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27 August 1982

WEST EUROPE REPORT

No. 2022

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ROLE OF SUPERPOWERS, INF, START ON THIRD-WORLD NUCLEAR ARMS

Transfer of Technical Information

Paris DEFENSE NATIONALE in French Jul 82 pp 15-16, 31-36

[Article by Bertrand Goldschmidt, former chairman of the Board of Governors, International Atomic Energy Agency: "Nuclear Weapons Proliferation"]

[Excerpts] On 9 August 1945, the day Nagasaki was destroyed in the final act of World War II, President Truman said: "We must make ourselves the guardians of this new power to prevent its pernicious use and to control it for the good of mankind. This is an awesome responsibility that has devolved upon us." The United States thus assumed leadership of a nonproliferation policy designed to guarantee that the nuclear "sin" would never be committed again.

At that time, mankind still had some years, very few years, in which to reach a solution enabling it to revert to a world free of atomic bombs. It missed that opportunity, and ever since then officials responsible for international policy have increasingly pondered the agonizing problem of proliferation under its two aspects: so-called "vertical" proliferation, or an increase in the number and power of weapons possessed by individual nations, and so-called "horizontal" proliferation, or an increase in the number of nations having such weapons.

In an age when terrorists can wreak havoc with a few kilograms of plastic explosives, the amount of explosives in the American and Soviet arsenals represents a total power approximately 1 million times greater than the power of the Hiroshima bomb, or more than 4 tons of conventional explosives per each inhabitant of the earth, a figure that is beyond all comprehension. This is indicative, however, of the failure of the attempts made to date to limit vertical proliferation. It also highlights the prime importance of world nuclear disarmament.

In contrast, and despite the absence of any beginning of nuclear disarmament, the horizontal proliferation picture is brighter. Efforts to limit the number of countries possessing nuclear weapons have been fruitful to a certain extent. Normally, the number of countries testing nuclear explosives should have increased progressively with the broader dissemination of knowledge about nuclear weapons and with the expanding civilian nuclear activity in the world.

Such has not been the case, and the opposite has occurred. In 1945, nobody could have foreseen the rate at which countries would succeed in exploding their first atomic bomb during the ensuing 36 years. Three nations--United States, Soviet Union, and the United Kingdom--did so during the decade following the end of the war, two--France and China--in the next decade, and only one--India--in the past 18 years. India does not appear to have initiated a weapons program, while a seventh state--Israel--has no doubt assembled the elements of a weapon without having proceeded to explode it.

While a large number of countries do have the means of producing the explosive, most of them have unilaterally renounced arming themselves with the most recent and most powerful of existing weapons, although they are technically and financially capable of doing so. In the hope of contributing to the strengthening of peace, they have thus accepted, for the first time in history, a situation of flagrant discrimination, inasmuch as nuclear weapons continue to be improved and stockpiled by five nations that are, as a matter of fact, the five permanent members of the UN Security Council which, in 1945, the UN Charter made responsible for keeping the peace by granting them veto power in that council.

Each of these five countries had been impeded, however, in its efforts to build this weapon, by obstacles placed in its path by one or more of the countries who had preceded it. Nevertheless, each one, with the exception of China up to now, has in turn joined in efforts made to prevent other countries from acquiring nuclear weapons, or at least reduce the number doing so.

Current Situation

Lack of sufficient perspective makes it difficult to assess the results of the nonproliferation offensive mounted in the late 1970's by the United States. While diverting attention to a slight extent from the serious danger of vertical proliferation, there is no doubt that this American initiative did make governments and public opinion in Western countries more aware of the hazards of horizontal proliferation. Simultaneously, however, it incurred Third World hostility without managing to convince any of the countries determined to keep the nuclear option open. The principal victim of this offensive was not proliferation but rather the American government and American nuclear industry. That industry, battered by the atomic recession in the United States and engaged in a very bitter struggle for export markets, saw its reliability called in question through application of the new legislation's retroactive clauses and the resulting forced modifications or breaches of international contracts.

The Reagan administration, determined to restore luster to the national nuclear image, adopted a more reasonable policy on sensitive transfers to industrialized countries party to the NPT [Treaty on the Nonproliferation of Nuclear Weapons]. It even went so far as to authorize the possible transfer to Australia, by its industry, of the latest ultracentrifugation technology, in competition with European and Japanese offers. As for Third World countries, party to the NPT or unwilling to sign that treaty, the United States endeavored to deal with them on a case by case basis within the limits imposed

by rigorous legislation and a hard-nose Congress.

Lack of industrial know-how is still a type of "lock" that can be used to help curb proliferation in less advanced countries. On the other hand, however, it can be said that there are practically no locks on knowledge. Fuel reprocessing technology is in the public domain and uranium enrichment technology is starting to spread. The mechanism of the A-bomb is well-known. Since 1979, the same has been true of the most secret basic data on the H-bomb. The latter were in fact revealed in the American press despite the U.S. Department of Justice's fruitless efforts to prevent publication of an article based on the adroit investigation of an antinuclear pacifist. Release of this sensitive data was made possible by an unpardonable erroneous declassification of secret documents. Thus by an ironic twist of fate, the greatest recent "sin" against proliferation was committed by the United States, a country so prompt to accuse their commercial nuclear competitors of laxity.

Mention must also be made of the fact that China--which refuses to become a member of the IAEA [International Atomic Energy Agency]--could act as a spoiler in the current nonproliferation situation by making selective transfers of materials and technology without imposing restrictions on their ultimate use. China appears to have already done this with its sale of heavy water and uranium to Argentina.

In the current situation, the IAEA applies its deterrent safeguards to 98 percent of the existing unclassified nuclear installations in non-nuclear-weapon countries. Yet it has no means of detecting clandestine installations, such as a heavy water-natural uranium reactor, a fuel reprocessing plant, or a small facility for uranium enrichment by the centrifuge process. Such installations are relatively the easiest to conceal and are most critical to the production of a few weapons.

Furthermore, it was understood that the IAEA does not control and inspect natural uranium production in countries party to the NPT. These countries are required to report to the IAEA only exports or imports of concentrates. Inspection begins only at the nuclear-purity stage.

In this regard, it is inconceivable, because of existing discriminations, that the IAEA statutes can possibly be amended to give the agency police powers--use of observation satellites, for example--to search out clandestine activities.

Today, there are some 35 non-nuclear-weapon countries which, because of their uranium resources or current nuclear program, could aspire to build a weapon, if not an arsenal, between now and the end of this decade, and succeed in doing this all the more easily with every passing year. It must be emphasized, in this connection, that there is a considerable gap--from a technical, financial, and political standpoint,--between the initial qualitative achievement of a nuclear explosion, or fabrication of the first experimental weapon, and completion of the quantitative stage of building a truly sophisticated arsenal, a feat to which only advanced industrialized countries can aspire, and not without conducting numerous test shots.

West European countries--among which Spain alone has kept the nuclear option open, while still being subject to all safeguards--to which we may add Australia, politically close to the United States, plus Canada and Japan, both more or less under the American nuclear umbrella, are all countries which for the moment cause no anxiety from a proliferation standpoint, if only because the two countries which could most rapidly and efficiently obtain a high-grade nuclear arsenal, Germany and Japan, could not do so without running the risk of starting a worldwide conflagration.

East European countries are effectively controlled by the Soviet Union, with one singular variation, Rumania which, with Canadian assistance, has begun a heavy-water nuclear power plant program which the country's financial crisis is going to slow down if not stop.

This leaves some 15 other nations, nearly all of them in the Third World. Two of these--Cuba, which has kept the nuclear option open, and Libya, which no doubt regrets not having done so and is playing a questionable role as uranium supplier to some Islamic countries--are both dependent on the Soviet Union for their power plants now under construction. The Soviets will no doubt place them under a fuel-leasing system.

South Korea and Taiwan, parties to the NPT, have large-scale electrification programs. In the past, their apparent military nuclear inclinations were nipped in the bud by the United States which has troops stationed in one country and protects the other. The Philippines are likewise closely linked to the United States.

Iran and Iraq, also parties to the NPT, have a considerable lag, the former because of its own deliberate policy and its revolution, the latter because of the destruction of the Tamuz reactor. Any reconstruction of the latter would have to be surrounded, this time, with even tighter and more public safeguards.

Egypt and Mexico are the high points of international competition because of their ambitious nuclear power plant programs. Egypt, a recent signatory of the NPT, ought to be subjected to unusually effective safeguards on account of its geopolitical situation. Mexico is not only a party to the NPT, but it also strongly champions the treaty on denuclearization of Latin America.

Among the countries having kept the nuclear option open, Argentina and Brazil are to all appearances subject to de facto full-scope safeguards. Their recent rapprochement on nuclear matters could mean a common position on possibly exploding a nuclear device. Argentina is patiently acquiring fuel cycle technology on its own, and both countries will attain a nuclear capability within the coming years. Yet they are so greatly dependent on outside assistance for their nuclear power station program that the example of the sanctions imposed on India should make them think twice before proceeding to explode a "peaceful" device.*

* This survey was prepared before the Falkland Islands crisis which will certainly strengthen the hand of the Argentine clique supporting such an explosion as soon as possible.

This leaves four countries who have nuclear installations not subject to any international control or inspection.

South Africa and Israel, with their Velindaba fuel enrichment plant and Dimona reactor, probably have nearly the same capability of constructing two weapons per year. Israel has had such a capability for 15 years, whereas South Africa acquired it just recently. They are definitely the two countries that could, separately or jointly, best build a relatively sophisticated arsenal without conducting tests.

Lastly, India and Pakistan would probably have the most difficulty in building such a military capability without tests. India's production of plutonium not subject to use restrictions will have to await the start up, next year, of the first reactor in its Madras power station. The plutonium from its first Canadian reactor, not under IAEA control, is subject to a peaceful use clause. As for Pakistan, not much is known about the current status and capacity of its gas centrifuge plant, nor the size of its pilot fuel reprocessing facility. Hence opinions vary as to when it could explode a nuclear device and how much such a governmental decision might be deterred by the threat of a cut-off of American military and civilian aid which would almost automatically follow such an explosion.

The foregoing broad-brush survey, which rather spotlights the situation in Third World countries, could change abruptly because of some incident or unexpected reversal of policy. For example, a powerful wave of isolationist sentiment sweeping the United States could lead to the withdrawal of American forces and tactical nuclear weapons from the European continent, and also to the destabilization of NATO. This could have an effect on the attitude of those European nations currently resolved to forego nuclear weapons. Moreover, it is very difficult to predict the risks of contagion that would result from either an official nuclear explosion by a seventh country, or a country's announcement of a nuclear weapons program, with or without tests, and in contravention or not of its earlier political commitments. It has become contrary to international ethics for a new country to announce that it plans to arm itself with nuclear weapons or even to explode a nuclear device. This is one positive achievement of all the efforts made in behalf of nonproliferation. On account of this, all non-nuclear-weapon countries now affirm that their nuclear projects are essentially peaceful. To evaluate the risks of proliferation, it is necessary, therefore, to speculate about each country's ulterior motives, regardless of whether that country has ratified the NPT under outside pressure or not, or has kept the nuclear option open. Furthermore, countries in this latter category are not necessarily those whose ulterior motives could most rapidly be translated into actions.

We are now far from those days when countries would proudly announce, from the very start of their military program, their first successful test, or would invite representatives from all over the world to witness a test, as was done in 1946 at Bikini. In this connection, the world political community would be taken aback if a country, not a signatory of the NPT, were to declare its intention to explode a peaceful nuclear device in the presence of observers from the IAEA and foreign countries.

Nevertheless, utterly unconstrained publicity about the effectiveness and size of nuclear weaponry continues to be part of deterrence and is still the prerogative of nuclear powers, in any case of the first four such powers who have managed to convince others and themselves that they are the nations that would best know not to use their nuclear arsenal. But they must be conscious of the fact that nothing will be able to put a definite stop to the increase in the number of nuclear-weapon countries in the absence of a real start on disarmament of their own nuclear arsenals.

Author Sees Increased Proliferation

Paris DEFENSE NATIONALE in French Jul 82 pp 37-60

[Article by Pierre Lellouche: "Political and Strategic Consequences of Nuclear Proliferation in the Third World"]

[Text] After having been the subject of intense international controversy from 1974 to 1980, the problem of nonproliferation of nuclear weapons is now suddenly, if not forgotten, at least pushed into the background of the international community's concerns. In an international environment dominated, since the December 1979 Soviet invasion of Afghanistan, by a profound deterioration of East-West relations, the strategic debate has once again focused mainly on Europe and, to a more general extent on the balance of forces between the two great powers. Euromissiles and the INF¹ negotiations, the central strategic balance and START,² have now very largely supplanted issues related more specifically to the Third World (nonproliferation, limitation of arms sales).

These issues--which had been given priority under the Carter administration--are now practically totally "frozen," partly for ideological reasons linked to the Reagan administration, but above all because the Third World has become, more than ever, the theater of direct competition between the two superpowers. Inasmuch as each superpower's primary aim is to expand its alliances and influence in regions of the Third World, this "clientelism" obviously takes precedence over politically and economically costly self-limiting policies on the transfer of nuclear technology or conventional armament.

Such being the case, this does not mean the problem of nuclear weapons proliferation has been solved. Quite the contrary!

In effect, while the two superpowers are engaged in a new phase of confrontation, the race for the "bomb" continues with renewed vigor in several Third World regions. Several countries--well-known, in fact--have either crossed the military nuclear option threshold or else are about to successfully do so. This progressive nuclearization of the Third World has already triggered violent convulsions. The Israeli air attack on the Iraqi reactor at Tamuz in June 1981 is one example. As we shall outline later, this nuclearization is also taking on new forms that are frequently clandestine and hence difficult to detect.

In such a situation and despite current indifference to the proliferation problem, it is, therefore, necessary, and more than ever, to assess the political

and strategic effects such nuclearization of the Third World has on the international system. To make this assessment, we shall first define the major proliferation trends of the 1980's, before attempting to analyze their impact on two levels: first, on East-West relations and the central strategic balance, secondly on "intra-Third World" conflicts.

1. Major Proliferation Trends in the 1980's.

Study of the basic facts surrounding the current proliferation problem reveals three foreseeable trends for the 1980's:

- a. Probable acceleration in the rate of this proliferation;
- b. The fact that most of the countries that are "candidates" for nuclear weapons or the military "option" are known;
- c. A profound change in the forms this nuclearization will take in the next few years.

Foreseeable Acceleration of Proliferation Rate

It has become commonplace in some circles to say that the rate of proliferation has been extraordinarily slow to date. Between 1945 and 1974, only six³ countries acquired a nuclear capability (i.e. the capacity to make and test a nuclear explosive). Even if we add the two unofficial members of the atomic club--Israel and South Africa--and if we take as reference date the period 1945-1982, this gives us but eight countries over a period of nearly four decades. This reassuring fact is no reliable guarantee, however, that things will be the same in the future. On the contrary, several series of factors indicate proliferation will continue in the 1980's and will even tend to increase more rapidly if nothing is done to counter it effectively.

We shall only briefly mention the first of these factors, namely the present extensive dissemination of technological information--and even materials--needed to build an explosive device: reprocessing of plutonium, uranium enrichment, notably by the gas centrifuge method, and even the techniques of fabricating the explosive itself, as publicly released recently--by error!--in the United States. In addition, many countries have human scientific resources--considerable in some cases--initially trained in industrialized countries from the 1950's onward.

We shall dwell more upon two new factors we believe should increase the rate of proliferation in the 1980's. The first has to do with the current status of the international nonproliferation system, the second with the consequences of present East-West tension.

Unlike the preceeding periods, the decade of the 1980's opened on an unprecedented crisis in the international nuclear system. This system, based on the Treaty on the Nonproliferation of Nuclear Weapons (NPT) and the safeguards of the International Atomic Energy Agency (IAEA), was profoundly shaken by controversies in the 1970's, controversies spawned by the large

nuclear contracts of 1974-1975, India's nuclear explosion of May 1974, and the more restrictive policy imposed by the Ford and Carter administrations.⁴ The NPT-IAEA system, fragile from its inception--because most of the principal Third World countries considered potential members of the atomic club refused to subject themselves to its safeguards--emerged from these years of wrangling weaker than ever. The new constraints placed on certain "sensitive" technologies⁵ by exporting countries within the famous London Group or through restrictive national laws were perceived in the Third World as an unacceptable attempt to unilaterally revise a lawful system previously accepted by the international community. Coupled with this North-South dispute was the controversy among industrialized countries themselves over the dual question of plutonium reprocessing and the shift to breeder reactors. All things considered, the dispute over the technical constraints of the antiproliferation effort and control of the civilian fuel cycle could not be resolved despite 8 years of debate and 2 years of study and discussion within the INFCE.⁶

As a result, the international nuclear system is now undermined by a total absence of any consensus on the kind of antiproliferation policy to be implemented. Simultaneously, the NPT's credibility and the IAEA's safeguards have been deeply affected by all this. These past few years, this loss of confidence has been aggravated by the veritable stagnation of most of the world's civilian nuclear programs, thereby adding to the confusion and to the fragility of existing legal barriers. Under such circumstances, two new risks are emerging:

a. The NPT-IAEA crisis facilitates--while also legitimizing in some respects--the movement of certain countries toward the military nuclear "option" through strictly national programs.

b. In addition, stagnation of the international nuclear market threatens the very existence of nuclear industries in several exporting countries and prompts the latter to reconsider their adherence to restrictive policies that have become increasingly costly. Capturing the very few export markets in the Third World has thus become a vital objective which some vendors may be tempted to attain by making concessions on the political terms and conditions of nonproliferation. Recent examples (contracts or negotiations), notably in the case of Argentina and Mexico, clearly foreshadow the risk of a return to the "wildcat" competition of the early 1970's between exporting countries. The pernicious impact of this first series of factors is reinforced by the present state of East-West relations which also contributes to increased risks of proliferation. We referred earlier to the fact that in a period of East-West tension, the two great powers tend to push concern about nonproliferation policy into the background. This indifference, dangerous in itself, is but one aspect of the problem. In fact, the even more serious danger is that both superpowers may use nuclear technology transfers as one of the means--along with arms sales--likely to ensure them a "clientele" in the Third World. Such a situation arose earlier during the cold war years with the rival "Atoms for Peace" programs initiated by Moscow and Washington. There are now already obvious signs of a move in this direction. In the United States, the relaxation of nonproliferation policy since Ronald Reagan's election is a

striking example of this, notably in the case of Pakistan. Even though that country is known for its at least questionable nuclear activities, it has been able to receive considerable economic and military assistance from the United States, and at the cost of actually twisting pertinent U.S. legislation (Symington amendment).

Admittedly the invasion of Afghanistan and events in the Gulf region these past few years have made Pakistan a key element in U.S. strategy. Similar observations can be made about the recent change in the Soviet Union's external nuclear policy. To cite but one example, these past few years we have seen Moscow and Buenos Aires jointly circumvent U.S. embargoes. Argentina was thus able to obtain from the USSR the heavy water and enriched uranium which the United States--and other Western suppliers--had denied it in the name of nonproliferation. In exchange, the USSR was able, through massive shipments of Argentine wheat, to get around the grain embargo imposed by the Carter administration after the invasion of Afghanistan.

The East-West crisis also serves to increase the risks of proliferation in another way, namely through the motivations of nations that are potential possessors of nuclear weapons. It is evident, in fact, that the superpowers' present direct military competition in the Third World can only heighten the insecurity of local powers and give added weight, among some of them, to military or security arguments militating in favor of acquiring nuclear weapons. In addition, the patent failure of the arms control process between the two superpowers plus the accelerated "vertical" proliferation of their strategic arsenals furnish additional "moral" and diplomatic justification to those Third World countries seeking a military nuclear option.

"Proliferators" of the 1980's

The second basic fact about proliferation in the 1980's has to do with the identity of the countries that are potential possessors of nuclear weapons. Unlike preceeding periods, the principal risk now no longer lies in Europe or among industrialized countries, but, on the contrary, among developing countries of the Third World. Furthermore, the present period is characterized by the fact that these countries are clearly known. Hence proliferation can no longer be viewed--as we inordinately tended to view it in the 1960's, and even in the 1970's--as an abstract and universal problem stated in terms of "n" or "n + 1" countries. On the contrary, the risks of proliferation today involve a very specific series of countries situated in each of the major regions of the Third World. If we take as base the existing technological capacities of these countries--status of on-site fuel cycle, scientific resources, access to necessary raw materials--and also their manifest ambitions or motivations--of a political or security nature--we come up with an exact list of the principal potential "proliferators" during the present decade. That list of "candidates" could look like this:

- a. Middle East: Israel, Iraq, Egypt, Libya; and beyond 1990: Syria, Algeria, and certain Persian Gulf states;
- b. Indian subcontinent and Southwest Asia: India, Pakistan, Iran, and Turkey.

c. Far East: Taiwan and South Korea.

d. Latin America: Argentina, Brazil, Mexico, and Cuba.

e. Africa: South Africa and beyond 1990: Nigeria and Zaire.

Thus the risks of proliferation in the current period emanate from a total of some 20 countries, three of which are already unofficial members of the "atomic club: India, Israel, and South Africa. Moreover, at least four others are fully capable of joining that club in 2 to 5 years: Pakistan, Taiwan, South Korea, and Argentina. For the other countries listed above, it could take 5 to 15 years, depending on the country.

Lastly, it will be noted--and this is by no means a surprise--that most of these countries are either directly involved in regional conflicts wherein their very survival is at stake, or they aspire to become the dominant power in their region and thus attain world recognition as a middle-sized power. No one will be astounded, therefore, to find, among the countries mentioned above, the hard core of the NPT's fiercest opponents.⁷

New Aspects of Proliferation

The trends we have just mentioned are exacerbated by a final series of factors specific to the 1980's, namely the radical transformation of the very forms of proliferation. In the past, the main risk of proliferation appeared likely to stem from the civilian fuel cycle being diverted to military purposes. Since the establishment of the IAEA, all efforts of the international community have, therefore, been directed at controlling the civilian nuclear activities of countries, and particularly those activities resulting from the introduction of nuclear power reactors for the generation of electric power. In the 1970's, as we noted above, this led, to a ban on dissemination of commercial reprocessing and enrichment plants because of their possible military applications. Yet now it is becoming increasingly evident that the linkage between the civilian fuel cycle and proliferation is not as close as some experts--particularly in the United States--had believed. We notice, for example, that the recession in power reactor programs throughout the world has not prevented a number of countries from drawing nearer to the military nuclear threshold by using, for this purpose, much smaller size noncommercial facilities such as research reactors, small hot cells for reprocessing, and laboratory units for enrichment by a centrifuge process, indeed even by laser. On this point it is particularly significant to note that of the 11 "proliferators" most frequently mentioned--Argentina, Brazil, Egypt, India, Israel, Iraq, Libya, Pakistan, South Africa, Korea, and Taiwan--four do not have a single nuclear power reactor for generation of electric power,⁸ and most of the others have but a very modest nuclear power program.⁹ On the other hand--and this is the main point--six of these countries are currently working on uranium enrichment and nine on reprocessing.¹⁰

It is equally important to note that most of these sensitive facilities were developed locally more often than not, in other words, without any control by the major exporting countries. In some cases, these various programs did

profit from collaboration between these countries, hence on the fringe of the IAEA-controlled official nuclear market. In other instances, clearly illicit methods were employed: theft of URENCO's [Uranium Enrichment Company] centrifuge enrichment technology, diversion of nuclear materials, etc. The increasing number of more or less secret cooperation agreements between potential proliferators, the clandestine or semiclandestine development of small "sensitive" units in these countries, creates a highly dangerous situation that eludes those controls exercised over the "official" nuclear market. Already weakened and fragile, as we have seen, the NPT-IAEA is, therefore, now being gradually circumvented by those very countries that ought to be the most tightly controlled.

This evolution of the proliferation phenomenon into a more diffuse and more clandestine aspect is confirmed, in fact, by the confusion currently surrounding the definition of the very status of "nuclear state" compared with the status of "non-nuclear state" (in the military sense of the term). The definition included in the NPT, namely the capability of fabricating and testing a nuclear explosive, is now null and void, inasmuch as India, after having exploded a nuclear device, declared this explosion was "peaceful"--whereas Israel and South Africa, having never conducted such tests, are considered--and occasionally indirectly depict themselves--as full-fledged military nuclear powers.

All in all, it is apparent from the preceeding analysis that the phenomenon of proliferation is very likely to accelerate in the 1980's, and that, in addition, it will be even more difficult to curb than in the past because to a great extent it is outside the purview of existing instruments of control.

Such being the case, what impact will this situation have on the international system, and first of all on the "central" strategic relationship between the two superpowers?

2. Proliferation and the Superpowers

The debate over proliferation's effects on the bipolar system of the two superpowers is not new. Back in the late 1950's, this debate produced two schools of thought. Despite subsequent developments in the international system, these schools have continued to dominate prospective reflections on the subject.

The first school initially evolved from the rationalizations of General Gallois. It then expanded principally in the Third World where today it still has great influence in ruling circles. According to Gallois and his Third World "disciples," proliferation of nuclear weapons is desirable for political as much as for strategic reasons. Politically, it is supposed to put an end to the Soviet-American "duopoly," thereby ultimately democratizing international society. A view frequently expressed in the Third World is that "lofty principles and rules of conduct are not sufficient per se to structurally modify power relationships and the sharing of resources in the world," consequently nuclear weapons will shatter the "present oligarchy."¹¹ Proliferation is also considered positive and stabilizing in its strategic

consequences, because, as Gallois tells us, "in a multipolar world where each pole would be the capital of an atomic power, states would be all the less inclined to use the atom against each other because at the end of such an exchange, victory would unquestionably belong to those who had been mere onlookers at the conflict."¹²

At the other extreme, the Anglo Saxon school--with which the USSR now concurs--has asserted for a very long time that proliferation is essentially a danger to world peace. According to the school's originators, enlargement of the atomic club will intensify the arms race between the two great powers and destabilize the central balance. In addition, nuclearization of the Third World is liable, through the escalation process, to draw the two superpowers into an all-out nuclear war. Proliferation is deemed to be just as pernicious on the political level: supporters of this thesis acknowledge--thus agreeing with Gallois on this point--that proliferation will inevitably reduce the sphere of influence of the two great powers, but they argue that such a situation is dangerous in that an international system under lesser control by the two great powers will be not "democratic" but "anarchic."

