in a certain way is the heart of the Church at present, and therefore I wanted to carry out an act similar to that of the centurion at the foot of the Cross, and to that of the Crusaders who succeeded in penetrating the walls of Jerusalem carrying before them the sacred lance which they had just discovered at Antioch. Karol Wojtyla in Fatima was a bit like the cancer in the heart of the Church.

The words that I shouted in his face in Spanish were these, to be exact: "I accuse you of destroying the Church, of betraying Christianity, Poland, the Solidarity union. Long live Catholic Portugal, down with communism, down with Vatican Council II. "Later, when the police took me out of the shrine, we passed below a balcony where Agostino Casaroli stood looking at me boldly--the

Secretary of state and the man most responsible for the Vatican's Ostpolitik. I shouted to him twice in a very loud voice: "Casaroli, communist, murderer, traitor."

[Question] Hadn't you anticipated the presence of the police?

[Answer] In my original plan I had really not expected such extensive police protection. I was counting on delivering into the hands of Karol Wojtyla three messages contained on three cards at the moment I carried out my action.

On the first one I stated: "Our Lady said in Fatima that Russia will spread its errors throughout the world: communism, pax,...znak." Znak is the name of the progressive Catholic movement with which Karol Wojtyla worked closely before being elected Pope. One of its top leaders, Stanislas Stomma, recently named by the primate of Poland as president of the Council of Laity, which is directly dependent on him personally, made scandalous statements some weeks ago in France's LE FIGARO supporting the Polish Government. Znak and another movement or affiliate, Spotkania, have proposed a new form of Catholic-Marxist dialogue, an ethical, moral, non-doctrinal dialogue, the Polish form of the dialogue. I believe that this does something to explain the contents of the second card: "Fatima is incompatible with the Polish form of the dialogue." The third card quoted a passage from the Apocalypse: "Another angel continued speaking: 'Babylon is fallen, is fallen, that great city which made all nations drink the wine of its fornication.' "

Babylon, in the Apocalypse, is an image of the city of the Antichrist. Moreover, I had read some passages from a magnificent commentary on the Apocalypse by Pierre Jean Olieu, a 13th Century Franciscan, in which he states that the mystic Antichrist will be an anti-pope or a series of anti-popes. I have done nothing more than pass through this providentially opened door--taking the final consequences--and find it again, after searching for several years, following the trail called a theological hypotheses of a heretical pope.

[Question] What do you believe would have happened if the Pope had died?

[Answer] In the ancient legend of St Francis of Assisi they tell of a great temptation which came to the holy patriarch. He did not know how to overcome it; but Our Lord appeared to him and quoted to him the words of the Evangelist: Go away and throw yourself into the sea, and you will not falter in your heart, but believe the word is going to be done, will be done. Before this, St Francis asked him what was that mountain of which the Evangelist spoke, and Our Lord let him see that it referred to the temptation that was tormenting him. In the same way, the great temptation, the evil mountain which today darkens the skies of the Church which were formerly clean and bright, is the occupation of the Roman See by the anti-pope Karol Wojtyla. He is the incarnation of what can be called--without harming the dignity of the Polish people--the Polish temptation, the most visible manifestation of which is the Polish form of the Catholic-Marxist dialogue, with its very deep roots in Polish history and culture in the last two and even three centuries.

I have achieved something very important, of course; the temptation has definitely gone away from me, personally. The evil mountain in my soul has fallen down. There is already much hanging over the Church, but in the end it will fall.

Some people maliciously insinuate: Why was the Pope not killed at Fatima? Could it be a sign that the Virgin is protecting him?

John Paul II, indeed, wants to play on the mercy of Our Lady, but in Fatima, contrary to what I had expected, it was not tested at all; or everything would have been easier. In fact, the police protection that he had was tremendous, as the whole world could see. It was not, then, the Virgin Mary who saved his life at Fatima, as he would have people believe, but rather the members of the Republic's National Guard, who threw themselves on top of me like tigers as I made my final leap. However, I succeeded in touching one of his feet. My real intention was to stab him through the heart.

I do not believe that it would be too rash to say that Wojtyla's silence is because Our Lady, in the secret of Fatima, condemns his actions and those of his predecessors, John XXIII and Paul VI.

[Question] Do you feel repentant; and do you accept your imprisonment as a punishment or as a martyrdom?

[Answer] Of course I do not feel any sensation of guilt. I sleep well, I eat well, perhaps the prison schedule is too good to me. Also, I say it absolutely frankly, I had expected death. For example, one proof of this is that I shouted to the police who arrested me: "Do not look for a plot, it is a martyrdom." The years in prison also do not worry me too much. There are life sentences infinitely more terrible than those in prison. Moreover, despite what Carlos Antunez (a leftist politician) has told the press, I get along very well with almost all the prisoners. Many have asked for my autograph.

[Question] There is a wall of silence around you, but they have accused you of being a madman and a fanatic. What do you think of those comments?

[Answer] Well, first I have to say that accusations to this effect are contradicted by the formal statements of the Portuguese police at the time of my arrest, according to which they found me to be in perfect possession of my mental faculties.

Moreover, all these kinds of slanderous imputations do not make much of an impression on me, because the truth is that I have been accustomed to them for many years. I remember, for example, my military service, in the Robledo camp during the summer of 1971. I had just finished a normal peaceful conversation with some companions, in which I had expressed an unequivocal anticommunist position. One of them came up to me in private, a good friend certainly, who did not have any definite ideology. He suddenly said to me: "The trouble with you is that you are a fanatic." So I am used to it. I noticed from then on that, for many people, fanaticism is the same as conviction. Strange...I am crazy, drunk with love for Our Lady, and crazy and drunk with hate against communism and all its accomplices: in a white cassock or without it.

[Question] Did you act alone, or within some plan?

[Answer] Yes, I acted alone, I declared it to the judge, and would be able to furnish an infinite number of proofs. An so, the statements of the Portuguese minister of the interior, alluding to possible international complicity, are without any foundation. I bought the saber-bayonet in the Flea Market of the Porte de Clignancourt in Paris, on the morning of Monday, 10 May. I was wearing a cassock, as always, at the time of the purchase. One rather peculiar thing happened to me: immediately afterward the briefcase containing the weapon was stolen from me inside the post office of the Saint Lazare station in Paris. I returned to the antique dealer, and bought an identical weapon. And moreover, no one realized my intentions. It would not have been understood, not even by the people who I saw most frequently. Many would even have fled in terror.

[Question] What is your daily life in prison like?

[Answer] Most of all I read my breviary, and I say I don't know how many rosaries a day. I also read the Bible, a traditional edition. Now I am in the books of Esdras and Maccabeans. So I lead a very quiet life. It is true that the circumstances are much in my favor. I was practically incommunicado in a cell in the offices of the Lisbon police, and now in the prison I also spend most of the day shut in completing a month called preventive detention. The very same rules as those of the ordinary prisoners. Of course, I'm not thinking of carrying on a hunger strike like the man in a neighboring cell, the extreme leftist leader Carlos Antunez, who is accused of crimes of a terrorist nature.

Amnesty International and other similar organizations would have plenty of reasons for complaints in my case. I console myself with the memory of Giaccopone de Todi: he passed 18 years chained to a wall at the bottom of a murky dark well on the orders of Boniface VIII, against whom he had revolted. Once this person visited him, and shouted to him from the height of his tottering power: "My poor Giaccopone, when will you get out of here?" The other answered him from the depths of his disgrace: "On the day that you come in." In fact, Benedict XI who succeeded Boniface VIII, immediately lifted his excommunication and set him free.

8131

CSO: 3548/3

## BRIEFS

RECORD NORWEGIAN GAS SALE TO CONTINENT--Stavanger--Norway's largest ever export deal was concluded in Stavanger on Wednesday. An agreement was signed for the sale of Norwegian natural gas worth over 20 billion dollars to seven companies on the European continent. According to the contract, consumers in West Germany, Holland, Belgium, and France will receive gas from the Statfjord, Heimdal, and Gullfaks North Sea fields for 30 years beginning in 1986. The sellers are Statoil, Saga Petroleum, Esso Exploration & Production Norway, Norska Shell, and Conoco Norway. Following tough negotiations beginning in 1981, they arrived at extremely favorable prices while competing with the British. [Text] [Stockholm SVENSKA DAGBLADET in Swedish 2 Sep 82 p 28] 9336

CSO: 3109/242

## OBSERVER CHARGES NATURAL GAS PROJECT COSTING TOO MUCH

Copenhagen BERLINGSKE TIDENDE in Danish 27 Sep 82 p 7

[Commentary by 'Monitor']

[Text] There is much to indicate that the natural gas project will become an unsuccessful investment. At any rate, the calculations on the basis of which the Folketing endorsed the project have been of an entirely unsatisfactory nature. Since its adoption in 1979, the project has, moreover, been marked by big over-expenditures, and the situation today is close to administrative chaos.

One of the important cleaning-up tasks of the new government will be in the area of the Ministry of Energy. Here, former Minister of Energy Poul Nielson has managed to develop a policy and a bureaucracy which, in several areas, has led to entirely unexpedient solutions from an economic point of view to the Danish energy problems. In that respect, it is a good start for the government to have given up the plans for DONG to have its own refinery activity. Those plans have all the time been extremely dubious from an economic point of view, and there have hardly been any demonstrable advantages for the state to enter into this sector, where internationally there is already a big overcapacity and where prices, therefore, have already been low.

It must presumably also be taken for granted that the energy minister will not enter into any new costly oil agreements like Nielson's inevitably notorious 'perfectly clear' agreement with Saudi Arabia, that the plans to give DONG drill holes in the North Sea be abandoned, and that the state-owned company will, altogether, become subject to effective political control.

Things are worse, as far as the gigantic Danish natural gas project is concerned. It represents the largest individual public investment ever made in this country. There are many indications that it will become an unsuccessful investment, and, at any rate, the calculations which formed the basis for the endorsement by the Folketing of the project have been of an entirely unsatisfactory nature. The course of the project since its

adoption in 1979 has been marked by huge overruns, and today it is in a situation close to administrative chaos.

When, in 1979, the Folketing adopted the plans to implement the natural gas project, the project was expected to give the country a rate of return of 6 percent in real terms, and, in case of annual oil price increases in real terms of 2 percent, the project was expected to yield a return of 9 percent annually. Since it must beforehand be considered problematic to carry through that kind of public investment if the real rate of interest is below approximately 9 percent annually, it was already at the time a question of a project on the borderline of what is justifiable. In addition, the profitability of the project had been calculated on the basis of the existing, largely oil-based heating alternative. That this would be the relevant alternative for the rest of this century considering the huge increase which, at the time, had already been ascertained in fuel prices, would seem most unlikely.

Moreover, it was, for example, also most extraordinary that the profitability study at sharper increases in fuel prices did not take into account the change in the total economic growth and thus the energy demand which a deterioration in the terms of trade at relatively large fuel price increases must be presumed to cause. The inferior quality of the calculations has also appeared from the fact that in the latest progress report for the natural gas project of last spring, an increase in investments of no less than 50 percent in relation to the original estimate was estimated. The increase ascertained in the estimate of the operating costs is even larger in that it is probably far beyond 100 percent. In spite of the fact that the Folketing was told at the time that there were prospects of a domestic natural gas sale at the investment in the approximately 2.2 billion cubic meters, it was ascertained prior to the expansion of the project with the Mid-Jutland and North Jutland areas that the regional sale would only amount to approximately 1 billion cubic meters annually.

While in the years following the adoption of the natural gas project, the politicians, so to speak, played with rates of return ranging all the way up to 12 percent (at unchanged relative fuel prices), it was now only a question of a yield on the investment of 5 percent annually.

They tried to relieve this by expanding the project to the Mid-Jutland and North Jutland areas, and they most recently took the consequence of it in deciding on a large secret gas sale to Sweden. However, after the expansion of the project to include Mid-Jutland and North Jutland, they have only been able to calculate an economic rate of return of 7 percent annually.

On the face of it, one would think that it is doubtful if these figures will have much relation to the actual situation. Beyond the presumably low quality of the estimates, this is also associated with the structural arrangement of regional natural gas companies which are to safeguard the most important part of the distribution side of the project. This, in itself, has led to almost civil war-like conditions among the different

parties involved in the natural gas issue. It must be considered quite uncertain to what extent the regional companies will be able to keep the operating costs of the natural gas project at a reasonably low level. For example, it must be said to be an alarming aspect that Natural Gas South, in its most recent balance sheet, had a budget overrun on its operation by no less than 104 percent--and this despite the fact that the extent of activity within this narrow regional area was lower than expected.

This entire misery has been inherited by Minister of Energy Knud Enggaard and the new government. In practice, it will be difficult getting out of it now that the gas pipes have been laid under the Little Belt and soon also under the Great Belt, and strong gas interests have been established. The fact that it was Knud Enggaard who became minister of energy and not Arne Christiansen, who as minister of trade in 1979 had the main responsibility for the entirely insufficient basis for the decision made by the Folketing, may perhaps be taken as a certain recognition of this big failure.

In the final analysis, however, natural gas becomes a costly experience for Denmark. They are in the process of establishing a fine gas empire, but the natural gas will hardly in any relevant way improve the Danish energy supply situation.

7262  
CSO: 3613/4

## COUNTRY WEIGHS IMPORTING GAS FROM DENMARK, NORWAY, USSR

Stockholm DAGENS NYHETER in Swedish 13 Sep 82 p 9

[Article by Steffo Tornquist]

[Text] In its Sunday supplement yesterday, DAGENS NYHETER described the effects of a gigantic gas pipeline project in Canada. Below, we present a compilation of available facts concerning a possible future gas project in Sweden.

So far, Sweden's investment in natural gas as an alternative energy source has not resulted in a single cubic centimeter of gas. During the eighties, Sweden will import only small quantities of natural gas. There is nothing but speculation concerning natural gas usage in the more distant future.

There is an established pattern of natural gas usage in the world. Practically all of Europe south of Sweden is covered with a natural gas network.

Reserves are so large that at today's consumption rate there is enough gas for at least 50 more years and probably for twice that time.

The gas trade has not been without conflict, however. The overwhelming majority of gas consumers are dependent on imports and transport through pipelines generally requires the cooperation of more than two parties.

This often has meant that deliveries have been late or cut off from time to time for political or legal reasons.

This probably is the primary reason why prices have risen and gas consumption in Western Europe has stagnated. At present, Holland is responsible for 50 percent, or 100 billion cubic meters, of the gas supply to Western Europe.

Several years ago, however, Holland stopped signing new export agreements.

Since then, to the great consternation of the Americans, natural gas consumers have turned to the Soviet Union, which has by far the largest gas finds in the world.

An agreement has been signed for the construction of a pipeline from the Soviet Union to central Europe. It is estimated that it will begin operating in 1985 and, after a brief initial period, the import volume is expected to be 40 billion cubic meters.

For political and pure security reasons, it is probable that the West European gas consumers will diversify their purchases to avoid excess dependence on the Soviet Union. African gas is of interest in this connection, but by far the greatest interest is directed toward Norwegian gas.

In Sweden the government took the first step toward gas consumption in 1980 when it decided to carry out the Sydgas project. Parliament also has drawn up the following guidelines for further Swedish imports of natural gas:

Imports shall occur preferentially from nearby sources.

Gas purchases shall guarantee a long-term energy supply.

Investments in gas shall be commercially justifiable.

The future of gas in Sweden must be judged by these standards. Since we are entirely without gas reserves of our own, we must rely on imports in all cases. The only gas alternatives conceivable today are the following:

1. Gas From Denmark

This is the only alternative that is certain to become reality. Plans are being developed around Malmo even today. The goal is to connect Scania to the Danish and central European gas network by the fall of 1985.

The first contract for deliveries to Sweden was signed in 1980 between Swedegas (the governmental organ for natural gas matters) and DONG (Dansk Olie & Naturgas A/S) and it provides for the delivery of 200 million cubic meters of gas annually. Last Friday this figure was increased to 440 million cubic meters.

This volume should be sufficient to cover a considerable percentage of the total energy needs along the west coast of Scania up to Helsingborg.

In that Sweden also is responsible for part of the construction on the Danish side, we have guaranteed ourselves the right to transport up to four times the amount of gas included in current plans if needed.

It could be helpful if the Sydgas project goes well and if communities on the west coast north of Scania are willing to be included. A system extending up to Goteborg is conceivable.

The pipeline between Dragor and Malmo is relatively short and can be seen as a test project for the authorities. The idea is for the project to be commercially profitable, but if this does not occur the government has given its guarantee because the project is of such great interest.

The following questions are being studied:

How will the gas market develop?

Are energy consumers willing to invest in gas?

What will happen to gas prices?

Can gas imports be profitable?

What technical problems will arise during pipeline construction?

How will a pipeline affect the environment?

Major Swedish investments will be forthcoming only after these questions have been answered.

## 2. Gas From The Soviet Union

The Soviet Union uses 500 billion cubic meters of natural gas annually and it has a well-developed transport network for the domestic market. The Soviet Union has at its disposal almost 40 percent of the world's gas reserves.

At various times since the early sixties Sweden has been given the opportunity to purchase Soviet gas. Previous offers were rejected in part because too little gas was involved, but there was no ceiling in the most recent offer (1980). If we decide to purchase Soviet gas, we must determine the quantity ourselves.

The Soviet alternative is the only one beside Sydgas that could result in deliveries by about 1990. Finland has purchased Soviet gas since 1974, so that pipelines already exist a short distance into Finland with sufficient capacity for the quantities in question if Sweden should purchase Soviet gas.

According to plans, the Finnish network would be extended to the west coast of Finland, cross the Gulf of Bothnia, and reappear near Gavle. The pipeline then would follow a curved path toward Goteborg in order to supply gas to important areas of central Sweden.

A number of aspects must be considered in connection with the project:

We do not know how interested Finland is in expanding its system to the west coast, which probably is a prerequisite.

In concrete negotiations, we do not know how interested the Soviet Union is in selling gas now that agreements have been reached on the large pipeline to central Europe.

The main advantage of the Soviet gas is that we could obtain it in a relatively short time. This advantage probably will be lost if the government postpones a decision until after the Sydgas project has been evaluated.

For security reasons, for example during a war, Western nations usually hesitate to enter long-term trade agreements with the Soviet Union. Sweden is no exception.

### 3. Gas From Norway

Norway already exports natural gas--from the Ekofisk region to central Europe and from the Frigg field to Great Britain--but it is primarily gas from the northern regions of our neighbor country that we are dreaming about and, preferably, in such large volume that it would be profitable to construct a transit pipeline through the entire country of Sweden.

The advantage of such a project, in addition to the fact that we would have a safe supply of Norwegian energy, is that this would be the largest industrial project in the history of Sweden.

During the construction phase, it would employ 4,000 to 5,000 workers for about 5 years, after which about 800 jobs would be created for supervision. The project would cost a total of about 25 billion kronor.