In spite of the immense impact these schools of thought may have had--and may still have--on the policies followed by numerous countries,¹³ neither school, in our view, provides a satisfactory frame of reference for analysis concerning the coming years.

The observations we shall now offer will be more nuanced and will lie midway between the ideas we have outlined above. In our opinion, proliferation in the 1980's will not radically challenge the current bipolar system. It will have but limited effect on the arms race between the two superpowers and on the central balance. Lastly, it will not fundamentally change the behavior of the two superpowers in the Third World, even though superpower rivalry in those regions is bound to become more difficult and more dangerous because of the Third World's progressive nuclearization.

We shall now briefly discuss these three points.

Maintenance of the Bipolar System

While it is true that the present international system appears to be evolving toward a certain "multipolarity," it is still nonetheless true--in our eyes at least--that the world remains dominated at the strategic level by the superpower rivalry. At the present time, there is no region of the world that is free of this rivalry or safe from the mass-destruction weapons or intervention forces of the two great powers.

Admittedly the degree of superpower control exercised over their respective allies or other countries has lessened. This is particularly true of the United States. Present tensions within the Atlantic Alliance are a case in point. Likewise, the economic omnipotence of the United States has now faded with the emergence of new major centers of economic--Europe and Japan--or financial--OPEC--development. In contrast, on the strategic level, the bipolar system has thus far most effectively withstood the test of time, and of

proliferation. In retrospect, it is striking to see to what point the acquisition of nuclear weapons by three such important nations as Great Britain, France, and China has, in the final analysis, only scratched the Soviet-American duopoly. Enlargement of the atomic club, to be sure, did not proceed smoothly or without recriminations. Yet contrary to what had been predicted--and feared in the United States--the atom was not "an alliance destroyer." As far as NATO is concerned, we note that the Alliance not only survived France's (partial) withdrawal in 1966, but it likewise adapted itself quite well to the existence of third-country nuclear forces. In this regard, the 1974 Ottawa Declaration showed that far from having "destroyed" NATO, French and British atomic weapons had ultimately strengthened it by "contributing to the Alliance's overall deterrence." As for the other European countries, historic experience shows that bipolarity has been stronger than nuclear temptation, the system of blocs having succeeded in "freezing" any risk of proliferation in Europe. Indeed this is so true that NATO's current problem is not so much the risk of proliferation by those members who doubt American credibility as it is the temptation, on the contrary, to opt for regional denuclearization formulas.

The experience of the past 3 decades has also shown the limitations of what is commonly called the "equalizing power" of the atom. Admittedly this power did assert itself, especially on the strategic level, when it was a matter of France or China establishing a credible "weak-versus-the strong" system of deterrence vis-a-vis the USSR. But, here also, the existence of three new national sanctuaries--in Great Britain, France, and China--did not structurally change the bipolar activity of the two superpowers. That activity continues to dominate because nuclear weapons alone are not enough to make these three countries superpowers like the United States and the USSR. In fact, superpower status depends also, and perhaps primarily, on a country's geographical dimensions, natural and human resources, etc.

If these observations are accepted, it is apparent, therefore, that the gradual nuclearization of the Third World will not further affect the bipolar system's survival on the strategic level.

If we rule out the extreme hypothesis of a massive and almost simultaneous nuclearization by some 12 or 20 countries, then the heavy odds are that strategic bipolarity will accommodate itself without too much trouble to the emergence of a few more nuclear powers in the Third World. This is particularly true in that for the majority of the most probable proliferators--Israel, Korea, and Taiwan, for example--the acquisition of nuclear weapons will not be sufficient per se to solve all their security problems. These countries will remain in a position of dependence on their allied superpower, particularly as concerns supplies of conventional weapons, financial aid, etc.

'Horizontal' Proliferation, 'Vertical' Proliferation

This first conclusion is likewise confirmed by analysis of the impact of proliferation on the arms race between the two superpowers. Certain authors have asserted they could forecast an acceleration of this "vertical" proliferation following an enlargement of the atomic club.

Actually that assertion is as unfounded as the one which consists, for certain Third World countries, in justifying acceleration of "horizontal" proliferation on the grounds that the two great powers are continuing their arms race. If there is a link between "vertical" and "horizontal" proliferation, it is by no means a link of causality (in one direction or the other) but something much more diffused and indirect.

Just as Pakistan does not "make the bomb" simply because the United States and the USSR each have 10,000 strategic warheads and not 5,000, so also the arms race between the two superpowers is above all the product of the dynamics of their bilateral strategic relationship. A study of those Soviet and American strategic programs initiated during the past 3 decades clearly confirms this. We found not a single arms program that was specifically decided on the basis of the risks of horizontal proliferation. In some cases, this basis may have been attributed a posteriori (to justify, for example, what remained of the American ABM [antiballistic missile] system after the SALT I agreements).¹⁴ But, we repeat, the increase in the arsenals of the two great powers has to this day been affected solely by the specific dynamics of that rivalry. The existence of third-country nuclear forces and the possibility of new members joining the atomic club have played no visible part in this increase. However, this does not mean that superpowers are unarmed against existing or potential third-country forces. Each superpower has such a superabundance of nuclear weapons of all types that it already has forces capable of countering any new proliferator no matter who it may be. Besides, with its intermediate range weapons (like the SS-20), the USSR has highly effective instruments against any present or potential proliferator on its periphery.

Although it must be stated, therefore, that horizontal proliferation has thus far had no impact on the evolution of the central strategic balance, we must, on the other hand, emphasize the fact that this proliferation has furnished the superpowers a highly important area of understanding and cooperation in the arms control field since the 1950's. In fact, it must be remembered that it is in the area of proliferation that Soviet-American arms control has scored its greatest successes, beginning with the 1963 Moscow Treaty, the NPT in 1968, up to the Accords of September 1971 and July 1973 on prevention of nuclear war.¹⁵ This American-Soviet cooperation was also manifest in the reaction to the nuclear test being prepared in the Kalahari Desert, South Africa, in 1977, as well as in the deliberations of the London Group in 1974-1975.

While it is true, as we indicated earlier, that at the present time, both great powers appear tempted to sacrifice their connivance in nonproliferation matters on the altar of the cold war, both realize, nevertheless, that this is a most dangerous game. All the same, certain signs, such as the resistance shown by the U.S. Congress--to relaxation of American nonproliferation policy--indicate that collaboration between the two great powers will continue in this field,¹⁶ especially now that the strategic dialogue, suspended since 1979, is about to resume (with the twofold negotiations, INF and START).¹⁷

Then there are the weapons themselves. Must we expect intensified vertical proliferation--in certain fields at least--in the event of a new wave of

proliferation in the Third World? Here too, much will depend on the rate of proliferation in the coming years. If that rate were to increase, it could have a certain number of consequences, but not in the offensive weapons field--for, as we previously noted, Moscow and Washington already have a superabundance of such weapons--but most likely perhaps in the defensive weapons field. The emergence of new centers of nuclear power could prompt both superpowers to become concerned about their cities, and especially the USSR which appears to be the most threatened of the two, inasmuch as most potential proliferators belong to the Western camp. Although a no-defense strategy is justified in the framework of a two-party mutual-assured-destruction relationship, such would no longer be the case the moment a dozen other countries have the capacity to attack a superpower's manpower potential, its population centers. Consequently it is to be feared that a sudden acceleration of the proliferation rate in the coming years may prompt both great powers to further expand their civil defense programs and especially their antiballistic missile (ABM) programs. There is known to be revived interest in the latter at the present time in both Washington and Moscow, particularly in the BMD [Ballistic Missile Defense] of ICBM silo sites. Rapid nuclearization of the Third World could, under such conditions, start another and much bigger race for an ABM area (cities) defense. Should that happen, the central strategic balance could thereby be profoundly affected, while at the same time the risks of a sudden destabilization of deterrence in a crisis situation would increase. Moreover, resumption of ABM programs by the two superpowers would create difficult problems not only for possible proliferators but especially for the present third-country nuclear powers that have to maintain an adequate threshold of credibility vis-a-vis the USSR.

Proliferation and Superpower Behavior in Third World

Among the dangers associated with nuclearization of the Third World, the one most frequently cited is that of having the superpowers drawn against their wishes into an intercontinental nuclear war growing out of a regional nuclear conflict in which they would have found themselves involved. This risk of contagion or escalation, this idea of a "nuclear Sarajevo," is based on two facts:

- a. The fact that the superpowers are militarily present in key regions of the Third World where the first signs of proliferation are appearing (notably the Middle East);
- b. The fact also that the superpowers, through agreements or military cooperation, are directly involved with both sides in a "race for the bomb" process in certain regions (for example: United States-Pakistan or United States-Israel versus USSR-India or USSR-Iraq or Syria).

Such a situation foreshadows two very real risks:

- a. That of a direct confrontation between the superpowers, one brought about by a nuclear conflict between their respective allies;
- b. That of a confrontation between one superpower and a Third World country having acquired "the bomb;" such a clash could result either from the action of

local alliances--one of the superpowers having committed itself to protect a non-nuclear country of the region against its newly nuclear adversary--or from a purely bilateral dispute, such as, for example, a Third World country having achieved a nuclear capability decides to forcibly challenge a superpower's military presence in the region.

The strategic consequences under such circumstances could be immense. This is obvious in the first case. It could also be true in the second case, because, despite the considerable disproportion between the resources of a superpower and those of a proliferator having but a few rudimentary weapons, it is highly likely, in fact, that deterrence of the strong by the weak would come into full play since the vital interests of the weaker country would be threatened. In this respect, the Falkland Islands conflict is extremely revealing for the future, even though it involves a middle-sized nuclear power and not a superpower. It is evident that if Argentina had had a nuclear capability, even a limited one, the Royal Navy's punitive operation would have been either unthinkable or extraordinarily risky.¹⁸

Despite these very real risks, it is still highly unlikely that the superpowers will basically change their behavior in the Third World. As nuclearization advances in these regions, competition, between the two great powers will, of course, prove to be more and more difficult and more and more dangerous as well. But considering the interests involved and the very dynamics of this worldwide competition, the aforementioned difficulty and danger will not put an end to such competition in the Third World.¹⁹ Yet Moscow and Washington can be expected to take increased precautions precisely to avoid "contagion" between any local nuclear conflict and a central nuclear conflict. In particular, the two great powers will probably take great care not to give any nuclear guaranty to their regional allies. Both will limit their assistance to supplying conventional weapons and will avoid--much more than heretofore--any direct military confrontation.²⁰ To better "compartmentalize"²¹--or "decouple"--their central strategic relationship from these various regional arrangements, the two great powers can be expected to enhance their communications facilities and procedures for use in crisis situations.

These different "firebreaks" should reduce, but not totally eliminate, the aforementioned risks of a "nuclear Sarajevo." However, such precautionary measures would be ineffective in a Falkland Islands type of crisis where a regional power would decide to defy a superpower. Therein lies, in our opinion, the principal danger in the coming years. As nuclearization of the Third World expands, the challenge to the established international order by new "middle-sized" powers is liable to be violent and thereby create situations difficult to control.

From the preceding observations it follows that proliferation in the Third World, without fundamentally modifying the present bipolar system, could in some cases increase its fragility, the essential variable being the rate at which these regions will be nuclearized. If that rate were to accelerate, then we cannot rule out certain repercussions on the defensive strategic programs of the two great powers, on the ABM program above all. In any event,

the military competition of the superpowers in the Third World will be complicated thereby and undoubtedly rendered more dangerous.

3. Proliferation and "Intra-Third World" Conflicts

We have now come to the third part of this assessment, namely what impact will proliferation at the regional level have on rivalries and conflicts between Third World countries?

Contrary to the questions we raised in the preceeding part of our analysis, questions relative to the impact of proliferation on the superpowers, the debate about the impact of proliferation on security in the Third World has just begun. We can, nevertheless, discern two schools of thought.

The first school could be labeled "optimistic." It holds that proliferation will have a beneficial effect on security in the Third World, particularly in regions that are the theater of repeated conventional conflicts, the Middle East, for example. According to upholders of this thesis, nuclearization of such regions will ultimately lead to a situation of forced peace similar to the current situation in Europe. This school claims that the atom will make political leaders in those regions more responsible and force them to seek political compromises that are deemed impossible at the present time. In addition, deterrence will make it possible to stabilize the military balance at regional level.²²

On the opposite side, other analysts see in proliferation a vital threat to Third World countries themselves. The idea that the European model of deterrence can be exported to other regions is refuted by three series of arguments:

a. From a technical standpoint, the nuclear forces that emerge in the Third World will be infinitely less reliable and less safe than in Europe. The weakness of command, control, and communications capabilities, coupled with the instability characteristic of most of these countries, will create considerable risks of accidents and misappropriation by terrorist or other groups.

b. From a strategic standpoint, the European model is not transposable, no more than the MAD (Mutual Assured Destruction) model. Emergent nuclear forces in the Third World will inevitably be rudimentary and weak, thus ruling out the possibility of an assured second strike. On the contrary, in such an environment, the principal danger will come from a threatened country being tempted to launch a preemptive strike and thus simultaneously rid itself of the opposing nuclear force.

c. Last argument: the forced peace system in Europe and between the superpowers presupposes a common rationality among political leaders. In the Third World, where the cultural environment is profoundly different, certain leaders--Khomeyni and Qadhdhafi are those most frequently mentioned--would not hesitate a second to use nuclear weapons if they had them.²³

Strictly speaking, neither of these two schools seems entirely convincing.

The notion that the European-style forced peace system can--and should--be transposed from Europe to the Third World presents, to our mind, a dual conceptual error. In the first place, this argument implicitly overestimates the degree of stability of a security system whose limitations are well-known to all Europeans. And above all, it omits the crucial point which is that the European system is essentially based on the nuclear cover provided by the two great powers.

Yet that cover is not only inconceivable outside the "central" theater which is Europe, but equally unacceptable for most Third World countries that profess to be nonaligned and are endeavoring, on the contrary, to be free of the system of blocs.

The second and opposite thesis likewise has major omissions and errors. The technical argument contending that Third World nuclear forces would be unreliable is indeed well-founded, but the risk of accidents also exists among present nuclear powers. A series of recent incidents related to computer malfunctions prove this. To top it all, we find it difficult to see why a strategic relationship between two modest and unimportant nuclear forces would be less "stable" than the current Soviet-American relationship in which both sides are acquiring a counterforce capability against all of the adversary's systems. All things considered, modest nuclear forces actually have the twofold advantage of being dispersable and concealable, and above all, they exclude the risk and temptation of counterforce strikes because their capability would not exist. As for the argument based on the supposed "irrationality" of Third World leaders, we find it difficult to accept a priori for two reasons. First, because of its almost racist coloration; we are implicitly asked, in effect, to admit that leaders of the present nuclear powers are more "responsible" than the leaders of certain Third World countries acquiring nuclear weapons would be in the future. Have we forgotten the multiple miscalculations made by the superpowers in the past? We need only recall, for example, the Bay of Pigs fiasco for John F. Kennedy, or the missile crisis started by Khrushchev! Secondly, the "irrationality" issue is frequently stated in simplistic terms. In the nuclear age, the real issue facing Third World leaders will be the very survival of their peoples. How can anyone believe that these leaders would be more "suicidal" than their counterparts in the five present major nuclear powers?

These observations lead us to believe that proliferation's impact in the Third World will not depend to any great extent on the rationality of this or that leader, but more on the strategic and political context within which these leaders will have to operate. It is here that we come close to the real problem posed by nuclearization of the Third World: in fact, everything will depend on the type of nuclear weapons and delivery systems introduced, on the identity of their possessors, and especially on the time factor,²⁴ that is to say on the rate at which nuclear weapons are introduced into a given region. The real risk will actually lie in the transitional phase between a non-nuclear balance of forces system and a progressively nuclearized system.²⁵

Considering the inevitable time lag between the acquisition of atomic weapons by the various countries in question, the danger is that the first one to attain this capability may decide to retain its nuclear monopoly by force and hence launch a preemptive strike. Up to now, this type of strike has been made with conventional weapons, whether it be the Allied bombing of Nazi or Japanese nuclear installations during World War II or the Israeli attack on Tamuz. In addition, the experience of the past 30 years tends to prove that, even though tempted, the current nuclear powers carefully refrained from forcibly eliminating the then nascent nuclear capabilities of their adversaries. For example, the United States did not resort to force to maintain its nuclear monopoly when the USSR was developing its first weapons. Similarly, even though the USSR had--according to some sources--considered such action in 1969, it too did not attempt to destroy the developing Chinese nuclear force by means of a preemptive strike.

Despite these various precedents, we cannot rule out the risk of the use of nuclear weapons in the Third World for such preemptive strikes. In our view, therein lies the principal danger stemming from "intra-Third World" conflicts.

Furthermore, this danger has become even more serious because of the clandestine or semiclandestine aspect which nuclearization in the Third World has now assumed. As we noted above, countries trying to attain--or having reached--the nuclear threshold tend more and more to mask the true orientation of their nuclear program or their nuclear power status, by carefully refraining from any clear display of their resources and their doctrine. There are two reasons for this: First, to avoid accelerating efforts being made by rival countries to acquire nuclear weapons; second, to avoid suffering the diplomatic consequences the display of a nuclear capability would incur.

Such a situation has the effect of heightening the uncertainty and the risks of miscalculation between rival countries. Whenever a region's nuclearization is done clandestinely and several countries approach the nuclear "option" in secret, the danger is that conventional conflicts may multiply and then degenerate, as a last resort, even to possible use of atomic weapons by one of the opposing parties.²⁶

In terminating this analysis--in which it has been possible merely to make a rapid general survey of the extremely complex repercussions of the Third World nuclearization process--two main conclusions are apparent.

First and foremost, even though proliferation will not have the holocaustic consequences that some analysts have been predicting for several decades, it is evident, however, that the Third World's nuclearization will add to the insecurity of the present international system. In this respect, much will depend, as we have seen, on the rate this proliferation attains in the coming years. The higher that rate, the more proliferation's effects will tell on the central strategic relationship between the superpowers as well as on regional security in the different Third World regions concerned.

It is, therefore, of fundamental importance--and this is our second conclusion--to pursue and intensify the efforts to combat proliferation, no matter what the current state of East-West relations may be. Time is the key variable in this situation. Hence each year gained gives the international system as a whole, and the different regional subsystems in the Third World, more chances of adjusting themselves without too many jolts to enlargement of the atomic club. A certain degree of proliferation is no doubt inevitable, but it is in the entire international community's interest to ensure that this degree is as limited as possible and that it occurs as late as possible.

For France--and we shall conclude on this point--this implies, in our judgement, a twofold effort. First, a political and diplomatic effort aimed at reinforcing our nonproliferation policy. This reinforcement should, in our opinion, extend to our full and complete accession to the NPT. Secondly, an effort of reflection and preparation is imperative with regard to our defense policy for the 1990-2000 period. In view of France's status as a middle-sized nuclear power with a direct presence in several regions of the Third World, it appears inevitable that France will find itself faced with certain situations in which it will have to cope with one or more Third World powers which have in turn acquired this dual status. Such eventualities imply choices concerning both the maintenance or not of our presence in the Third World and the organization of our forces that will follow therefrom.

Nuclear, Non-Nuclear Nation Cooperation

Paris DEFENSE NATIONALE in French Jul 82 pp 77-79

[Article by Andree Martin-Pannetier: "Reflections on Nonproliferation of Nuclear Weapons"]

[Text] It was logical to believe that mutual understanding among the small number of major nuclear powers would have made it possible--since the so recent advent of the nuclear age--to truly reconcile civilian nuclear development with nonproliferation of nuclear weapons. Unfortunately, while some successes were recorded, these remained well below the expectations which initial civilian nuclear activity had occasioned.

The dangers of proliferation have led to restrictions on the dissemination of technologies, sensitive technologies in particular, at a time when the world has such great need of energy. But the nuclear club cannot arrogate to itself the right to retain the benefit and monopoly of these technologies. In this matter, the position of developing countries must be given very special consideration.

The so-called "suppliers" policy has reached its limits and efforts to find a unilateral solution have failed. Hence other solutions must be sought, solutions capable of gaining the support of developing countries. Yet the latter will never be able to accept a policy which would actually deprive them of access to civilian nuclear techniques and their associated equipment at a time when the energy problem has become of crucial importance to their future.

This attitude is understandable especially since most of them have absolutely no aspirations to possess nuclear weapons. On the other hand, antinuclear currents of world opinion were encouraged by U.S. policy during Jimmy Carter's presidency and this heightened public awareness and concern cannot be overlooked.

Research efforts must take into account the lessons of the past when formulating a world policy on nonproliferation, a policy capable of obtaining sufficient support. The problem is one of finding ways and means of real cooperation among all countries concerned, nuclear and non-nuclear, with the former no longer being able to ignore the latter nor make decisions for them.

The Carter policy did not obtain the anticipated results. It encountered veritable rejection prompted principally by United States noncompliance with Article IV of the NPT, even though the United States was the inspirer of that treaty and one of its first signatories. The Carter policy was rejected by Western industrialized countries and Japan as well as by the Third World. The latter's opposition did not facilitate the North-South dialogue, or what was left of it! At the same time, new countries, such as Pakistan and Iraq, seemed close to joining the nuclear club, while the INFCE [International Nuclear Fuel Cycle Evaluation] studies revealed how precarious "locks" on technology really were.

We must probe deeper and begin by having a clear-eyed cognizance of the motivations underlying the attitude of non-nuclear countries. They believe that nuclear countries must be the first to set an example of nonproliferation, notably the most important countries whose vertical proliferation is becoming increasingly intolerable to a substantial proportion of world public opinion. They consider that this imperative requirement ought to bring out common ideas on disarmament, not by stating the problem in general and absolute terms, but by seeking concrete solutions, even partial and progressive solutions.

They regret, as do most interested parties, that the 1980 NPT review conference in Geneva stumbled over the issue of noncompliance by the nuclear powers with Article VI of the treaty. The world is finding it more and more difficult to tolerate this discrimination and particularly in such a critical and brutal field. Any nondiscriminatory convention has more chances of being approved and then complied with. We must not, however, overlook the fact that even under these conditions, a fundamental inequality will continue to exist between those countries having control of nuclear technology and other countries.

The parties concerned should also apply themselves to taking account of the time factor, viewed by some as a reason for feeling somewhat appeased and by others as a reason for being patient. Only those countries having attained a sufficient level of industrial development--which supposes a minimum technical environment as well--can consider unilaterally diverting the equipment and facilities furnished them and using them for purposes other than those for which they were initially designed. The changeover from civilian to military nuclear activity presupposes a combination of conditions which, after all, few developing countries can meet at the present time.

A balance can be sought between indispensable technical activity and the strict controls and safeguards that countries must be made not only to accept but to respect. The IAEA in Vienna has already proved its ability in these matters and its role must be enlarged. Taking a position of curt refusal will no longer be understood nor admitted, whereas by cooperation, ways and means will be found for ultimately obtaining the desired result without curtly offending one's partners.

Even if technical answers to the proliferation problem have but relative value, they should also be used. Besides, the nuclear countries have less and less possibility of maintaining a posture of abstention which is no longer capable of preserving their monopoly.

Whether we like it or not, international relations are very largely based on force ratios, but diplomatic skills employed in support of a responsible policy can produce successful results. The essential requirement is a good appraisal of the opposing forces along with a willingness to transcend that stage in an effort to implement solutions in which international ethics would have their place, a place which, in the interests of preserving peace, we may, indeed we must expect to continue to expand in the future.

FOOTNOTES

1. Intermediate Range Nuclear Forces.
2. Strategic Arms Reduction Talks, the new American designation for SALT [Strategic Arms Limitation Talks].
3. United States, USSR, United Kingdom, France, China, and India.
4. For a detailed analysis of that period, consult Bertrand Goldschmidt's instructive book, "Le Complexe Atomique," Paris, Fayard, 1980.
5. These are mainly the plutonium reprocessing and uranium enrichment technologies.
6. International Nuclear Fuel Cycle Evaluation, See our article on this subject: "International Nuclear Politics," FOREIGN AFFAIRS, Winter 1979-1980.
7. Israel, India, Pakistan, Argentina, Brazil, Cuba, and South Africa, all nonsignatories of the NPT.
8. Israel, Iraq, Egypt, and Libya.
9. Only South Korea and Taiwan have large nuclear electric power programs. Brazil's ambitious program initiated in 1974 had to be substantially reduced for technical and financial reasons.

10. Theodore Winkler, "World Nuclear Market and Nuclear Proliferation in the 1980's," to be published in POLITIQUE ETRANGERE, September 1982.
11. Raini Kothari, "Sources of Conflict in the 1980's," ADELPHI PAPER, No 143, Spring 1977.
12. "Paradoxes de la Paix" [Paradoxes of Peace], Paris, Presses du Temps Present, 1967, p 225.
13. China had, at least for a time, made the first school the main axis of its official policy. As for the second school, it has largely inspired the nonproliferation policy of both superpowers ever since the late 1950's.
14. The Soviets occasionally use the argument of third-country forces--France, United Kingdom, and even China--to justify deployment of their SS-20's, even though it is quite evident that the main function of those missiles goes beyond that, with Moscow primarily seeking to deny the United States any control over escalation and hence decouple the European theater from the central strategic balance.
15. See Thierry de Montbrial, "Perceptions of the Strategic Balance and Third World Conflicts," in ADELPHI PAPER No 161 (1155), Autumn 1980.
16. It is significant to note in this regard that Senator Sam Nunn, who is not considered soft toward the Soviet Union, recently proposed to strengthen cooperation between the superpowers on proliferation matters. Among other things, he suggested formation of a Soviet-American "crisis cell to lessen the risks of being drawn into a nuclear war triggered by a third country or a terrorist group." ATLANTA CONSTITUTION, 27 April 1982, p 1.
17. To tell the whole story, we must point out that in certain cases, however, proliferation may complicate the superpower arms control dialogue. We note, for example, that the idea of nuclear-free zones, a worthwhile nonproliferation concept, is used by the USSR for other purposes relating to Europe. It will also be noted that the issue of third-country nuclear forces was utilized by the USSR to obtain strategic arms "compensations" in the SALT negotiations and currently in the INF negotiations.
18. There is no doubt, in our judgement, that Argentine officials will draw the appropriate inferences from this fact. Regardless of the outcome of that conflict, it appears clear that Argentina will very rapidly cross the military nuclear threshold, action which in turn is liable to revive the nuclear arms race throughout Latin America and perhaps in other regions too.
19. See Kenneth F. Waltz, "What Will the Spread of Nuclear Weapons do to the World," in John Kerry King, "International Political Effects of the Spread of Nuclear Weapons," U.S. GPO, April 1979.

20. Albert Wohlstetter, "Life in a Nuclear Armed Crowd," in Wohlstetter et al., "Swords From Plowshares," University of Chicago Press, 1979.
21. David C. Gompert, "Strategic Deterioration: Prospects, Dimensions, and Responses in a Fourth Nuclear Regime," in Gompert et al., "Nuclear Weapons and World Politics," New York, Council on Foreign Relations, 1977.
22. For an exposition of this thesis as applied to the Middle East, see Steven Rosen, "Nuclearization and Stability in the Middle East," JERUSALEM JOURNAL OF INTERNATIONAL RELATIONS, Spring 1976.
23. Se Yair Evron, COMMENTARY 62, February 1976.
24. See John J. Weltman, "Nuclear Devolution and World Order," WORLD POLITICS, Vol 32, No 2, January 1980.
25. Wohlstetter, op cit.
26. Shari Feldman, "A Nuclear Middle East," SURVIVAL, May-June 1981.

8041

CSO: 3100/867

PRESUMED FINAL INTERVIEW OF HAGOPIAN ON ORLY, ASALA, PLO

Paris LE MATIN in French 2 Aug 82 pp 14, 15

[Interview with ASALA leader and spokesman Hagop Hagopian in Beirut by telephone from Paris, by Alain Chemali and Agathe Logeart; place of interview not specified]

[Text] On Friday evening, we interviewed Hagop Hagopian, leader and spokesman for the ASALA [expansion unknown], the Secret Armenian Army, in Beirut by telephone from Paris. In the days preceding the interview, we spoke several times with ASALA militants. Often the connection was broken. And the ASALA often asked us to call them back, because their headquarters was in the southern part of West Beirut, in one of the most heavily bombed areas of the city.

We finally came to an agreement concerning the procedure for the interview on Friday. We dictated our questions over the telephone. Hagop Hagopian then took the time to answer our questions in writing. We were to call him back in an hour and a half. Which is what we did. But we were told that Hagop Hagopian had been seriously injured in a bombing attack and taken to the hospital. One of his aides, who was also injured, dictated to us, in Arabic, the ASALA leader's replies. We took everything down and are today publishing, as we agreed, the complete answers, for which only the ASALA takes responsibility.

Late yesterday morning, we called the ASALA back. Our correspondent told us that Hagop Hagopian had died Saturday night from his injuries. "There are many Israeli planes in the sky over Beirut," our correspondent told us. "Hagop Hagopian is dead." The noise of the planes could be heard over the telephone.

LE MATIN: Does the defense of your cause necessarily entail armed combat? How are you organized?

Hagop Hagopian: The ASALA is a secret organization. Therefore, we cannot provide any specific information about the number of our militants. But we represent our people throughout the world. We obviously have a presence in France. Any fellow Armenian countryman can make contact with us if he wishes. All world revolutions, particularly those which have militated against colonialism, have followed the path of armed combat to defend their freedom and to liberate their lands. Even the French, a brother people, did so against the Nazis. Today, we the Armenian people are absolutely entitled to recover our homeland, which is occupied by the fascist Turkish regime. We will use all necessary means to recover our homeland, Armenia.

[Question] What ties and relations do you have with Orly? What procedure was used to reach the "agreement with the French Government," which Orly took advantage of?

[Answer] Like all Armenians, Orly can make contact with the ASALA. That is what happened. As for the agreement concluded with the French Government, we regret that Orly made so many stipulations. A French official played a major role in settling the French-Armenian dispute. We will reply concerning this point, for history.

Three or 4 days after Dimitriu Giorgiu* was apprehended, he contacted us through an Armenian friend, who is still in Paris. Our first contact was in November 1981. All these contacts were by telephone. Orly never needed direct contact. We recorded all phone conversations and duplicates were sent to Orly. Our last contact with the French official was 10 days before the trial of Vicken Charkhutian.** The French Government had promised to release him but didn't. That's why Orly struck.

[Question] You have condemned the attacks for which Orly claimed responsibility. What are your relations with them today?

[Answer] Orly calls us in Beirut almost every evening. But we have stopped helping them. The French cannot understand their actions and Orly cannot understand us. We are political. Before Orly was established, its members belonged to the Tachnag Party. Basically, they don't care that there are Armenians in prison. They don't care whether the government in France is rightist or leftist. They plant bombs, regardless of the existing government.

[Question] How is your position different concerning the French Government, which has recognized Armenian genocide?

[Answer] The present French Government is definitely friendlier than the previous government. Our organization greatly appreciates this reception for the Armenian cause. But at the same time, we regret the differences which have emerged between our people and France, particularly with Gaston Defferre.

*Dimitriu Giorgiu was apprehended at Orly on 11 November 1981. He was carrying a false Cypriot passport, of the same series as that used by the "man on the motorcycle" in Copernic street. The day after his arrest the Orly group emerged for the first time, claiming responsibility for two attacks in Beirut. Since there were no other charges against him, Dimitriu Giorgiu received a suspended sentence of 4 months in prison for using a false passport and returned to Beirut on 9 December.

**Vicken Charkhutian was apprehended at Roissy on 6 June. A member of the ASALA, he is suspected by U.S. authorities of having helped to prepare an attack against Air Canada in Los Angeles and is the subject of a U.S. request for extradition. This request was examined on 23 July by the Paris court of criminal appeals. On the preceding night, an attack for which Orly claimed responsibility took place at Place Saint-Michel in Paris. On 24 July, responsibility for a second attack, at the Pub Saint-Germain, was also claimed by Orly.

He failed to keep the promise made to the heroes of the "Van" operation, on 24 September at the Turkish Consulate,* to give them political asylum. This was written in a message which was recovered at the time of their arrest. Added to this is the continued questioning of Armenians by the French police.

Not to mention the pressure which the police are putting on Armenians throughout Paris. All of that has contributed to the appearance of extremism among Armenian youth and to the appearance of Orly. The key to resolving this conflict is in the hands of the French Government. We hope that the Socialist Party will be able to influence the government to clear up the situation in the interests of our two peoples.

[Question] It is said that you have close ties with the Palestinians.

[Answer] Our ties with the Palestinians are ties of principle. The Palestinian people are absolutely entitled to liberate their occupied homeland and to return to it. Our relations are at the same level as those which your government maintains with them, with a few slight differences: Our relations are not based on political interests. In our case, it is a question of supporting a principle.

[Question] You have said that the perpetrators of the attack in Copernic street are Palestinians. How can you make that statement?

[Answer] When Dimitriu Giorgiu was arrested, the French police tried to hang the Copernic street attack on him. But the government and the Jewish people know perfectly well that Armenian revolutionaries have never participated in an operation aimed at holy places, and even during 7 years of fighting we have not organized any operation against the religious sites of our national enemy, Turkey. The accusation against Dimitriu Giorgiu was devoid of any basis. But we decided to conduct an investigation of the Copernic incident at that time through our secret services. As a result of that investigation, we are certain that it was Palestinians who carried out the attack in Copernic street. Abu Nidal had nothing, neither closely nor remotely, to do with that attack.

[Question] Who then, the PLO?

[Answer] Neither did the PLO. It was a right-wing faction close to the PLO.

[Question] And was the assassination, on 23 July, of the PLO's number two man in Paris, Fadl Dani, the result of a score being settled within the PLO?

[Answer] We hope that you won't let yourselves be swayed by Zionist propaganda and its rumors to discredit the Palestinian people's struggle when French police have succeeded in finding the car belonging to the ones who carried out the operation. That cowardly operation was carried out by the "Zionist hand," thus harming the Jewish people. For all revolutionaries in the world, including Palestinian revolutionaries, distinguish between Zionism and the Jewish people.

*An ASALA commando unit held 40 people hostage in the Turkish Consulate in Paris for about 15 hours on 24 September 1981. The Turkish vice consul's bodyguard died from his injuries. The commando group is to be tried in the fall.

11915

CSO: 3100/889

JUSTICE MINISTER INTERVIEWED ON TERRORISM

Hamburg DER SPIEGEL in German 2 Aug 82 pp 88-90

[Interview with Italian Minister of Justice Clelio Darida by Ms Kraatz of DER SPIEGEL: "'The Organized Terrorist Groups Have Been Destroyed'"]

[Text] Clelio Darida, conservative Christian Democrat, was mayor of Rome from 1969 to 1976. As state secretary, he has been a member of several Italian cabinets. He has been minister of justice since 1981.

SPIEGEL: Mr Minister, 6 months after the lightning liberation of NATO General Dozier, the arrest of about 500 leftist and rightist terrorists and a flood of complete confessions by arrested terrorists, the question arises: Has Italian terrorism been defeated at long last?

Darida: I don't think so. At the moment we certainly are the victors. Nevertheless I would not like to go so far as to maintain that Italian terrorism is finished. I advise caution for two reasons: 1) even terrorist organizations which have been hit hard can still engage in attacks, and 2) terrorism in Italy undoubtedly is subject to international influence.

SPIEGEL: But the major battle against terrorism, you think, has been won?

Darida: Certainly the ambitious plan to conduct a kind of South American guerrilla struggle here in Italy has foundered. To that extent the "armed party" has suffered a defeat.

SPIEGEL: How do you assess the current strength of the terrorist groups?

Darida: I think the organized bodies--in other words, the groups with the most dangerous striking power--have been destroyed. On the other hand, I don't think we are in a position to establish precisely just how many terrorists are still running around free.

SPIEGEL: What do you think was the cause of terrorism, in the end, being combatted so effectively?

Darida: First, the police, the Carabinieri, the intelligence services, which now have greater control of the country, were reorganized.

Further, without a doubt, the new law considerably reducing punishment for confessed terrorists has made a major contribution to dismantling the organizations systematically. Many terrorists who had been involved in attacks, even key figures of the "armed party," have taken advantage of the opportunity of improving their judicial position by confessing.

The new law for the first time also affords the opportunity of quitting the terrorist scene to persons on the fringe of terrorism who became increasingly involved in crime against their own volition, as it were. The terrorists felt isolated after having been denied broad popular approval.

SPIEGEL: There is also a reverse side to the new law, however. It grants release even to a terrorist murderer after a few years' imprisonment in exchange for a confession. A great many people feel that is going too far....

Darida: One of the drawbacks, to be sure, is the fact that any criminal involved in terrorism now is treated differently from ordinary criminals. This can lead to negative reactions on the part of victims of terrorism who, of course, find it difficult to understand why such persons should be given preferential treatment.

SPIEGEL: Does not this law confirm the view of precisely those terrorists who claim that the state interprets the law arbitrarily? One deputy went so far as to say that it amounts to the "law of the wild West" if one can buy one's freedom in exchange for a confession--possibly a false or contrived one.

Darida: If this law contributes to stopping terrorism in Italy and preventing other tragedies, it is necessary and justified, for otherwise nothing but repression is left. One cannot want everything, including even the opposite at the same time.

The law without a doubt is an act of leniency which the state indulges in because it feels strong. It also has its unpleasant aspects. I would like to know, however, what state, what police and what judicial system have not tried out an unusual system to fight a certain phenomenon of crime.

I would even be ready to pay a very high price if there were a similar tool, for example, for dealing a mortal blow at long last to the Mafia of the Camorra (organized crime in Naples).

SPIEGEL: But might the law not also help terrorism to make a kind of comeback? For example, can you rule out the possibility that the confessed prominent terrorist Antonio Savasta, gang leader in the abduction of NATO Gen James Dozier, with 17 dead on his conscience, will regain his freedom under the new law in 7 or 8 years and then take up his gun again?

Darida: Every law has its risks. One cannot solve the problem of terrorism without a quid pro quo. The example you have just cited can happen, but it would never become a common phenomenon.

SPIEGEL: But can you guarantee that the confessions of small and big terrorists are in fact checked as to their veracity and do not simply lead to a wave of arrests which fairly indiscriminately also swallows up innocent people?

Darida: The Italian judicial system has been proceeding with caution and great readiness of sacrifice in the fight against terrorism. I rule out the possibility of there being judges who do not rigorously examine the confessions of repentant terrorists.

SPIEGEL: Suppose they lack the means of doing so, however? Say the confession, for instance, is based on things which the "repentant terrorist" has only heard and which he tells only because the more he confesses the quicker he will be released again?

Darida: I do not deny that there is a certain contradiction in this law. It is true that the "big" confessing terrorist who, if only because of the role and position he has exercised in the armed organization, profits more than the "small" one from the benefits of the law. [Sentence as published] But, as I have said, we have to pay a certain price if we want to obtain certain results.

SPIEGEL: After the Moro trial, at which a reckoning is being made with the 4 bloodiest years of terrorism, the trial of 73 ideologists of "armed struggle" is to begin in November. What is to be expected of the new law by revolutionary theoretician, who only bears a moral responsibility for the terrorist acts of others?

Darida: I do not want to, and am unable to, take a stand concerning the trial. For the same reasons, which have to do with the independence of judges, I cannot say anything about the Moro trial either. But if an ideologist preaches violence and murder and enlists young people in them, I believe he is no less responsible than whoever does the shooting.

SPIEGEL: Aren't you afraid that with such a judicial principle the Italian judiciary is becoming even more suspect of having been politicized?

Darida: In a society which has been politicized as much as Italian society, it is inevitable that the judiciary is infected by the extreme politicization. In principle I believe, however, that the Italian judiciary is balanced and sound and not biased by any means.

SPIEGEL: How do you then explain the fact that all big trials with a political background regularly are transferred to Rome, into the proximity of the political establishment, where it is easiest to exercise political influence on the judiciary?

Darida: Rome is the capital of Italy, and just as the administrative court in Rome handles the majority of trials because this is where the seat of government is, so it is obvious why the procedure is the same in the field of criminal law. The Roman judiciary is completely independent from the political power. It has given proof of this time and again.

Whoever maintains the opposite takes part in a very dangerous campaign being conducted by leftist political forces and leftist newspapers. Under all circumstances, these want to make the political power center--the Christian Democratic Party above all others--responsible for everything.

SPIEGEL: But, Mr Minister, it surely would be amazing if the Democrazia Cristiana, which has been ruling in Italy for 36 years and which supplied the justice minister for 27 of the 41 postwar governments--if this party had not exercised any influence. Why then has the DC shown so little willingness in the many political trials of the past decade to reveal the background of the big terrorist attacks from the right, such as the attacks of Milan in 1969, of Brescia in 1974 or of Bologna in 1980, which killed 85 people?

Darida: The Democrazia Cristiana has always guaranteed the independence of the judiciary and created the basic and essential prerequisites for the judiciary being independent from the political power.

SPIEGEL: What then does a Christian Democratic justice minister tell the families of the many persons who died in the terrorist attacks 86 percent of which until 1975 were committed by fascists and most of which were not punished?

Darida: The acquittals of some defendants do not mean the end of investigations. These continue and will continue until we manage to find the truth. It is bound to appear in the end. It is impossible for it not to be established.

SPIEGEL: That really sounds very rhetorical. Do you really believe that if the truth has not been established to this day it can ever be found?

Darida: I have the feeling that you misunderstand the job of a justice minister. The minister of justice can only suggest legislation or press for charges in the law and for reforms. The justice minister only executes the law.

SPIEGEL: Let us then talk about the miserable way in which the law is being executed in Italy. How do you explain the fact that the penal reform of 1975, which was supposed to bring about more humane conditions for prisoners and guards, has remained a piece of paper and that to this day, 7 years later, untenable conditions prevail in Italian prisons? There are murders, shooting and beatings.

Darida: For a start, I cannot accept such a dire description. Of course there are problems, very weighty ones. The road that has to be traveled by a

prison reform is a long one. It is one thing to draft a law and to have it go through Parliament, and quite another to build prisons and to make them new and modern in a country which is not exactly in brilliant economic shape. There are excellent prisons in Italy today, but there also are old and run-down prisons.

SPIEGEL: Was the overcrowding of prisons one of the reasons why last year 27 murders and hundreds of other acts of violence were committed in penitentiaries and why this year alone already 16 murders have been committed? Isn't there some kind of gang warfare going on there which the state is unable to cope with?

Darida: The situation is certainly explosive in that, in some penitentiaries, those imprisoned for minor offenses are under the thumb of the gang leaders. There is no doubt that that this is a poor state of affairs. One must add, however, that these conditions prevail only in some big prisons, such as in Milan, Naples and Palermo, which go back to the beginning of this century. We are in the process of doing away with them bit by bit.

SPIEGEL: But has there not been a great deal of waste of money and time there? As stated in a white book by your ministry as late as 2 years ago, about 80 percent of Italian penitentiaries are old and rundown. At the prison of Cosenza, for instance, the prisoners fired back from their cells some months ago when the guards fired warning shots during a mutiny. The prison of Cosenza was declared unsafe as long as 30 years ago and has been in the process of being rebuilt ever since.

Darida: There is a new reality in the penitentiaries today, with the 1975 reform having opened up prisons toward the world outside. The purpose of it was the reintegration of the prisoners into society. With this in mind, surveillance was reduced to a minimum. The opening up resulted in organized crime now making itself at home in the prisons. It is these criminal groups that are organizing the crimes in the prisons. They don't give a hoot about more humane treatment; all they have in mind is crime.

SPIEGEL: And there is nothing that can be done about that?

Darida: Precisely after the reform, we are powerless vis-a-vis such prisoners. Let me cite an example. We guarantee that prisoners have radio and television, that they can eat at their own expense, can correspond, receive small packages and have frequent visitors. None of that is subject to control. But all these rights are now being used to initiate further crime.

SPIEGEL: What can be done then?

Darida: There is no way back. The reform is a result of modern culture. But we have to and want to correct it to the extent that it is inadequate. That does not mean reverting to repression. No one today wants to come up with laws providing the death penalty, concentration camps for terrorists or such. Fortunately, however, among the 33,000 inmates of Italian prisons only 10 percent--in order words, a minority--see to it that there is violence. Otherwise it would simply be impossible to administer prisons.

CHARGES OF POLICE TORTURE OF TERRORISTS

Rome L'ESPRESSO in Italian 18 Jul 82 pp 24-25

[Article by Pier Vittorio Buffa: "A Phantom Gave the Orders"]

[Text] This elusive phantom stalks unseen through the DA's office and police barracks; he slips silently along the corridors of Parliament, and sits, invisible, at cabinet meetings. Some say that, if we really want to see his face, we must set our sights a good bit higher.

PADUA: -- The barracks are modern, built on the city's outskirts. Above the main entrance is blazoned a Latin maxim: "Sub lege libertas." The guardroom is well protected: bulletproof glass, rifle embrasures, and a goodly number of police watching the entrance. Here, in these tidy little buildings, is the headquarters of the 2nd Padua detachment of Celere (riot squads). And this is where the serious crimes of which they stand accused allegedly took place, crimes for which five of their number are now in custody: systematically beating a prisoner, giving him the salt and water treatment, electric shocks to the genitalia, slashing his calves and thighs with razor blades. Here, too, is where Cesare Di Lenardo (the Red Brigades member who reported the "torture") was seized and driven out into the open country, where he was subjected to a mock execution by firing-squad that has cost the five Celeri under arrest the additional charge of kidnapping. And lastly, out of these neat little buildings have come witnesses for the prosecution. A dozen agents (most of them young, some also leaders in the Autonomous Police Union [SIULP], which has close ties with the United [Police] Federation) who, under subpoena, have testified to what happened in Barracks 2 from 29 January to 1 March of this year. Those were the days immediately following the rescue of NATO General James Lee Dozier.

The Paduan prosecutors, Vittorio Borraccetti and Mario Fabiani, who conducted the investigation, are now caught squarely in the middle of hot and heavy controversy. Angry police from most of Italy's corps have come forward to lodge extremely serious charges.

What has come to the surface here is a direct clash between the government and the courts.

The prosecutors' decision to arrest the police officers was no spur-of-the moment whim. Back in February, their office had received the file on "Di Lenardo" from Verona. It included the detailed statement of the Brigade member, and the photographs Judge Guido Papalia had ordered taken the moment Di Lenardo claimed he had been "tortured." Besides, the prosecutors obtained expert medical opinion from Prof Mario Marigo: those who have seen it swear that it substantially confirms Di Lenardo's story.

Then came the witnesses: the men, NCOs, and officers who had been in the barracks during those days, the ones who had been detailed to guard Di Lenardo, who had been arrested "in flagrante" and was being held for the court. Those who had him in custody testified that, at a certain point, other police officers came and removed the prisoner, only to return him later, unconscious, and showing clear evidence of a beating.

The marks on Di Lenardo's body, as shown in the photographs, led little by little to the names, the full names, of police officers, NCOs, and a government official, names that were repeatedly confirmed by several witnesses. The magistrates mulled over those names for quite some time before issuing the arrest warrants that snapped the handcuffs on the cops charged with torture. Once those cuffs clicked shut, some very serious problems arose. Prime Minister Giovanni Spadolini immediately claimed full political responsibility in his own name and that of his government for the fight against terrorism. Interior Minister Virginio Rognoni voiced his own anger, and had a lot to say about the timing of the arrests.

Back into the center of attention came a string of questions there had been several attempts to settle. Did these cops act on their own initiative? How in the world could a middle-level bureaucrat like Dr Salvatore Genova -- assuming the charges against him are upheld in court -- be the principal if not the only person responsible for acts no government official would perform without, at the very least, written orders to do so? And, in the days following Gen Dozier's release, they all started showing up in Padua: officials with higher rank than Genova's, top brass from the Central Office for General Investigation and Special Operations (UCIGOS), as well as the court officials who were directly responsible for the arrests. And yet, according to charges thus far made public, the only people accused of anything were those five men, with the police commissioner heading the list.

Let's try to get this straight. In court (nobody will say so, nobody will confirm it, nobody will deny it) the theory they are working on now is that the orders came from somebody higher up than Dr Genova: what was just a minor point in the main probe now turns out to be a crucial issue.

Among the police officers with some influence in the union, the consensus is that nobody could have done something like this all by himself, on his own initiative. That, substantially, is what SIULP provincial secretary Bernardino Guinetti, who works in the Questura's passport office, maintains. Francesco Forleo, the new SIULP national secretary, a colonel in the state police, goes a good deal further. "If the police officers who have been arrested are found guilty, the entire system of police management will be put on trial. Where are the people who ran those operations now? There is no doubt that, from a particular level of authority on up, they've split! Nobody will say a word about the higher-ups, even though they're all quite willing to show up when the bonuses and awards are handed out."

Those are specific charges, perhaps veiled a bit by the pen of an ex-bureaucrat who is now a union official by trade -- but they do give one to think. Another little step, and we come to Franco Fideli, who is not a policeman himself, but who knows the Italian police better than anybody else. He's a reporter, and he edits the monthly NUOVA POLIZIA (New Police). "There are certain operations," he says unequivocally, "that absolutely cannot be the result of one man's decision. Once you get to the point where things are now, you can't stop at hitting downward, at slapping the cuffs on the small-fry. If anybody's responsible, it certainly isn't just the individual cop or the individual official. What sane man would kidnap a person as his alleged duty without somebody's having given him the green light to do it?"

Comes now Radical MP Marco Boato: "The government's scandalous behavior in connection with the torture episode cannot be explained except with the need for covering its own tracks first of all, and for concealing its direct responsibility for the methods that were used. Furthermore, from the very beginning I have been given to understand, quietly, that what happened was not due solely to the deviant behavior of individual policemen."

Flesh and Blood Evidence

ROME: -- As early as 31 March, there was another Di Lenardo case on the police blotter in Rome. It involves Anna Rita Marino, 25, arrested in Rome on 2 March on charges of belonging to an armed gang. Questioned on 8 March by police magistrates Rosario Priore and Domenico Sica, Miss Marino put the following testimony into the record:

"I was arrested at 1330, and was taken first to the Central Questura, where they kept me until around 2200 hours.... Then I was taken to Ostia, to the police station on Via Canal dei Fabbri. I stayed there until midnight, when I was taken to the Ostia pine-grove, or somewhere like it, and there I was stripped naked and brutally tortured. I was slapped in the face, beaten over the head, and struck repeatedly on the legs, so hard that I have only now begun to be able to walk. I don't know what they used to

beat me with, but whatever it was, it was wrapped in a gasoline-soaked rag. They hit me in the belly, over and over, with their fists, and they kept hitting my breasts, and they twisted my nipples with some instrument or other -- I don't know what it was..."

After hearing this statement, Judge Sica ordered that the prisoner be given a physical examination as soon as possible.