The government has commissioned the State Power Board to investigate the possibility of constructing a transit pipeline. The study alone will cost between 100 and 200 million kronor. By the end of this year the State Power Board will present a realistic plan on which subsequent parliamentary decisions will be based.

It is improbable that a transit pipeline could be completed before the late nineties at the earliest, although the timetable of the State Power Board is 10 years shorter.

The Norwegians' own view on the project was made clear at the natural gas seminar held by the Federation of Swedish Industries about a week ago at which Statoil director Bjorn Haug-Hansen said:

"We are calling for a more level-headed Swedish approach to the project. The timetables you are toying with now are totally unrealistic."

"Of course, we understand your desire to find large industrial projects, but many questions remain unanswered."

Here are some of them:

No one yet knows if the reserves are large enough to justify a large pipeline.

How will the project be financed? How willing are financial interests on the continent to help now that they have guaranteed themselves a considerable quantity of Soviet gas? What Swedish companies are willing and able to invest in the project?

The Norwegians have three other transport alternatives: their own land pipeline, their own pipeline on the ocean floor, and transport on LNG ships (Liquified Natural Gas--when cooled to  $-165^{\circ}\text{C}$  the gas becomes a liquid).

The Norwegians still must solve a number of technical and economic problems before a single cubic centimeter of gas is recovered in the northern section of the country.

#### 4. Gas From LNG Ships

In 1979 the government and parliament decided not to purchase liquified natural gas from Algeria. At that time, Gavle offered to construct an LNG plant for converting the liquified gas to a usable form.

This alternative now seems a remote possibility, but Canadian or Nigerian LNG imported by central Europe could be transported by the Sydgas network. Of course, it also could be imported directly by Sweden.

The LNG alternative could become closer to reality if Norway decided to transport its gas on LNG ships. This decision would be made only if the reserves proved to be smaller than believed. The LNG form is most profitable when used on a limited scale.

Of course, Swedish shipbuilders would welcome investments in LNG ships.

The questions that remain are the following:

Who today is willing to invest billions in the LNG plants that are required for cooling and heating the gas?

Since by far largest gas transports occur by pipeline, it would be difficult to share purchases.

In summary, it should be emphasized that each alternative has its own problems. If decisions are made at their usual rate, probably nothing will be done before the Sydgas project has been underway for several years.

If this is the case, the Soviet alternative probably will be eliminated, since its main advantage was that it could be accomplished in a relatively short time.

Thus, LNG imports and the dream of Norwegian gas remain and, with the words of the director of Statoil still ringing in our ears, it is probably that we must find another replacement for nuclear power other than natural gas.

The Industry and Energy Ministry stresses that the authorities are willing to make major investments in gas. Otherwise, why would they appropriate 100 million kronor for research by the State Power Board and why else would they guarantee the Sydgas project? They agree, however, that their timetables are somewhat unrealistic.



There are four main alternatives for importing natural gas to Sweden. 1. Gas from Denmark, the only project that is certain to be carried out. 2. Imports from the Soviet Union. 3. Natural gas from Norway. The State Power Board is investigating the possibility of a gas pipeline through Sweden. 4. Gas from LNG ships, i.e. liquified gas imported after being cooled to the liquid state.

Key to map:

A Possible gas supplies by pipeline or boat

B Copenhagen

A pipeline in Sweden would require some encroachment on the environment. In open terrain the environment can be restored after a time. The situation is worse in forest lands. There a path about 30 m wide must be maintained for reasons of safety.

If a transit pipeline through Sweden is constructed, it is probable that the first pipeline will be designed to accommodate the relatively modest quantities of gas that would be transported during the initial phase. After about 10 years a second pipeline could be added. This means that an even wider path would be cleared.

9336

CSO: 3109/242

## COUNTRY POSTS EC RECORD FOR DECLINE IN REAL INCOME

Copenhagen BERLINGSKE TIDENDE in Danish 27 Sep 82 Sect III p 1

[Article by Frank Dahlgaard]

[Text] Since the mid-seventies, Danish wage earners have been experiencing a decline in real income which is larger than the decline in real income in any other EC country.

This appears from a 10-year survey recently published by the EC statistical office in Luxembourg, Eurostat.

During the 5-year period 1975-1980, real wages in Denmark declined by 5.3 percent, whereas British industrial workers experienced a decline in real wages of nearly 1 percent. All other EC countries experienced increases in real income during the same period.

The largest increase took place in Greece by as much as 27 percent during the 5-year period. Italy gets the second place with an increase in real income of well over 16 percent, followed by France (15 percent), Belgium and Germany (both well over 12 percent), Luxembourg (11 percent), and Ireland (well over 7 percent).

If one looks at the entire crisis period from 1973 to 1980, Denmark moves to the last place but one, while Great Britain has had the most unfavorable real income development within the EC. According to the EC figures of the newly published 10-year survey, real wages in Great Britain increased by only approximately 2 percent from 1973 to 1980, whereas real wages in this country increased by 8-9 percent.

All other EC countries show much higher growth rates for real income.

7262

CSO: 3613/4

## STUDY INDICATES DANES BEGINNING TO DROP SUPPORT FOR WELFARE

Copenhagen BERLINGSKE TIDENDE in Danish 27 Sep 82 p 5

[Article by Bent Bjørn Christensen and Kermit Nørlund]

[Text] The Danish population has changed its position on the concept of welfare within the last 2-3 years. Researchers at Århus University who follow the changes taking place in political positions find the Gallup poll published in the Sunday edition of BERLINGSKE TIDENDE surprising, but it shows that there is a better climate for government intervention against welfare.

Jørgen Goul Andersen, assistant professor at the Institute for Political Science at Århus University, tells BERLINGSKE TIDENDE that the Gallup poll shows dissatisfaction with the welfare state similar to the one existing in 1974.

"In 1969, there was a relatively unambiguous support of the welfare state, but that support collapsed in 1973-74, and that happened outside the political parties but to the benefit of the Progressive Party. Among other things, on account of that party's proposal for drastic changes in the social area, the population quickly reverted to its support of the welfare state, and it was very strong in 1979, after which date we have no more data," says Jørgen Goul Andersen.

He says that the result of the Gallup poll, showing that nearly 60 percent of the population is dissatisfied with the welfare state, in his opinion, is due to a massive political influence on the voters from all the old parties. The economic reality has been brought home to people more strongly, and the fact that the Social Democratic Party together with other parties has made proposals of retrenchments in areas which have been normally protected has had a decisive impact.

"The Gallup poll indicates that there is a reasonably good climate for intervening against developments in the welfare state, at least in general terms. However, there is no doubt that the picture is somewhat different if one looks at people's attitudes to cuts in individual areas.

7262  
CSO: 3613/4

## STAGNATING OIL MARKET BRINGING UNEMPLOYMENT TO COUNTRY

Stockholm DAGENS NYHETER in Swedish 16 Sep 82 p 9

[Article by Bo A. Ericsson]

[Text] After many good years, Norway now is experiencing the major unemployment problems common in Western Europe. A serious deterioration in labor-market conditions, especially in recent months, has led to an unemployment rate among Norwegians today that is almost 50 percent higher than at the beginning of the year. Unemployment has increased by almost 100 percent since the fall of 1980.

A total of almost 600,000 people are without jobs in the Nordic countries. This is more than ever before during the post-war period.

In addition, over 200,000 are employed only as a result of state subsidies or are part of the hidden unemployment problem. In Sweden, this group amounts to over 100,000.

There are no signs of improvement in any of the Nordic countries. Instead, additional deterioration is feared. In Finland, for example, it is feared that nearly 200,000 people may be without work this winter, the figure is about the same in Denmark, and in Sweden it will be about 170 to 180 thousand.

In Norway, almost 45,000 people were known to be unemployed at the end of last month. Even though this is a dramatic increase by Norwegian standards, the unemployment problem in Norway still is less severe than in the other Nordic countries: 2.7 percent compared to 3.7 percent in Sweden and about twice that figure in Denmark and Finland.

It is believed, however, that the situation will continue to worsen. Norwegian LO (Federation of Trade Unions), for example, fears that about 50,000 or more will be unemployed this winter.

At the same time, the number of available jobs has decreased to an average over the past 3 months of about 4,700. This, too, is a record low and it means that there are about 10 unemployed Norwegians for each available job.

The background is as follows:

For several years Norway has enjoyed considerable economic growth with extremely low unemployment.

Last year, however, this trend was broken. Total production increased by only several tenths of a percent, compared to an average of 4.5 percent during the second half of the seventies.

In 1982 there probably will be no growth at all--even if the economic climate should improve--and the outlook for 1983 also looks bleak. Production is expected to increase more slowly than in the other Nordic countries, for example.

#### Stagnating Oil Industry

Part of the reason for this slowdown is that oil production in the North Sea stagnated last year as a result of reduced demand.

The stagnation in the oil sector could not be offset by the so-called mainland economy. There the main problem has been the rising labor costs which have resulted from the drain of labor to the oil sector.

As a result of this process, Norwegian industry has lost ground both at home and abroad.

"Swedish industry, for example, is better off from a cost standpoint than Norwegian industry," according to the Norwegian Employers' Confederation (NAF).

Previously, the export industry had the greatest problems.

Today, however, the difficulties have begun to spread to industries producing for the domestic market. (The construction industry still enjoys a relatively favorable position, however.)

At the same time that industry is losing jobs, the traditional increase in state, county, and municipal jobs has slowed down. Norway, too, is trying to hold down public expenditures.

For the conservative government, the main goal is to keep inflation down by a restrictive economic policy and stimulate production, productivity, and employment.

Last year the inflation rate in Norway was 13.6 percent. This year it also is expected to be higher than in most Western industrialized countries--about 11 or 12 percent.

#### Concern

At the same time, it is clear that the government is concerned over the rising unemployment rate and it recently appropriated additional funds for improvements

in the labor market.

"Vocational training will be increased and the labor exchange service made more efficient," said a representative of the Labor Directorate, the Norwegian equivalent of the Labor Market Board. There will be a special effort to reduce unemployment among young people. It is estimated that nearly 30,000 people will be affected by these special measures this winter.

#### Active Policy

The labor union movement believes that the government's policy must be more active and that it must concentrate on keeping employment up.

At the same time, some members of the Norwegian labor union movement maintain that a reduced work week should be considered in order to increase employment.

This idea also has been expressed by the LO organizations in Denmark and Finland.

The goal is a gradual reduction in the work day to 6 hours for municipal employees (a high percentage of whom are women). Such a reduction would increase equality between the sexes, but it also would counteract unemployment.

#### Norwegians Earn More Than Swedes

Norwegian industrial workers now earn higher gross wages than Swedish workers.

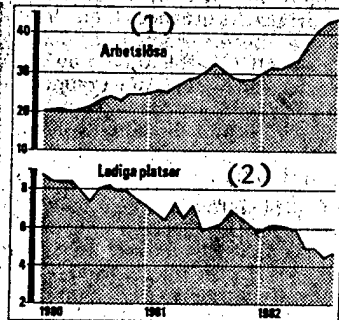
According to the Norwegian Employers' Confederation, Norwegian industrial workers earn, on the average, about 100,000 Norwegian kroner per year, or just over 90,000 Swedish kronor.

The average wage for Swedish industrial workers is about 80,000 kronor per year.

According to the employers, Norwegian white-collar workers in industry earn about 110,000 Norwegian kroner per year, or about 100,000 Swedish kronor.

In the public sector, average wages are at about the same level or slightly lower.

In terms of real wages, the trend has been better than in Sweden. A certain decline began only in 1980-1981.



Unemployment in Norway still is low by international standards, but it has increased dramatically this year. At the same time, the number of available jobs has decreased.

Key to figure:

- 1 Unemployed
- 2 Available jobs

9336  
CSO: 3109/242

## SWEDISH INDUSTRY INVESTING LESS IN PLANTS, MORE IN RESEARCH

Stockholm DAGENS NYHETER in Swedish 12 Sep 82 p 9

[Article by Thomas Lerner]

[Text] Simply increasing industrial investments is not a guaranteed way out of the economic crisis, but Sweden's starting point is favorable because companies have invested heavily in research and technical development, according to Gunnar Eliasson of the Industrial Institute for Economic and Social Research (IUI).

LO (Federation of Trade Unions) economist P. O. Edin, on the other hand, wants to see a rapid increase in investments in plants and machinery. This is what creates jobs, he said.

Investments by Swedish companies in machines and plants are at their lowest level in almost 20 years. But economists Gunnar Eliasson and Johan Ortengren of the Industrial Institute for Economic and Social Research (IUI) believe that the outlook is not too bleak. Instead, industry is investing more and more in research and development. This is part of the present restructuring of industry.

LO economist E. O. Edin is critical of their position:

"Industrial investments are too low today. No one can deny that. We must increase material investments in order to increase employment," he said.

Lowest Since 1965

Last year Swedish companies invested 18.7 billion kronor in new plants and machines in Sweden. The trend so far this year indicates that industrial investments will be at their lowest level since 1965 if price increases are taken into account.

This is true even though the companies investment funds are free to be used and even though numerous state investment subsidies are available.

Gunnar Eliasson is an economist and he works at IUI. He believes that Swedish industrial investments are not as low as they first appear. Investments in

research and development, so-called R&D investments, also must be included in the picture.

"Most people imagine Swedish industry as a bunch of factories and smokestacks, but that is incorrect. Swedish companies are, instead, like gigantic product development divisions and marketing companies," Gunnar Eliasson said.

He and his IUI colleague Johan Ortengren have studied Swedish investments in research and technical development as compared to other countries.

Their research shows that Sweden is one of the leading countries in the world in research. In 1971 we invested 1,5 percent of our GNP (the total of all goods and services produced in the country) in research and development.

Today, the figure has risen to just over 2 percent. No West European country has shown a comparable increase.

#### On Par With United States

"Sweden is on a par with the United States, which is considered to be the country that invests most heavily in research and development," Johan Ortengren said.

According to him, Swedish companies today use as much of their total value (the sum of their wages and profits) for investments as they did 20 years ago.

Investments in machines and buildings have decreased, but this is compensated by increased investments in research and development.

"This is a result of the restructuring of our industry. Previously, a large percentage of our investments were in capital-intensive branches such as mining, shipbuilding, and the steel industry," Johan Ortengren said.

"Today a large portion of our investments are in the engineering industry. Its R&D investments are much higher than in other sectors. This explains why material investments have declined," he continued.

LO economist P. O. Edin does not agree with this assessment. He agrees that investments in research and development have increased, but he emphasizes that material investments are much more important.

#### Reduced Capital Stock

"No one can deny that companies are buying fewer and fewer machines and are investing less and less in new plants. Even capital stock is being reduced. It is material investments that create jobs. That research is at a reasonable level and even is increasing must not overshadow the fact that industrial investments are at their lowest level in 20 years."

P. O. Edin also said it was not so remarkable that industry's costs for research and technical development had increased in recent years, since a large portion of them consisted of wages.

"Wage costs have increased much more rapidly than the cost of machines and buildings. Because of this, it is obvious that the percentage spent on R&D is increasing and overall investments remain at a constant level," he said.

P. O. Edin believes it is good that companies are continuing to invest in rationalization measures and that they are making investments to save energy.

#### No Expansion

"There is no expansion today. This is why steps must be taken to raise investments for expansion to a normal level," he said.

Why do Swedish companies not want to make investments?

Ulf Jakobsson of the Economics Ministry was involved in the most recent long-term economic study by the government which goes through 1985.

Ulf Jakobsson sees three reasons why companies do not want to invest:

1. Profits are too low.
2. Sweden's competitive advantages have disappeared.
3. Companies are cautious in general.

"The trend in Swedish industry today is bleak. We must achieve high and even growth in the future. Otherwise, the consequences could be devastating," Ulf Jakobsson said.

What measures are available for increasing investments?

#### Three Remedies

If we compare Mother Sweden to a sick patient who has sought treatment by a doctor, there are three primary remedies available to cure her.

- A. Increase state investments to get the wheels rolling again, one prescription says.
- B. The disease is so serious that certain parts of the body (read: mines, shipyards, steel mills, etc.) must be amputated if the patient is to recover, another says.
- C. Let the natural healing forces take over and the patient will recover in the long run. Some functions may be impaired, but we simply must accept this. This is a third prescription for healing the disease.

Some people, however, have given up all hope and all that remains is a stay at a long-term economic hospitalization facility where Mother Sweden will slowly waste away and remember the days when she lived in the lap of luxury.

Hans T. Soderstrom is an assistant professor of economy at Stockholm University. He believes we must be patient and wait for an improvement in the international economic situation and that Swedish wage earners must show restraint. Then the economic crisis can be solved.

"Swedish companies have a large reserve capacity. The machines can be utilized to a higher degree. In addition, companies often are financially strapped. For this reason, they prefer to strengthen their economic position rather than to make investments. Only when they have more money in reserve can they increase investments. But that may take time," Hans T. Soderstrom said.

He does not believe that we can invest ourselves out of the economic crisis in the short term. P. O. Edin, on the other hand, does believe this.

#### Stop Speculation

"Speculation and other financial maneuvers that are unprofitable for society must be stopped. Profitability today is perverse. It must be profitable for the capitalists to invest in industry," he said.

According to P. O. Edin, a lower inflation rate is the first requirement for stopping speculation. This is the very foundation of a sound economic policy.

Other requirements for creating an economic balance in Sweden, according to P. O. Edin, are the following:

1. The competitive strength of companies must increase.
2. The domestic market must be stimulated. It is the foundation for the large exporting companies, as well.
3. Economic policies must be based on stability.

It was pointed out that Edin seemed to agree with nonsocialist economists on how the crisis should be solved.

"There is no disagreement on these three important goals, but we do disagree on how they should be achieved. Some want the wage earners to pay the price through unemployment and reduced real wages. This does not create stability in the economy."

"I maintain that if wage earners are to take the responsibility for putting the country back on its feet through restraint in wage demands, they also must be given influence over investments, for example, through wage-earner funds."

P. O. Edin believes that the funds will invest their money in expanding branches, such as the engineering industry. He does not believe, however, that there will be an increase in employment in the traditional basic industries. But they, too, need investments to retain jobs.

As a short-term measure, P. O. Edin wants the state to spend more money on new roads, make other investments in transportation, and invest in new energy technology.

"This would reduce companies' need for reserve capacity, increase profitability, and improve competitive strength. Companies would be encouraged to invest and demand would increase in other branches of industry. The wheels would begin to turn."

Nonsocialist economists reject this way out of the present economic crisis.

#### Caught In Crisis

"On the contrary, with such investments we would be caught in the crisis," said Gunnar Eliasson of IUI. It is the task of the politicians to create a business environment that stimulates investments. Investments will come as soon as the conditions are right. We can no longer treat the symptoms, but must go after the causes."

There is a lively debate over investments by Swedish companies abroad. Some criticize investments abroad--we are losing many jobs that way, they say.

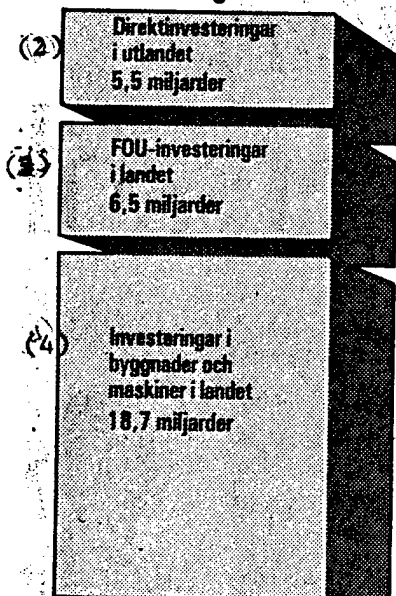
Last year the Bank of Sweden approved direct investments outside Sweden of 6.5 billion kronor. Birgitta Swedenborg, an economist at the PK Bank (Joint Post Office and Commercial Credit Bank), has studied the consequences of these investments for employment in this country.

Among other things, she discovered that investments abroad have a short-term positive effect on exports from Sweden.

"The important thing, however, is that research and development is stimulated here at home and that creates more jobs. Production investments abroad also help create a sales organization that facilitates exports from Sweden."

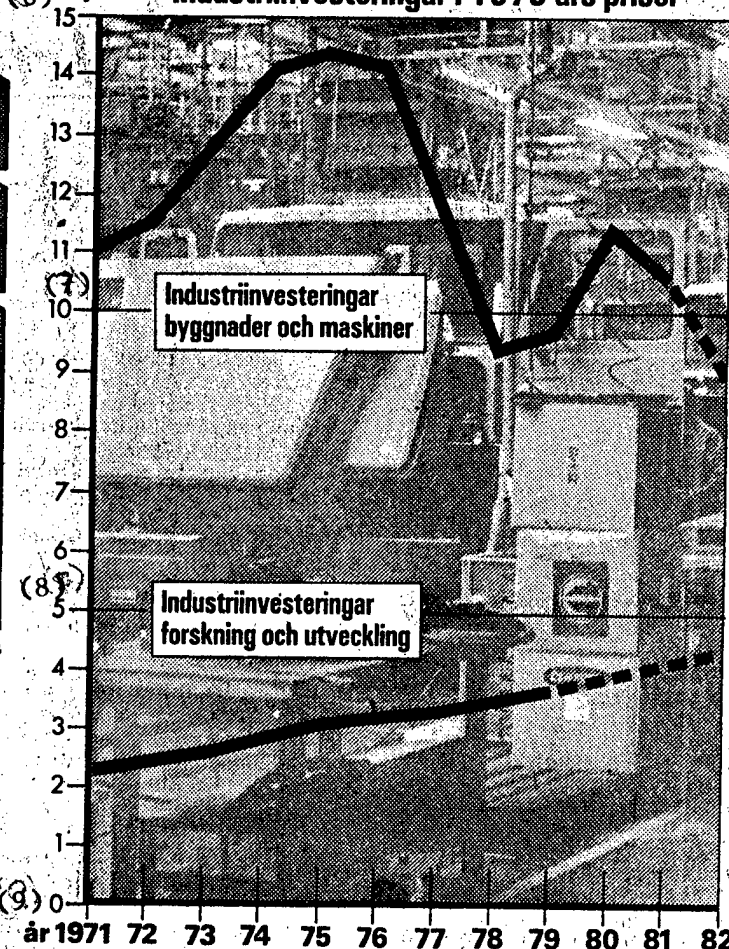
"It also should be pointed out that companies often are not torn between investing abroad or investing in Sweden. The choice is between investing or not investing at all," Birgitta Swedenborg concluded.

(1) Så här investerade industriföretagen 1981



Källa: Riksbanken och SCB

(5) Industriinvesteringar i 1975 års priser



(10) Källa: SCB  
Diagram: KENT ENSTRÖM

During the seventies, Swedish companies invested more and more in research and technical development. Investments in plants and machines, however, are dropping and, according to an SCB (Central Bureau of Statistics) prediction they will be at the same level this year as in 1962, if price rises are taken into account.

Key to figures:

- 1 Industrial investment for 1981
- 2 Direct investments abroad, 5.5 billion
- 3 R&D investments in Sweden, 6.5 billion
- 4 Investments in plants and machinery in Sweden, 18.7 billion
- 5 Industrial investments in 1975 prices
- 6 Billion kronor
- 7 Industrial investments in plants and machines
- 8 Industrial investments in research and development
- 9 Year
- 10 Source: SCB

## LIBERAL PARTY CONGRESS BACKS AUSTERE ECONOMIC MEASURES

## Excess-Profits Distributing Supported

Copenhagen BERLINGSKE TIDENDE in Danish 27 Sep 82 p 5

[Text] With the full support of the top people of the Liberal Party, the national congress of the party yesterday adopted a proposal to request the Folketing group to see to it that proposals be presented in the Folketing for a voluntary distribution of excess profits in the near future.

A voluntary excess-profits distribution attached to the individual wage-earner and without a central wage-earner fund has been discussed within the new government. This also applies to the question of urging enterprises and wage-earners, through the tax laws, to participate in the arrangement through the issue, for example, of tax-free staff shares or shares.

The chairman of the Liberal Party, Minister of Finance Henning Christophersen, stated at the national congress yesterday that he was very much in favor of spreading the ownership but that he recommended for the party not at the present time to lock itself up into certain models. For that reason, a proposal from the Liberal Party Youth for a concrete form of profit sharing was rejected at the national congress, whereas a general request for the introduction of profit sharing on a voluntary basis was adopted.

Henning Christophersen said that several different possibilities of spreading the ownership ought to be introduced. "We should not believe that all wage-earners feel extremely happy about becoming closely attached to their enterprises. Wage-earners are just as different as enterprises. That is why there must be many possibilities to choose from," he said.

Concrete formulations with regard to ownership and the situation in the labor market did, however, pass through the national congress through the adoption of another proposal from the Liberal Party Youth. It says here that "a stop must be put to the decision-making on the part of big organizations and concentrations of capital on behalf of the individual citizen. Especially in the labor market," the proposal goes on to say, "has the lack of decentralized responsibility led to a deterioration of our competitiveness, resulting in indebtedness and hundreds of thousands of unemployed.

The Liberal Party wants for the individual to exert an influence at his place of work. The Liberal Party wants the trade union and economic power concentrations to be broken down systematically through a spread of the ownership, so that more people become personal owners of Danish trades and industries." A sentence to the effect that large fusions in the business sector could be stopped by an active anti-monopoly legislation was removed from this statement at the request of Henning Christophersen.

#### Break From SDP Policies Applauded

Copenhagen BERLINGSKE TIDENDE in Danish 27 Sep 82 p 5

[Text] It is the ambitious goal of the new non-socialist government to carry through a change of course in Danish political history. The Social Democratic policies of many years have worn themselves out. The Social Democratic Party has recognized for the first time that the country is in a situation of economic disaster, and this has thus been the point of departure for a liberal social effort in the coming years.

This is how the chairman of the Liberal Party, Minister of Finance Henning Christophersen, evaluates the present situation after the change of government and on the basis of the session of the Folketing which will start next week and which, in his opinion, will hardly be marked by any major dramatic events at the start.

There is, of course, a need for reforms but not in the Social Democratic sense of the word, Henning Christophersen said in his speech yesterday at the national congress of the Liberal Party in the Falkoner Center. It will now be a question of simplification, a greater responsibility on the part of the individual, better educational and research efforts toward a close society in accordance with the cultural view of the Liberal Party. In his speech, the chairman of the Liberal Party referred to the chairman of the Folketing, Svend Jakobsen (Social Democrat), who, according to the mass media, seemed to have become offended by the fact that the new government had announced that it will use its legal powers to undertake a simplification and reorganization of circulars. They have to be a bit careful, said Henning Christophersen. If anybody has been exploiting their legal powers, it is the Social Democratic Party. While applauded, he stated that the new government will, of course, exploit its possibilities to make the bureaucracy of the public sector more human, and he would, by the way, like to see the Social Democrat who, in the Folketing, would act as the last knight of bureaucracy.

The minister of finance did not expect any private negotiations in the near future in the office of the prime minister on legislative initiatives. The government will present its proposals openly in the Folketing and seek a majority for them where possible. He made a strong appeal for a broad cooperation in the Folketing. In that respect, he had in the course of the national congress of the Radical Liberal Party recently seen signs of

readiness on the part of the Radical Liberal Party to take its share of the responsibility, and he found it interesting that a Radical Liberal member of the Folketing (Janne Normann) had acted as speaker at the national congress of the Progressive Party. This might be an indication that the will to cooperate was spreading, Henning Christophersen added.

#### Youth Wing Behind Party

Copenhagen BERLINGSKE TIDENDE in Danish 27 Sep 82 p 5

[Text] The Liberal Party Youth acted in a strong and efficient manner at the national congress of the Liberal Party which was held in the Falkoner Center over the weekend. Representatives of the youth organization left their stamp on the political debate, and it was clear that the Liberal Party Youth had prepared itself well for the task to exert its influence on the national congress. It was not a question of any youth revolt--those days are gone--but essentially of support of the party's official policy, however, with an emphasis on greater focus on the political issues which are of special interest to young people.

On the latter problem, the deputy chairman of the national organization of the Liberal Party Youth, Kurt Landtved-Rasmussen, Otterup, said: "In the present serious situation, the Liberal Party will have to cooperate, and cooperate loyally, also with the Conservatives, on a solution to some acute problems."

#### Paper Comments on Congress

Copenhagen BERLINGSKE TIDENDE in Danish 27 Sep 82 p 6

[Editorial: "LIBERAL PARTY'S WATCHWORD"]

[Text] The Liberal Party was in the same situation as the Social Democratic Party. They did not really know either what to do with their national congress. When the Social Democrats had their meeting, the Social Democratic government had just resigned, but no new government had yet been formed. It is true that when the Liberal Party held its national congress last weekend, a couple of weeks had elapsed since the formation of the government, but its program has not yet been presented to the Folketing or the public. The Social Democrats did not have any policies to fight for. The Liberals did not have any program to fight for. There was nothing to defend and nothing to attack. That is the way it goes when a party is unfortunate enough to hold its annual congress in a political vacuum.

But there was, of course, happiness at the national congress of the Liberal Party that the party did again have government responsibility. It has taken part in the creation of a new possibility for the non-socialist alternative--in a hitherto untested constellation and, for the

first time, under a Conservative prime minister. This was hardly entirely according to the expectations of the party, but the national congress confirmed the loyalty, and there is no reason not to believe that the Liberal Party as the party with the most experience in governing will come to play an important role.

Under the circumstances, it became a national congress marked by watchwords. As chairman and minister of finance, Henning Christophersen presented the main lines of a policy showing a clear break with the policy which was pursued under the governments of Anker Jørgensen. The watchwords will be cuts in expenditures, simplification and clarity. The government will not come up with big plans and with packages like those presented to the Folketing by the Social Democratic governments. Henning Christophersen stressed that the government will pursue an economic policy which will be based on the desire for a general improvement of the conditions of the trades and industries. Put in simple terms, the government will concentrate its efforts on providing such conditions for the trades and industries that our competitiveness will continue to improve and the export possibilities will become increasingly better. That was what the Social Democrats also recognized: that it is our exports which will have to help the country out of its economic dilemma.

It was as if Henning Christophersen had premonitions of the way the Social Democrats would react to such a policy, but, then, that is hardly difficult to predict. This is not a retrenchment government, nor an economy government, he said, and, to be truthful, that is exactly what the new opposition will call it. There will hardly be a shortage of howls to that effect in the coming winter, and, to a certain extent, they may be explained through concrete actions on the part of the government. However, to the Liberal Party and to its minister of finance, it is a question of a government which is a promoter, which breaks down the bureaucracy, which makes life easier for the trades and industries and for the individual citizen.

7262  
CSO: 3613/5

## PARTIES PREPARING FOR PARLIAMENTARY ELECTIONS IN 1983

Helsinki SUOMEN KUVALEHTI in Finnish 17 Sep 82 pp 64-65

[Article by Mikko Pohtola: "Future Policy Directions"]

[Text] Since the presidential elections, Finland has politically been going through an interim period, typical of which is waiting, surveying the situation and lying in wait. In expectation and fear of the coming national elections, readiness to take the initiative seems to have disappeared in the party bureaus as well as among individual party leaders. In spite of this air of quiet, future policy lines are being discussed in the different parties, alternatives are being weighed and conjectures are being advanced.

While as generally viewed the formation of a government after elections is a painful chore for anyone, the president naturally has his own ways of getting the republic back to a normal order of the day within a reasonable amount of time.

The materialization of the future government will also be a demonstration of the new president's way of governing, just as it will be a policy line that will be closely followed both at home and elsewhere as well.

## SKDL or Conservative Party

In backing Mauno Koivisto in the first ballot of the presidential election, with the exception of the Stalinists the SKDL [Finnish People's Democratic League] undoubtedly even then had its eyes on the parliamentary elections. For the Social Democrats the gesture was at one and the same time a relief and a burden. There are two different opinions in the party over continuation of cooperation with the Left in the government beyond March 1983. Then too, the municipal elections lie ahead of them just next year.

All of the SKDL and SKP's [Finnish Communist Party] actions over the past few months have merely pointed to parallel behavior, the desire to continue to participate in the government.

Compensating for the diminishing support they have at the price of an already procured advantage, revolution, gives the SKP's new leaders a chance to display to the outside world at least one intact side of a cracking overall party picture.

In political circles it is felt that the big brother party also apparently feels it to be of ongoing importance for the Communists to keep their seats in the government. Viewed from a domestic standpoint, remaining in the opposition would mean a clearcut decline in Communist prestige.

For the Social Democrats, keeping the Communists in the government would be a considerably easier alternative than letting them make a racket as a united group at workplaces.

While the coming government decision is to the utmost extent a matter of domestic policy, the influence of the SKP on foreign policy has not constituted any sort of obstacle, at least not for previous governments. If Kalevi Sorsa stays on after the elections, he already has enough experience in cooperating with the Communists -- and in Moscow, for example, he probably has just as good a name as any Finnish Communist today.

The situation as concerns the Conservative Party, which is constantly strengthening its support, is far more problematic. No one doubts the party's desire to participate in the government. Portfolios have now been distributed many times over in Ilkka Suominen's staff districts.

While the Conservative Party clearly opposed the choice of the current president, it does not even talk about his foreign policy reliability any more. The new parliamentary delegation will probably swallow and tolerate a Tuure Junnila with minimal opposition.

In terms of domestic politics, the question of first importance that arises is whether the Communists and Conservatives can sit down together at the same table.

What jabs Social Democrat and Center Party leaders take at the Conservative Party's fitness for the next government, however, remain to be seen before other attempts at dimming the party's martyr image are made. A definite "no" would bring the Conservative Party more voters.

With these prospects in sight, the present government coalition still seems to be the brightest. No risks of or speculations about changes of policy line are associated with it.

The Conservative Party would be recompensed in other areas: The speaker's seat in Parliament could, for example, be a consolation prize if Johannes Virolainen is no longer elected from Uusimaa.

#### Center Party Touchstone

The decline of the rural population is primarily viewed as a drop in the number of Center Party and Communist supporters. Over a year ago a center-party executive committee was agreed on between the Center Party, the Liberals and the RKP [Swedish People's Party] for the purpose of making cooperation among center groups firmer, in the form of election coalitions, among others.

This cooperation experienced its first hard blow when the Center Party's Helsinki district felt it wiser to withdraw from the proposed election coalition with the RKP. The reasons have not yet been fully explained, but according to some reports the fear that only RKP candidates Ingvar S. Melin and Jutta Zilliacus would benefit from such cooperation was decisive.

The Center Party has not yet gotten a single parliamentary representative in the Helsinki election district, nor has Kyllikki Virolainen, who doubts that she would win, given her final answer as to whether she will run as a candidate or not. She has also publicly indicated before that one reason for her indecision is the low income a parliamentary representative receives.

Appearing as an animated participant in the Helsinki Municipal Council, Ilkka Hakalehto's chances of winning in the parliamentary elections are judged to be practically nonexistent.

If the Center Party district has figured on getting itself one representative into Parliament with the support of RKP constituents, this estimation is at least not based on the mathematics of previous elections, but on faith. If, on the other hand, their aim has been to drop Melin because of differences between him and Hakalehto over the Helsinki subway, for example, they have been trying to eat blueberry soup with a fork.

It is easy to understand why the RKP has adopted a tough line: Dropping one representative would mean a 10-percent reduction in the party's parliamentary strength.

In the 1979 national elections, the RKP gained two parliamentary representatives in Helsinki and the Liberals one, but the third partner, the Center Party, got none. Therefore, the RKP would have to be satisfied with one seat, which is why the party's concern that the election coalition may now founder is evident.

According to certain reports, not only the Center Party's Helsinki district's readiness to take the initiative itself is behind what has happened, but also a condition set by the Liberals for joining the center coalition. According to an explanation given by Hakalehto, an election coalition composed solely of the Liberals and the Center Party would have won two parliamentary representative seats in the last elections.

Four years have gone by since then. Support for the Liberals has constantly been dropping and in Helsinki both the Social Democrats and the Conservative Party have with growing strength been encroaching on the fringes of the center.

The fact that precisely in Helsinki the Center Party has been incapable of benefiting from alternative movements or of producing new, appealing candidates, as the other parties do, is generally regarded as inconceivable. The unsuccessful attempts of party warhorses in previous elections are scarcely creating the image of a "reviving center" in the capital district.

11,466  
CSO: 3107/183

## KRASUCKI: CGT PLANS, WAGE FREEZE, STRIKES, RIGHTS

Paris L'HUMANITE in French 8 Sep 82 p 5

[Speech by Henri Krasucki, secretary general of the CGT [General Confederation of Labor]

[Excerpts] Yesterday afternoon, 20,000 CGT members from all over the Paris region attended the traditional early September meeting of the workers confederation, which was held at the Porte de Pantin. The crowd was addressed by Henri Krasucki. Portions of his speech are given below.

At the podium, Mr Krasucki was accompanied by all the members of the confederation bureau, the secretaries of the CGT and UGICT [General Union of Engineers, Administrative Personnel, and Technicians] federations, secretaries of the departmental unions of the Paris region, members of the URIF [expansion unknown] bureau, representatives of CGT retirees, and representatives from the Confederation Youth Center.

"At this time when people are going back to work after their vacations," said Henri Krasucki, "hopes are mingled with uncertainties and even with some worries about economic and social prospects. The question that many people are asking themselves is this: Are things moving in the right direction now, and will they do so in the near future?"