On the morning of 13 March, in the infirmary at the women's prison at Rebibbia, the medical examiner, Dr Biagio Larocca, in the presence of two staff physicians, Prof Faustino Durante and Dr Antonietta Fiaschetti, examined Anna Rita Marino and filed his report, which reads, in part:

"The prisoner's body displays indicia of injuries attributable to ecchymotic contusions in the following areas: supra-areolar, right mamma; supra-areolar, left mamma; medial interior portion, right and left thighs. The lesions are probably all caused by direct, violent trauma of the contusive type. The time at which the traumae were sustained would coincide with that given in the statement of the Marino woman."

6182

CSO: 3104/251

BRIEFS

CURRENCY CHANGE--The mil will soon be replaced by the cent as currency unit. We are informed that the cent will go into circulation in April and will replace the 25, 50 and 100-mil coins. The new coin system will consist of 1, 2, 5, 10 and 20-cent coins. The 1-pound, 5-pound and 10-pound currency will remain in circulation but the 1961 pounds will be eliminated at the end of 1982 and will be definitely replaced by the new pounds now in circulation. The new cents are made from a new alloy and in contrast with the coins presently circulating will have a golden instead of a silvery color. The Bank of Cyprus has already approved the new cent design which will be submitted to the Ministerial Council for final approval. [Text] [Nicosia
O AGON in Greek 20 Jul 82 p 1] 7520

CSO: 4621/475

FARMERS LOOKING FORWARD TO LARGEST WHEAT HARVEST EVER

Copenhagen AKTUELT in Danish 24 Jul 82 p 11

[Article by Carl-Johan Rosenberg]

[Text] "We have no problems right now." Unusual words from the mouth of an agriculturalist. But plant cultivation consultant H. H. Rasmussen of Aarhus quickly added that problems would show up soon if the baking sun continued to dry out the soil.

But in spite of that, people in farming circles have been able to enjoy this far a relatively damp spring and early summer period followed by a warm and sunny ripening period. This has not led to optimism, of course, not at all, but the traditional pessimism of the industry can be pushed in the background for the time being, as far as the harvest is concerned.

Winter barley, which is being harvested now, is of good quality and needs very little drying. The grain formation is not yet over for other types of grain and it will be another 2 or 3 weeks before the combines start in on them. Precise predictions are therefore impossible, but there is a basis for a good harvest, as Chr. Ostergaard, managing clerk in the plant cultivation sector of the Agricultural Association, put it.

A Little Less Heat Preferable

The record year for grain was 1979 with 7.69 million tons. Last year, the harvest was nearly as great, 7.52 million tons. Chr. Ostergaard cautiously estimated that a similar yield is definitely within the range of possibilities this year. Especially if the heat moderates somewhat, so that the period of kernel formation is extended.

As usual, the harvest prospects vary from one part of the country to the next. This year, southern and western Jutland will probably be somewhat behind the rest of the country.

The good summer weather does not exactly meet the needs of beet and hay fields, but the water shortage is not acute except in a few places. The early summer rain is still having a beneficial effect.

In one area, farm people already dare to promise a record. The wheat harvest will be the largest in the history of Denmark.

"Around 1 million tons," promised Chr. Ostergaard. But that is because the area in wheat has never been larger. Among other things, new varieties have led farmers to sow more wheat. But barley is still the dominant grain type.

6578

CSO: 3106/151

EXPORTS DROP IN FIRST THIRD OF 1982

West Berlin DIW WOCHENBERICHT in German 22 Jul 82 pp 379-384

/Text/ FRG real exports had shown exceptional strength from early 1981 on, but the rate of increase weakened quite noticeably after the turn of the year 1981/1982. Adjusted by calendar and season,¹ real goods exports within the total quarterly account rose by only just about 1 percent in the first quarter of 1982 compared with the previous quarter. Results of the various months show that developments have in the meantime taken a downward turn. In the first third 1982 (the period under review) real goods exports (special trade) in fact declined slightly by comparison with the preceding 4 months. The declining trend was probably even stronger, because exports (as well as imports) were distorted by the "air bus manufacture" project, handled jointly by France and Germany. Despite continuing strong price competitiveness, our exports were increasingly hampered by the economic weakness prevailing in the industrial countries. The impetus exerted by exports on domestic production weakened accordingly. This is clearly demonstrated by the rate of exports; following the steep rise in 1981 it kept steady at 28 percent (1980: 24.5 percent).

In contrast to exports, goods imports expanded strongly in the period under review, a development contrasting with the weak domestic business trend. In part it is due also to the "air bus project" that caused a sharp rise in the importation of investment goods. In real terms, therefore, the basic trends of imports have not really moved from the low levels predominating since spring 1980.

The real surplus in goods traffic dropped in the period under review by comparison with the last third 1981. The noticeable improvement in the terms of trade, on the other hand, meant that the nominal export surplus was roughly the same as in the 4 preceding months. Mainly due to the strong rise in the service deficit, the current account within the total quarterly account now presents a deficit of about DM2 billion, following a surplus in the last quarter 1981.

Drop in Exports of Investment Goods

Real exports of investment goods shrank after the turn of the year; this represents a surprisingly quick adjustment to the decline in demand prevalent since January 1982.

1. Analyzed here are seasonally adjusted time series; seasonally adjusted as per the Berlin procedure.

On former occasions exports of these goods followed the decline of the receipt of orders with a considerable delay--due to the relatively long delivery times. Machine construction, in particular, used to be very stable indeed vis-a-vis temporary fluctuations in demand. It is in this industry that export drops in the first 4 months were particularly severe this time. Truck exports also dropped very substantially. Stagnation was recorded with regard to exports of precision and optical products as well as of goods produced by the iron, sheet metal and metalware industry. Exports of electrical engineering investment goods were still on the rise, albeit less strongly than before. On the other hand exports of office machines and data processing devices expanded more rapidly.

In the period under review exports of consumer goods remained at the level of the last third 1982. However, developments varied considerably for individual groups of goods. Exports of automobiles continued to expand, though at a far lower rate; those of electrical consumer goods dropped. Also declining were exports by the clothing industry; on the other hand textile exports rose once again.

Following a noticeable rise toward the end of 1981, exports by the raw materials and production goods industries began to decline. Evidently persistent high interest rates quickly blunted the impetus generated at the turn of the year by expectations of a beginning upturn in the industrial countries. Iron and steel as well as chemical exports dropped.

Stagnating Exports to OPEC Countries

For the first time after the boom following the second sharp oil price increase in 1979/1980, nominal exports to the OPEC countries stagnated in the period under review compared with the preceding 4 months (seasonally adjusted). Clearly noticeable now are the effects of the substantially lower foreign exchange earnings of the oil producing countries, that are due to the reduction in oil consumption in the industrial countries. The rate of exports to Western industrial countries also declined quite visibly. In fact nominal exports to the EC countries actually dropped in the period under review--excepting exports to France and Italy. The speeded-up rise in exports to France is largely explained by air bus deliveries; other exports to France rose only slightly. Declining exports were recorded to the United States and Japan. Deliveries to the United States were hampered mainly by the recession in the American economy; moreover our exports encountered obstructions from increasing protectionism. Exports to Austria and Switzerland were almost unchanged in nominal terms; those to Sweden barely expanded.

As a consequence of the rather precarious foreign exchange situation of some non-oil producing developing countries, exports to that group of countries have dropped in the period under review. On the other hand exports to the group of state trading countries showed a surprisingly strong expansion, albeit this was primarily due to increased deliveries to the Soviet Union.

Imports in the Sign of Weak Domestic Business Trends

The price and seasonally adjusted imports of finished and end products (excluding aircraft) stagnated in the period under review. Neither purchases of investment

goods (excluding aircraft) nor purchases of consumer goods have really increased. This development reflects the low domestic inclination to invest and consume. Among exports of investment goods, machine construction products and trucks showed an actual decline. A slight rise was recorded only for imports of industrial pre-products (excluding oil and oil products).

In the period under review the total volume of the imports of oil and oil products was roughly the same as in the preceding 4 months. However, the price drop that began in the second half 1981 on the spot markets resulted in the increasing replacement of crude oil by refined oil products. Imports of refined products thus rose quite noticeably, while imports of crude continued to decline. The volume of crude oil imports in the first third 1982 was at a level achieved some 15 years ago.

Remarkable in this connection are the shifts in crude oil imports according to countries of origin. Countries with delivery difficulties (Iran, Iraq) or above average price demands (Libya, Nigeria) suffered an above average drop in sales on the German market. By contrast our oil purchases from the European countries (Britain, Norway, Soviet Union) actually rose in the period under review compared with the preceding 4 months. After Saudi Arabia, Britain is now our major oil supplier; the two countries account for more than half our imports of crude. Despite the stagnation (in terms of volume) of oil and oil product imports, the oil account (seasonally adjusted) rose by more than DM1 billion to about DM28 billion, due to generally rising prices and a higher percentage of refined products. In terms of value the share of oil and oil products in the FRG's total goods imports amounts to about 22 percent now (1978: 15.2 percent; 1972: 8.7 percent).

Renewed Improvement in the Terms of Trade

Export prices (average values) continued to increase in the period under review; in fact, by comparison with the last third 1981, the rate of increase has speeded up. By contrast import prices (average values) stagnated following the decline of the last third 1981. Given this different development of export and import prices, the improvement in the terms of trade continued.

For the first time since the fall of 1980 the D-mark's exchange rate, weighted by shares in German foreign trade, rose once more in the period under review with regard to 23 important trading partners. As a result our exports, invoiced largely in D-marks, have become more expensive in some countries. At the same time the real rate of exchange shows that the competitiveness of German exporters has hardly worsened on these markets. This rate of exchange, adjusted by the consumer price differential compared with 12 industrial countries, had dropped substantially in 1980 and 1981; it has remained almost as low in the period under review. The index was roughly 10 percent below the average level of 1979.

Outlook

Since the beginning of 1982 the real receipt of orders from abroad has tended to decline for processing industry. Receipts of orders in April/May 1982 were 15 percent below the--admittedly high--level of November/December 1981. In the same period goods exports declined by only 5 percent. Though we know from experience that the movement of receipts of orders is stronger than that of exports, exports in the

coming months are likely to drop still further. While the competitive status of German exporters has not lastingly deteriorated as a result of the latest D-mark revaluation within the European Monetary System, the stage of steady improvements in the price competition (benefiting exporters for the past 2 years) has now come to a close.

Decisive for the export trend is the economic climate abroad. So far no recovery seems indicated either in the West European industrial countries nor in the United States. The demand by important oil export countries is held down in many cases by lower foreign exchange earnings, and in some also by the near completion of major projects. Total exports will not increase again until there is a business improvement in the United States and the West European countries.

Real goods imports continue to be influenced by the weak domestic economy. In the months to come we can at best expect stagnation at a lower level. In April/May 1982 imports actually dropped quite noticeably by comparison with the preceding 2 months.

The improvement in the terms of trade will continue, accompanied by a persistent though slight nominal revaluation tendency of the D-mark and further yielding world market prices of industrial raw materials. The weak income development of private households indicates that the large deficit in tourist trade will tend to be lower (and this is confirmed by the figures for the first months of this year). The current account in the months to come must therefore be expected--seasonally adjusted--to record at least a balance between revenues and expenditures.

11698

CSO: 3103/ 621

PAPER CONCERNED OVER WAGES, COMPETITIVENESS

Helsinki HELSINGIN SANOMAT in Finnish 23 Jul 82 p 2

[Editorial: "Income Agreement Will Determine Depth of Recession"]

[Text] Wages and employers' social security payments connected with them make up approximately two-thirds of the national income. Therefore, a change in wages also has a decisively important effect on the price- and expenditure level as well as on the competitive ability of the country's businesses. The significance of this change is further increased by farm income solutions, which follow the course of wage increases.

To a considerable degree it was moderate wage solutions that resulted in the fact that the increase in prices and expenditures in the years 1978 and 1979 remained slower than the average increase in other industrialized countries. The improvement in the price competitiveness of enterprises at the end of this phase made it possible to increase the foreign exchange value of the Finnish markka slightly.

However, development has become unfavorable for Finland. Over a period of 2 years the increase in our country's prices and expenditures has been higher than the average in other industrialized countries. The weakening of competitive ability caused by this demands improvement or a deceleration of the increase in expenditures to the level of competing countries or preferably below it.

The economic section of the Finance Ministry emphasizes quite correctly that the next round of contract negotiations will determine whether price competitiveness will improve again or not. The need for moderate labor contracts is increased by the timing of wage increases in the present agreement, which will be felt in the last semester of the current agreement. According to the agreement that will expire at the end of next February there will be an increase in wages in the fall and in addition to this another increase caused by an index increase at the end of the year.

Prime Minister Kalevi Sorsa even proposed in May that increases in wages and farm incomes should be given up in the beginning of the next labor contract period. As a counterweight to postponing these increases he promised to keep nominal increases in state payments and tariffs low next year. In his opinion talk about backwardness causing pressures should be limited to the unemployed.

SAK [Finnish Confederation of Trade Unions] Chairman Pertti Viinanen had already previously suggested satisfaction with only such increases in nominal wages which will prevent a reduction in the standard of living if it is also possible to reduce unemployment. However, labor leaders have understandably not yet wanted to commit themselves with respect to the next round of contract negotiations. Proposals to initiate contract negotiations in the early fall have turned out to be unrealistic.

Probably, negotiations will be conducted in the normal order when the content of next year's state budget is made clear and evaluations of economic development for next year are closer to completion than they are now. The recent slow down in price increases, for its part, in Finland also points to the fact that possibilities for moderate labor contracts exist. However, demands to rectify the alleged backwardness in agriculture as well as in certain low-income areas are cause for concern.

Fortunately, the parties in the labor market are in principle quite unanimous with respect to the fact that an excessive increase in nominal incomes would upset the economic balance achieved by a reasonable income and economic policy, reduce real incomes, and increase unemployment. The attempt to divide the existing larger pie must also be avoided in practice.

10576

CSO: 3107/153

BRIEFS

MILLION KILOGRAMS OF MEAT TO USSR--A 5-million kilo meat sale to the Soviet Union, which was negotiated with great difficulty, became a reality on Friday. Finnish meat processing enterprises and the Soviet V/O Prodintorg [All-Union Export-Import Association of the USSR Ministry of Foreign Trade] have signed the agreement in Helsinki. The transaction includes 2 million kilos of beef and 3 million kilos of pork. The deliveries will be divided in accordance with a previously agreed upon quota between the Association of Meat Producers, OK-Meats, and the Central Meat Association. Managing Director Eero Kolamo of OK-Meats described the transaction as a help, even though it will not eliminate the large reserves of meat. According to his estimate the export need in beef this year is 3 million kilos and the export need in pork is 6 million kilos. Even just a week ago the meat sale to the Soviet Union was uncertain and meat was already being stored for sale to Sweden. The toughness of the negotiations was not so much the result of price as it was the result of the trade imbalance according to Kolamo. With this transaction it will now be possible to open up freezer space for the berry crop that is now being harvested. The amount of meat for export agreed upon in the commodity exchange schedule between Finland and the USSR is 30 million kilos. Since the agreement was concluded 25 million kilos of the quota have been exported. In addition to the Soviet Union, meat has been sold to Japan and Sweden, among other places. [Text] [Helsinki HELSINGIN SANOMAT in Finnish 24 Jul 82 p 3] 10576

CSO: 3107/153

COMPENSATION METHOD SEEN AS BLOCK TO EVENTUAL 'DENATIONALIZATION'

Paris ELECTRONIQUE ACTUALITES in French 4 Jun 82 p 16

[Article by Olivier Picon]

[Text] After much tumult the nationalization law has entered into force. For the Stock Exchange, it has two aspects: that concerning exchange of shares for certificates called compensatory, and that affecting the status of affiliates of nationalized firms whose stock continues to be quoted.

For the two nationalized firms with which we are concerned here, CGE [French General Electric] and Thomson-Brandt, compensation was increased, as is known, following action by the Constitutional Council. The CGE share, estimated in the first nationalization bill at Fr 334.15, was compensated at Fr 429.27, while the Thomson-Brandt share was revalued from Fr 255.71 to Fr 306.94. Those prices were slightly above the highest monthly average quotations for the 6-month period prior to 1 April 1981.

Shareholder Compensation

That system of compensation calculation saved recent stock purchasers from losing money. Since the base period coincided with a time when stock values were relatively high, losses by shareholders of longest standing were rare, or limited, in terms of current francs. Allowing for currency depreciation, on the other hand, neither Thomson nor CGE shares turned out to be outstanding buys, except for those who bought very low.

No Challenge From Abroad

The raising of the compensation base, by allowing shareholders decent, if not perfectly equitable sums, above all made it possible to avoid litigation before foreign or international tribunals. German banks, though at times considerable shareholders in French nationalized firms, and though they had blocked out an offensive, in the event finally kept quiet. It is possible that discreet negotiations were conducted by the French government to smoothe things out. All the same, we think that if the first compensation plan, which was really far from generous, had been ratified, then legal proceedings would have been begun by certain foreign stockholders. On

the international level the role of the Constitutional Council certainly strengthened the French position.

It is always possible, of course, to argue the justice of a compensatory sum. CGE had had American experts calculate an "equitable market value" for its shares, which fell between Fr 830 and 920, or twice what was allowed. But it is clearly useless today to comment further on the subject.

Erasing All Traces of Former Shares

The practical modalities of compensation suggest two basic observations:

Operations were conducted at a feverish pace. The nationalization law dates from 11 February 1982, following approval of its second version by the Constitutional Council. Quotations of shares concerned were then taken up as certificates of entitlement to compensation, and no longer as shares: it was a symbol. But as early as 8 April those shares were struck from quotations, to be replaced by compensation bonds. Never in the history of the Paris Bourse was a striking-out effected so rapidly. The tendency of stock exchange authorities is rather to preserve quotations for a long time so as to facilitate exchange of shares;

The modalities of the exchange were established in such a manner as to lead to complete obliteration of all vestiges of stock quotations in the case of the affected firms. One might have imagined that each company's shares would be replaced by compensation bonds specific to that company. It was preferred to drown the whole in two great compensation funds: the National Industry Fund for industrial firms such as CGE and Thomson, and the National Bank Fund for banks. An additional complication has resulted from this: compensation prices for each firm do not correspond to denominations of compensation bonds (Fr 5,000 or Fr 500 for tenths), whence the need for cash adjustments, paid by the shareholder or payable to him at his choice, to adjust the number of bonds delivered to the amount of capital possessed.

All this reflects a determination to abolish all reference to the former private companies, and to increase the difficulty of any possible future denationalization.

To conclude on the subject of the situation of former stockholders, it must be recalled that the compensation bonds delivered to them have a variable rate of interest, which is to say that their income would rise if the market rate of interest on the bonds should rise, and fall if that rate should fall. The consequence of this system for the holder is that the exchange quotation for those securities is never far from their nominal value. So there is no capital loss for those who wish to sell their bonds on the exchange, apart from currency depreciation.

A Heavy Bill for the Taxpayer

In general terms, compensation will cost some Fr 40 billion in capital, which will be deposited in 15 annual installments as obligations are reimbursed. To that sum will be added interest, which will decrease in time, but which should represent some Fr 6 billion in 1983, and some Fr 3 billion to be included in this year's budget for the July coupon, yearly interest being paid in two installments. All this, in a word, will weigh heavily on taxpayers, for dividends paid to the state by nationalized firms can contribute only in part to service of the compensation debt. Moreover, the budget will have to take into account capital contributions to nationalized enterprises.

Affiliates of Nationalized Firms--Orphaned From the Shares List

Faced by that enormous bill, the state will perhaps take satisfaction from having maintained in the private sector the quoted affiliates of nationalized firms, which seem somewhat like orphans of their parent companies.

In our field they are many. In the CGE group are CIT-Alcatel, Alsthom-Atlantique, Sintra-Alcatel, two investment firms: Electro-Banque and Electro-Financiere, two construction firms: the Societe Generale d'Entreprise and Sainrapt et Brice, and two storage battery firms: SAFT and the Europeenne d'Accumulateurs. For Thomson-Brandt must be cited Thomson-CSF, the Compagnie des Lampes, which will be absorbed by Philips, and Credit Electrique et Gazier, a minority participant. And there are certain non-strategic interests not included in that list.

Chronic Deficits, or Exemplary Management?

In what way is the situation of all those firms changed by nationalization? On this point there are two opposing views. As some see it, those enterprises will be managed from a statist viewpoint, which means that they will be asked to take on certain missions without concern for profitability or the interests of small stockholders. Others, on the contrary, see the "socialist" state as having every interest in using those firms to show that it is capable of supporting a rigorous management which has nothing to envy in that of the private sector.

If the nationalized firms are threatened by chronic deficits, their affiliates could, by contrast, serve as brilliant showcases for the state, and --why not?--as examples to heads of certain private firms. The capital needs of the public sector will be such that it will be to the advantage of public authorities to associate a maximum of private funds to the industrial sector under their control, and to attract stockholders' money it will indeed be necessary to make maximum profits and offer credible dividends. The increased capitalization through issuance of new stock just announced by Alsthom-Atlantique, a CGE affiliate, is a good illustration of this latter tendency.

One often cited example of a semi-public enterprise managed in a manner favorable to private stockholders is that of Elf-Aquitaine. It should not be forgotten, however, that the company was favored by an exceptional situation, with considerable profits from the Lacq gas deposits, and that the men now or formerly at its head, such as Pierre Guillaumat and Albin Chalandon, had a certain influence. Moreover, through actions which appear to be remote-controlled, and which are ill received by the Bourse--the latest case relating to chemistry--Elf-Aquitaine often plays the role of secular arm of the state's industrial policy.

Case-by-Case Decisions

For the moment, there is no sign that one policy is to prevail over the other. Questions relating to men and circumstances will no doubt be decisive. The judgment of the Bourse, which tries to guess what direction the evolution will take, seems to indicate that there will be no absolute answer to the problem of quoted affiliates of nationalized firms, but only particular case rulings. In other words, the prosperity or difficulties of each enterprise will be more than ever determining.

After 10 May 1981, all shares of affiliates of nationalized firms fell by about a third, which is to say that they were treated rather worse than the average of all shares. Two stocks alone--Thomson-CSF and Sintra-Alcatel--suffered much more, falling by more than half. The military coloration of those two firms may offer an initial explanation of that phenomenon.

Since then, affiliates of nationalized enterprises have for the most part recovered, but somewhat less, ~~on the whole~~, than have other firms whose shares are traded on the Bourse. A brilliant exception is Alsthom-Atlantique, which profited from good results and from a financial situation sheltering it from the effects of the rise in interest rates.

Today, Generale d'Entreprise, Electro-Financiere, and Cie. des Lampes (despite a deficit but because of cession to Philips) have passed their level of a year ago. CIT-Alcatel and Electro-Banque are not far from that point. Sintra-Alcatel is more ~~sluggish~~, but its recovery from its post-election low is on the same order as that of the rest of the list. Only Thomson-CSF has dropped by more than half in a year, and remains very close to its record low of last year.

Suspicious Concerning CIT-Alcatel

All those evolutions show that the Bourse thinks there will doubtless be no major changes, and that "private" firms might even skim off certain profitable activities of nationalized groups. Recent declarations in the periodical INVESTIR by M Georges Pebereau, the new president of CIT-Alcatel and former deputy to Ambroise Roux at CGE, reaffirm his company's objective of "competitiveness in a competitive economy." And in particular he still plans, as soon as circumstances are favorable, to introduce onto the Bourse

Alcatel Electronics (ex-General Electronics), a CIT affiliate which combines all the non-telephonic activities of that CGE subgroup.

Despite those declarations, CIT-Alcatel shares have just fallen by more than 10 percent following rumors reported in the press concerning possible resumption of telephonic activities by CGCT and particularly Thomson-CSF. The government has denied that such a project is current, and CIT-Alcatel has made other proposals which would make CSF, as it were, its licensee.

But on the Bourse the harm is done. This affair well illustrates the suspicion which weighs almost permanently on affiliates of nationalized firms: it is often imagined that the state will force them into some ruinous initiative.

And Difficulties for CSF

Finally, to play the game of the Bourse and of the private sector requires certain resources irrespective of the state's will. If Thomson-CSF reveals itself to be the worst among shares of large affiliates of nationalized firms, it is because it is running a deficit due essentially to its activities in the telephone sector. Does nationalization of its parent company have anything to do with it? It can of course be said that it was in the interest of the new management to clean house in order to better its chances of showing a recovery later. It is nonetheless true that the difficulties experienced by certain Thomson-CSF activities are quite real and not about to disappear. Unless they take a severe turn for the worse, the presence of the state may prove beneficial, for it is to its advantage to obtain private capital contributions for CSF development.

Resolution Near for Matra and Bull

The cases of Matra and Bull are similar to those of affiliates of nationalized firms. The state, after many tribulations which led it to raise its entry fee, has become the majority stockholder in Matra, whose essential activity had already brought it partially under the influence of the public authorities.

The case of Bull Machines is very different. Their parent firm, Saint-Gobain, is nationalized, but unlike CIT or CSF, their affiliate CH-Honeywell Bull is henceforth 80 percent state-controlled as well. Bull Machines are thus "sandwiched." So it is hard to see what private stockholders still have to do in an industry which is practically nationalized. It is possible, moreover, that at the request of the Committee on Stock Exchange Operations a way out may be found for small stockholders in Machines Bull. Meanwhile, Bull shares are among those farthest from their pre-election quotations.

Matra is also far from its quoted price of 8 May 1981, and even below the price of Fr 1,800 at which part of the shares was taken by the state under the OPE [expansion unknown] it initiated to take control of the firm. The Bourse, in consequence, is still wondering what new policy may be adopted by Matra, even though the same management team continues at its head.

ECONOMIC

FRANCE

NAVIGATION EQUIPMENT FIRM JOINS PUBLIC SECTOR

Paris ELECTRONIQUE ACTUALITES in French 18 Jun 82 pp 1, 8

/Text/ Aerospatiale and Crouzet will take majority capital participation in SFENA /French Air Navigation Equipment Co./, which thereby returns to the public sector. A joint announcement by the two firms specifies that the majority of SFENA capital will be held by an industrial management firm, SIELA /Aeronautical Electronics Industrial Co./

Aerospatiale will participate for 51 percent in SIELA, thus assuring SFENA's return to the public sector. Crouzet will take 49 percent of SIELA and will in addition keep a direct part, of at least 33.3 percent, in SFENA capital.

This return of SFENA into the fold of public authority is not really surprising since it was called for by many, particularly in the trade unions, and was the subject of a clear undertaking by Francois Mitterrand before his election to the presidency.

There is no change, by contrast, in the capital of Crouzet, except that the 19 percent portion held directly by the state is taken up by SNIAS (Aerospatiale), which henceforth will have 29.2 percent of the capital if the agreement is confirmed by the three firms. All told, the public authorities retain the veto minority share of 33.34 percent of Crouzet acquired in early 1981, at the time of the Crouzet-SFENA rapprochement, and which had resulted in the latter's shift to the private sector.

6145

CSO: 3100/816

KKE POLITICAL BUREAU ISSUES ECONOMIC DEMANDS

Athens RIZOSPASTIS in Greek 27 Jul 82 p 1

[Text] The politbureau of the KKE Central Committee issued the following communication on the rising problem of high prices which hit the low income consumer:

"At the level they have reached, the high prices of practically all items and especially items of wide popular consumption are, in essence, wiping out the wage and salary increases given the working people at the beginning of the year and limits popular consumption with more general negative effects on the country's economic situation.

"The main cause of the continuing price increases in our country are traced to the greed of the monopolies which are setting prices arbitrarily; to the control of commerce by the major profiteering circuits; the middlemen; the consequences of our induction to EEC; and to the deepening structural problems of our economy.

"The pro-monopoly policy followed by all the governments of the Right fed these causes of inflation, causes which, in effect, the present government economic policy does not touch.

"The high prices of fruits and vegetables have reached extremely high levels because of profit-seeking increases. The government's initial measures, although inadequate and incapable of improving the marketing of fruits and vegetables, have met the opposition of the wholesale merchants with a group of them moving toward a blackmail-type strike.

"KKE underlines that to fight inflation effectively it is necessary to have a different economic policy in the direction of a planned, anti-monopoly, self-contained economic development to the benefit of the people.

"In the face of the high prices wave which hits public consumption and our national economy, it is necessary to take, in a coordinated manner, the following immediate measures:

"First: The immediate formation, with the participation of genuine representatives of the working people, of a Cost of Living Commission which will assure a genuine and representative cost of living index and which will

calculate objectively the rise in the cost of living. [The establishment of] legislative safeguards of a genuine cost of living adjustment applying to all working people both in the public and private sector, thus assuring the real restoration of the purchasing power of salaries, wages and pensions.

"Second: The prices of industrial products from production to final consumption must be subject to control especially over raw materials. These controls must begin with the large monopoly enterprises of which a few dozen control the largest part of the market. To be implemented and to be effective, these controls require that the state control organs be strengthened and, especially, democraticized. It is necessary to assure conditions of real participation for representatives of the working people, of farmer unions, cooperatives and local self-government in the control of prices and especially the control over the monopolies.

"Third: The safety price for farm products must be based on the cost of production with a reasonable profit for the farmers. The selling price of farm products to the consumers must be set officially. The cost of production must be reduced through the supply of inexpensive farming implements and supplies. The cooperatives must receive special financing to procure, process, standardize the products and create the necessary infrastructure for their marketing. There must be radical measures taken to improve the central vegetable markets with majority participation in their management of elected and recallable representatives of the popular movement (Panhellenic Supreme Confederation of Unions of Agricultural Cooperatives, General Confederation of Greek Agricultural Unions, Greek General Confederation of Labor, Local Self Government, retail merchants, and those working at the vegetable markets) and the entire system of the transport and marketing of farm products.

"Essential transfer of stores at the central vegetable markets to cooperatives and real expansion and improvement of the institution of peoples' markets. Financial, scientific and technical aid by the government to local self-government authorities and to the mass organizations of the working people for setting up consumer cooperatives.

"Fourth: For imported products which, following our induction to EEC, have been flooding to an even greater extent the market, it is necessary to import initially raw materials and [it is necessary] to assure cheap imports from the socialist and other countries outside of EEC restrictions. There must be stern control of inflated cost vouchers for imports and a more general control over the circuit of big importers.

"Fifth: With regard to public utilities, it is necessary to abolish the monopoly-favoring grants, to democraticize and improve their operations, and to set their price policy with the participation of the genuine representatives of the working people.

"To push forward these measures, the government must seek the support, in the common struggle against the high prices, of the labor unions, farm clubs and cooperatives, the consumers, the retailers and the democratic movement of the small shopkeepers and artisans.

"The working class, all the working people must combine in an even greater degree their daily struggle for their vital demands, with the support of the measures against the high prices, to promote, in general, an anti-monopolistic and independent development for the benefit of the people."

Athens, 26 July 1982

THE POLITICAL BUREAU
OF THE KKE CENTRAL COMMITTEE

7520

CSO: 4621/475

POLL RESULTS POINT TO PUBLIC DISSATISFACTION

Athens I KATHIMERINI in Greek 27 Jul 82 p 7

[Text] More than 50 percent of the urban population believes that this year they are worse off than last year while only 16 percent feel that in 1983 the economic situation will be better than today.

These are the results of a poll conducted by the Nielsen-Hellas Co in various urban centers in May-June 1981 and 1982. The study showed also that clothing purchases dropped considerably in 1982 compared to 1981. In detail, the results of the poll to three basic questions are as follows:

<u>Question</u>	<u>Replies in Percent</u>			
	<u>Worse</u>	<u>Same</u>	<u>Better</u>	<u>Don't know</u>
1. How is your financial situation this year compared to last year?	55	31	9	5
2. What do you expect your financial situation to be next year in comparison to this year?	34	30	16	20
3. The third question referred to the consumption of specific products this year compared to last year. The responses for clothing were pessimistic. The results were as follows, in each category:				

<u>Product</u>	<u>Consumption in Percent</u>			
	<u>Less</u>	<u>Same</u>	<u>More</u>	<u>Don't know</u>
Meat	40	46	10	4
Fruits and Vegetables	24	55	18	3
Beverages	36	44	5	15
Package Foods	30	33	3	-
Clothing	49	39	8	4
Household Items	25	55	11	9

7520

CSO: 4621/475

COMMERCIAL FLEET LOSES SHIPS TO FOREIGN FLAGS

Athens AKROPOLIS in Greek 29 Jul 82 p 1

[Excerpt] More Greek ships are leaving our flag and are withdrawing from the Greek registry. This fact has caused serious concern to the government which tries desperately to contact shipowners and bankers to put an end to this wave.

According to Merchant Marine Ministry data published yesterday, in a period of only 6 days, between 22 and 28 July, that is, 21 ships totaling 276,271 tons left the Greek registry compared to 3 ships and 46,455 tons and 6 ships totaling 24,708 tons during the corresponding 1981 and 1970 periods.

The Panamanian Flag

Of the ships that left the Greek registry, 9 were sold to foreign buyers while 12 simply changed flags, shifted, that is, to the Panamanian flag. In response to a question by a reporter, Merchant Marine Minister G. Katsifaras said: "We follow this issue and we are in contact with various people in an effort to deal with the problem."

A Maritime Moratorium

Maritime circles in Paraeus argued that only with urgent measures will it be possible to keep Greek ships in the Greek registry. These measures include the approval of bilateral contracts for hiring low-wage foreign seamen and an agreement for a certain moratorium with the banks to suspend for a while debt payments by the shipping companies which are in financial straights due to the economic crisis.

In fact, the further development of our shipping industry will depend greatly on the attitude of the banks. If they continue to insist on the payment of debts, they will lead many companies to bankruptcy.

Unemployment

The economic crisis is the cause for rising [maritime] unemployment. According to data provided by the ministry, the unemployed reach 4,000 (3,952 to be exact). Of these only 1,602 are entitled to unemployment compensation.

According to Minister Katsifaras, the shipowners with whom he had consultations are prepared to absorb in several ways the majority of the unemployed seamen provided the government applies certain measures to strengthen the potentialities of Greek shipping. The weakening of these potentialities leads our ships to flags of convenience.

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CSO: 4621/475

ALLEGED INVESTORS' RELUCTANCE IN ANTI-GOVERNMENT MOVE

Athens TA NEA in Greek 19 Jul 82 pp 1, 3

[Text] The war being waged by capitalist circles against the government is becoming increasingly blatant in the form of abstention from any investment activity. This abstention is continuing in spite the government's effort to create favorable conditions and its warnings that the public sector will move where the private sector shows reluctance to act.

This is shown by the basic argument used in the June issue of the Greek Industrialists Association Bulletin in which it is stated that the "climate in which the business community is asked to act feeds worries and intensifies uncertainty instead of encouraging the necessary mobilization."

The industrialists actually intimate that to "improve the climate" there must be a change in certain basic elements of the government's economic policy. They ask specifically that the Real Estate Tax [FAP], the Automatic Cost of Living Adjustment [ATA] and the obligatory readjustment of fixed assets be abolished.

However, it is reminded that the problem of abstention from investments by private capital in various sectors of the economy is not new. This explains the extensive state intervention by the governments of the Right. At the same time, it must be underlined that Greece was until now virtually the only country in the West without a real estate tax. With regard to ATA, this is a most basic feature of [the government's] socio-economic policy. If abolished it will change to a large degree its orientation.

Major Program

On its part, the government is determined to deal with this abstention of Greek business capital with a major program of investments which it expects to have formulated by the beginning of this fall. For this reason talks have already started with foreign companies which have expressed interest for activity in Greece. At the same time, there will be efforts to contact serious Greek businessmen who appear to be interested to invest in sectors which will have immediate or even short-term future development.

Finally, one of the government's immediate targets is to combat unemployment which hits particularly the youth. In addition to investments which in any event will take time to yield results, the government will study measures to deal with unemployment which is expected to increase in 1983. But, an overloading of the public sector to combat unemployment is rejected in advance.

7520

CSO: 4621/476

NEED TO IMPROVE EXPORTS TO ARAB COUNTRIES STRESSED

Athens ELEVTHEROTYPIA in Greek 23 Jul 82 p 13

[Text] At a press conference yesterday, Sp. Kharitos, president of the Organization for Exports Promotion [OPE], said that during the first half of 1982 the Greek exports increased by 21.9 percent compared to the corresponding 1981 period. He based this assessment on data provided by the appropriate ministries.

He said that this increase is estimated at standard prices and in comparison with the first half of 1980. He added that the implementation of the agreement for the exchange of commodities with Algeria has already started in the context of the agreement signed during Premier Papandreu's visit to that country. The first step of such implementation was taken when the Algerian Embassy in Athens was given a list of Greek industrial, handicraft and agricultural products Greece could export to Algeria and valued at 100 million dollars. The implementation of this agreement is carried out along with the exploitation of existing possibilities for promoting Greek products in the markets of Arab countries.

At this point Kharitos said that with EEC financing OPE has realized a special market study in eight Arab countries--Saudi Arabia, Kuwait, the Arab Emirates, Katar, Iraq, Algeria, Libya and Egypt--for promoting exports of the following Greek products: juices, marmalades, pharmaceuticals, insecticides, clothes, shoes, blankets, toys, iron equipment electric cables and telephone sets.

The study established the fact that the export margins existing today in Arab countries remain unexploited notwithstanding the increase in the exports of Greek products to these countries in the past 10 years.

Kharitos pointed out that the basic conclusion of the study is that while our exports to Arab countries in 1977 represented 21.1 percent of the total Greek exports, in 1981 such exports represented 25.5 percent of the total. Yet the increase in exports for the products under study was miniscule. The study covered the period between 1 January 1981 and 30 June 1982.

In 1981, the eight countries which represent a market of 86 million people imported products valued at 7.5 billion dollars of which 108 million dollars represented Greek exports or about 1.5 percent of the total value of imports.

Kharitos said that additional studies were made--one of them in EEC countries--and that OPE has scheduled special missions, expositions and weeks for the promotion of Greek products. Similar market studies will be made also in the United States and Japan. Already Japan has shown interest in facilitating the import of Common Market products among which are Greek products also. He added that by the end of the year OPE staff cadres will contact Japanese officials for bilateral trade talks.

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CSO: 4621/467

ALLEGED FRAUDULENT PRACTICES AT MULTINATIONAL OIL FIRMS

Athens TO VIMA in Greek 15 Jul 82 p 2

[Text] Salonia, from pour correspondent--An underhanded practice by multinational oil firms continues to this day since the dictatorship years to the detriment of gasoline station owners and the Greek government. The result is that the station owners are deprived half of the combined profit to which they are entitled while the government loses each year 1.5 million drachmas.

The fraudulent practice--as reported today to Minister of Northern Greece N. Intzes by the spokesmen of the Federation of Gas Station Owners and the Gas Station Owners Association of Pieria--is related to the expansion and contraction of the liquid fuels volume depending on the temperature. Thus, when the trucks load up from the tanks of the state oil refineries the temperature surrounding the tanks is around 15 degrees Celcius. But when the fuel is delivered to the gas stations the temperature in the summer months ranges from 30 to 40 degrees Celcius.

It is estimated that when the station owner receives 1,000 liters at a temperature of 35 degrees Celcius and deposits them in his underground tank where the temperature does not exceed 16 degrees, he loses 25 liters because of contraction. In other words, he loses 2.5 percent of the total volume he receives. Since the joint profit is 5 percent he loses exactly half of this profit.

This system of calculating the volume of fuels by the [flow] meter of the delivery trucks was first implemented by the dictatorship. Despite the protests of the station owners, the system was adopted also by New Democracy Minister of Commerce G. Panagiotopoulos by a decision taken in 1977.

The station owners--who total approximately 6,000 in all Greece and are represented by 38 Locals--are asking that the measuring of the fuel volume should not be done by the meter of the delivery trucks by rods dipped in the tanks at a temperature equal to the temperature of the state oil tanks.

The excess volume which under this system remains with the companies--25 liters in 1,000--is a source of hidden enrichment since it is not recorded anywhere and results in a loss of tremendous sums to the government.

Intzes promised to take up this problem with the appropriate minister to find a satisfactory solution.

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CSO: 4621/467

BRIEFS

USSR STUDY ON ALUMINUM PLANT--The Hellenic Industrial Development Bank [ETVA] received yesterday from a Soviet commission a feasibility study for the establishment of an alumina plant in Greece. ETVA Deputy Governor S. Mousouris pointed out during the relevant ceremony that the "final decision for establishing the unit will seriously depend on the purchase by the Soviet Union of a substantial percentage of the plant's production" and that "the Soviets have expressed interest in such purchase." Smorganenko, chief of the Soviet Mission, said that "an alumina plant near the oil producing countries assures a ready market for alumina for the production of aluminum." He added that the cooperation established between ETVA and his organization marks a positive precedent. The proposed plant will have an annual capacity of 600,000 tons with the prospect of doubling it. The anticipated level of the investment will reach 23 billion drachmas. ETVA, in cooperation with the UN Center for Multinational Companies, has invited foreign specialists on alumina production to evaluate the Soviet proposal. [Text] [Athens ELEVETHEROTYPIA in Greek 22 Jul 82 p 1] 7520

CSO: 4621/476

OPINION POLL ON LEADERSHIP OF STATE PARTICIPATIONS

Rome L'ESPRESSO in Italian 18 Jul 82 pp 180-187

[Article by Salvatore Gatti: "Who Is the Ugliest in the Land?"

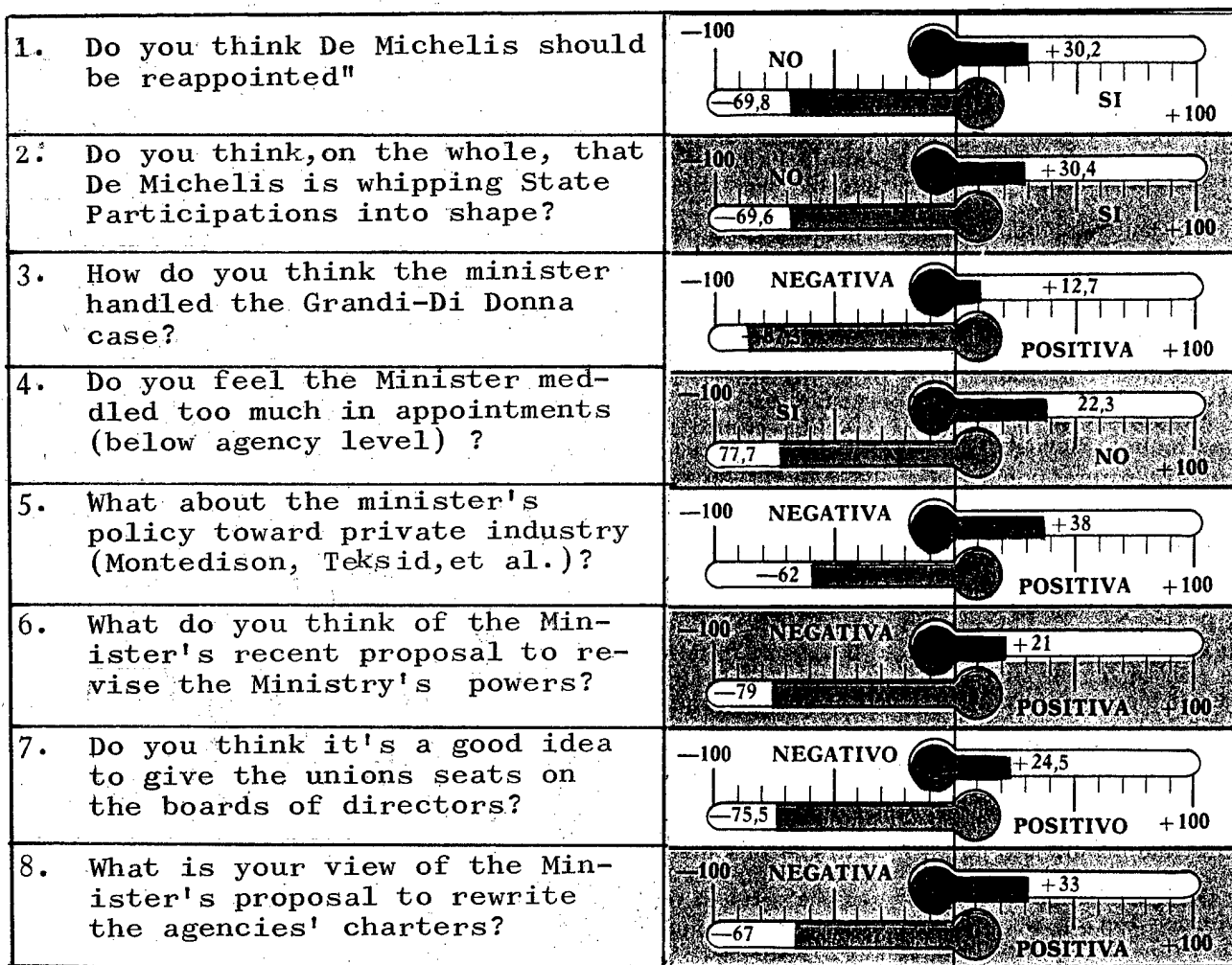
[Text] It's Gianni De Michelis. And among the managers, the prize goes to Di Donna, Sette, and Fiaccavento. What about the candidates to replace them? Almost all of them flunk. Outsiders would be better, people like Romiti, De Benedetti, Egidi, or maybe Visentini...

Rome-- Gianni De Michelis is not a good minister; ergo, he must quit the ministry on Via Sallustiana. And when he does, it would be best were Pietro Sette, Leonardo Di Donna, and Corrado Fiaccavento to quit their jobs or abandon any hopes they may have of moving up. If they do, though, who is going to step in to run the State Participations Ministry? Giovanni Marcora or, in descending order of likelihood, Romano Prodi, Bruno Visentini, Giorgio La Malfa, or Filippo Maria Pandolfi. What about IRI's new president? Neither of the two men who publicly seek the job -- Francesco Viezzoli and Ettore Bernabei -- but a tough outsider, like Cesare Romiti, Romano Prodi, Carlo De Benedetti, or Bruno Visentini.

There you have some of the findings of an opinion poll conducted over the last 3 weeks by L'ESPRESSO, which queried presidents, managing directors, and general managers of the big and little lending agencies and corporations that are part of the State Participations empire (as well as some of the top brass in its three agencies). The 197 executives who replied to L'ESPRESSO's questionnaire (28 of our selected sample, which was the official directory of the State Participations Ministry) gave us our first "behind-the-scenes" look at the public enterprise planet that has never before been probed by a survey of this kind. And the picture is a surprising one. Let's look at it, point by point.

DE MICHELIS, NO! GAVA, NEVER! MARCORA, YES!

Here are the opinions voiced by the public-sector managers of IRI, ENI, and EFIM, almost all of them presidents, general managers, and directors of operational and financial corporations, who responded to L'ESPRESSO's questionnaire. There were 197 of them (28 percent of the sample, which was an official directory to State Participations corporations). Answers are shown in percentages: "very positive" or "very sound" counts two positive points; "Positive, "sound," or "yes" counts one positive point; "negative" or "no" counts one "negative" point, while "very negative" or "very unsound" counts two "negative" points. Point totals, positive and negative, are then shown on this graph and on those that follow.

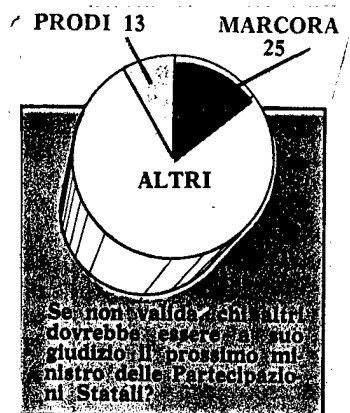


(Continued from preceding page)



What do you think of Antonio Gava as a candidate for State Participations Ministry?

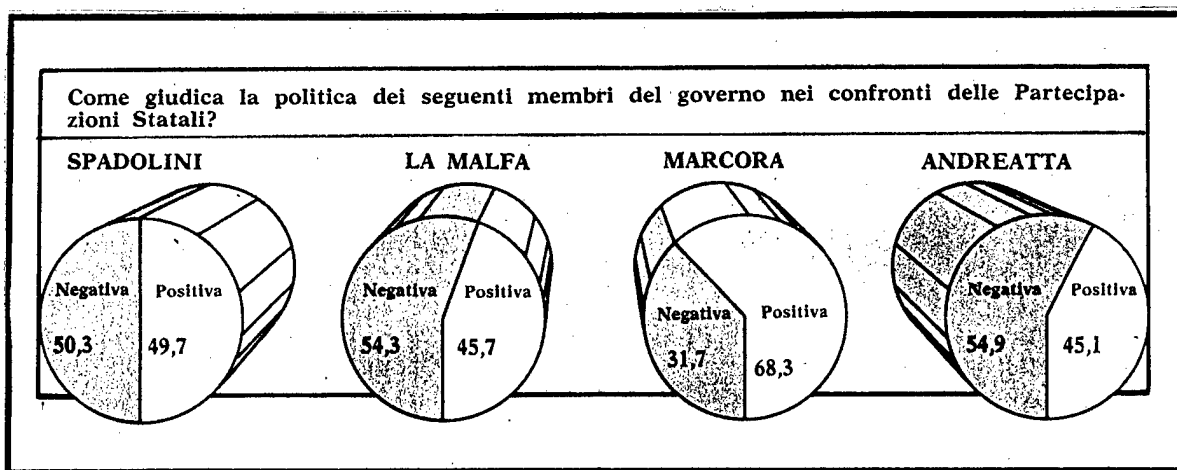
Sound: 7 percent
Unsound: 93 percent



If you replied "unsound" who do you think should be the next State Participations Minister?

Romano Prodi: 13 percent
Giovanni Marcora: 25 percent
Others: 62 percent

What is your opinion as to the policies of the following members of the cabinet vis-à-vis State Participations?



De Michelis and the Government

Seventy percent of public-sector managers do not want the present State Participations minister to stay on in his job, and are convinced that De Michelis is not whipping public industry back into shape. Whyever should the verdict be so harsh, so negative? For a lot of different reasons, which carry their own specific weights in arriving at the verdict on the first Socialist minister, now under siege on the Via Sallustiana. The most grievous sin charged against him is his lightening attack that swept Alberto Grandi out of ENI to replace him (he hoped) with Leonardo Di Donna: 87 percent of our respondents hold that against him. A little softer -- but just a little -- is the verdict on his hand in appointments inside the agencies: 77 percent find the minister nothing short of intrusive.

If this is the verdict on his past and present, how does the minister rate on his plans for the future? The proposal to change the ministry's powers, announced a few months ago, finds 79 percent of respondents opposed. The proposal to introduce German-style co-management into Italy, bringing the labor unions into the board rooms, is disapproved by three fourths of the public managers, and 67 percent of them don't like the idea of reorganizing the agencies, either.

In short, the shock De Michelis administered to "the system" was just too strong, and the system rejects him. But, far more than him, it rejects the candidacy for State Participations Minister of one of the oldest faces in the Christian Democrat Party: the old-line conservative (doroteo) from Naples, Antonio Gava. By the highest majority we found in this survey, 93 percent of Italy's public entrepreneurs want no part of Gava. But what alternative do they suggest to De Michelis, then? First comes Marcora (with 25 percent of the free-choice answers). Prodi, with 13 percent, Visentini, La Malfa, and Pandolfi, with 6 percent each. There's quite a choice.