"Consequently, the question facing the CGT and the workers is: What union action, for what goals, and using what means?"

"The choice of the CGT," he continued, "was clearly and resoundingly expressed by the congress last June. We want changes; we want the progressive reforms which have been begun and which must be undertaken to succeed, and our action is directed toward that goal."

Henri Krasucki commented: "The CGT, the workers' union, is above all else guided by its mission to defend the workers' interests."

### The Essential Question of Means

What is essential at this time? On one side there is management, allied with the forces of conservatism which the slightest social measure stirs up, which is rendered insatiable by the concessions made to its interests. And in an opposing political environment, there are advocates of austerity on the part of the left. Both sides are applying pressure to bring about an economic and social retreat and a defeat for the left.

On the other side are the decisions and measures adopted by the new parliamentary majority. These decisions will have important consequences in the months to come. The workers may take massive action--with the CGT and the other unions which want to move forward--to support these orientations.

In order to solve the problems we have, "the right decisions must be made. The essential point is the issue of the means we have and where we are to get them. The CGT has never concealed this. Either the workers pay the cost, and we know what that leads to. Or in the other case, we act differently than in the past, and than is done elsewhere, in order to obtain something different, something better, and move forward. This is the true meaning of the CGT's action."

"We can see the general conditions clearly, what good was done, the real problems, both internal and external. The answer to the workers' present questions is found here. How will austerity be exercised? Will things shift in the right direction to take the means where they exist? And how far must this go, if it is to be effective?"

### The Answer to These Questions Depends on the Workers

"It is certainly true that it would not be realistic to call for 'all or nothing,' and we aren't doing that. But in each area, we must still do enough in order to produce a result."

"We aren't speaking from an ivory tower, like advisers with no responsibilities. There are some things which are up to the government, and we are expressing our opinion on this subject, as we have a legitimate right to do."

"There are things which depend on our own union action, and on the workers themselves. There are things we must win from management through our own struggle. And areas in which we must move forward in taking responsibility for running our own business, through our own initiatives."

"The workers hold a large part of the answer to the questions in their own hands. It is legitimate to ask questions, and it is understandable that there may be doubts."

We have ourselves made it abundantly clear that the changes are not having a sufficient impact in everyday life, in work, and in our existence, so we can understand these concerns and express them, as it is our role to do, loyally and with the necessary firmness."

"With the same openness and loyalty," continued Henri Krasucki, "we are pointing to the reforms which have been started, the achievements we have won, and the positive measures that have been taken."

"We can even understand that sometimes there will be talk of disillusionment, of disappointment. But here we must say, not intending to anger anyone--but in fidelity to the language of truth which we are determined to use under all circumstances--that people are mainly disappointed when there are too many illusions."

"The workers need lucidity if they are to act effectively."

The CGT secretary general remarked that the class struggle is still the reality of social relations, and that the forces of capital and reaction have not given up their attempts to have their own way. The coming of the left to power has changed a good many things. The world of labor does not want a return of Giscard, Barre, or Chirac. The workers may well win some points, but there can be no question of simply being spectators.

"What we have to ask ourselves is not so much: 'What is going to happen?' Rather, we must ask: 'What are we going to do so something good will happen, and so we can correct whatever is not good?'"

#### Two Weeks of Information and Actions

"For this reason," continued Mr Krasucki, "the CGT has decided to sponsor a national period of information, debates, mobilization, and action, from 13 to 25 September."

"We want to give the workers an opportunity to reflect together with us in their places of work, an opportunity to develop a collective idea, to determine with precision the demands and objectives which they feel are necessary and possible, and to decide on the courses of action for them to achieve these goals and to make their voices heard."

The CGT is convinced that a resolute action must be conducted at the same time against both inflation and unemployment.

The effort to combat the crisis and move forward "poses problems primarily concerning the purchasing power and social protection; action to restrain prices; measures of tax justice in order to provide the necessary resources; industrial development and jobs; the workers' rights and their role in the life of business."

#### No Agreement on Purchasing Power

"Concerning the issue of purchasing power, we have a disagreement, that is obvious," said Henri Krasucki. Nothing can justify the wage freeze and that is why the CGT believes that it must be lifted as soon as possible."

"For the time being, the workers are suffering from both the wage freeze and from higher prices. Even if the price spiral has slowed down, it still exists."

"If things were to remain at the point announced, the year would come to an end with a lowered standard of living for the workers. That is unacceptable and unhealthy."

"Generally speaking, we believe that low salaries must not only recover their purchasing power, but that this purchasing power must be increased between now and the end of the year. The SMIC [Interoccupational Minimum Growth Wage] should be increased to 3,600 francs. We feel that for other salaries determined by collective bargaining and by statute, their purchasing power should be maintained. We also believe that the provisions contained in agreements predating the wage freeze must be maintained."

The CGT agrees that specific solutions may be negotiated by branches, enterprises, and sectors. This is in line with the reality of the situation. "But the workers must get what is due to them! We reason in terms of purchasing power. The workers will not believe in an anti-inflation program for which they have to bear all the burden. And they will be right!"

"That is why we don't think that the problem of purchasing power has been settled. Things can't stay where they are now. The government must not hurt itself in this way. The workers also have their word to say. They must be listened to and suitable solutions must be found. That is why we are giving them an opportunity to speak out and to make themselves understood."

The CGT secretary general stressed that we can not ignore the consequences that any new tax to finance social protection would have on purchasing power. In these fields, the CGT, which has made some detailed proposals, feels that we are far from having explored all the possibilities of a more economical management and a more just method of financing, for social security, the UNEDIC [expansion unknown], or retirement at the age of 60.

### Keeping an Eye on Prices

The CGT is engaged in the battle against the too high cost of living. According to Henri Krasucki, this is a new field for union action in the new situation which has arisen. "Containing prices means supporting purchasing power and the economy." Some new possibilities have arisen for the workers.

First of all, this means taking action in the phase of distribution. Already, acting at the initiative of the CGT federation of trade, of the INDECOSA-CGT (consumers), results have been obtained in terms of the reshuffling of labels and import abuses.

Here again, and above all, prices must be controlled at all phases of production. The workers, acting with their CGT organizations, and the enterprise committees can fight against waste and help to provide a more efficient management, which will have an impact on prices.

"Some people are amazed by our dynamism. But intelligently defending the workers' interests is taking action for economic health and against inflation."

"Moving to the offensive, we say: let us take a close look at what is really causing costs to be so high. We are calling for access to the books. We want the enterprise committees to have the real means to study the true situation. The workers: manual workers, office employees, technicians, and lower management do not lack ideas; they can take part in this effort."

"By the same token, we are defending wages, working conditions, and social protection. And we are really improving the competitiveness of our products, and thus business activity and jobs."

"This is a new field for union action. And it is normal that the CGT would be the first to get involved in it. We must learn to do it well and thoroughly. We are going to help our organizations in this work."

According to Mr Krasucki, we must support action by the unions and by the enterprise committees so they will have the means stipulated by law. There must be improved cooperation between the price services and enterprise committees, within the enterprises, and with the departmental price committees. Our national and public enterprises will have a pilot role to play.

"If the government wants to take firm action in these directions, it may find the support of the workers and the forms of a useful cooperation by respecting the role of each group and their mutual independence."

#### Less Inequality

The CGT secretary general called for more social justice.

"We appreciate the fact that the proposed budget contains some measures that are moving in the direction of progress." (Taxable income raised to 65 percent for high incomes, maintenance of the exemption for 700,000 to 800,000 low incomes, etc.). "But we think it does not go far enough, both in terms of effectiveness and in terms of the real possibilities." Without excess, greater steps could be taken in the direction of taxing capitalist profits. A tax proposed by the CGT on interest earned on capital (1,000 billion for 1981) would bring in 10 billion francs. Taxes could be imposed on exported capital (77 billion in 1981), French money abroad (600 billion), etc. In order to defend our currency and the economy, we must really know where injustice is to be found.

#### A Spirit of Enterprise

While the principle of taking back the domestic market has now been accepted, for which the CGT takes some credit, Henri Krasucki commented that for a long time the CGT stood alone, as the only union, standing up under a crushing silence, incredulity, or sarcasm, to denounce the policy of economic decline, leading to the destruction of our industrial fabric. "Many who were uncertain or who had doubts have honestly come around now to admit that the CGT was right."

The truth is even worse than what had been thought. In 1960 our industrial imports made up 9 percent of the market. They now account for 26.5 percent. We import more than we export, he said, and cited several particularly significant and shocking cases.

We must understand how and why this was allowed to happen. The responsibilities of the right and of management are both overwhelming and disgraceful.

"Of course," added Mr Krasucki, "we never conceived of the nation's industrial renaissance as a sort of isolationist withdrawal. In this respect, it is strange to listen to the attacks being made against us by the determined advocates of the embargoes demanded by the U.S. government."

"It is really ridiculous to try to impose embargos and lose markets when all the big capitalist countries are in a state of crisis and are being crushed under the burden of unemployment."

"As a matter of principle, it is good that France calmly but firmly asserted its independence and sovereignty."

The speaker again emphasized how important the role of the workers can be in winning back the domestic market, and he gave several convincing examples in support of this position.

"We must find a way to reinvest the fruit of the labor of the men and women of this country. In this effort, the CGT intends to give its rightful position to an important cooperative sector. We can wholeheartedly state: We are the spirit of enterprise!"

Freedom: The Proof Afforded by Citroen and Talbot

Developing industry and services means developing jobs, and fighting against unemployment. Unemployment can also be lessened by improving working conditions, by cutting the number of hours on the job, and by reducing the precariousness of employment. Actions must be taken from within enterprises to hire young people between the ages of 16 and 18, and to provide strong solidarity contracts with the people hired, recommended Henri Krasucki. This is the purpose of the campaign which the CGT has initiated: 1,000 targets for jobs and training for young people. Better relations must also be established between the unemployed and their CGT committees and the unions in enterprises.

On another issue, Mr Krasucki pointed out that "one of the most important achievements of the reforms underway is the new rights which have been voted on and approved or which are now being debated."

"Citroen and Talbot are proof that the days of feudal power in business are over. We can not praise enough the merit of the immigrant and French workers in these two plants."

"Management can no longer walk all over people. Now the workers are stronger than in the past. Union freedoms must be grasped everywhere in order to create good CGT unions and defend our workers' demands."

#### Labor-Management Relations Board Elections

The CGT secretary general used the end of his speech to speak of the strengthening of the union, in light of the decisions of the last congress. "There are hundreds of thousands of workers who should be CGT members and who are not. There are thousands of enterprises where the CGT should exist now, and where it does not yet exist. Well! We will have to tackle this in the style of the 41st congress--that is, in an offensive, inventive, open, dynamic, and demanding style."

In closing, Mr Krasucki spoke of the labor-management relations board elections. "We are calling on all the CGT organizations for an exceptional effort in terms of registrations, contributions, support, and voting."

"And to all our workers, we say:"

"No matter what your opinion may be on any other issue, when it is a matter of defending your own interests against management, do you know anyone more trustworthy than a CGT representative?"

7679

CSO: 3100/964

## TRADITIONAL PCF STRUGGLE VERSUS GOVERNMENTAL ROLE

Paris CAHIERS DU COMMUNISME in French Sep 82 pp 14-23

[Article by Felix Damette]

[Text] Party of struggle/party for government: it is a very topical issue, but the formula is not new. The PCF has thus defined itself for a long time. The problem is to determine what is new about that expression today. Felix Damette here presents his personal contribution to an understanding of this issue.

The novelty of the expression "party of struggle/party for government" derives primarily from the 23rd PCF Congress and from the very concept of self-management strategy that was defined at that congress. The basic issue in such a strategy is posed in terms of the relationship between the state and the people's movement.

The driving force behind society's transformations is in the social movement itself, and at the heart of the social movement there are class struggles.

The major role of a revolutionary party is, therefore, to lead those struggles, give them coherent impulse in the direction of society's transformation, and see to it that the working class sets itself up as the social movement's leading force.

At the same time, the role of the state cannot be underestimated. While we must reject any idea of the state as a "control room" from which it is possible to manage society, it is no less true that the social movement cannot lead specifically to social change except through an act of state.

#### New Meaning

The great contribution of the 23rd congress was that it defined the relationship between the sphere of government and that of the social movement in terms of a "political expression of the advances made by the people's movement."

That idea covers a vast area affecting the role of the political parties, the concept of union and, above all, the concept of struggles and of government action.

As a result, struggles must now be conceived of as including a strong requirement for "expression at the state level." In one sense, that is not new. But traditionally, struggles have been designed to put pressure on the state from the outside, and it is a completely different thing today to realize that struggles may find their political expression at the state level. This leads us to ponder not only the definition of the objectives of struggle but also the methods of struggle themselves.

In return, that furnishes a focus for defining what government action must be--and evaluating what it is--with reference to the level of the people's movement in strength and quality.

That overall conception of the self-management process is valid in all circumstances, regardless of the political situation and the "color" of the government.

That being said, it goes without saying that putting the concept into practice presents problems that differ sharply depending on the political situation--depending on whether the government is in opposition to or agreement with the people's movement.

In that respect, the political change that occurred in the spring of 1981 calls for thoroughgoing reflection concerning the conditions for applying our strategy. It is conducive to a complex qualitative transformation involving contradictory aspects. There is an obvious difference between being a party for government in the opposition and being one in the government. It is clear that struggles have differing profiles depending on whether they are situated in head-on opposition to or in agreement--even partial agreement--with the government in power. It goes without saying that the relationship between struggle and government is much more fertile and complex when the party of working class struggle is participating directly in government.

That being said, the essential point remains--that is, a strategy based on the struggles to advance the people's movement and on the political expression of those advances to make them concretely present at the state level. Participation in the government is an advantage as far as developing that strategy more strongly--improving its political expression--is concerned.

But at the same time, things are more complex because of the limits of the people's movement and the illusions it may convey and also because of the balance of power, which is highly unfavorable to us. This leads us to participate in a policy which may differ from ours on many points and which includes elements whose dangers we have previously--and with good reason--denounced. This must not be lost sight of.

But there again, we find strategic orientations laid down at the 23rd congress, particularly the democratic approach that consists not only of fully accepting universal suffrage but also, and even more, of regarding its results as the most accurate indicator of the real state of people's awareness and of the people's movement. This leads us to take note, in the full sense of that term, of the election results and of their significance.

That being said, and in view of the complexity of the situation and conditions, the essential thing is still the clarity of the approach--which is to cause people's awareness and realities to advance--as defined at the 24th congress.

And the conditions do exist for causing people's awareness and realities to advance together by combining the people's movement, the struggles, and government action in a consistent manner.

Following these preliminary reflections, the question of party for government/party of struggle becomes this: "Considering the level attained by the people's movement and the political situation, how can one insure the best expression by the government of what that may be, and especially, what struggles should be engaged in to cause the movement to advance in such a way as to win new bases of support and cause revolutionary ideas to progress?"

#### Struggle in the Positive Mode

In its own way, the formula "struggle in the positive mode" sums up the novelty of the situation very well.

When big capital is in power, every struggle collides with and opposes the government's basic options. Struggles today can be placed within the general framework of a leftwing government's options. We even say that that framework must be respected. As regards the key question of the nationalizations, for example, we take note of the fact that the voters as a majority have chosen Francois Mitterrand's program, and we will not challenge the field of nationalizations as defined, even though we consider it too narrow. In other words, there must be a certain overall consistency between people's intervention and the Left's orientations--a statement that must be understood less in the sense of a limitation of the field of people's intervention than as an implementation of that intervention in support of the new government's actions.

On that basis, we can distinguish various levels of struggle in the positive mode--of high-level and coherent class struggles--in different forms considering the presence of the government and the majority position of the party of the working class.

On the elementary level, struggles are necessary to insure respect for the commitments made by the president of the republic themselves. For example, Francois Mitterrand pledged to raise our national coal production to a minimum of 30 million tons by 1990--and more if possible. But now various intrigues are underway--on the French Coal Board itself, in various ministries, and in other places--to try to reduce that basic political commitment to the level of a vague election promise to be filed away with our other memories. As though by chance, President Reagan is insisting at the same time that France be supplied with American coal. It will require struggles--even difficult struggles--to insure that the commitment made by the president of the republic is respected, and this is definitely a struggle on behalf of a party of the presidential majority and a struggle to produce French.

On another level, there is sometimes a sizable gap between the positive decisions adopted by the government and their implementation--a gap that struggles can help to overcome. This is true of the price freeze, which can only be effective with intervention by those concerned, particularly the enterprise committees. This is the case with the 39-hour workweek with no reduction in pay--struggles are indispensable for putting that plan into effect.

More generally, the employers are putting up fierce resistance to all improvements and all measures for change. They are ready to accept all public funds provided that they can continue as before. This is obvious in the private sector, but unfortunately, it is very often true in the public sector as well.

In order for the beginnings of change to penetrate the large auto manufacturing firms, the remarkably extensive struggles that we have witnessed were necessary.

Everyone can see that enforcement of the Auroux Law is encountering systematic barrage fire from the employers, even though it is a prudent law that does not go as far in some of its provisions as those in effect in other European countries.

The solidarity contracts have been blocked by the employers, who are demanding public funds with no strings attached. There again, the only solution is struggle.

This affects more than the firms.

The Rigout training programs--the priority education zones--are encountering a whole series of obstructions, even in government departments and sometimes in certain teaching circles. Things will not move forward unless those concerned get involved and struggle in the most diverse ways to unlook doors.

That being said, there are problems at a higher level.

When the government appoints or retains men at the head of nationalized enterprises who lose no time in flaunting options contradicting the main thrust of leftist policy, it is up to the people's movement to remove that ambiguity by imposing on the nationalized sector the new options of reconquering the domestic market and creating jobs, which are the guiding themes of government policy.

If the government happens to show an accommodating attitude toward redeployment and monopolistic logic, the workers must intervene through struggle to prevent the Giscard-style rough stuff which some people would like to continue and of which there are plenty of examples. There is no reason to be surprised that the tremendous pressure from the Right and the employers should be effective to some extent. But it is necessary that corrective and at least equally effective action be taken if we want to maintain our course.

Lastly, the same question arises if the government itself takes steps that are contrary to the interests of the workers, the major options of the Left, and the Left's commitments. It can happen. An example is the wage freeze.