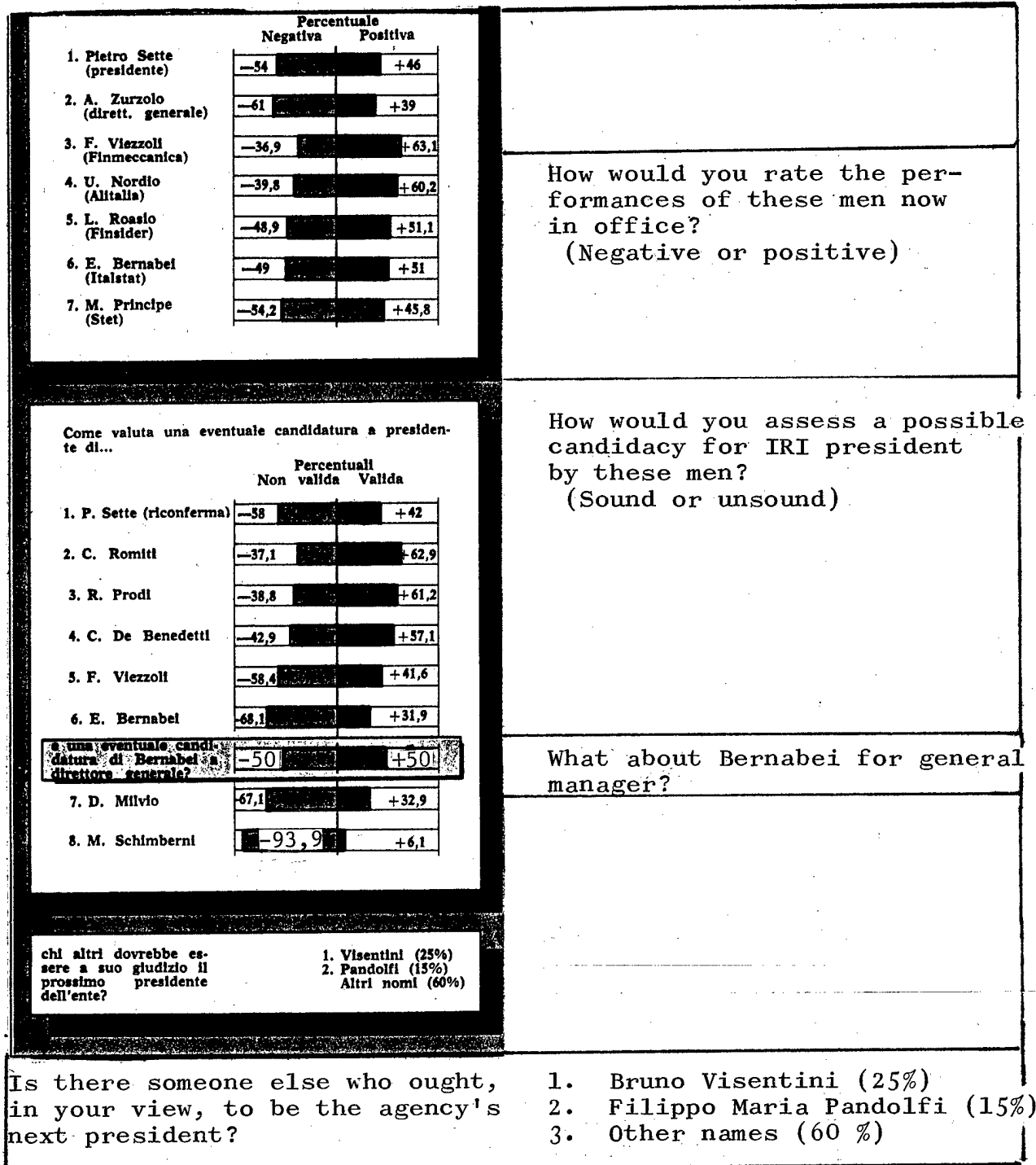
As for the other ministers who, in one way or another, have some influence over the destinies of State Participations, only one, Industry Minister Giovanni Marcora, gets their approval, with 68 percent, while the two money ministers, Nino Andreatta and Giorgio La Malfa, the heavy feet on the "spending brakes," are brushed off with a 54-percent "no" vote apiece. Surprisingly enough, State Participation thumbs turned down on Prime Minister Giovanni Spadolini, Why? Mainly the Grandi case, which decapitated ENI.

IRI Under Sette, Viezzoli, and Bernabei

Pietro Sette is not a good president, say 54 percent of IRI's managers who, by a still sturdier majority, want him out. Even more hostile is their view of IRI's general manager, Antonio Zurzolo, who garners 61 percent negative votes. Only one of IRI's top

The following three graphs show, in percentages as calculated for the first four, the opinions of the State Participations managers, who in this instance were voting only on questions regarding their own companies.

INDUSTRIAL RECONSTRUCTION INSTITUTE (IRI)



brass shares this opprobrium: he is Michele Principe, managing director of STET, Italy's telephone company, who gets 54 percent negative ratings, certainly affected to some degree by his name's appearing on Ligio Gelli's "P-2" list. The others, though, get pretty good performance ratings. Most favored are Franco Viezzoli, president of Finmeccanica, with 63-percent approval, and Umberto Nordio, president of Alitalia, with 60 percent; also squeaking in just under the wire, though, are Lorenzo Roasio, new president of Finsider, and Ettore Bernabei, the man who straightened out Italstat, with 51 percent approval.

The biggest surprise of all came when we looked at IRI managers' preferences for a successor to Sette. Franco Viezzoli is scratched with a fat 58 percent of "no" votes, and so is his protégé, Daniele Milvio, whose candidacy is seen as frivolous by 67 percent of IRI's voting managers. Also scratched is Ettore Bernabei, with 68 percent opposed, although he is perceived as a possibility for the IRI general manager's slot, with an even 50-50 split in the vote. The man who was really swept away by a disastrous margin equalled only by the vote against Gava, is Mario Schimberni, the socialist's dark-horse candidate in the event IRI should be "ceded" to the PSI.

Just who do they want to lead them through the next few years, then, these IRI people? Outsiders, who are not too closely identified with "Rome," who have nothing to do with the politicized State Participations system, or who have put in a lot of years as helmsmen for major private companies. Most highly touted is Cesare Romiti, FIAT's general manager, who gets approval of 63 percent of IRI's managers; a close second is Romano Prodi, with 61 percent, and next comes Carlo De Benedetti, whom 57 percent of the voters would like to see in the president's chair. Three very clear indications, strengthened by the "write-in" vote: Bruno Visentini, ex-vice president of IRI, the hero of last year's savage battle against the overweening power of the political parties that is destructive of institutions and of the economy.

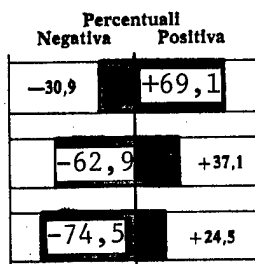
ENI Between Gandolfi and Di Donna

Enrico Gandolfi, the "Pertini-style little old man," has in a few short months won the support of ENI's managers. Sixty-nine percent of them, in fact, feel that his appointment as commissioner was a good one, even though 61 percent of ENI executives are convinced that he ought not to be its next president, that he ought to decline the nomination. But in favor of whom? Not Leonardo Di Donna, say 62 percent of the oil agency's managers, who give the same percentage of negative performance ratings to the job he has done: Di Donna is obviously a victim, like De Michelis and Spadolini, of the Grandi-Di Donna case.

Well, then, who do the ENI men want to be president? Not Mario Schimberni -- absolutely not: his recent socialist friendships

NATIONAL HYDROCARBONS AGENCY (ENI)

Come giudica la scelta di Enrico Gandolfi a commissario?



Come giudica l'operato di Leonardo Di Donna?

Come valuta la presidenza di Alberto Grandi?

What do you think of the selection of Enrico Gandolfi as commissioner?

How would you rate Leonardo Di Donna's performance?

What kind of job has Alberto Grandi done as president?

Come valuta una eventuale candidatura a presidente di...

1. L. Di Donna

2. E. Gandolfi

3. C. De Benedetti

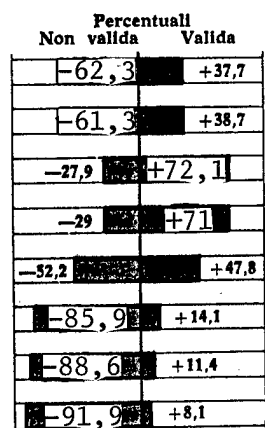
4. E. Egidì

5. R. Prodi

6. D. Milvio

7. M. Schimberni

8. F. Viezzoli



How would you assess a possible candidacy for ENI president by any of these men?

Is there somebody else you think ought to be ENI's next president?

1. Lorenzo Roasio (33%)

2. Other names (67%)

MANUFACTURING INDUSTRY HOLDING AND FINANCIAL (EFIM)

How would you rate Corrado Fiaccavento's performance as EFIM's president?

Do you think he ought to be reappointed?

Do you think Pietro Fascione is a viable candidate?

Negative or
Unsound

Positive or
Sound

-62.5

+37.5

-54.5

+45.5

-86.6

+13.4

THE POLITICAL PARTIES AND STATE PARTICIPATIONS

In their hearts, they're not Christian Democrats. This is perhaps the most surprising finding in the survey L'ESPRESSO took among managers in the State Participations companies and agencies. The party they think most highly of, from their particular angle, is the Republican Party, followed at some distance by the Liberals, both of them with more emphatic "technical" connotations. They find little to praise in the other parties: they mildly dislike the Social Democrats and the Communists, and they strongly dislike the Socialists and the Christian Democrats.

These findings are reinforced by another part of the poll (the last of our graphs) in which the "Visentini-style" rejection of the party system is very widespread indeed among the public-sector managers: the response is practically choral: 95 percent of them, as the graph shows, are convinced that the parties do altogether too much meddling in the business of state-owned enterprise. And in fact, even as they defend, as is only natural, the original formula under which the system was conceived -- the mixed economy -- they point to "political reasons" as the first cause of the crisis besetting state enterprise, and to "moral reasons" as the second source of its woes, a cause intimately intertwined with the first. Their revulsion includes the inter-party swapping noised about of recent months: "giving" ENI to the DC and IRI to the PSI is an idea that appalls a very broad majority of them, and, by a margin of 76 to 7 percent, reaffirms their consensus behind the idea of putting technicians with little political background in the president's chair.

1. What is your opinion of the policies of the following political parties with respect to State Participations?

	Percentage	
	Negative	Positive
Republicans (PRI)	- 40.9	+ 59.1
Liberals (PLI)	- 49.1	+ 50.9
Social Democrats (PSDI)	- 66.5	+ 33.5
Communists (PCI)	- 66.6	+ 33.3
Socialists (PSI)	- 70.2	+ 29.8
Christian Democrats (DC)	- 70.3	+ 29.7

1. On the whole, does the party system interfere too much in State Participation affairs?

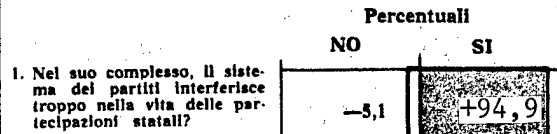
2. To what problems would you attribute the crisis in the State Participations system? (clockwise from top)

Political
Moral
Labor-related
Financial
Managerial
International

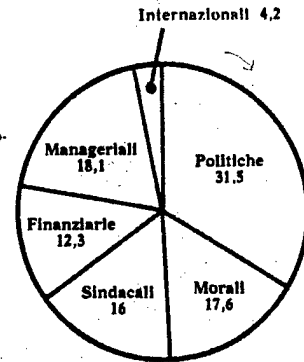
3. Is the mixed economy formula still sound policy?

4. Under the "spoils system," there is talk of "giving" ENI to the DC and IRI to the PSI. Do you favor this idea?

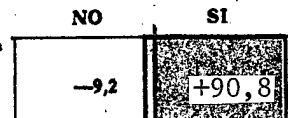
5. Do you believe Agency presidents should be technical experts without much political background?



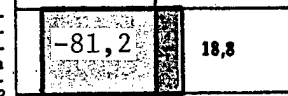
2. La crisi del sistema è dovuta a ragioni:



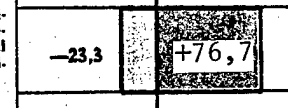
3. E' ancora valida la formula dell'economia mista?



4. Secondo la logica "lottizzatoria" è stata avanzata, ancora non ufficialmente, l'ipotesi di "dare" l'Eni alla Dc e l'Iri al Psi. Lei è favorevole a questa ipotesi?



5. Lei ritiene che alla presidenza degli enti dovrebbero essere insediati tecnici con scarsa connotazione politica?



(from Claudio Martelli to Administrative Secretary Giorgio Gangi, who served as kingmaker for Schimberni, but also for Milvio) do not help him in the balloting, where his name is flatly rejected by 86.6 percent of ANI managers. That's a stinging defeat, as is the one meted out to Franco Viezzoli (although he was only a long-shot in the race), though perhaps less surprising than the one sustained by Daniele Milvio, quasi-official candidate of a sizable wing of the PSI, but spurned by 86 percent of ENI's managers. Massacre? Not really: merely a carefully thought-out choice. ENI managers, like their counterparts elsewhere, want solid, experienced bosses who are not part of the system: men like Carlo De Benedetti (72 percent approval) or Egidio Egidi (71 percent approval), and their own choice of an outsider, ringingly expressed in the write-ins, is Lorenzo Roasio, the man who stood up to Grandi and Di Donna a year ago, then stalked out and went to work at Finsider. In the ENI voting there is a little more patriotism, surely, but there is a cry from the heart for solidness and clean air, just as there is at IRI.

At EFIM, a Great Greyness.

The managers at the mini-Agency in State Participations are unhappy with their president, Corrado Fiaccavento: 62.5 percent of them said so on their ballots, yet only 54.5 percent of them would oppose his reappointment. The only announced candidate, Pietro Fascione (from Augusta, yet!) they want no part of (86 percent oppose him), and, as their outside champion, they rather unimaginatively opt for their Director General Trivellato. Well, clearly a mini-agency is going to run to mini-managers...

6182

CSO: 3104/251

ONLY AUTO, ELECTRONICS REMAIN AS STRONG INDUSTRIES

Helsinki HELSINGIN SANOMAT in Finnish 25 Jul 82 p 15

[Article: "Growth Expectations of Sweden's Industry Postponed"]

[Text] Sweden's industry -- the metal and steel plants in particular -- has had to give up its prediction of a better year end. According to the economic barometer of Konjunkturinstitutet, the official economic forecaster for Sweden, the second quarter was a large disappointment to industry and the order books are not predicting anything better. All of industry is expecting that unemployment will increase next winter, states DAGENS NYHETER in a recently published economic barometer. Bright expectations for Sweden's industry regarding an upswing at the end of the year were clearly indicated in an economic barometer compiled last winter. A poll conducted in Finland at the same time gave a considerably gloomier picture, and the picture given by businesses in a poll conducted in the early summer did not improve.

The Swedish picture still includes some small optimism, which is supported by Volvo and Saab-Scania, the flag ships of the machine shop industry producing automobiles in particular, as well as L M Ericsson and Asea in the electronics field. It is believed that the export success of these companies will continue even until the end of the year, but these companies are the only definite exception in the machine shop industry not to mention other areas.

In the area of heavy metals the order books indicate a rather weak future. Production has been forcefully reduced since March and no prospects can be seen. However, except for the iron plants the metal industry is expecting a slight improvement in demand at the end of the year.

Paper Plants Continue to Reduce Production

The chemical forest industry has experienced a reduction in demand similar to that of its Finnish competitors. Three-fourths of the paper and cellulose plants have indicated that there are too few future orders, reported the barometer of the Konjunkturinstitutet.

It is not expected that employment in the mechanical forest industry will improve even though this area believes that production will increase for the first time in many years.

The paper and cardboard industry believes that it will continue to reduce production this year and it is believed that the price of cellulose will drop in the future. It is estimated that the prices of other products have already bottomed out.

The sawmills believe that there will be a slight increase in demand. This will be taken care of by accumulated reserves so that no improvement in employment will be felt. Sweden's sawmills are also suffering from a shortage of logs.

Construction Experiencing a Downward Trend

In Sweden the textile and clothing industry has been able to maintain its production at the previous level until now, but it seems that the situation is becoming weaker.

The decrease that occurred in the foodstuffs industry at the beginning of the year has come to a halt and exports have begun to increase slightly.

Construction in Sweden has been weak for the first part of the current year and it is expected that it will be even weaker at the end of the year. All the curves in this area -- demand, production, and employment -- are going in the wrong direction.

Retail sales increased 2.0 percent last year. The value of retail sales was 79.2 billion markkas. Calculated in markkas retail sales increased 12.2 percent. The value of wholesale sales was 113.2 billion markkas. Compared to the previous year this was an 11.9-percent increase. Quantitatively sales increased 0.5 percent.

10576

CSO: 3107/153

SOCIALIST SEES COMMUNAL ELECTIONS AS TEST FOR GOVERNMENT

Brussels LE SOIR in French 2 Aug 82 p 1

[Commentary by Herve Brouhon, PS representative and alderman for Brussels:
"The Elections: Verdict on the Policy of the Martens V Administration"]

[Text] The vacation period is the one period par excellence which ministers choose to perpetrate their worst crimes when, as is the case with the Martens V administration, they have extraordinary powers at their disposal.

They have already made substantial use of them. All the categories of workers, the sick and the beneficiaries of social benefits know something about them. And so do the shopkeepers, as well as the craftsmen and the owners of small and medium size enterprises.

In spite of all the promises made by the PRL [Liberal Reform Party (Walloon)], the PVV [Party for Freedom and Progress (Flemish)], the CVP [Social Christian Party (Flemish)] and the PSC [Social Christian Party (Walloon)], the pressure exerted on wages, the dismissals carried out in the public sector, and the restrictions of which the sick, the retired and the unemployed are the victims, the economic situation is even more tragic than it was a few months ago.

The poorest have become even more so but, on the other hand, the banks, the large multinational corporations, and a few enterprises privileged by the system have increased their profits. Their balance sheets are proof of it.

Instead of drawing lessons from the current situation, from the two devaluations it has been driven to, rather than to humanize its action, the government makes no secret of its intentions. It aims to pursue its action in the same direction, to strengthen it wherever possible, to impose new sacrifices on those who have already consented to so much, to proceed with the elimination of hundreds of hospital beds, to increase the cost to patients staying in hospitals, to crush financially the municipalities, to make it impossible for them to establish the collective facilities they need, and to smother cultural life.

Am I exaggerating? Ask those in charge of local powers, of cultural institutions or associations, the artists, what they think! Even the credits which have been promised are not paid out to them, or only with several months delay.

When a minister talks about reducing the working hours, he does this in order to be able to reduce wages, and when others mention retirement at the age of 60, they do this because they think that even the pension for a household of employees, of workers or of independent workers is too high and that this should be looked into.

Nobody has seen the end of it, that is to say of always paying more to receive less and less!

It is in this climate that the municipal elections are being prepared.

It is fortunate that, in many cases, the municipalities are there to lighten, as much as possible, the blows dealt to the people by the reactionary policy of the government. Aren't they, historically speaking, the ramparts of our rights and of our liberties?

The Socialist Party [PS (Walloon)] presents a realistic program, free from demagoguery, to the voters. Undoubtedly, this program is, in most cases, a function of local needs. But what is true everywhere is the fact that through a broader participation by the citizens in the life of their city, through a more direct dialogue with their representatives, it is possible to make their existence happier, more peaceful, more humane.

Whether in the area of the economy, the purveyor of jobs and thus of prosperity, in the area of housing, of the environment, of youth, of policy for senior citizens, of education, of sports, of neighborhood life, of green spaces, of cultural activity, of individual or public security, of health, of the fight against pollution or against poverty, of transportation or of so many others, the vigilance of a municipal representative must be constant. This is what makes his job simultaneously so attractive and so important.

The socialist municipal leaders have understood this and have experienced it by working ceaselessly in the direction of progress and by providing the example of remarkable accomplishments to a good number of governments and to this one in particular.

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CSO: 3100/888

AKEL-CHURCH ARGUMENT HEATS UP

Khrysostomos Statement

Nicosia 0 AGON in Greek 21 Jul 82 pp 1,5

[Text] Archbishop Khrysostomos repeated yesterday against AKEL the charges he stated Sunday in an interview to a Cypriot newspaper. The full text of that statement is as follows:

"It is deplorable that we are forced to speak against AKEL's leadership today, a day that marks the sad anniversary of the Turkish invasion, a day when our thoughts and hearts should be united in a common struggle for the salvation of our people and our fatherland. Unfortunately, the contemptible and slanderous articles KHARAVGI has published cannot remain unanswered for it would be against our people's true enlightenment which is necessary for the conduct of our struggle. We believe, moreover, that truth, when made known, is an important contribution to the struggle for national survival because it helps make clear the aims and policy of this struggle. "We were not, of course, surprised at the reaction of AKEL's leadership to the interview we gave to KIRYKA. It seems that AKEL's leadership is not used to telling the truth. No wonder it felt disturbed when it heard it. Instead of telling us what untruths we stated in the interview, it limited itself to insulting us as 'adulterers of history' and more or less associated us with the swastika.

"It is true that for some people truth is bitter. We believe, however, that truth must be told if we want to go ahead in this country. All opportunistic and self-interest considerations should stop because honesty and justice demand it and because the people are properly enlightened and do not fall prey to deceitful declarations nor do they thrive on illusions. It is the only way to end the deception of the people and to block the road to false situations which have burdened our island with so many evils. More still, truth should be told today because as we mentioned earlier, truth does not hurt but strengthens our struggle.

"We beg, therefore, AKEL's leadership to tell us the lies we stated in our interview to KIRYKA. We beg it to publish in its newspaper the complete unaltered text of the interview so that its readers may find out who tells

lies--we or AKEL's leadership. And to render it easier we are asking AKEL's leaders:

"1. Is it a lie, gentlemen, that you believe neither in Christ nor in Greece? It is, of course, your right not to believe. But if you do believe, then tell us so bluntly and we are ready to apologize if we are wrong. But do not attempt to hide behind the alibi that faith is a matter of conscience. Of course it is, but how does your own conscience stand on this matter?

"2. Is it a lie that in your gatherings you do not permit the display of the Greek flag--we, at least, have never seen one--or anything else giving evidence of the Greek origin of our people? Is it a lie that many times you display flags and banners of another country? "Were you by any chance informed that a foreigner who happened to pass by Eleftheria Square where you held a demonstration 2 days ago and who, after seeing the many red flags and banners without presumably paying attention to what they represented, asked: "Is this here a Turkish area?"

"3. Is it a lie that in your seminars and meetings you give instruction on how to stop considering ourselves Greeks in order to become partners with the Turks in a federated, independent state? Have you sung in your gatherings the national anthem which always and especially in difficult times strengthened our national conscience and our faith in national survival? Are these facts or are they not a denial of your national lineage?

"4. Gentlemen, leaders of AKEL, is it a lie that you took a stand against Makarios both during the 1950-1959 period and during the first presidential election? Is it a lie that later you were forced to support Makarios out of opportunism since you had no other way out?

"5. Is it a lie that, following the coup d'etat, you deserted Makarios and embraced the then acting president of the Republic, the 'NATO follower' as you call Kleridis today, and that you exerted efforts to dissuade Makarios from returning to Cyprus?

"6. Is it a lie that at the gathering of 15 August 1974 you remained as "mute as a fish" while we--and Lyssaridis--demanded, at the risk of our lives, the restoration of constitutional order and the return of Makarios in order to offset Turkey's invasion alibi?

"7. Is it a lie that you renounced Kleridis when you discovered that he no longer enjoyed any power after the return of Makarios to Cyprus at the people's insistent demand?

"8. Is it a lie that in 1980 when strong rumors were spreading that Kyprianou would resign as president due to illness you renounced him not for any other reason but to manage becoming the balancing factor in a new political situation?

"9. Is it a lie that you renounced Kyprianou as unworthy, incompetent, indecisive and for a long time applied to him other labels stressing that he 'missed the train'? Now, because you failed to push him aside you deny yourselves and you praise him as a worthy and competent leader so that you may not 'miss the train'? Are such things proof of political responsibility or of opportunism? Let the answer be given by your readers who voted for you.

"10. Is it a lie that you approved in principle the American plan as well as the Waldheim plan both of which divide Cyprus into North and South and which, if implemented, will in fact open the way to completing the splitting of our island.

"11. Is it a lie that you repeatedly spoke about 'bold steps'--backward not forward steps, of course--about decisions which will betray or at least will eliminate basic rights of the people such as the right for a large number of our displaced persons to be repatriated?

"12. Is it a lie, that you made the removal of the Turkish troops and the return of the refugees dependent on the results of the intercommunal talks? Is it a lie that you avoid saying openly that the invasion troops be removed and that to camouflage your policy you talk in generalities and vaguely which means that in the least you equate the invasion troops with the English bases and which weakens our demands? Is it a lie that from the very first moment you took a stand overtly or covertly against the Papandreou policy on Cyprus, that you have given preference to the interminable [inter-communal] dialogue albeit for the sake of the dialogue itself? Does this prove or disprove that you are diametrically opposite to Papandreou's policy for new directions [of the Cyprus question]?

"13. Something else. Who are juntists? You or we? Who are fascists? You or we? If one's actions are an indication of how democratic one is then we question your right to consider us less democratic than you. We resisted both the junta and the coup, we were arrested during the coup and the post-coup periods and we were placed under confinement without telephones or visits but under armed military surveillance. Do tell us, what happened to you?

"We believe that those without blinds can easily surmise from the above who are the 'adulterers of history' [an accusation] which you mention so unashamedly and unblushingly.