## Responsible, Bold, and Dynamic Thinking

Some people may imagine that there would be conflict in such a case between the government position and the development of struggles. That idea is due to a mechanistic view of relations between parties and the government. It is the rightwing view--which has prevailed for 23 years--that parties in government serve as political transmission belts for the government in exchange for the distribution of jobs among "buddies and rascals." The Left's idea is the exact opposite: the parties are not agents for carrying out the government's will but the trailblazers--the political vanguards revealing obstacles and suggesting possible courses with a view to being consistent with the agreements reached together in the presence of the voters. It is that responsible, dynamic, and advanced view of government solidarity that must be developed in opposition to the old rightwing sluggishness with its completely erratic ways. And at this level, it is a matter of losing no time in creating the conditions for just and effective government action in keeping with the Left's commitments. This involves very responsible but also bold action by the political parties. They must commit themselves in advance of the government rather than just following along in its wake. It is precisely here that the major responsibility of a leftwing party for government lies. And if, here or there, some disagreement or other should arise, there is no reason to dramatize it provided that everything remains within the framework of the Left's basic options. And in the final analysis, it will be up to the voters to decide. It is important that healthy emulation develop between the leftwing parties--and this applies to their differences as well--and that each of the parties occupy its specific terrain in relation to the government, a terrain located on the first line of the political front.

This aspect of matters may have been disguised over the past year by the fact that the government has been led to introduce and adopt a series of urgent reforms, most of which, for that matter, had been planned. But this cannot and must not lead one to think that it is in the nature of things for political initiative to be the prerogative of the government alone.

On the whole, the formula "party for government" is not defined as being in opposition to struggles--quite the contrary. What it means, instead, is a party of struggle supporting the options and achievements of the government action in which it participates.

And, going further, that brings us to the very concept of struggles--to the definition of the objectives of struggles. To simplify, we could say that the good objectives of struggle must at the same time represent possible actions for a leftwing government concerned to implement its own policy.

## Revolutionary and Realistic

Essentially, therefore, it is the concept of class struggle that is at issue, and this brings us again to our strategic process itself.

We have defined our self-management approach in terms of a step-by-step approach, meaning that advances are made at the same rate as the progress in awareness,

without rushing or forcing the people's movement--without any "magical night," regardless of its source. That step-by-step approach represents a concept of democratic advance which combines class struggles and universal suffrage, the mission of the struggles themselves being to bring progress in political awareness by achieving specific successes in the direction of realistic objectives. It involves the entire process of winning bases of support for later advances.

That thoroughly realistic approach is linked directly to an attitude proper to a party for government: it is not a matter of storing up strength to be used when the occasion arises, but of obtaining immediately a significant success that will be part of a continuous process of struggle, political explanation, and partial gains.

That will for realism obviously brings up the question of the rupture. Is there not a contradiction? Can one break with capitalism through a process which claims to be realistic--that is, one operating within the constraints of the existing structure, which is capitalism?

Obviously, there is a contradiction, but in the positive sense: it is a contradiction that the French workers movement can overcome.

One can be realistic and choose precise and limited objectives proper to a party for government as long as class struggles are included in an overall approach for changing society, as long as every political act signifies "a rupture" with the logic of capitalist profit, the monopolistic mess, and the management of big capital's crisis, and as long as that approach causes the idea of the need for change in society to progress.

What is at stake at this level is the crisis of the capitalist system. Faced with a structural crisis for which it can propose no solution, big capital can only suggest formulas for managing the crisis in terms of social regression and national abandonment.

On that basis, every anticrisis orientation has revolutionary significance. The struggle for full employment and social progress, combined in a consistent manner with the struggle for national independence and international cooperation, assumes an antimonomopolistic and anticapitalist aspect.

The basic conditions therefore exist for revolutionary realism.

It is a matter of going beyond the traditional division between specific practice concerned with demands, which is a necessary part of the capitalist system, and revolutionary talk, which is almost utopian, to really link up practice with the revolutionary perspective. This means going beyond simple demands to challenge the very rules under which capitalism functions on the basis of struggles for demands.

Saying that the conditions exist in no way means that the way is easy and free of obstacles--quite the contrary. It is a difficult but possible process. It is within the reach of the French workers movement, considering the specific features of French social structure.

This means that in the current conditions, it is possible to be the revolutionary party of the working class and a party for government simultaneously. The strategy worked out at the 23rd and 24th congresses makes it possible to overcome this situation, which is most certainly complex but also rich in new potentialities.

#### Missing Link

During the latest congresses, we advanced the idea of the "gap"--the sizable distance between the existing level of political awareness and the level that must be attained to make the solution to the crisis stand out clearly. This question is crucial: it involves the very credibility of our strategy.

Is it possible to bridge that gap? How are we going to overcome that obstacle? We answered that question in general terms at the 23rd congress by defining our step-by-step self-management approach.

That being said, there was often the impression that a sizable gap existed between that overall approach and daily practice--and it was not easy to see the connection between the modesty of the step-by-step approach and socialist revolution. There was a sort of missing link.

That difficulty is now in the process of being overcome thanks to the new criteria for management that we are proposing. It is no longer a matter only of denouncing the damage done by financial profitability--the source of the mess and the crisis--but of proposing new solutions in the name of economic efficiency, the latter being defined both in terms of political objectives and in terms of specific criteria applicable to management itself.

What we are proposing as a party for government is a process that is immediately operational: it provides an answer to the big questions being raised today: how will the public sector be managed? how can inflation be choked off? how can unemployment be reduced? what kind of tax system is needed? and so on.

It is a revolutionary process that specifically challenges capitalism at the very core of its mechanism, and it is aimed at socialism.

It is an operational revolutionary process in that it gives the working class the instruments it needs to assume a decisive role in society.

The reason is that implementation of this new practice leads the workers to intervene more and more strongly from within the firms in the orientation of production and, beyond that, in the development of the social movement.

What is at stake is the leading role of the working class, and it is therefore the highest political stake--the one which concerns the very nature of society.

From that standpoint, therefore, taking a stand as a party for government is a component of the definition of the revolutionary party, it being understood that in the final analysis, carrying out the socialist revolution means gradually setting up the working class as the leading class. It means forging,

through class struggles, the decisive role of the workers in the development of French society.

#### Difficulties

Although clear and consistent, that standpoint is nonetheless difficult to put into practice. The new policy is coming up against a cluster of difficulties whose origins are diverse but effective.

The first difficulty has to do with the very history of the workers movement. The entire history of the French revolutionary workers movement is marked by its refusal to enter the field of management, which is viewed as a reformist trap. That reluctant attitude was once legitimate. For a long time the conditions did not exist for braving those problems, and the workers movement could in fact see that those who ventured to try fell into class collaboration. Today, on the other hand, it is necessary and possible. It is necessary because the class struggle must be carried to that point on penalty of abandoning vital fields to the forces of capital and class collaboration. It is possible because we now have the means for tackling those questions offensively. The reformist danger still exists in the field of management, but the means exist for overcoming it. That being said, a complete reorientation is what is needed.

Tradition means a division between "protest" demands on the one hand and the revolutionary plan on the other. At the same time, it means a division between the so-called "economic" trade union field and the political field, which is basically electoral. All of that must be left behind without forgetting that the reluctance in question has historical roots and that even today, the new approach involves risks that must not be ignored.

The difficulty is all the greater in that tradition was reinforced and hardened during the programmatic period. Referring all "management" problems to the state was fully consistent with all habits of thinking, and it strengthened those habits at the very time when they should have been discarded. The result was a strengthening of all the behavior patterns for delegating power that now constitute a sizable obstacle to the deployment of people's initiatives and our self-management approach.

The habits of thinking left over from the programmatic period also weigh heavily on the issue of union, which itself is often conceived of in terms of a program. It is difficult to get in step with the new union, which comprises, on the one hand, a general agreement defining the main outlines of a leftwing policy today and, on the other hand, a type of practice that allows each side its full identity and freedom of movement, with the slight differences or even disagreements that such an arrangement very naturally may include. Those disagreements are not frozen, incidentally. They can evolve, and they have done so on many points, if only as a result of the changing situation.

Thanks to our latest congresses, we have a much more open and dynamic concept of union, viewing it within the framework of a healthy emulation that is much to be preferred over the "programmatic freeze." It is a union designed in terms of a political expression of the advances made by the people's movement.

That being said, it is true that implementation of this new concept comes up against various problems, its own newness, and certain aspects of the political situation.

The Socialist Party's dominant position is not facilitating things. The Communist Party's insufficient weight in leadership bodies creates an imbalance that is unfavorable to the entire Left, and this makes itself felt both in the government's orientations and in the quality of the government's action.

For all that, those problems do not constitute insurmountable ones: the big issue is to know what the dynamics are and in which direction things are moving.

The Proof Is in the Pudding

A strategy's credibility is judged by its implementation.

We said at the 24th congress: "It is not at all inevitable that the present situation will lead the country into a social democratic experience. It is possible to implement a policy other than that of managing the crisis for the benefit of big capital."\*

Judging from the howls coming from the Right and the employers, there is reason to think that the policy being pursued is not one of managing the crisis for the benefit of big capital--or at least that it is not the one that suits them. True, that is an insufficient basis on which to evaluate a situation. It can be better judged on the basis of objective changes at the government level and even more at the level of the people's masses.

At the government level, things are complex: considerable pressure is being exerted to achieve a compromise with big capital, but the government's anchorage in the Left is being reaffirmed in its statements and confirmed to a large extent by events.

Even more interesting is the positive change that can be noted on such issues as Palestine, the view of relations with the United States, or the partial modifications as far as the Soviet Union is concerned.

The weight of national and international realities is working in the right direction. Domestically, the Socialist Party is beginning to assess the suicidal nature of any policy for stifling the Communist Party. Internationally, Reagan's insolent hegemonism is leading to a firmer defense of France's positions.

And above all, there is the people's movement.

The most recent period has been marked by positive developments in the field of struggle for peace and disarmament and in the field of class struggles.

---

\* Resolution of the 24th congress, CAHIERS DU COMMUNISME, February-March 1982, p 379.

The auto workers have demonstrated what real change is: more favorable conditions for struggle and for winning against the employers.

Even if the wait-and-see attitude is still powerful, tendencies toward people's intervention are developing. The problem is that the struggles must take place at the political level required by the situation by combining the major themes of the democratic renewal: "social progress, the creation of skilled jobs, reconquest of the domestic market, and economic efficiency."

To achieve that, the people's movement has important bases of support at its disposal, starting with the great political ideas that we have caused to progress during previous years.

Essentially, the social democratic danger is not to be found at the level of the government. The main danger is probably the fact that capital will manage to impose on the masses a consensus in favor of managing the crisis. And it is in the mass battle against the forces of capital that the issue will be resolved.

All in all, being a party for government today is a necessary dimension for a French revolutionary party.

It is also true that the political situation cannot be evaluated except by bringing government action back into line with the country's general evolution and particularly with the evolution of the class struggles.

It can be said that the stakes and the level of class struggles are being raised today. For example, when we see Gattaz declaring peremptorily (in LE PELERIN, 18 July 1982) that "I will not stand for any questioning of the public spiritedness and competence of company heads," we can see in that a sign that the level of class struggles is being raised. The big employers are on the defensive in the sphere of economic competence and national independence. In fact, we do accuse capital of making a mess, of poor management, and of national abandonment.

In other words, class struggle is developing, and that is positive, and in particular, its level is rising, and that is decisive. And that is the main criterion by which to judge a situation.

11798  
CSO: 3519/5

## KKE(INT) OFFICIAL RAPS GOVERNMENT FOR SLOW CHANGES

Athens I AVGI in Greek 2 Sep 82 p 5

Text Comrade Kostas Filinis, member of the KKE-Int. Executive Bureau, speaking yesterday in Tripoli said in part:

"The cause of change has made some steps forward during the first year since the democratic victory in the election of 18 October 1981. But we can all see that it moves on very slowly and with uncertainty. It staggers not only because of the organized reaction and the undermining actions of the Right, big business and foreigners. This we expected. But it also stumbles because the government with its contradictions, delays and its reluctance to rely first and foremost on the struggle, the initiative and the actual participation of the working people themselves does not fight effectively against the designs of these reactionary forces.

"We, the fighters for change, will show the Right that its designs will be overturned, that Greece will not go backwards. Not only because the Right itself is bankrupt in the eyes of the people, but also because all the democratic and leftist forces no matter where they are, in or out of PASOK, will fight in a spirit of unity to fight against the contradictions and the compromises so that the people will become the true holders of power; to democratize the state machinery; to transfer more and more powers to the elected organs of local self-government; to have real control over the large capitalist business by the workers and by society; to have decisive participation of the workers in the public enterprises and to combat the economic crisis; to develop a strong, democratic syndicalist and cooperative movement, independent of the state and the parties; to impose an equal democratic dialogue on TV and the daily press; to promote democracy everywhere: in the state, the trade unions, the cooperatives and other social organizations, the political parties and especially in the leftist political parties.

"KKE-Int. all this time, starting from its own autonomous theses, has been fighting for this. And on those occasions when it severely criticizes the government, it acts for unity within the popular forces of change. Moving steadfastly in this direction we will not stop contributing to this struggle for the unity of the working people. Because without the decisive democratic and fighting intervention of the people, neither will the change move forward nor will the road to socialism open.

"The municipal elections offer an opportunity for PASOK to show to what extent it is prepared to show a spirit of equal cooperation to promote the cause of change in

this critical sector. ...This day our country welcomed Yassir Arafat. We salute in his person the heroic struggle of the Palestinian people who, although remaining virtually alone, have kept their forces and continue their struggle under new conditions. Our support for these brave people means also a fight for our own independence, for the independence of Cyprus, for our permanent withdrawal from NATO, for our getting rid of the foreign bases of death from our country.

"Today our country also welcomed the president of our friend, the French Republic. We hope this will signify that steps will be taken to promote peaceful cooperation in Europe and in the Mediterranean, toward a peace-loving Europe, independent of the two superpowers, a Europe in which the working people and the leftist democratic forces will fight to strengthen their positions on the road to socialism.

"Finally, let us salute the Polish workers who celebrated in a fighting manner the second anniversary of the Gdansk agreements which generated such hopes for a democratic socialism in Poland and which were cut short with the imposition of the military autocratic regime under Soviet pressure. Let us draw our own conclusions that an authentic power of the working people can be built only with a socialism combined with democracy, freedom, autonomy and self-management."

7520

CSO: 4621/518

ATHENS PAPER CALLS FOR OPENNESS IN CYPRUS ISSUE

Athens I VRADYNI in Greek 7 Sep 82 pp 1, 8

Text The postponement of submitting the Cypriot appeal to the UN was rather unexpected. The reasons offered for this postponement (an effort not to entangle the appeal with the electoral contest in Cyprus), however serious, are not entirely persuasive. Especially since it has become known that there is some difference of opinion between Athens and Nicosia precisely on the content of the appeal.

This is a difference of opinion which started at the same time as the signing of an electoral cooperation agreement between AKEL and the Kyprianou party. Without having any intention to interfere with the domestic affairs of Cyprus, we find it necessary to note the fact that, once again, the basic course of the Cypriot struggle is affected by internal political developments.

The presence of the Turkish occupation forces in Cyprus is a primary fact in assessing the situation and the problems it has created. Placing up front the demand for the withdrawal of these troops as a basic condition of the search for a just and permanent solution of the Cypriot problem, was in the past the basic point on which the Greek and Cypriot governments were in agreement. The recent political developments in Cyprus appears to have led to the undervaluing of this demand, to a different sequence of goals, on the part of the Cypriot government.

We believe that if indeed this difference of views between Athens and Nicosia led to the postponement of the appeal to the UN it should be started openly. The peoples of Cyprus and Greece must be informed on this great national issue. All the more so since reports indicate that the American side not only is trying to prevent the Cypriot appeal but also to undertake a "great initiative" in the form of a "Reagan Plan" for the Cypriot issue. This leads to the conclusion that it is possible that the postponement of the appeal will have some very serious repercussions since in effect it helps the American plans.

"Secret diplomacy" does not help in such tremendous problems because it leaves the peoples of Cyprus and Greece uninformed. As far as the Greek government is concerned it must inform the people without beating around the bush whether there is indeed any difficulty in applying and promoting the sound policy for placing at the top the withdrawal of the Turkish occupation troops from Cyprus, a line which had been agreed upon and declared in concert with Kyprianou.

7520

CSO: 4621/518

## THEOLOGICAL CONGRESS VOICES CRITICISMS

Athens AKROPOLIS in Greek 4 Sep 82 p 2

/Article by V. A. Lambropoulos/

/Excerpt/ The Fifth Panhellenic Theological Congress started its sessions yesterday under the chairmanship of Athens Archbishop Serafim in a tense atmosphere. For the first time in a theological conference, 2,000 persons from all over Greece took part and views were heard from different sides.

Suddenly, without warning and without being on the program, former Archbishop of Athens Ieronymos made a speech following the address of Minister of Education Ap. Kaklamanis. The presence of Ieronymos upset the participating ministers and deputy ministers, especially when he started attacking the news media.

The chairman of the Panhellenic Association of Theologians /PETH/, Professor Mouratidis, asked Ieronymos to step down, while members of the organized audience called out "let him speak."

The archbishop /Serafim/ intervened and with his familiar humor said: "You hot-blooded ones, remember you are addressing a hot-blooded hierarch. We find the assurances given satisfactory." Former Archbishop Ieronymos left the rostrum to bring tranquility to the assembly.

But later the greetings of the party representatives generated fresh tension, especially when all of them staunchly defended the course on religion. Each of the party representatives tried to convince the audience that he is a good Christian and devout Orthodox. Even the chairman of the Federation of Secondary School Teachers /OLME/ did so; he was booed strongly.

The audience was surprised by the presence of Zouraris, the representative of KKE-Interior. Brief, spare, true and above all analytical, Zouraris presented the elements which compose the credo of his party with regard to the church. He received the strongest applause.

OLME Chairman Oikonomou changed his tune saying that the theologians are equal members of OLME and that OLME never took a position against the course on religion. The audience loudly booed Oikonomou, while one teacher mounted the rostrum claiming a "takeover," saying that the course on religion was shortened by 1 hour.

Minister Kaklamanis

Minister of Education Kaklamanis tried to dispel the fear that PASOK will abolish the course on religion but also to reassure the theologians about the government's position toward the church. He said, in part:

"The Orthodox Church, according to the unadulterated tradition and its essence, is the church of the people, exists for the people, 'it is the people.' Contrary to the cleverly disseminated rumors we shall not weaken the ties between Orthodoxy and the Greek people, ties forged in critical moments for the nation in the course of its fighting march."

The assurances of the minister of education came as a reply to the words of Archbishop of Athens Serafim who said in his opening address: "The church-education cycle, if it is allowed to be broken, will likely result in the disassociation of Greek education from the Christian spirit and by extension the change in the foundations of the Greek fatherland which, if it survived the storms, it owes this to the united foundation of religion-education."

The New Democracy deputy and former minister, I. Varvitsiotis, spoke of the abolition of the morning prayer in the summer camps of the Ministry of Social Services and underlined the importance of the course on religion in the schools. He then called for measures against teachers who teach atheism in schools.

Party of Democratic Socialism KODISO Chairman G. Pasmazoglou, speaking of the assurances given by the minister of education regarding the course on religion, said that he is satisfied and that it is better to have "sound" positions, though inconsistent, than other positions consistent with the views of the government.