"We want to state clearly and categorically that what we have mentioned above is not related to the social system AKEL is supporting. We speak as [representatives of the] Church which is above social systems and ideologies. 'My kingdom does not derive from this world' said Christ. But in these difficult times for our country and people it is not possible for the Church to hide the truth from its flock. It is not possible for the Church to tolerate deceit at the expense of the people by remaining silent.

"We also want to affirm that the only motive in our actions and statements is love and only love of truth; love of our country and people. We do not harbor the slightest trace of hatred toward anyone. We hate only the lies. We sincerely regret that we find ourselves in the position of disputing you. We do hope that in moments of self-criticism you will admit your mistakes and that you will repent. In any event, for the love of Christ, we are ready to forgive you. We do not adopt the green color [Papandreou's socialism], nor the red color [of the Soviets] as you claim. We wear the blue and white color [of the Greek flag]."

AKEL Reply

Nicosia KHARAVGI in Greek 22 Jul 82 pp 1,7

[Text] A statement issued yesterday by the AKEL Central Committee states that the real reason Archbishop Khrysostomos lost his temper and hurled insulting accusation against the AKEL leadership is that he is very much irritated by the [agreement of] cooperation between the Democratic Party [DIKO] and the AKEL democratic forces. The AKEL statement:

- a. Warns that Archbishop Khrysostomos has assumed the role of a behind-the-scenes coordinator of all forces which are against the patriotic, democratic cooperation.
- b. Points out that if someone ignored and repudiated Makarios and the policy he defined in his memorandum to the National-Ministerial [Council] in February 1977 that someone is Archbishop Khrysostomos.
- c. Asks Archbishop Khrysostomos why he did insist in 1977--if his assessment of AKEL's leadership is the one he describes in his questionnaire of 2 days ago--that leading cadres of AKEL and of other popular organizations be included by all means in the list of electoral representatives?
- d. Suggests that since he was elected with the vote of "atheists" and "non-patriots" he should apply again to the people for his re-election in order to be consistent with his declarations.

The full text of the AKEL Central Committee announcement is as follows:

"The lengthy statement by Archbishop Khrysostomos did not surprise us. His anti-AKEL outburst is not at all original. It simply repeats the thousand-told slanders and groundless charges which the reactionary forces of EOKA B and the Union of Fellow Combatants in the National Struggle [ESEA] expressed from time to time during the period before and after the traitorous coup against our party, the working class and the working people of our island.

"Our people whose memory is sharpened still more during these black anniversaries do not forget that the late President of the Republic Archbishop Makarios was accused as 'anti-Greek', 'red' 'Castro of the Mediterranean' and as 'an organ of foreign interests' (of Moscow) by the super-Greeks of the 'Greece of Christian Greeks' of Papadopoulos and Pattakes by EOKA B and

ESEA. That is why the lengthy statement of Archbishop Khrysostomes did not surprise us. "In a purely medieval and inquisitional manner the Archbishop submits 13 questions to the AKEL leadership, each one of which constitutes a vulgar distortion of facts and all of which have been repeatedly rejected by the people. We could submit not 13 but many more questions about his conduct and his unpermissible involvement with politics, about his entrepreneurial activities, his luxurious villa, his buying and selling of church property and about how all these activities can be reconciled with his identity as archbishop.

"Undoubtedly, the real reason the archbishop lost his temper and hurled insulting accusations against the AKEL leadership in a manner incompatible with his position and his prelatical office is that he is very irritated by the cooperation between the patriotic DIKO-AKEL forces.

"Invoking the alibi advanced by EOKA B coupists and the reactionary plutocratic oligarchy, by the leadership of the United Democratic Union of the Center and all forces which stand against the patriotic, democratic cooperation which ostensibly undermines the Athens-Nicosia line, the archbishop has assumed the role of backstage coordinator of all these forces in their struggle to strike at this cooperation and to stop the march of the patriotic forces toward a victory in the presidential election. "AKEL's nearly 60-year history, policy and struggles for the rights of the working class and the working people of our island as well as its struggles against colonialism and later for the consolidation and defense of independence and democracy against the traitorous juntist-fascist coup and the Turkish invasion--[all these] are well known to the whole Cypriot people. AKEL and its leadership do not need certification of their patriotism by the Archbishop.

"As concerns the slander that AKEL repudiated Makarios' policy, the only thing that can be said is that if there is one who repudiated Makarios and his policy as he stated it in his memorandum to the National-Ministerial [Council] on February 1977, that one is not AKEL's leadership but Archbishop Khrysostomos who, defying the will and sentiment of the smashing majority of the martyred and betrayed [by EOKA B and the junto] Cypriot people, has recently granted absolution to defrocked Gennadios, the crucifier of Makarios. "Finally, we could submit to the Archbishop only one question: Since his assessment of AKEL's leadership is the one he's stated in his medieval and inquisitional questionnaire, why did he insist so much in 1977 that AKEL's Secretary General E. Papaionnou and other leaders of the party and of popular organizations be included by all means in the list of electoral representatives? And why did he ask AKEL in 1973 to protect him from the coupists of EOKA B who threatened him at the time he celebrated mass in St. Memnon Church on Holy Friday?

"Could it be that at that time the AKEL leadership was religious and patriotic and that today it has become--in the eyes of the archbishop--atheist and non-patriotic? But since he was elected also by the vote of the atheist and non-patriotic AKEL leaders, he should again appeal to the people for his re-election if he wants to be consistent with his declarations.

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CSO: 4621/473

PARLIAMENTARY DELEGATION TO USSR RETURNS

Joint Communique Published

Nicosia KHARAVGI in Greek 15 Jul 82 p 7

[Text] The following joint communique of the delegation of the House of Representatives of the Republic of Cyprus on its visit to the Soviet Union was made public yesterday in Nicosia:

"Between 5 and 12 July, on the invitation of the Supreme Soviet of the USSR, a delegation of the House of Representative [Vouli] of the Republic of Cyprus paid an official visit to the Soviet Union. The delegation, headed by Speaker of the House Georgios Ladas, included Deputies E. Papaioannou, Secretary General of AKEL, V. Lissaridis, Chairman of the United Democratic Union of the Center, [EDEK], I. Matsis, representing the Democratic Rally [DISY] and A. Galanos, Democratic Party [DIKO] parliamentary representative. The delegation was accompanied by Vouli Director General T. Khatzioannou and M. Attolides head of the Vouli Foreign Affairs Service.

"The delegation was received by V. V. Kuznetsov, alternate member of the Politburo of the CPSU Central Committee and first vice-chairman of the Presidium of the USSR Supreme Soviet. "The members of the delegation also met the chairmen of the Soviet of the Union [sic] and the Soviet of Nationalities, and the chairmen and members of the standing committees of the USSR Supreme Soviet.

"The delegation visited the Lenin Mausoleum and placed a wreath. A wreath was also placed at the monument of the Unknown Soldier in the Kremlin wall.

"In addition to Moscow, the delegation visited Leningrad and the Armenian Union Republic where they visited industrial and agricultural enterprises and historical and cultural sights. The delegation was received everywhere warmly and friendly.

"During the meetings and talks that took place in Moscow and in other areas, the Cypriot deputies were briefed on the structure and the activities of the Supreme Soviet, of its sections and standing committees, of the Soviet republics and regions, of the international relations of the Supreme Soviet,

of the achievements of the Soviet people in realizing the resolutions of the 26th Congress of the CPSU as well as of the historic experience from the implementation of the Leninist policy on the national question during the 60 years since the founding of the USSR. The Cypriot deputies on their part briefed their Soviet counterparts on the organization and the activities of the House of Representatives and on its international relations.

On the International Situation

"In exchanging views on the international problems, the Soviet and Cypriot deputies expressed concern for the serious deterioration of the international situation lately. The two delegations expressed their continuing support in the cause of peace and detente, the strengthening of international security and the end of the arms race and for the people's struggle for their national liberation and the completion of their independence.

"The Soviet and Cypriot deputies greeted the new significant initiatives which are voiced in the letter of Leonid Brezhnev to the Second Special Session of the U.N. General Assembly on disarmament, initiatives which serve the interest of humanity. They underlined that the decision of the Soviet Union to unilaterally assume the obligation not to be the first to use nuclear weapons creates a more positive atmosphere to deal with the question of the arms race and disarmament.

Support of the Palestinians

"The Soviet and Cypriot deputies expressed concern for the increasing tension in the Eastern Mediterranean and the Middle East because of the criminal invasion of Lebanon by Israel. The two parties expressed support for immediate and effective measures to end the invasion and to bring about the withdrawal of the Israeli troops from Lebanon in accordance with the resolution of the U.N. Security Council. They expressed solidarity for the Arab people of Palestine and underlined the need to give them the inalienable right for establishing their own state.

"The Soviet side expressed great appreciation for the non-aligned foreign policy of the Republic of Cyprus for its role in the Non-aligned Movement and its position on the problems of disarmament and on the struggle against the arms race. The Cypriot deputies briefed their Soviet counterparts on the situation on Cyprus, on the current phase of the efforts for the solution of the Cyprus problem and the status of the inter-communal talks.

Support for Cyprus

"The Soviet deputies reaffirmed the known position of the USSR which supports the independence, sovereignty and territorial integrity of the Republic of Cyprus, its non-aligned policy, the withdrawal of all foreign troops from the island, and a solution of the Cyprus problem, taking into account the legitimate interests of the two communities and ruling out any efforts to impose on the Cypriots a solution alien to their interests. The timeliness of calling a representative international conference on the Cypriot question,

within the framework of the United Nations was underlined. "In discussing the bilateral Soviet-Cypriot relations they verified their traditionally friendly character and their successful development for the benefit of both countries. Satisfaction was also expressed for the creation of steady contacts between the highest organs of state in the Soviet Union and the Republic of Cyprus. The parties also underlined the timeliness and significance of the appeal by the Supreme Soviet of the USSR on 23 June 1981 to the parliaments and the peoples of the world and pointed out the necessity for closer cooperation on matters concerning the international peace and detente.

"The delegation of the Cypriot Vouli expressed its warm thanks to the Supreme Soviet of the USSR for the friendly reception they received on Soviet soil. On the part of the Cypriot deputies the Speaker of the House Georgios Ladas extended an invitation to a delegation of the Supreme Soviet to visit the Republic of Cyprus. The invitation was accepted with thanks. The time for the visit will be determined through the diplomatic channels."

Turkish Presence Not Mentioned

Nicosia 0 AGON in Greek 16 Jul 82 p 2

[Text] The joint communique on the talks of the interparty Cypriot delegation to Moscow is remarkable not so much for what it says because most is repetition of known platitudes, but for what it has left out.

It says that the Soviet deputies "reaffirmed the known position of the USSR."

The known USSR position is the one contained in a resolution of the General Assembly, which was approved by Turkey as well. But the communique says nothing about the invasion. It does not condemn it. It does not refer to Turkey by name. It does not call for the withdrawal of the occupation forces but calls for the withdrawal of all foreign troops.

We do not believe that the members of the interparty delegation did not ask that a specific denunciation of the invasion be included in the communique, since they condemned--and so strongly moreover--the Israeli invasion in Lebanon. What happened is that once again Kremlin refused to condemn Turkey. Eight years after the invasion, the Soviet Union refuses to condemn the invasion and to call on Turkey to remove its occupation forces.

Obviously the Soviet Union has more important interests in Turkey than in Cyprus. The USSR says that it supports us. But we are in conflict with Turkey. One cannot understand support for the victim when there is not condemnation of the invader.

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CSO: 4621/462

IOANNIDIS COMMENTS ON PRESIDENTIAL CANDIDACY

Nicosia 0 AGON in Greek 15 Jul 82 p 2

[Text] In an interview with Kyziakos Khatzikyriakou, presidential candidate Georgios Ioannidis emphasized that the Kyprianou government is neither able nor sufficiently representative to achieve a just solution of the Cyprus question. Here is a [partial] text of the interview:

[Question] Can you tell us why you resigned from the post of negotiator, gave up a brilliant 20-year career during which you reached the highest state offices and decided to go into politics and run for the presidency of the Republic of Cyprus?

[Answer] My decision to run for the presidency as I stated in announcing my candidacy on 10 May 1982 had as its only motive my love for our country and the Cypriot people and to give to our people the opportunity for a second choice, a choice leading to the unity and concord of our people in their struggle for national salvation and survival.

[Question] Have you prepared your political platform? What are briefly its main points? When are you going to present them to the Cypriot people?

[Answer] My platform and my political program in general are being prepared and will be announced to the public soon. It will not be proper to refer to any of its points before I announce it to the people.

[Question] Do you believe that the Kyprianou government in its present composition and the many attacks [it suffers] from many sides, is capable of handling effectively the Cypriot problems in order to assure an undivided, demilitarized, independent, unified and nonaligned Cyprus?

[Answer] I believe that the Kyprianou government is not capable nor does it have the possibilities and the representative character to achieve a solution of the Cyprus problem along the lines you indicated.

[Question] What is your opinion of the Cyprus problems? Must it be solved through the inter-communal talks while the Turkish troops remain here or must it be internationalized?

[Answer] The Cyprus problem is an internationalized problem and for this reason it has occupied the attention of the United Nations for years.

The inter-communal talks form a process which has been tried for years with no result because Turkey does not desire a solution of the Cyprus problem.

The related UN resolutions provide for a substantive, constructive and effective dialogue between the two communities to find a solution of the Cyprus problem. At the same time the same resolutions provide for the withdrawal of all foreign troops from the island.

Since the process of the dialogue has been tried for many years without result and since with the presence of Turkish troops in Cyprus we actually talk with Turkey and not with the Turkish Cypriot community, the continuation of the dialogue keeps the Cypriot crisis going and solidifies the "fait accompli" of the occupation.

Therefore, our position is to have the relevant resolution for the withdrawal of the Turkish troops implemented in order to create the necessary conditions for a free, constructive, substantive and effective dialogue between the two communities. To succeed in this purpose it is necessary to bring the issue before the United Nations and to foster an international mobilization.

[Question] And now a question related to your statements when you decided to enter politics. Do the public quarrels among the various political parties serve, in your opinion, a useful purpose or should they stop so that all can write to fight the common enemy? In an interview he gave me 2 years ago and published in the press, Kliridis believes that the patriotic forces have already been split and fight each other fiercely.

What is your opinion? Do you agree? How can we stop this calamity which tortures our people as a result of the egotism and ambition of some of our politicians?

[Answer] I believe in the unity of the people for the success of the difficult national struggle we are waging. The parties have a duty to bring about this necessary precondition. The quarrels lead to frustration and extremism. The salvation of our country is the most important issue. Only a united people can achieve this.

I agree with Kliridis that the patriotic forces are split and I want to add this happened in fact after the rise of Kyprianou to the presidency.

The split which is harmful and destructive for the country will and if everyone places the national interest above the partisan interest and if we have a president who will work above all parties, his only criteria being the interest of the country and the salvation of Cyprus. Only in such a case will conditions be created for restoring national unity which we need so much.

[Question] What is your opinion about the unholy Democratic Party [Diko]-AKEL "alliance," as Kliridis has called it, or the "unnatural alliance" as he said on another occasion?

[Answer] I have already opposed the DIKO-AKEL alliance. First of all, I believe that Kyprianou's re-election to the presidency will be harmful to Cyprus and our people.

Kyprianou inherited a united people and with his partisan administration led Cyprus' internal front to its present deplorable condition. At the same time this [DIKO-AKEL] alliance is in opposition to the Papandreou's policy on redirecting the Cypriot policy and creates a serious problem between Athens and Nicosia.

Generally this collaboration leads the people to polarization and, I fear, will perpetuate the division of our people to the detriment of our national struggle.

[Question] Could you give us your opinion of AKEL? Do you think that if in the Communist Party of Cyprus like the Communist Party of Greece (KKE-Into) or a foreign-dominated party unrelated to the national beliefs of the Cypriots?

[Answer] As is known, AKEL is the Communist Party of Cyprus like the Greek KKE-Exterior and it is pro-Soviet.

[Question] Why does AKEL prefer to play the role of secondary actor and servant instead of running independently in the coming presidential election?

[Answer] I do not know AKEL's real intentions. Apparently, the fact that it will fail if it runs independently makes it resort to alliances.

[Question] A great deal is written and much more is being said in the lobbies about the mistakes of the Kyprianou government since it came to office. What is your opinion? Did it make mistakes? Basic mistakes? If yes, what mistakes, what basic mistakes did it make?

[Answer] It is a fact that President Kyprianou made many mistakes while in office. This is acknowledged by the great majority of the people and is confirmed by the fact that in 4 years he changed 3 cabinets. This alone is a confession on his part for his failure.

First of all, he failed to preserve the unity of the people; he shattered our domestic front; he made the National Council a useless institution; he created problems in the cooperation between Athens and Nicosia and, in this way, he weakened the ramparts of our struggle for Justice and national survival.

Second, he promoted favoritism and he uses persons in the civil service and public education and members of the security forces for his partisan success.

Third, the country's economy faces serious dangers some of which derive from the inadequate way the government deals with economic and financial

affairs. The inadequate manner with which he deals with the issue of cooperatives and with the Nicosia-Limassol highway is indicative of the way the government acts.

Fourth, he failed to inspire the people with a fighting spirit and a spirit of self sacrifice. Instead, he created conditions of self-indulgence and a spirit of egotism and selfishness which dissipate the people's struggle for justice and survival.

Fifth, there is no spirit of collegiality, planning or responsibility in dealing with the difficult national problems. Everywhere and at all times we see prevailing haphazard handling, amateurism and ill-planned activities.

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CSO: 4621/462

BRIEFS

AKEL POSITION ON INVADERS--AKEL invented and promoted the disastrous slogan "the Turks are our brothers." I SIMERINI proved the groundless and nationally harmful aspects of this slogan with devastating argumentation. The Turks are neither brothers nor relatives. They are simply minority roommates with whom we are obligated to cohabitate for a number of reasons. Now AKEL is trying to convince the Cypriot Hellenism that it is not necessary for Attilas to leave before substantive and fruitful talks begin. This position was expressed repeatedly and also recently during a meeting of the inter-governmental information committee. AKEL is trying to prove that since we cannot force the invaders to depart, we are obligated to hold talks in spite of their excruciating presence. But it is known that Cyprus does not talk with Denktash. It talks with Ankara. And Ankara relies on its military superiority and presence to pressure and blackmail and threaten. How is it possible, under the present conditions which are unfavorable to us, to carry out substantive and fruitful talks? This is something AKEL and its braintrust are unable to explain. Neither are they able to convince about the soundness of their position [Editorial] [Nicosia I SIMERINI in Greek 11 Jul 82 p 3] 7520

LIBYA'S DEBTS--Libya's programmed supports here are falling in: Libya is our friend. Libya is on our side. They insist: Libya supports us and helps us politically and economically. But what is the country of the outrageous Qadhafi actually doing? Politically, it stabs us in the back. Everybody knows what Qadhafi did during the invasion of Cyprus. And everybody knows what he is doing now. Libya owes us a few million pounds. Libya told us that it would pay us in a few weeks. Weeks went by and the Cypriot exporters received nothing. Now promises were given. Suddenly they told us they were going to give us oil instead of dollars. We said that's fine, provided Libya gives us the oil. What happened after that? Neither oil, nor dollars. This story has become a tragicomedy. And when is all this taking place? At the very moment Libya is expanding its trade with the [Turkish occupied] area of Cyprus. What is now the explanation of the appropriate [Cypriot] officials? Above all, what are they going to say to our exporters of clothing and shoes who are working anxiously to get their money and are now facing the spectre of bankruptcy? [Editorial] [Nicosia I SIMERINI in Greek 10 Jul 82 p 3] 7520

CSO: 4621/462

LO SECRETARY DEMANDS JORGENSEN GOVERNMENT RESIGN

Copenhagen INFORMATION in Danish 30 Jul 82 p 3

[Text] If a nonsocialist policy is going to be pursued, it should be done so by the nonsocialists, according to the LO [Danish Federation of Trade Unions] paper.

"The government must go. It should have done this a long time ago. If the tax minister's summer brain storm becomes a reality, it will be time for LO to say to the government that we have had enough."

These words were written by LO secretary Bent Nielsen in the last issue of LO-BLADET, which comes out on Thursday.

"Otherwise we will be letting our members down out of misguided loyalty to a policy that is out of step with the group we represent," wrote Bent Nielsen under the heading: "If a Nonsocialist Policy is Pursued, It Must Be Done by the Nonsocialists."

LO vice chairman Finn Thorgrimson also said, "That's enough," in the paper.

"In the debate of recent weeks--conducted by ministers and Social Democrats in prominent posts--we have witnessed the sending up of so many trial balloons that we in the trade unions must say, 'That's enough. It is time for you to cool off. There is no reason to panic because we still have to contend with the economic crisis,'" said Finn Thorgrimson.

He went on to say that the union movement must ask itself what is so new about coming up with "reform measures," calling for restraint on the part of wage earners alone.

"They have been doing this to a large extent through all the crisis years. In reality it is the wage earners who have sacrificed to finance the series of support programs that have been established during these years for the private economy," said the LO vice chairman.

Finn Thorgrimson said in connection with Tax Minister Mogens Lykketoft's idea about cutting work time without offering wage compensation that it too had not been considered very carefully.

Real Wages

"One must remember that this would mean a clear reduction in the real wages of Danish workers. We know from bitter experience what this implies in the way of negative effects on buying power and employment."

Bent Nielsen recalled that it was a prerequisite in the program of action for employment, which was worked out in cooperation between LO and the government, that real wages would be maintained for the incomes of ordinary wage earners.

"Several Social Democratic ministers appear to have forgotten this promise," wrote Bent Nielsen.

"All in all, it is inconceivable that just after having said: 'The labor market factions must handle their contract negotiations themselves,' one would rush headlong into a debate on these very negotiations.

"Such a political debate can only create problems for the upcoming round of contract talks," wrote Bent Nielsen.

Prime Minister Anker Jorgensen said recently that the decline of real wages is not what the government wants, but it will be an inevitable result of economic developments.

"The question is how we can best safeguard the weak social groups in such a--shall we call it social?--descent. How we can safeguard those in the weakest positions as much as possible. That is the task in the present situation," said Anker Jorgensen.

Social Democratic political spokesman Mogens Camre has also admitted that real wage declines will be involved in the coming contract talks.

Taking competitiveness into consideration, Mogens Camre did not feel there would be enough leeway for more than a 7 percent wage increase at the most in the 2 contract years, regardless of whether that would mean a decline in real wages.

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JORGENSEN'S MINISTERS UNABLE TO AGREE ON COMMON PROGRAMS

Copenhagen BERLINGSKE TIDENDE in Danish 1 Aug 82 p 8

[Commentary by Solveig Rodsgaard]

[Text] The many Social Democratic smoke signals in this warm weather have been called "summer brain storms," but the apparent confusion in the ranks is covering up considerable nervousness about continued indebtedness.

At least they agree about being in disagreement. Leading Social Democrats are in disagreement with each other. The members of the Social Democratic group in Folketing do not agree. The Social Democratic hierarchy and the union movement do not agree. All because Finance Minister Knud Heinesen's old prediction about Denmark on the edge of the abyss is about to become a reality. But this belated realization makes it necessary to fiddle with some Social Democratic dogmas and it hurts.

The various Social Democratic smoke signals have been called "summer brain storms." And it is true that not all have been coordinated. But the persistent line has been that leading economic experts in the Social Democratic Party have realized that the continued indebtedness process cannot go on. The coming budget proposal with a deficit of close to 75 billion kroner is one of the specters ahead of them.

That is why we are hearing about real wage declines and public spending cuts combined with a number of other things which in the past the Social Democratic Folketing group heard only from the nonsocialist parties, and then with a shudder. And that is why the "heavies" among the Social Democratic Folketing members must be convinced that implementation of the action program and the March package involving 50,000 new jobs is no longer adequate. Now deep cuts are needed. That is also causing problems with LO [Danish Federation of Trade Unions].

These are the same people in the Folketing group who must realize that the Social Democratic romp with SF [Socialist People's Party] will no longer do. If the economic situation is to be faced up to and dealt with, the majority

must be found in the center and on the right of the halls of Folketing. But it is SF that should step down voluntarily when the Social Democratic demands are made.

Special Circle

These are the problems the "circle" has been working on this summer. The circle consists of Prime Minister Anker Jorgensen, Finance Minister Knud Heinesen, Economic Affairs Minister Ivar Norgaard, group chairman Ritt Bjerregaard and political spokesman Mogens Camre. The circle is usually augmented by Tax Minister Mogens Lykketoft, Labor Minister Svend Auken and Housing Minister Erling Olsen, whose solid and "unusually understandable" reading of the economic text appeals to the prime minister.

Of course the circle had planned to hold the economic talks as an internal discussion, to be presented to the Folketing group as a motion that would then be approved and made public at the same time as the budget proposal with the record high deficit was presented.

Off the Rails

But then things got away from the Social Democrats. Now the discussion is full of verbal conflicts on both the right and left sides of the group.

As a leading Social Democrat put it: "It went off the rails. The group has gone home, the government is on vacation and we are facing a fundamental change of course. It is unfortunate that we keep interrupting each other. But now the prime minister has evoked a mood of catastrophe--in order to convince the group. This is necessary, but probably not very smart. The nonsocialist parties can just lean back in their chairs with satisfaction and enjoy the conflict, watching more and more of their ideas being voiced by the Social Democrats."

Lykketoft

It was Tax Minister Mogens Lykketoft who opened up the debate with his now famous article in NY POLITIK in which among other things he advocated reducing work hours without wage compensation and more part-time jobs, stating that the time is past "when we can solve unemployment with new temporary employment plans while we wait around for a market boom that will be arriving 'in half a year.'"

Lykketoft's work hours plans were rejected by the labor minister, who said Lykketoft was not the government, and by LO and a number of his group colleagues. Knud Heinesen and Ivar Norgaard confirmed that the plans were part of the government deliberations.

The tax minister would not expand on his ideas and left for France on his vacation while the prime minister declared that he would not interfere in the debate.