"The Tomatoes..."

Representative Zourari of KKE-Interior was revealing. He analyzed the place of socialism in today's society and then he spoke of the significance of the church in a society which is a sacramental community. He emphasized that "the ignorant experts who conspire to undervalue the course on religion should know that the church is the 'ark of the Greek nation.'" And he concluded:

"We must remind the technocrats of the intellectual corridors that they can only deal with the price of tomatoes and no more. Change cannot come with American stupidities shown on TV during the Holy Week."

The representatives of the other parties repeated known views and spoke of their political objectives with regard to the church. As the minister and deputy minister of education were leaving the assembly, the priest Tsakalos shouted against the decapitation of theological teachers-clergy with the Koutsogiorgas law.

The same attack was leveled against the chairman of OLME both for the effort to undervalue the course on religion and for the indifference shown by the leadership of the association toward the Koutsogiorgas law.

7520  
CSO: 4621/443

## BILLS PRESENTED FOR ABOLITION OF TWO METAXAS LAWS

Athens EXORMISI TIS KYRIAKIS in Greek 4 Sep 82 p 12

/Article by Gioulis Zitouniatis/

/Text/ The abolition of Metaxas Law 375/36 "on espionage" and law 942/46 "on pacification of political passions" with a bill introduced to the legislature by Minister of Justice Mangakis is a major step for the decriminalization of political life.

Under those laws Greek patriots and revolutionaries were tried and condemned for their anti-fascist activities and political views. As is known, under the law on espionage Nikos Belogiannis was tried and executed. Also Manolis Glezos and dozens of other fighters were tried under the same law.

Law 375 is a genuine product--as said in the introduction--of the fascist regime of the Fourth of August and includes in its clauses the intention of its authors to serve as an excuse to criminalize the anti-fascist political activity of that time. In any event, with this goal in mind, it strengthened the overall system of special legislation in the period after the civil war.

Deleted From the Criminal Record

The new bill provides that all the related files are to become inactive and all court sentences will not be part of a person's criminal record, while existing criminal record reports will be destroyed.

By introducing this bill Mangakis is starting the implementation of his recent declaration that he intends to abolish the entire complex of anti-democratic laws in the Penal Code.

The "introductory report" also underlines that the abolition of Compulsory Law 375 "on the punishment of crimes of espionage and criminal acts which threatens the country's external security" is not dictated only by the fact that it is deeply condemned in the common consciousness on justice. Its abolition is also required because the "country's external security" is protected effectively by the provisions of the Penal Code.

Law 942/46 "on measures for the pacification of political passions" is being abolished not only as unnecessary but also as dangerous because it criminalizes the political views.

#### It Is Necessary to Reorganize the State Machinery

The reorganization of the state machinery and the manning of the provincial services to serve the goals of decentralization of Local Self-Government is necessary according to Minister to the Premier Menios Koutsogiorgas. He spoke during the debate of the bill which deals with the politicization of the Armed Forces Information Service [YENED], the public servants, the creation of an advisory council to supervise the implementation of equality between the sexes in all sectors, etc., which was discussed this week in the legislature.

The debate became an intense confrontation between the minister to the premier and the parliamentary spokesman of the New Democracy Party K. Mitsotakis while the conflict centered mainly on questions which refer to the civil servants and state administration in general.

Mitsotakis, although he admitted that the civil service has always been weak, criticized the government for breaking up the state machinery, upsetting the ranks and the meritocracy.

#### Corruption Peaked During the ND Governments

The corrupt cannot become more corrupt, was the response of the minister to the premier. Corruption reached its highest levels during the governments of the New Democracy. You cannot speak of corruption because you were corrupt from beginning to end.

Of course, the minister said, ND cannot possibly agree to the transfer of civil servants from the center to the provinces because its policy was exactly the opposite, leading to the desertion of the provinces and the overcrowding of the two major cities, especially Athens.

Koutsogiorgas, invoking specific data, noted that the majority of civil servants serve in the area of the Attiki home with terrible effects on the provinces. He added that ND has no right to defend meritocracy which it completely destroyed by promoting all the years of its governments, its partisan friends and persons that collaborated with the dictatorship.

"Under those conditions," he said, "how do you expect us not to take measures and not to transfer employees? How else can we restore meritocracy while at the same time promoting Local Self-Government?" He concluded:

"You are mistaken if you believe that the government of change will rely on a state corrupted and partisan, which, as you were the first to acknowledge, has condemned you as a government."

## BRIEFS

PASOK-KKE ELECTORAL SPLIT--Kerkyra, Saturday. KKE-Exterior in a press release charges PASOK with "hegemonism and narrow partisan goals" as well as with "indifference toward the effort to promote unity in the coming municipal elections." KKE-Ext. asked for "rich concessions" in the municipal and communal elections in the island and this led to a conflict with PASOK. Finally, KKE-Ext. decided to run its own separate candidate. [Text] [Athens I VRADYNI in Greek 4 Sep 82 p 14] 7520

CSO: 4621/443

## LABOR PARTY ORGAN ON POLLS SHOWING SOCIALISTS GAINING MAJORITY

Oslo ARBEIDERBLADET in Norwegian 20 Sep 82 p 4

[Editorial: "Political Reversal"]

[Text] Some opinion polls indicate that a Storting election today would produce a socialist majority. Of course that is a pleasant thought as far as it goes, but naturally it is a disturbing factor that we are not having a Storting election today, tomorrow or next year. The earliest Storting election will come 3 years from now.

Even though we do not want to deceive ourselves by reading too much into the opinion polls we like the best, there are some clear and interesting general trends that seem worth noting. The Labor Party has registered gains ever since last fall's election. The Conservatives have registered losses. The middle-spectrum parties have lost a lot of ground. Some opinion polls indicate an absolute catastrophe for the Center Party.

What we can say under any circumstances is that a political reversal has taken place in the electorate since last year's election which produced a nonsocialist majority that resulted in Kare Willoch's Conservative government.

Now it is a well-known fact that the responsibilities of government take their toll and that every government suffers losses after a while due to the problems of wear and tear. Voters make larger demands on politicians. And party loyalty is not as great as it used to be. Voters constantly evaluate and judge parties on the basis of their performance.

What is so remarkable with regard to the Conservative Party and the Willoch government is that the voters have so quickly seen through and repudiated this alternative. Bear in mind that at this time it is exactly a year since the election that led to the government change. The Conservative government has not yet presented its own first national budget (although it might seem that it has because of all the leaks). Even so, it is clear that many of those who voted for the Conservatives last fall have already had enough. The signals have been alarming. The reports of rising unemployment have struck real fear into the hearts of many. We have also been

subjected to an element of social uncertainty that the Norwegian welfare state has been protected from for many years. Most people have discovered that the Conservative tax promises come with a bill in the form of a lower level of welfare and greater insecurity.

In this situation, more and more voters are turning to the Labor Party. Employment and social security are no longer regarded as just empty phrases and things to be taken for granted in Norway today. It is only when things break down in such central areas that people understand what has been lost. We believe that part of the reason why the Conservative Party is lagging behind and the Labor Party is gaining ground is precisely that the voters do not want the Conservatives to make experiments in which employment and social security are at stake.

It must be somewhat puzzling to Conservative strategists that the Labor Party gains are coming at a time when the Willoch government still refuses to assume responsibility and blames former Labor governments for everything that seems unpopular. It is obvious that the voters have seen through these tactics. The trends in the opinion polls show the verdict of the voters on the Conservative government's own political signals.

Before the 1985 Storting election, of course, we have next fall's municipal elections which will be the big political showdown in this country. It will be an opinion poll taken at the ballot box. There will be a particularly intense showdown between the Labor Party and the Conservatives in the nation's capital.

The Labor Party, with Thorvald Stoltenberg as candidate for chairman, will place great emphasis on regaining Oslo. The starting point has not been ideal but we have long maintained that it is not an impossible task. The opinion polls suggest that a political shift is already under way among Oslo voters. Here too the Labor Party is gaining and the Conservative Party is losing. The distance between the two parties is by no means insurmountable. The unsuccessful Conservative policies in Oslo with the shortage of nursery schools, the hospital crisis, the shortage of nursing homes, sky-high housing costs and sky-high mass transit rates simply have to work against the party and the politicians responsible for these things. And the Oslo Conservatives can no longer blame their own mistakes on the government and the central authorities to the same extent as they have done in the past.

No election victory, either in 1983 or in 1985, happens of its own accord. For the Labor Party the reversal that can be detected now must serve as an inspiration to even greater efforts.

6578  
CSO: 3639/1

## PAPER COMMENTS ON CHRISTIAN PARTY CHIEF'S COALITION REFUSAL

Oslo AFTENPOSTEN in Norwegian 27 Sep 82 p 2

[Editorial: "Politics and Vocation"]

[Text] In principle the Christian People's Party should be able to compromise with anyone. But a line must be drawn as to what KRF [Christian People's Party] can compromise on, in part out of consideration to those who have chosen the party because of its commitment to values. The abortion issue is one of these limits. That is what Lars Korvald, the Christian People's Party chairman and parliamentary spokesman for many years--and prime minister from 1972 to 1973--maintains in his book of memoirs, "Politics and Vocation." Korvald's conclusion is that the Christian People's Party should not enter into a nonsocialist majority government coalition in this Storting period. The faithful should never succumb to the temptation to enter into a government with the Conservatives. According to Korvald, the Christian People's Party can best perform its task as bearer of ideals by standing outside political constellations with others.

With this political testament, the former party leader has thrown himself with great weight into the current debate on the Christian People's Party's stand on government cooperation with other parties. It remains to be seen to what extent Korvald can influence his party colleagues, but there can scarcely be any doubt that his views will have to be taken seriously by a party of ideas like the Christian People's Party. The question is whether the party's view on abortion will exclude KRF from participation in all future coalition governments. That is the crux of the matter. We think--like a great many of the party's deputies--that a decision in that direction would be a fateful step. It would mean that the Christian People's Party had deprived itself of the possibility of taking an active part in the democratic decision-making process.

If Korvald gets his way, KRF will change from a party that wants to take responsibility and is prepared to fight for its special issues on all levels to a sect of the faithful, not a secular party. A party that deliberately seeks isolation and turns away from political reality will probably seem both irrelevant and uninteresting to people who are socially aware.

If Korvald's stand gains the backing of the majority of the Christian People's Party delegates at their spring congress, it would mean that in the next Storting election--in 1985--we would stand without a unified non-socialist alternative. That would be a serious setback for nonsocialist cooperation efforts with incalculable consequences for the future political development of our country. The only realistic alternative to the Labor Party would then be the Conservative Party, a party that has shown its willingness to assume government responsibility and has also managed to meet the challenges with which a new era is confronting us.

Korvald's move could lead to the formation of sharper front lines than would have been the case if the present KRF leadership had written the scenario themselves. But obviously the question of the Christian People's Party's participation--or nonparticipation--in a coalition government that includes the Conservative Party has become a matter of prestige for the former party chairman. And that appeals to powerful forces in the party. We will not examine Korvald's personal motives in this context, but it is undeniably surprising that his views on nonsocialist cooperation today are diametrically opposed to what he advocated strongly when he himself was the Christian People's Party's candidate for prime minister.

6578

CSO: 3639/1

## POLL INDICATES LEFT CONTINUING GAINS IN VOTER FAVOR

Oslo AFTENPOSTEN in Norwegian 25 Sep 82 p 5

[Poll and election data released by Norwegian Market Data, Inc. on 24 September 1982]

[Excerpts] Political Barometer

Party	Date of Election or Poll							
	<u>Sep</u> <u>1977*</u>	<u>Sep</u> <u>1979**</u>	<u>Sep</u> <u>1981*</u>	<u>Sep</u> <u>1981</u>	<u>Dec</u> <u>1981</u>	<u>Mar/</u> <u>Apr</u> <u>1982</u>	<u>Jun</u> <u>1982</u>	<u>Aug</u> <u>1982</u>
Red Election Alliance	0.6%	0.8%	0.7%	0.7%	0.9%	0.7%	0.6%	0.6%
Labor Party	42.3	36.2	37.1	36.4	37.8	39.7	39.7	39.8
Norwegian CP	0.4		0.3	0.3	0.1	0.4	0.3	0.5
Socialist Left	4.2	4.4	5.0	5.2	4.9	5.2	4.6	4.9
Left-wing total	47.5	41.4	43.1	42.6	43.7	46.0	45.2	45.8
Progressives	1.9	2.5	4.5	5.3	5.7	5.6	5.6	5.1
Liberal People's Party	1.4	1.2	0.6	0.4	0.4	0.3	0.4	0.5
Conservatives	24.8	29.7	31.8	32.6	30.7	28.2	29.2	29.8
Christian People's Party	12.4	10.1	9.3	8.5	8.9	8.2	9.1	7.7
Center Party	8.6	8.6	6.6	6.6	6.4	6.8	5.9	6.1
Liberals	3.2	5.3	3.9	3.5	4.1	4.7	4.4	4.5
Others	0.2	0.6	0.2	0.5	0.1	0.2	0.2	0.5
Total	100.1	99.4	100.0	100.0	100.2	100.0	100.0	100.0
Number listing party preference				1145	1115	1174	1205	1044
Total number interviewed				1322	1276	1360	1431	1281

\*Storting election

\*\* County council election

The barometer was produced by weighing each party against its performance in the 1981 Storting election. The estimated statistical error can be 3 percent for voter shares of around 50 percent, it can be around 2 percent for voter shares of 10 to 20 percent and around 1 percent for lower voter shares.

Interviews were mainly conducted in the period from 20 August to 10 September 1982 for the latest figures.

#### Christian People's Party Declining in Polls

Voter support for the Christian People's Party declined markedly in the August opinion poll conducted by Norwegian Market Data. Support for the party dropped 1.4 percent from the June poll, down to 7.7 percent, a record low for the Christian People's Party.

Changes for the other parties were not significant. The Center Party's low level was confirmed, the Labor Party is suffering from stagnation while the government party, the Conservatives, got 29.8 percent this time, an increase of 0.6 percent. The Progressive Party fell from 5.6 percent the previous month to 5.1 percent. The Socialist-Left Party made a slight gain from 4.6 to 4.9 percent while the Liberal Party is around the same level it received in the previous month's survey, 4.5 percent. The Liberal People's Party is now at a level of one-half of 1 percent.

The opinion poll was taken in the period from 20 August to 10 September. The number of people interviewed was 1044 in all.

6578

CSO: 3639/1

## LECLERC SQUADRON AIDS SECURITY OF SECOND ARMORED DIVISION

Paris TAM in French 19 Aug 82 p 15

[Article by Christian Domergue: "The General's Eyes"]

[Excerpts] The 2d Armored Division's reconnaissance scout squadron [U.S. troop], known as the Leclerc squadron, was activated on 1 August 1979 at Gramont Barracks in Saint Germain en Laye. The squadron's mission is to keep the division commander informed about the enemy deployed a short distance from the division's positions. This difficult task makes the squadron the eyes as well as the guide of the 2d Armored Division's commanding general.

The Leclerc squadron provides direct security for the division's regiments. With its day-night movement capability--thanks to its infrared devices and Rasura radars--the squadron maintains continuous surveillance of routes some 30 kilometers ahead of the division. Scout David, a February 1982 draftee and jeep driver, explained this task as follows: "Our various patrols locally check and confirm on the ground all intelligence information furnished by the air force and radars. But the most ticklish phase is screening the enemy advance. We must keep division accurately informed of the enemy's forward progress without actually engaging him. Fortunately we are allowed great freedom of action. To hide, observe, and advance discreetly requires initiative and some common sense."

The Leclerc squadron is organized into five platoons: headquarters and service platoon, radar platoon, and three scout platoons. It has 5 officers, 21 noncommissioned officers, and 115 scouts. Most of the latter are from the Paris area. Its equipment includes 40 jeeps, 8 Marmon and 3 Berliet trucks, plus such modern materiel as the FAMAS [5.6-mm assault rifle], Milan [antitank missiles], and Rasura radars.

Aware of how difficult their mission is, the squadron's scouts train constantly: firing practice, identification, field exercises, etc.

In 1981, the squadron's vehicles travelled more than 450,000 kilometers during various maneuvers and exercises conducted in the camps and ranges of Eastern France where scouts train regularly.

"Our June 1981 group of draftees spent more than 130 days in off-post training activities in 10 months time," explained Captain Lefort, the squadron commander.

## CHAIN OF COMMAND EVENTS AT AIR BASE DESCRIBED

Paris TAM in French 19 Aug 82 p 18

[Article by H. de Lacotte: "Belonging to the Touraine"]

[Excerpts] The Touraine squadron of the Military Air Transport Command (COTAM) is stationed at Orleans Air Base. Its commander, Major Cazenave, described his unit as follows: "The squadron currently has 41 pilots, 15 navigators, plus 31 mechanics and flight engineers. All personnel are, therefore, on flying status, except four clerks, two of them draftees, who give us excellent help on the ground. The squadron is distinguishable by the remarkable and congenial dualism which exists between the exactness with which flight sorties are conducted and the frank and relaxed atmosphere which is customary on the ground."

Each flight is meticulously prepared, a task in which every one has a key role to play. Between the moment wing headquarters receives a mission order from COTAM headquarters and the moment the squadron aircraft is airborne, many things happen in a short space of time.

Captain Raux, a pilot, described this period as follows: "Our wing allocates all missions on the basis of each squadron's--Touraine, Poitou, and Franche Comte--readiness and capabilities. We then receive a message detailing the mission assigned us. After that we can begin actual preparations for the flight. To the maximum extent possible, every one participates in these preparatory tasks which include checking pertinent aeronautical charts and plotting the best course, calculating the distance and the corresponding amount of fuel needed, ascertaining those areas over which flight of aircraft is prohibited and those, on the contrary, where we could make an emergency landing in the event of serious trouble. In short, a thousand small details which will become essential once we are upstairs."

Just before the flight, there is the compulsory briefing, the final complete mission review meant especially for those crew members who were unable to take part in the various preparatory tasks. After having checked weather conditions and synchronized their watches, pilots, flight engineers, and navigators board the small van that takes them to the aircraft.

The Transall transport is there, dark and powerful like a huge iron and steel bird. But this is no time for reverie. The crew springs out of the van.

All laughter has ceased. Each man goes to his station for the PPV (preflight checks). Sergeant First Class Larche described this procedure as follows: "After the ground crew's check, the flight engineers inspect the outside of the aircraft with a very detailed checklist covering all key points. Shortly thereafter, the aircraft commander makes his more general but complementary external inspection."

All hatches and doors are hermetically shut, the engines are started. While waiting for the control tower to clear the aircraft for takeoff, the flight engineer\* begins to accomplish the pretakeoff checklist, a lengthy enumeration of instruments to be verified. His eyes and fingers move from a dial to a lever or knob, from one indicator light to another.

\* A minimum crew consists of two pilots, a flight engineer seated between them in the cockpit, and a "cargo compartment man" responsible for the rest of the aircraft. During tactical or long-distance flights, these four persons are accompanied by a navigator.

8041  
CSO: 3100/981

## PICARDIE FIGHTER SQUADRON 2/12 PLAYS ROLE IN AIR DEFENSE

Paris TAM in French 19 Aug 82 p 19

[Article by Christian Domergue: "Picardie Air Defense Squadron"]

[Excerpts] The 2d Fighter Squadron, 12th Fighter Wing, the Picardie squadron, was reactivated at Cambrai-Epinoy Air Base on 1 June 1980. A unit of the Air Command, Air Defense Forces (CAFDA), the Picardie squadron is one of the air force's youngest fighter squadrons. Its parent unit, the 12th Fighter Wing, has two other combat squadrons, the Cambresis 1/12 and the Cornouailles 3/12. These three squadrons are equipped with supersonic (Mach 2.2) Mirage F1 fighters armed with a 30-mm gun, Matra Magic and Super 530 [air-to-air] missiles.

At 1030, Lieutenant Blanc, a patrol leader, and Sergeant First Class Pelin, an operational combat pilot, entered the Picardie squadron's operations room. Both were wearing flight gear and carrying their helmets. Captain Gavoty, the flight commander, had posted detailed flight orders and assignments on the bulletin board. Preparation of a flight sortie is a delicate matter.

Lieutenant Blanc told us: "You have to go over all of the details point by point with your wingman and outline for him the tactical concepts you would like to apply during the flight. In peacetime, we try to approximate combat conditions as much as possible, but we do have to consider the safety aspect which is very important."

On the flight line, other specialists were busy around the aircraft. The squadron is responsible for the operation of its Mirage F1's and must maintain a good daily aircraft readiness rate. Sergeant First Class Caron, an aircraft mechanic, examined the outside of the plane. "This is a most important procedure," he said, "in case of a leak. We make all of the routine preflight and postflight checks: oil and fuel levels, changing wheels, etc." Meanwhile Sergeant Mirailles inspected the aircraft's safety equipment. Lieutenant Blanc arrived at the flight-line maintenance office with his wingman and greeted the mechanics: "Good morning, how's everything? Any problems?" "No problems," a mechanic answered, "everything is OK for the flight."

At 1300, two Mirage F1's landed on the base's 2,400-meter long concrete runway.

Warrant Officer Ballandras, the flight line maintenance supervisor asked Lieutenant Blanc if he had noticed any irregularities. After discussing such possibilities with Ballandras, Lieutenant Blanc went into the operations room where he filed his postmission report and conducted a small debriefing with his wingmen to review and analyze their training flight.

8041

CSO: 3100/981

## EIGHTH INFANTRY DIVISION AT MARGIN CARRIES OUT MAINTENANCE, REPAIRS

Paris TAM in French 19 Aug 82 pp 20-21

[Article by Ph. Caboche: "Eighth Infantry Division Repair Group"]

[Excerpts] The 8th Infantry Division's repair "garage" is located at Couvron in the department of Aisne. A key aspect of the 8th GRDI's (Infantry Division Repair Group) mission is the continuous requirement to operate in the field.

Since 1968, the 8th GRDI has been housed in Mangin Barracks some 15 kilometers from the city of Laon. Its mission is to provide repair and replenishment supply support within a radius of 45 kilometers for automotive and tank equipment, small and large caliber weapons, turrets, armored vehicles, radios, and Milan [antitank] missiles. Deadlined tactical items of equipment requiring rapid repair are either brought to the GRDI shop by the using regiment or retrieved in the field by the GRDI. The latter has two golden rules: develop a team spirit and remain operational.

Its personnel operate daily in and from a 6,000-square meter shop. Six mobile repair sections (SMR) are arranged in separate bays, each with its own stock of repair parts. These self-contained teams are authorized to perform third echelon repairs: replace engines and major mechanical assemblies and subassemblies, repaint equipment, etc. Each of these sections is responsible for the repair and maintenance of a particular regiment's vehicles. Yet their versatility is such that they can work on all of the division's vehicles and machines.

Mechanics work in small teams of 4 or 5 within the section under the supervision of a noncommissioned officer. The complementary character of each mechanic's tasks contributes greatly to the cohesiveness of these small teams, they teach each other.

The GRDI's equipment makes it fully self-contained in the field. Its major items of equipment include heavy wreckers, shop vans, and general supply trucks. The light field repair teams (ELI) are thus fully capable of helping disabled vehicles. The defective equipment is repaired on the spot or taken to the GRDI shop by tank transporter. The solidarity within these teams that are required to work alone in the field definitely contributes to the 8th GRDI's

effectiveness. "These repairs in the field are veritable tests for us. During these out-of-shop repair jobs, it is quite easy for us to ascertain whether a team is efficient or not."

These frequent on-the-spot repair jobs are supplemented by annual field exercises. During spring and fall maneuvers, the GRDI follows all of the 8th Infantry Division's movements for a period of 3 weeks. All repairs capable of being made in Mangin Barracks are made in the field during this period. The unit's mobile shops can even fabricate mechanical repair parts. Lastly, during each separate field exercise conducted by the regiment they support, each SMR once again operates in the field. The 8th GRDI spends a total of nearly 100 days in providing field repair and supply support under realistic simulated combat conditions.

8041

CSO: 3100/981

## CORSICA SQUADRON 3/11 PART OF RAPID ASSISTANCE FORCE

Paris TAM in French 19 Aug 82 p 22

[Article by Christian Domergue: "A Well-Knit Team"]

[Excerpts] As in other air force fighter squadrons, the aircraft mechanics of the Corsica 3/11 squadron at Toul-Rosieres Air Base work in close cooperation with squadron pilots. The resultant mutual respect and atmosphere of trust give the pilot a feeling of in-flight safety and ensure successful performance of numerous operational missions.

Directly attached to the Tactical Air Force and 1st Air Region (FATAC-1st RA), the 3d Fighter Squadron, 11th Fighter Wing (3/11), or Corsica squadron, is one of the 11th Wing's four squadrons. The other three are the Rousillon 1/11, Vosges 2/11, and Jura 4/11.

Equipped with 15 Jaguar aircraft, the Corsica squadron is part of the Rapid Assistance Force. In addition, it regularly flies numerous missions in support of ground forces during field exercises with the 1st Armored Division, 9th Marine Infantry Division, and 11th Airborne Division.

The daily activity of such a basic air force unit is organized around operational flight sorties and maintenance of Jaguars in serviceable condition. Lieutenant Latour, the squadron's assistant engineering officer, stressed the fact that "all shops essential to our squadron's efficiency, autonomy, and mobility are housed under one roof. We have a round-the-clock repair capability."

Some 100 persons work in the different shops: machine, electronics, armament, repair parts, photographic, etc.

In exercise situations, the workload is more extensive. The operational character of the missions demands greater operational readiness of personnel and their equipment. Most problems are solved without outside help.

The aircraft mechanic's first task is to accomplish preflight checks (PPV). "This is a complete inspection," explained Lieutenant Latour, "including a thorough check of airframe, landing gear, jet engines, etc."

Once this work is complete, the mechanic informs the flight line maintenance supervisor that the aircraft is "ready." The supervisor then fills out the routine inspection and servicing record kept on each aircraft. He will then submit this record to the pilot before the flight. The latter will review it and then make his own personal inspection accompanied by the mechanics who will answer all his questions.

Once in the cockpit, the pilot fastens his safety harness, and begins his final pretakeoff checks. Meanwhile the mechanic checks to see that wheel chocks and other external safety devices have indeed been removed. He then ensures himself that the cockpit canopy is properly locked. The pilot now requests that his engines be started. Pilots and mechanics communicate with each other by means of conventional arm and hand signals. The pilot tests his brakes, starts his ground roll, and takes off. Upon his return, he and the mechanic confer once again. "Anything to report? Radio, engines, pressurization, etc." If there has been some malfunction, the pilot explains to the mechanic exactly what happened.

The routine work of these men and the sortie rate demand careful attention at all times on the part of both pilot and mechanic. Nothing is ever left to chance.

Sometimes the days are very long. Yet such is the price men of the Corsica squadron 3/11 pay--by all of these combined efforts--to ensure the operational efficiency of their basic unit.

8041  
CSO: 3100/981

## PRODUCTION FIGURES FOR MILAN, HOT, ROLAND MISSILES REVEALED

Paris AVIATION MAGAZINE INTERNATIONAL in French 15-30 Sep 82 p 15

[Article: "Euromissile Today and Tomorrow"]

[Text] On 2 September, top executives of Euromissile held their first press conference since 1975. This event was prompted by the tenth anniversary of the founding of Euromissile, a French-German economic interest group, inauguration of the Euromissile Training and Logistic Support Center (CEMIL) at Le Bourget Airport near Paris, and the climate created by certain interpretations of lessons drawn from the British-Argentine, Israeli-Palestinian, and Iranian-Iraqi conflicts. During the press conference, the following executives reviewed Euromissile's past activities and discussed prospects for French-German cooperation in the missile field: Jacques Mitterrand, president and chief executive officer of Aerospatiale, Prof Gero Madelung, president of MBB [Messerschmitt-Boelkow-Blohm], and Messrs Morer and Streiger, Euromissile's president and vice-president respectively.

Euromissile's programs currently employ 12,000 persons: 3,000 each by Aerospatiale and MBB in their respective tactical missile divisions, plus 6,000 outside the two partners' companies. Euromissile has the following three ongoing major programs:

- a. Milan antitank missile: 650 launch units and 160,000 missiles ordered to date; current production rate: 70 launch units and 1,850 missiles per month (plus 170 missiles purchased every month from Great Britain where they are produced under license). India and Italy are also manufacturing the Milan system under license.
- b. HOT antitank missile: 1,250 launch units and 50,000 missiles ordered to date; current production rate: 25 launch units and 1,000 missiles per month.
- c. Roland 1 and 2 low-level surface-to-air missile systems: 500 fire units and 15,000-20,000 missiles ordered to date; current production rate: 12 fire units and 350 missiles per month. Roland production licenses have been sold to the United States and Brazil, the latter for missiles only.

Some 90 percent of the aforementioned weapon systems are manufactured in France and Germany, with 10 percent elsewhere in Europe. The latter percentage is rising as a result of industrial offsets linked to export sales. In the 15-month period from 1 October 1980 to 31 December 1981, Euromissile's volume of business with these programs totaled 4 billion francs, thus enabling the two partners to share "very comfortable subjective" profits and a more than respectable amount of plowback money. For example, from its expected earnings of 20 million francs for the period 1980 to 1985, Euromissile plans to reinvest about 500 million francs in missile research and development and in the industrial sector. CEMIL is an example of this industrial-sector plowback.

CEMIL was established--at a cost of 130 million francs, including 80 million for audiovisual equipment--for three main reasons: to strengthen European--French-German in particular--cooperation in missile matters, maximize the value of Euromissile's business, and provide a facility for extending necessary assistance to certain customer countries. Factors influencing selection of Le Bourget Airport as the site for CEMIL included: proximity of an international airport with customs services; maintaining employment in the greater Paris area; proximity of SECA [Aviation Operations and Engineering Company], an Aerospatiale subsidiary, for support; and MBB's concurrence. CEMIL will start operating next month and is expected to employ approximately 200 persons by 1986 (100 at Le Bourget and 100 overseas).

Euromissile is thus making long-term preparations for a future that promises to move in new directions.

For the short-term future, however, the French-German company has decided to improve its present missiles. The Milan and HOT antitank missiles are to be marketed with enlarged-diameter warheads using a new explosive charge: the Milan in 1984, the HOT in 1985. In addition, an improved version of the Roland surface-to-air missile will be introduced at the next Paris Air Show.

Mention must also be made of the current ANS (supersonic antiship) missile development program, a joint Aerospatiale (prime contractor) and MBB project. ANS is not a Euromissile program, however.

Euromissile's long-desired organizational expansion got underway with formation of the Euromissile Dynamics Group (EMDG) [British Aerospace, MBB, and Aerospatiale] which enabled the British to become associated with research, development, industrialization, and marketing of European antitank missiles. Successors to the Milan and HOT missiles will be developed within this trinational group. Future European surface-to-air missiles are being kept outside the purview of this new group for the present because of the current strong competition between the British Rapier and the French-German Roland.

Even though admission of a larger number of countries into Euromissile is desirable, such expansion would, nevertheless, inevitably create several major problems: assignment of management authority, distribution of operations, and especially the necessary adaptation of the company's system of financing. President Jacques Mitterrand said he believed Euromissile could overcome these difficulties and that the company's past and present success is a largely positive element in the current climate of stagnation weighing heavily upon European cooperation.

## BRIEFS

SHIPS RETURN TO TOULON--The destroyer "Dupleix" returned to Toulon from the eastern Mediterranean on 5 September. It had departed Toulon on 14 July immediately after the naval review conducted in the presence of the President of the Republic. The "Dupleix" was near Beirut during the evacuation of Palestinian troops. It escorted the Greek liner "Atlantis" on which Yasir 'Arafat was a passenger. Admiral Orosco, commander-in-chief for the Mediterranean, welcomed the "Dupleix" on its return. After witnessing its docking at the Vauban Pier, he met with Commander Dupont-Nivet, the ship's captain. On 6 September, the flagship of the Fleet Training Center, the "Rance," returned to Toulon. The "Rance" had left France at the same time as the "Dupleix." Its captain is Commander Bouvet. [Text] [Paris COLS BLEUS in French 25 Sep 82 p 23] 8041

COLOMBIAN SHIP AT BREST--On 3 September, port authorities at Brest awaited the arrival of a Colombian sailing ship, the "Malpelo," coming to pick up containers. One doesn't often see a Colombian ship at Brest. Moreover, the "Malpelo" was not listed in the naval reference book "Combat Fleets." When queried about the "Malpelo," the Colombian military attache in Paris merely explained that Colombia had just recently purchased the ship. When it did arrive on 3 September, it was not a sailing ship. Yet it was definitely the announced "Malpelo." How had a sailing ship been mysteriously transformed into a kind of large trawler? The "Malpelo" departed Brest with its cargo of containers on 6 September. As a result of this visit, the book "Combat Fleets" has now acquired a photograph of the "Malpelo." [Text] [Paris COLS BLEUS in French 25 Sep 82 p 21] 8041

✓ FRIGATE 'COMMANDANT DUCOING' COMMISSIONED--A fifteenth frigate ("avisos"), the "Commandant Ducoing," was commissioned at the Lorient Navy Yard on Monday 23 August 1982. This ceremony marked the ship's official's entry into naval service. Prior to the ceremony, the Lorient Naval Engineering and Weapons Directorate, its builder, had had responsibility for the ship which is now a French Navy responsibility. IGA [Inspector General for Armament] Pons officially transferred the "Commandant Ducoing" to Rear Admiral Carsalade, assistant director of the Port of Lorient. [Excerpt] [Paris COLS BLEUS in French 25 Sep 82 p 20] 8041

EPSILON TRAINER NEARS PRODUCTION--Prototype No 1 of Aerospatiale's Epsilon trainer had already logged more than 314 flight hours through the beginning of this month, while prototype No 2--turned over to the air force at the Mont de Marsan center on 19 July--had logged approximately 312 hours. All production drawings and publications have been completed and tooling for production is practically completed. Roll-out of the first production Epsilon is expected by late next spring with deliveries beginning a few months later in September. The planned production rate is 30 aircraft per year with the possibility of increasing it to six per month should export sales warrant. Also noteworthy is the fact that a turboprop version of the Epsilon could be marketed if foreign customers want such a version. [Text] [Paris AVIATION MAGAZINE INTERNATIONAL in French 15-30 Sep 82 p 15] 8041

CSO: 3519/15

## NEW AIR FORCE CHIEF DISCUSSES MERITS, ROLE OF JAS

Stockholm DAGENS NYHETER in Swedish 17 Sep 82 p 52

[Article by Steffo Tornquist]

[Text] "The battles around the Falkland Islands demonstrated the importance of a successful combination of weapons and weapons carriers. JAS is such a combination. It is totally wrong to claim that the JAS project was approved for other than purely military reasons."

This was stated by Gen Sven-Olof Olson who will become the new chief of the Swedish air force on 1 October.

"The media coverage in Western Europe of the war over the Falkland Islands was misleading to a certain degree," Sven-Olof Olson said. "According to this coverage, it was practically suicide to sit in anything resembling an attack plane."

"We must remember that the Argentines were fighting at the outer limit of the planes' range. Sweden never will fight anywhere except on its own territory and the importance of this to the people of a country was demonstrated in the Vietnam War."

#### Highly Effective

Sven-Olof Olson, or Stril-Olle as he is called because of his work with STRIL (Tactical and Air Defense Control System) said that the Argentine air force demonstrated high effectiveness, despite heavy losses. Its greatest success was in the capacity of a fast missile carrier.

The politicians and military leaders who have spoken favorably of the JAS project in the Swedish debate point to the aircraft's carrier function as their main argument. Sven-Olof Olson is a JAS supporter.

"Some people claim that JAS came about for labor-market rather than military reasons. This is totally absurd. Even though it is small, the JAS is superior to the Viggen in almost every respect and will play a decisive role in our defense."

### Not Too Expensive

General Olson rejects the argument that 25 billion kronor for the JAS is too expensive. He points out that the cost up to 1987 will be no more than 0.4 percent of the total state expenditures.

"That is an inexpensive life insurance policy for Sweden," he said. "In my opinion we would do well in this country if we spent more money on defense. Without a doubt, the military and political situation justifies a much larger defense budget."

If Sven-Olof Olson's own branch of the military receives more money in the future, it may be used to purchase new wings and engines for the JAS.

"It is our duty to keep all doors open in the area of technical development. This is not to say that the JAS of today is substandard. On the contrary, it works quite well."

### Fast Rise In Career

Sven-Olof Olson's military career is unparalleled. He has jumped from post to post and from rank to rank with amazing speed, but he dislikes what he calls climbers and careerists.

"I also dislike those who hide behind an authoritarian facade. It is impossible to be a good officer without genuine contact with one's subordinates."

"Draftees today are not heroes in a physical sense, but they are alert and open. This is because we have become more open in our relationships with others, regardless of rank."

Sven-Olof Olson's success has made him the favorite candidate of the press for the position of commander in chief when Lennart Ljung retires.

"I am tired of all the speculation over the position of commander in chief," he said. "I have not even left my job as head of the Southern Sweden Military District and already everyone is talking about the position of commander in chief. I plan to become the air force chief and nothing else."

It is a genuine flying ace who will take control of the air force in October. Over 30 years ago he was given a medal for landing a burning Mosquito airplane one night in stormy weather.

### World Record

Another time he broke the world record for gliding in a fighter plane when the engine of his J 33 Venom failed at an altitude of 9,000 m. Against the

recommendations of ground control, he glided for 22 minutes to the nearest airport and saved both the plane and the crew.

"Of course, I was extremely frightened, but it feels good to know that solutions can be found in difficult situations," Sven-Olof Olson said. "This knowledge will be useful in my new job."

Sven-Olof Olson will succeed Dick Stenberg who is retiring.

9336

CSO: 3109/240

## FIRMS ENTER COMPETITION FOR JAS SUBCONTRACTS

Stockholm SVENSKA DAGBLADET in Swedish 6 Sep 82 p 22

[Article by Erik Liden]

[Text] Competition has begun among 2,000 Swedish companies with 2 or 3 employees up to more than 6,000 at Saab's aircraft division in Linköping for various orders created by the JAS project over the next few years.

The five largest companies in the JAS industrial group are Saab-Scania, Volvo, Ericsson, SRA Communication, and the National Industries Corporation (FFV). These companies have plants at 16 locations in Sweden and employ 19,000 workers in military and civil aircraft production.

Purely military aircraft production employs 10,000 workers and it is estimated that this figure will drop to 6,000 by the end of the century. By then, 4,000 jobs will have been transferred to civil production within the five companies. This process has already begun.

Since 1976 total employment in these companies has increased by 1,000 and from 200 to 900 in economically depressed areas.

Outside the JAS group nearly 2,000 small and medium-sized companies are involved in contract work and the manufacture of special products for the aircraft industry. They deliver goods valued at about 500 million kronor annually and about 70 companies are qualified subcontractors and participate directly in production of the Viggen.

There will be fewer subcontractors in the JAS project since subsystems can be purchased abroad at a lower cost and the total volume in the JAS project is less than for the Viggen.

The JAS picture is somewhat unclear for the fall of 1982. Volvo Flygmotor in Trollhättan will produce General Electric's F 404 J engine for the aircraft as well as components and spare parts for additional engines.

Otherwise, discussions are underway with Swedish and foreign companies. In the near future, it will be decided whether or not the American Rockwell Co

will manufacture a unique, movable, composite wing that will improve the performance of the JAS.

The JAS will provide jobs in Sweden from Malmo in the south to Gallivare in Norrbotten. In addition, the JAS group has guaranteed 800 new civilian jobs, primarily in regions with high unemployment.

An examination of the JAS companies indicates that there will be stiff competition for jobs among various towns in Sweden.

Saab presently employs 6,200 workers in Linkoping, 75 in Odeshog, 60 in Norrkoping, 250 in Goteborg, 960 in Jonkoping, 90 in Stockholm, 15 in Kramfors, and 70 in Malmo. Of the 25 billion kronor earmarked for the JAS project, 10 billion will go to Saab.

Volvo Flygmotor has its headquarters in Trollhattan where it has 3,000 employees. Its civil engine production is increasing dramatically. The JAS order is worth about 3 billion kronor to the company.

LM Ericsson's defense and space electronics division has 1,750 employees in Molndal and 400 in Boras. Its radar and FLIR production are worth just under 1 billion.

SRA has 1,500 employees in Stockholm, 300 in Gavle, and a total of 800 in Kumla and Orebro. SRA will manufacture, among other things, instrument panels for the JAS valued at just over 500 million kronor.

FFV employs 2,000 workers in Arboga, 200 in Ostersund, and 1,300 in Linkoping for the maintenance of various aircraft systems. Installation and other work in the JAS project will be worth about 500 million kronor.

In addition to these locations, the JAS companies have smaller production and service facilities at about 30 other locations.

The subcontractors presently involved in the Viggen project who are in the running for JAS contracts include Bulten Kanthal in Hallstahammar which makes precision castings and mounting bolts and Granges Aluminium in Vasteras which produces sheet metal.

In Skelleftea there are several companies that produce tools, engine covers are made in Arvidsjaur, and Fagersta Secoroc in Ostersund produces hydraulic equipment. Sandvik in Sandviken produces special steel. Bofors makes steel forgings and rudder angle indicators. Norabell in Nora produces cartridges, Lesjofors makes springs, and Uddeholm produces bar stock. SKF produces ball bearings, Vargon's machine shop makes engine parts, and Riboverken in Goteborg produces plastic parts.

Various companies in Uddevalla make tools and engine parts, Trelleborgs Gummifabrik makes rubber parts, Resenit in Vastervik produces plastic products, and Perstorp makes laminated products.

Facit in Linkoping produces peripheral equipment for computers, Atlas Copco makes compressed air equipment, Habia in Uppsala produces electrical wire, and Bofors Aerotronics makes electronic equipment. SATT in Stockholm manufactures timing relays and trigger mechanisms, Weda Gjuteri in Sodertalje makes castings, and ASEA-Hafo in Jarfalla produces semiconductors.

The final choice of companies depends on the development work, the future competitive strength of the companies, and price trends in Sweden and abroad. Several thousand employees in these companies are affected by the JAS order.

The JAS group will contract continuously with various companies during the coming years. The first test flight is scheduled for January 1986.

9336

CSO: 3109/240

## LARGEST ARMS MAKER FORCED TO CUT LABOR FORCE AS EXPORTS DROP

Stockholm DAGENS NYHETER in Swedish 9 Sep 82 p 11

[Article by Steffo Tornquist]

[Text] Bofors in Karlskoga is forced to reduce its personnel by 700 employees by 1985. The main reason for this is the reduction in weapons export orders. This was indicated by Bofors chief Claes-Ulrik Winberg who recently returned from the annual aircraft exhibit in Farnborough, England.

Previously when Bofors had difficulties, it solved the problem by restructuring and transferring personnel to the weapons division of the company. This occurred, for example, throughout the seventies when Bofors shut down its entire steel division.

"Now it is the weapons production that is suffering," Claes-Ulrik Winberg said. "This is why I believe it will be impossible for us to retain all 6,500 employees."

"That is, if weapons exports remain at their present level. If our customers regain confidence in Sweden as a weapons exporter, of course, the situation will change."

He believes that other countries have been concerned about the uncertain political situation in Sweden in recent years.

#### Strong Government

"It does not matter whether we have a nonsocialist or a socialist government after the election, as long as it is a strong government," he said. "A weapons purchaser wants to be sure that contract commitments are fulfilled."

"Sweden needs a government that is active in the area of weapons production."

Claes-Ulrik Winberg did not wish to reveal which customers Bofors may have lost as a result of the present government's weapons export policies.

The reductions in personnel at Bofors have already begun. Last week 40 employees at Friformsmedjan in Bofors were laid off.

"We are trying to solve the problem as much as possible by normal personnel attrition, but several hundred certainly will have to be laid off," Claes-Ulrid Winberg said.

9336

CSO: 3109/240

## PAPER COMMENTS ON PROPOSALS IN NEW CIVIL DEFENSE STUDY

Stockholm SVENSKA DAGBLADET in Swedish 7 Sep 82 p 2

[Editorial: "Defense Against War"]

[Text] The most important task of the military is by its very existence--by being strong enough in the eyes of the world--to keep our country out of war. Thus, if the worst should occur, it is unrealistic to pretend that even the most heroic military achievements along our boundaries and coastlines and in the air would keep the war outside our country.

For this reason, we have the civil defense, which is an indispensable and literally vital part of our total defense policy.

"The Defense Committee believes that the main thrust of the civil defense should be to provide the people with protection against the effects of conventional weapons, but more attention also must be devoted to protection against nuclear and chemical weapons."

This basic premise--against which no objections can be made--was given by the Civil Defense Board in its well-balanced and well-written "Program Plan for 1983 to 1988."

Fortunately, the civil defense believes it is capable of accomplishing its tasks with the 4 billion kronor appropriated to it over the next 5 years.

Nevertheless, the board reported serious shortcomings. The shelter situation obviously leaves much to be desired. It is unfortunate that it will take 10 years before we all--including our children--can be equipped with gas masks and the fact that almost one fifth, and in certain areas even more, of the key positions in the civil defense are vacant must give every responsible government official cause for great concern--even more than concern.

The most important aspect of the program plan is that it so clearly contradicts propaganda from some of the more obscure members of the so-called peace movement that attempts to play off the civil defense against the military defense. Both are equally necessary for our overall peace and security policy.

If the army shoots down a plane before it has dropped its bombs, then this undeniably is for the good of all, not for the civil defense, but primarily for those who avoided having the bombs dropped on them.

In addition, if the chief of the air force assumes responsibility for the alarm service now managed by the civil defense at the Tactical and Air Defense Control System, as has been proposed, does this mean that the "military" has become stronger at the expense of the "civil" defense?

Some champions of peace inside and outside parliament probably will say that it does.

9336

CSO: 3109/240

MILITARY

SWEDEN

BRIEFS

NEW MINES FOR ARMY--The Defense Materiel Administration has ordered new mines from the National Industries Corporation for the Swedish army at a cost of 100 million kronor. Deliveries will occur during the mid-eighties. The order includes antitank mines and so-called antivehicle mines. The antitank mines are of a new type that affect the entire underside of the vehicle. Older mines of a similar type destroyed only tracks or wheels. The antitank mines are electronically detonated, which makes them difficult to clear. Because of the explosive effect of the new mines, considerably fewer mines are needed to block a road. The antivehicle mines that have been ordered are designed for use against unarmored vehicles. [Text] [Stockholm DAGENS NYHETER in Swedish 9 Sep 82 p 5] 9336

CSO: 3109/240

## MACHINE-TOOLS INDUSTRY BEING REORGANIZED

Paris LE NOUVEL ECONOMISTE in French 23 Sep 82 pp 52-54

[Article by Philippe Gazier: "Machine-Tools: The Last Plan"]

[Text] 2.3 billion francs mobilized to provide a new start for the French machine-tools industry. An ambitious plan is getting set up with much subsidies and reorganization to save a sector which, in eight years, went from the eighth to the sixth rank in the world [as published].

The machine-tools plan is getting set up. It takes the form of joint development efforts from the state and from some 15 pilot enterprises. Already, half a dozen cases have been settled. This is the outcome of 10 months of negotiations and investigations. A dossier carefully managed by the Treasury and DIMME (the Directorate of Mechanical, Metallurgical and Electrical Industries of the Ministry of Industry, which is headed by Mr Pierre Gadonneix).

## Regression

The French machine-tools industry, which still ranked sixth in the world in 1974, regressed to the eight rank in 1981. Its exportations are mainly directed at developing countries. There is worse: while sales on the world market have tripled since 1974 (they declined this year), French machines saw their share decline from 7 percent to 3.7 percent in 1980. These are the figures used as a starting point in the study ordered by Mr Pierre Dreyfus in July 1981. The following 2 December, the Council of Ministers laid the foundations of an ambitious plan: 2.3 billion francs in direct state subsidies were mobilized to revive the sector.

From then on, a complete strategic inventory was to be taken with the assistance of consultants. Relying on criteria similar to those of the Boston Consulting Group (share of the world market, competitiveness), the experts brought together by the authorities identified the two or three leaders in each subsector: machining centers, numerical control, special machines, machine-tool components, etc. Then, during the whole of 1982, a series of consultations with manufacturers took place after a "model agreement" had been discussed with the French Machine-Tools Manufacturers Union, the president of which is Mr Michel Courtois, chairman of the board and general manager of Dubus.

Little by little, the policy of company agreements extending over several years was thus defined: to encourage specialization, to standardize components, to provide guidelines for research, to organize job training, to plan exportations, etc. For each company found to qualify for state subsidies, three separate audits were made: a special consultant would audit the accounts of the candidate company, another its marketing plan and, finally, the National Credit Bank would study the financing projects. The authorities were represented at the negotiations by a joint group of experts from DIMME and the Treasury.

The goal is now in sight. "Our objective is to make sure that the development agreements we sign with manufacturers will hold the road well," Mr Pierre Pissaloux, a young DIMME mining engineer who followed the whole negotiations, commented. "We must not delude ourselves: there will not be another machine-tools plan." (The previous plan had been started in 1976 by Mr Michel d'Ornano).

At the core of the first series of measures announced early in September is the creation of a pole for large lathes and milling machines. This pole will include components from the Line group (which lately required a public contribution of some 20 million francs for its end-of-month payments), Saint-Etienne Machine-Tools (acquired in 1980 by Line-PSM [expansion unknown] from Ernault-Somua, which is also operating in the red), TMI [expansion unknown]-Forest (Capdenac plant, the operating statement of which showed a benefit for 1981), and Berthiez, of the SNECMA [National Aircraft Engine Study and Manufacturing Company] group. All these components are therefore gathered within a single holding which was created this month. Its given name: French Heavy Machine-Tools/MFL. The adjective chosen is somewhat surprising: is machine-tools production still to be evaluated, as in the past century, in terms of weight? Mr Louis Tardy, MFL chairman of the board, explained to LE NOUVEL ECONOMISTE: "In our eyes, the adjective 'heavy' refers to machines or machining systems that will sell for over 1 million francs." A graduate from the Saint-Cyr military school, Mr Tardy, 58, is the founder of Technibel (air conditioning) and Maneurop (sealed compressors); he has also held managing positions at Alsthom and at Nadella Ball Bearings. Last year, the fate of the Line group was placed in his hands. Actually, Mr Tardy has the confidence of IDI, the Industrial Development Institute headed by Mr Dominique de la Martiniere. With 35 percent of MFL's capital, IDI is its principal shareholder through a relay-company specialized in a few delicate portages (Boussac, French Heavy Machine-Tools/MFL, etc.)

The rest of the MFL capital (which totals 250 million francs) was contributed by nine large industrial groups, enterprises which buy about 70 percent of the heavy machine-tools of all origin sold on the French market: SNECMA, Alsthom-Atlantique, Dassault, Schneider, Renault, Peugeot, Aerospatiale and the two steelmakers.

Two industrial subsidiaries will be created later in September. These will be Line-Forest, focussing on heavy milling machines (plants at Albert in the Somme, and Capdenac in the Lot) and Berthiez-Saint-Etienne for heavy lathes (it is headquartered in Saint-Etienne, and the Berthiez plant at Givors in the Rhone will be reconverted to other activities).

These two companies will have the same legal structure: a board of supervisors and a board of directors. Mr Jean-Pierre Lacour (chairman of MFL board of supervisors and adviser to the IDI chairman of the board and general manager) and Mr Tardy have already chosen the executive officers. "For the MLF potential as a whole, our books show that we can expect sales close to 590 million francs in 1983, including 330 for Forest-Line," Mr Tardy stated, which is slightly less than in 1982 (sales expected as of now: 624 million francs). In other words, growth will have to wait.

Thank God, that is not the case for all enterprises in the sector. Officials of the machine-tools plan also found growing companies. This is why they wanted to sign the first agreements right away with "light" companies that are easier to mobilize. As a result, the first three agreements were signed with Rouchaud (of Limoges), Clement (or Argenteuil) and Num, a subsidiary of the Telemecanique group and the only French manufacturer of numerical controls.

Rouchaud, headed by Mr Pierre Rouchaud (close to 70 million francs of sales in 1982, 250 employees) is a typical example. Among other things, the company supplies milling centers that can be adapted to flexible workshops or cells. Under the agreement, the company must double its production between now and 1985 (in constant francs) under an investment program co-financed by the state. The company agreement extends over several years but conventions will be signed every year with the Ministry of Industry.

A new series of company agreements is in its final stage. It is likely to provide for the creation of a second large pole of development including Hure (of the Suez group, a leader), Graffenstaden (a division of CIT-Alcatel of the CGE [General Electric Company] group) and, later on, Ernault-Somua (Empain-Schneider group). Negotiations between the chairmen of the board and general managers of these groups and finance officials are in progress. The future entity should rank tomorrow among the three leaders in this sector, next to the Renault Machine-Tools group headed by Mr Pierre Billiaud, and French Heavy Machine-Tools.

The launching of this new "locomotive," which has given so much trouble during the past year, will be complemented by the signature of a new series of development agreements with companies in this sector, alone or in groups: Muller and Pesant, Ramo and Cazeneuve, Vernier and Dufour (in spite of union hostility at Dufour's Montreuil-sous-Bois plant). In the heavy-press sector, Bret and Spiertz should also get together. "Actually, we find it preferable to group operations," Mr Jean-Pierre Falque, DIMME assistant manager, explained to LE NOUVEL ECONOMISTE. "This is all the more necessary as, in a field like this, everything hangs together."

After that, there will still remain to determine the part to be played by several large companies from which difficult border problems are expected. For instance, Manurhin, a specialist of slicing lathes, recently taken in hands by Mr Antoine Veil (former general manager of Air Transport Union, UTA), a member of the MATRA [Mechanics, Aviation and Traction Company] group.

Neither DIMME nor Mr Chevenement's advisers intend to freeze the new machine-tools industrial landscape. By using separate company agreements, it will be possible to nuance the overall objectives as a function of the recovery rate of this sector, which lost 900 million francs in foreign currencies in 1981 (accounting losses of the companies: over 500 million francs this year). Cautiously, manufacturers and authorities do not expect concrete results before 1985. "It will take at least one, maybe even two seven-year terms to achieve complete recovery," Mr Louis Tardy commented. Recovery in this primary sector will imply not only the mobilization of financial means, but also considerable efforts with respect to job training and motivation. They should extend beyond the scope of the job-training or reconversion programs implemented by the College of Higher Technology and the Center for Studies and Research on Machine-Tools (CERMO), or by the Agency for Automated Production Development (ADEPA). And also beyond the renewal of the National Education machine-tools park (investment of 1.2 billion francs over 3 years). There is no lack of ideas. And these ideas coincide rather well with the ambitions of the minister of Industry.

### Solidarity

For instance, Mr Tardy would like to see the creation of a national "productics" school from which some 20 young engineers would graduate each year, with an education of a level similar to that of Sup Aero [Higher School of Aeronautics] or Telecom [Higher School of Telecommunications] (third cycle). Until this school graduates its first promotion, Mr Tardy believes that the profession could obtain from the Delegation for Armament, the CEA [Atomic Energy Commission] and the CNRS [National Center for Scientific Research] that they make engineers (volunteers of course) available for a few years; these engineers would receive a secondment bonus and a guarantee of reinstatement at the end of their "mission."

Finally, if the plan as a whole is to succeed, a certain amount of solidarity will have to come into play. In his very first address to the MFL board of directors, Mr Tardy called for it and expressed the wish that the directors of the nine groups would echo his call each in his own house. Mr Tardy went further: "I suggest that, every six months, company managers inform the workers' councils of all heavy equipment purchases and provide sufficient detail on the purchase of any machine over 500,000 francs..." Now, there is an opportunity that the machine-tools industry must seize: no matter what the investment rate is, defense, the aircraft, nuclear and mechanical engineering industries may require a lot of equipment to accelerate their productivity gains. Reconquering the market could prove a means for a shaky specialty to reassert itself.

9294  
CSO: 3519/19

END