However, Mogens Camre did. He did not agree with Lykketoft. Mogens Camre strongly advocated public savings and real wage declines as part of a realistic economic policy.

State Bonds

However the prime minister's silence lasted only a few days. Then the chairman of the Finance Committee, Henning Jensen, put his foot in it with a vengeance. Like Mogens Camre and other Social Democrats, he said that Denmark cannot handle more loans and that public savings cuts must be made. But the poor committee chairman also said that it might be necessary to change the terms for state bonds that had already been issued.

Finance Minister Knud Heinesen rushed out an emphatic denial that same morning from his summer home on Sejro Bay. But when Liberal chairman Henning Christophersen demanded a firm denial from the head of the government, Anker Jorgensen had to take up the fight. He had time to think things over. For when Knud Heinesen had issued his morning denial, he went to the beach and cooled off in the waves of Sejro Bay. He could not hear the peals of the telephone in the summer house. And since the leader of the government does not speak on important economic matters without the approval of the finance minister, the day wore on. It was not until that evening that the prime minister was able to refute Henning Jensen. But when Anker Jorgensen got started, he also backed Lykketoft's idea of reducing work hours and predicted tax increases and savings cuts in the fall. He expanded on these ideas a few days later in an interview in AKTUELT.

Tax Reform and Great Belt Bridge

LO chewed that over. At the same time, the Social Democratic debate continued on other sensitive subjects. The chairman of the Folketing Tax and Duty Committee, Bernhardt Tastesen, postponed part of the tax reform following Radical Liberal resistance. Ivar Norgaard and other leading Social Democrats wanted a privately financed Great Belt bridge. Bernhardt Tastesen wanted to tinker with the compensation system--rejected by Svend Auken--but did not want to be a part of making public savings. And he said the government should resign if its demands were not met.

Kaj Poulsen from the group's left wing launched an attack on his least favorite person, Mogens Camre, whom he tried to topple as political spokesman last year, and also got a few licks in at Mogens Lykketoft and Henning Jensen. Jens Risgaard Knudsen took up the fight by sabotaging things for the leading Social Democrats and stressing, with special reference to Mogens Camre, Lykketoft and Henning Jensen, that "now is the time to shut up."

LO

Then LO moved into the fray. The vice chairman of C [expansion unknown] Metalworkers, Charles Hansen, was willing to sacrifice the commitment

paragraph and rate regulation, but he was immediately contradicted by other LO people. LO chairman Knud Christensen also said from his summer vacation in Crete that LO could not at present accept real wage declines.

And a few days ago came the attacks from LO vice chairman Finn Thorgrimson and secretary Bent Nielsen. "No reason for economic panic. LO was not informed of the government's plans. If Lykketoft's summer brain storm turns into a real plan, the government must resign."

The government has no plans to do this, according to the prime minister and group chairman Ritt Bjerregaard. "For heaven's sake calm down and stop seeking sensations for the sake of sensation. I think we can find solutions to the problems, even though they are difficult," said the prime minister.

Government's Future

The future existence of the government is precisely one of the sensitive issues in the Folketing group. The leading people who have realized the necessity of a change in the political economic course will do a great deal to avoid losing government power. They fear that it will be a gift for the nonsocialist parties if the Social Democrats throw down the reins when there is a marked recession in progress. But they will have problems with the 5 or 6 rebels on the group's left wing who would do a great deal to continue the cooperation with SF and keep the Social Democrats away from the nonsocialist parties. On the other hand, these are the group colleagues who are urging the government to resign if the Social Democrats have to pursue a more right-wing policy due to the economic crisis.

The most rebellious are Kaj Poulsen, Sonja Mikkelsen, Lisa Mathiasen and Mette Groes. Perhaps Risgaard Knudsen as well. But others in the group are sure that when Ritt Bjerregaard shakes the whip at her coffee club during August, Kaj Poulsen will return to the fold.

For the moment, the first blow will be struck when the government and LO hold a meeting of the contact committee on Tuesday. There is a group meeting next Tuesday. And on 16 August, the budget will be ready.

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PAPER CHARGES THAT JORGENSEN LACKS ANY PLAN FOR ECONOMY

Copenhagen BERLINGSKE TIDENDE in Danish 1 Aug 82 p 8

[Editorial]

[Text] A cursing prime minister is trying to soothe the unrest he and his party colleagues have created with their confused statements on what should be done to prevent the economic crisis from getting even worse. There is a whirl of ideas and claims and there are frequent demands that the government resign. Faced with this chaotic situation, which is strong evidence of the deficiencies of the government and the Social Democrats, Anker Jorgensen is exhorting his own people to cool down and take it easy. His simple but revealing argument is that the government has not yet worked out any concrete plans for anything at all.

The government has no plan and what must happen in the months ahead will undoubtedly be a continuation of the disastrous string of unsuccessful compromises which Anker Jorgensen represents each time as something significant, but which in reality only confirm the prime minister's efforts to remain head of the government. No matter how poor the result, he stubbornly maintains that even the worst results are better than what others could do. Therefore, the government will present a budget that contains figures unacceptable to the government itself. That is why it wants to invite the parties--and the labor market groups--to hold talks on what can be done. And that is why it is hoping that at some time or another, there will be a majority--no matter how narrow it may be--in favor of something or other that will be proclaimed as an essential step along the way. That is the way the country is being governed these days.

Last Sunday, Anker Jorgensen expressed his anxiety that the nonsocialist parties are not open enough. By this he means that he cannot overcome the distrust the opposition has in his government and he is correct about that. Therefore the prime minister came to the conclusion that things would have to be done together with the Radical Liberals and the Socialist People's Party, which was fairly obvious, considering he has done this before. But can the prime minister seriously think it will be possible for him to find, one more time, a basis on which both the Radicals and the Socialist People's Party will agree? The experiences he had this spring cannot give him much hope in this respect.

If Anker Jorgensen wants to convince the people that he is the right prime minister and the only possible prime minister, he should act quite differently. He should face the fact that his only chance of insuring a defensible policy for the country lies in cooperating with the parties he does not trust. He will not become a statesman by surviving as prime minister, but he has a chance of becoming one if he can tear himself and his party out of the chaos that is destroying the possibilities for leading society through the crisis.

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SOCIALIST PEOPLE'S FOLKETING CHIEF WARNS PARTY MAY END SDP TIES

Copenhagen BERLINGSKE TIDENDE in Danish 2 Aug 82 p 3

[Article by Solveig Rodsgaard]

[Text] "We have not yet seen the results of everything the Social Democratic, SF [Socialist People's Party] and the Radical Liberals agreed on in May. Employers have not yet started to provide training slots and the job creations plan is not scheduled to go into effect until November. When the results have not yet been seen of the government's own employment program, I think it is outrageous for them to consider abandoning any agreements in order to seek cooperation with the nonsocialist parties."

That was SF group chairman Ebba Strange's comment on the many Social Democratic statements concerning broad cooperation in Folketing.

"It can be hard enough to create tax reform and a land bank with the Social Democrats, the Radicals and SF. If the prime minister now wants to open things up to several nonsocialist parties, the aim of the policy the three parties agreed on in the spring will vanish entirely. The main reason we agreed to cooperate with the Social Democrats at all in the spring was that we thought the Social Democrats would put a higher priority on creating employment than on the need to do something about rising deficits," said Ebba Strange.

The SF group chairman does not understand why the government wants to cooperate with those on the right in Folketing.

"All the years from 1975 to 1981 were based on a cooperation between a Social Democratic minority government and one or more nonsocialist parties and we all know the results of the policies pursued during those 6 years. I think it is totally unreasonable to give a somewhat different policy only half a year to see if it will work."

Ebba Strange said that SF will not go along with wage restraints, "because we have had real wage declines in recent years." And she also said that SF would not go along with extensive public budget cuts.

She is not very optimistic about future negotiations. "The cooperation among the Social Democrats, SF and the Radical Liberals has been hard enough. A cooperation that extends further toward the right is one in which SF cannot participate. In that case, the Social Democrats will have to count us out," said Ebba Strange.

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LIBERAL LEADER SEES CONFUSION FROM MANY SDP 'TRIAL BALLOONS'

Copenhagen BERLINGSKE TIDENDE in Danish 4 Aug 82 p 3

[Article by Dan Axel]

[Text] "The many members of the government cannot go out and set the country in an uproar and throw out various schemes and ideas--without at the same time providing some information about their background."

Liberal chairman Henning Christophersen said that yesterday after an hour-long consultation held by the Folketing Political and Economic Committee to discuss the government's plans for a new policy. Henning Christophersen strongly indicated the uneasiness caused by the statements from leading Social Democrats about what the government really intended to do in the fall.

"But it was a very meager consultation," said Henning Christophersen, "and we did not get out of it what we had hoped. But now we will pursue the matter and find out what the government's plans are, if not before, then in another consultation meeting on 16 August."

Poul Schluter (Conservative) said to BERLINGSKE TIDENDE after the meeting of the Political and Economic Committee that there will probably not be realistic negotiations in Folketing before the government presents its plans in September.

And Prime Minister Anker Jorgensen was very reluctant to reveal his plans for the fall--just as he was following a meeting of the Contact Committee with LO [Danish Federation of Trade Unions] earlier the same day. He talked in broad terms about savings in the national budget--of the need to increase income--of a deterioration in the international market--and of the need for a tax reform, a young workers' guarantee and a solution to the problems of agriculture.

The prime minister emphasized that the problem of work hours--aired by Tax Minister Mogens Lykketoft, among others--was a contract issue that would not be dealt with by the government and Folketing until it was tackled by the groups in the labor market.

The four-leaf-clover parties acted as a group at the meeting of the Political and Economic Committee yesterday. Before the meeting, the Conservatives, Liberals, Center-Democrats and Christian People's Party representatives met in Henning Christophersen's office to discuss how to conduct the further debate on the economic crisis. The four parties agreed to request jointly a new consultation with Prime Minister Anker Jorgensen, Finance Minister Knud Heinesen and Economic Affairs Minister Ivar Norgaard. The meeting will be held on 16 August--the same day the national budget is due for publication.

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BACKGROUND, MOTIVES, STRUCTURE OF PEACE MOVEMENT

Vienna OESTERREICHISCHE MILITAERISCHE ZEITSCHRIFT in German Jul/Aug 82 pp 289-298

[Article by Guenther Schmid, FRG: "The 'Peace Movement' in the FRG"; a major study by the author on the general problem complex of "Security Policy and the Peace Movement" will be published in the summer in the series entitled "Academy Contributions to Teacher Training" by the Academy of Political Education, Tutzing]

[Text] The origin and spread of a broad "peace movement in the FRG since 1980-1981 can be made more comprehensible in analytical terms only against the background of three entirely parallel developments: First of all, youth's general protest behavior--that is to say, the growing gap between government policy and major segments of the younger generation and young adults--obviously plays an important role; this protest behavior is closely related to changes in the life and world of the younger generation which can be experienced and that life is a part of society's reality as a whole, plus the effects of these changes on the subjective situation of the younger generation.

Second, the change from a phase of political and military detente, in which those who are today between 15 and 25 years of age grew up, toward a time interval of growing tension, rearmament, and uncertainty for numerous young people came so suddenly that one can certainly speak of a kind of "shock." The instinctive sensation of a threatening deterioration in the international situation, compared to the years before, was confirmed and even reinforced in the form of a feedback from media reporting but also through comments by political leaders.

Third, the 12 December 1979 NATO Twin Decision (especially its rearmament portion) symbolically and in practical-political terms further underscored this impression. The Brussels decision triggered not only one of the most severe domestic political controversies since the existence of the FRG, but also far beyond the borders of the FRG clarified the extent of the life-threatening risk of advancing atomic armament and the fact that every individual was involved in and concerned with that.

The awareness of narrower action leeways for politics which can hardly be influenced any longer, the awareness of military-political necessities and the awareness of everyone being in the same boat--an awareness which is the

basis of all of these three developments--is very probably the most important impulse for the origin and development of a "peace movement" which in the meantime has grown quite extensively.

The difficulties connected with an initial investigation of this "movement" arise already during the attempt to determine how that movement is made up, who or what is representative of it, what individual or common goals it pursues, and what the decisive motives for its commitment are. Can we at all speak of a uniform and clearly visible movement with definitely identifiable concepts and intentions? Does the term "peace movement"--which, by the way, can be found already back in the year 1952--not already presume a recognizable subject?

A preliminary answer to that can be given right now: As the presentation of the various, partly extremely deviating alternate security models showed, the smallest common denominator, the only common thread running to the variegated "peace movement," consists in the fight against the implementation of the arms catchup resolution, that is to say, in the prevention and rejection of the measures connected with that. One can hardly detect any additional fundamental conceptual points of contact between the various positions of the individual groupings. The alternate proposals which have become known differ far more from each other than the common demonstrations and expressions of opinions might lead us to assume.

In the middle of 1980, almost nobody spoke of a "peace movement"; this is why there is good reason to assume that, in this rapidly grown protest potential, there is an extensively morally and even radically ethically motivated extra-parliamentary popular movement, a genuine grass-roots movement which lives less on unity than on multiplicity and which gets impulses from the most varied groups (political, social, and religious) as well as fractions. Individual persons and groups of differing origins, from almost all age groups and with partly completely opposing goals and programs have banded together in order (first of all) to keep atomic weapons away from German territory. The strength and main characteristic of the "peace movement," its multiplicity, at the same time is also its weakness: Regionalization and break up into individual groups and grouplets in practice signify the diminution of its public broad-ranging effect, its lack of orientation, and its deficiency in terms of the ability to prevail in organizational respects. Nevertheless, it seems, it is on the way toward helping political and social currents to achieve a breakthrough, that is, currents which cannot unfold in parliament or within the parties. We can thus once again observe the penetration of social movements also in international politics and diplomacy.

The independence of the "peace movement" as a whole was documented repeatedly in the successful repulse of attempts by individual groups (the Greens, DKP [German Communist Party]) to guide the movement into certain political directions.

At this point already we almost necessarily come to the question as to the possible steering of the "peace movement" which always moves into the foreground when a rapidly swelling mass movement escapes definition by the general public explanation stereotypes. Precisely because the question of influence

from the outside is being answered in public discussion in a controversial fashion particularly in terms of party politics--and this is being done with partly highly questionable evidence--we want in the following to go back to some statements made by competent sources.

Two parliamentary inquiries on this topic by CDU/CSU [Christian Democratic Union, Christian Social Union] Lower House deputies were answered on 1 September and 13 November 1981 by von Schoeler, the parliamentary state secretary attached to the federal minister of interior, with the remark that the federal government or the Federal Bureau for the Protection of the Constitution had no information to the effect that peace movements in the FRG are being steered by the KGB [State Security Committee], the Soviet intelligence service, or that the peace movement was being aided financially from Moscow.

Early in December of 1981, the dpa (German Press Agency) reported that the constitution protection authorities on the federal and state levels had, on the basis of long observations and investigations arrived at the conclusion that orthodox communists (DKP and their secondary organizations) did constitute a numerical minority but represented the "biggest, compact and most active grouping" in the movement. It is of course doubtful whether the DKP would be successful in winning the peace movement over for other short-range goals.

Richard Meier, president of the Cologne Federal Bureau for the Protection of the Constitution, declared in the middle of January 1982--contrary to different reports--that the Soviet KGB is not manipulating the peace movement (in an effort to underscore the significance of his statements obviously even more, Meier pointed out that no Western intelligence service had uncovered as many espionage cases as the West German Bureau for the Protection of the Constitution).

Federal Interior Minister Baum, in his written reply of 19 January 1982, in the name of the federal government, in response to an inquiry by CDU/CSU Lower House deputies on this topic, stressed that actions against the NATO twin decision featured "differing forms of cooperation between orthodox communists and noncommunists." "The by far overwhelming majority of those who participated in the demonstration of 10 October 1981 rejects communist goals. Our free democracy must take the peaceful commitment of citizens serious also when communists join in the march or help organize activities" ("Bundestagsdrucksache," 9, 1287).

In view of these estimates, there is much to indicate that the movement, which in the meantime has grown to an estimated more than 2 million "members" and activists, has long ago become too big and (also politically) too multi-layered to be capable of being "remote-controlled" by any side. The recognition of the communist groupings, which so far had been marginal groups, as partners with equal rights by other participating forces of the peace movement need not automatically and unconditionally give the pro-Moscow communists a chance to break through their political isolation also in other sectors. All attempts by the DKP which have become known (above all, those by its younger members) to dominate "peace groups" have failed so far. If we were

to summarize the available data and observations, we could say that the communists are in on this effort, that they march and they organize with the rest, but they do not shape the overall picture of the peace movement, nor did they give it its impetus.

Opponents of atomic weapons inevitably face the fundamental question of "alliance policy," that is to say, the effort to draw a dividing line with respect to those parts of the peace movement which want only the official Soviet position to get a hearing and to be considered in the discussion on the arms catchup effort and which, by means of black-white interpretations, picture only the armament effort of the Eastern alliance as "objectively peace-preserving," and who completely erase the power factor represented by the Soviet Union as a whole and its military potential. Peace researchers, who are favorably inclined toward the "peace movement" throughout, as we said before, criticized the rather illusionary estimate of Soviet armament dynamics by large segments of the peace movement (the French political scientists Pierre Hassner recently pointed to the "triple act of force" which the USSR is now managing to pull off: To bring about an extraordinary rearmament effort aimed primarily against Europe, more and more to militarize its own nation, and nevertheless to place itself at the "head of a peace coalition" without making any real concessions).

Although empirical social research did not at the right time recognize the student protest movement at the end of the 1960's and although conventional representative opinion surveys frequently are not tailored to the lifetime practice of youth target groups (something which, of course, does not apply to the last of the two comprehensive Shell Studies of 1979 and 1981), there are numerous empirical surveys from recent times of an investigation of the peace movement's potential. We can draw an initial and informative picture above all from the broadly-designed population survey by the Bielefeld EMNID Institute which was prepared during the first half of October 1981.

As a "potential active member" of the movement one can accordingly label a person who as a rule reveals the following social profile:

Between 18 and 35 years of age,

Higher-level school education (high school diploma),

Not a steady CDU/CSU voter,

"Postmaterialistic" attitude (that is to say, nonmaterial),

Tendency toward forms of "unconventional behavior" (demonstrations, citizen initiatives, etc.).

Only 9 percent of the total number of West German citizens interviewed constituted the active action potential of the peace movement; the movement's passive advocates represented the largest group with 39 percent and 74 percent of all persons questioned rejected any form of violence; the readiness to engage in violence is obviously frequently overestimated (this result, by the way, also emerged from investigations on the readiness of juveniles to accept [use force]).

In addition to some other surveys, the EMNID data also proved that the general political disgruntlement is strongest in the age group of up to 25 years; according to other investigations, the interest sphere of "peace--security--disarmament," which has been picked up by the peace movement, embodies the younger generation's most significant political topic; we now first of all want to look for the causes and effects of the general juvenile rejection behavior in the FRG. Only against this background can we better understand the motives, structures, and ways of thinking of the peace movement.

As sources we will use the previously mentioned detailed studies by the Youth Project German Shell of 1979 ("Die Einstellung der jungen Generation zur Arbeitswelt und Wirtschaftsordnung" [The Attitude of the Younger Generation toward the world of labor and the economic system], Hamburg, 1980) and the study of 1981 ("Jugend '81: Lebensentwuerfe, Alltagskulturen, Zukunftsbilder" [Youth, 1981: Life Styles, every-day cultures, images of the future], three volumes, Hamburg, 1981); survey results of the EMNID Institute (1980 and 1981), Allensbach (1981) and Infratest (1979), investigations by the Konrad Adenauer Foundation (1979) and the Friedrich Ebert Foundation (1980); research findings of youth sociologists Walter Jaide from the year 1981, as well as two studies by the Federal Ministry of Youth, Family, and Health, likewise dating back to 1981. We will also make reference to data from the so-called "Ursachenforschung Terrorismus" [Research on the Causes of Terrorism] under the federal minister of the interior. We furthermore included information and experiences from representatives of practical, political, social, and denominational youth work.

Motives, Objective, and Effect of General Youth Protest

External Causes of Process Behavior

The available data and experiences point to a close connection between the protest behavior of the younger generation, its shuttling back and forth between "energetic commitment and rejection" and the effect of the changes in the life experience of young people upon their individual situation. The most important and the most significant changes concern the following topic and experience areas:

Quality of life,

Education, training, job prospects,

Family,

Spare time,

Development in cities,

Set of values (attitudes toward living standard, etc.),

Politics.

The majority of the younger generation views the future of society in pessimistic and somber terms. Among more than three quarters of the juveniles and young adults between the ages of 15 and 25--this is the phase during which the change from pupil status to no-longer-pupil status takes place for the majority of the younger generation--the belief to the effect that human progress can also be developed along with technology has been shaken heavily: 95 percent do not expect that wars will be abolished and that there will be a society free of worries; 78 percent expect that there will no more equality among people in the future; 80 percent believe that raw material shortages, economic crises, and starvation are probable; 76 percent believe that technology and chemistry destroy the environment (1981 Shell Study). The industrial civilization definitely has lost its attractiveness for them.

The enormous pessimism of the younger generation reflects not only specific ideas as to the future and rather abstract-theoretical attitudes but has a deep effect in the present-day life experience of young people; it shapes and controls their basic attitudes in the present. From all empirical investigations one can establish a clear connection between somber expectations of the future and the readiness to criticize and resist. As the education level rises, there is an increase not only in skepticism and dissatisfaction with existing conditions but there is also a growing inclination toward "unconventional" forms of protest; the more pessimistic the concepts of the future, the more frequently and the more committed will be the support for or participation in new political protest movements, such as squatters, nuclear power and launch pad opponents, etc.

The distrust of young people is in particular based on the suspicion that the adults exploited the living space and the resources without regard as to the future. A portion of the younger generation views the older generation as excessively powerful and as aliens; it mistrusts them and shuts itself off from the adult world ("youth centrist").

Although the educational system during the 1960's and especially during the 1970's was expanded in grandiose ways and although there had never before been more youngsters getting such improved school and vocational training as today, the job prospects deteriorated because of rapidly rising youth unemployment (among those under the age of 20, it was 7.6 percent in 1982; in June 1981, it was still only 3.9 percent). The prognoses sound particularly somber because of the years of the baby boom. In spite of considerably reduced job opportunities, parents and students try to rise to ever higher levels of education, the "shock" of entering the job world is considerably postponed as a result, and "post-youth phase" (post-adolescence), which can be observed since the 1970's is inserted between youth and social adulthood--with all of the consequences to individual personality development.

Those who hold political responsibilities obviously fail to realize that the process of displacement of the less qualified individuals by persons of the same age with a higher education level massively impaired the individual's sense of self-worth and that an unemployed young person is excluded from the most important form of participation in the life of the community, that is to say, working within it. Lifetime opportunities are distributed on the basis of work. The person who has a job entrenches himself against the unemployed

and the high-income earner differentiates himself from the low-income earner; society as a whole seems to fall apart into "segments." This is where we come to a stress on the relationship between young people and the rest of society whose effects cannot be estimated. Everybody is the master of his destiny--and juveniles now ask: Is that really social justice? The safety of your own job on the priority list of young folks holds second place after the preservation of the quality of life and self-fulfillment (1979 Shell Study).

There have been considerable changes also within the family and those changes spring primarily from the increase in one-child families, incomplete [one-parent] families, and working families. The resultant removal of the grand-parent generation from everyday life routine also reduces the experience of the generations in terms of being dependent on each other. In a rapidly changing society, working parents feel that they are overwhelmed by the task of giving their children guidance in terms of life content. This shortage is balanced out increasingly frequently through material supply and by spoiling the child. Juveniles today question parental authority much more so than in the past, young people express their own viewpoints much earlier, and access to the "privileges" of the adults (status symbols, "entertainment," etc.) has been moved up.

In the area of spare-time development, we can record a doubling of the media consumption of young people since the middle of the 1960's; this has led to increased influence by the so-called "consciousness industry" on the individual. The spare-time trend runs against active mental activity: (interview subjects between the ages of 12 and 23 mention "listening to music" as the most important spare-time occupation) and, if anything, promotes passive recreation and entertainment. It is especially in the course of passive media consumption that young people get the experience which is essential for the subsequent attitudes and activities, indicating to them that unusual, "not-normal" behavior is rewarded by the mass media with increased attention and that as a rule only the deviation from the social norm is news-worthy.

The development of metropolitan areas, the natural physical environment for growing youngsters, confronts especially young people with considerable problems: The inventory of reasonably-priced apartments has declined, large-area urban redevelopment make it almost impossible to develop new ways of dwelling and living, the weak individuals on the market (and that includes especially also young apartment seekers) are increasingly being pushed out by high rent. It is therefore only understandable when young adults between 18 and 24 consider reforms in rents and land prices and in community housing construction considerably more important than is true of the population as a whole.

There has been a decisive change in the set of values, in the attitude toward the material as well as nonmaterial living standards (social scientists have discovered the following criteria for the concept of "quality of life": Adequate and balanced supply, greater justice in terms of distribution, growing opportunities for participation, personal satisfaction). Since the end of the 1960's or the beginning of the 1970's, there has been a definite shift in the sequence of values especially among those between 15 and 24. Social scientists and population experts diagnosed a "quiet revolution"

of needs, expectations, and value orientations toward the rising significance of "post material," that is to say, immaterial, rather more intellectual-ideal values:

Personal self-fulfillment, solidarity and cooperation in political and social decision-making processes play a considerably greater role than material prosperity, security, and consumption orientation and take the lead in a personal scale of desires. This appears to be all the more noteworthy since those who today are 20, the "children of growth," grew up amid stability and prosperity, both of which were quite natural, and their ideas were fashioned by a broader way of thinking in terms of claims and demands. Such abstract concepts as "peace" and "freedom" were not experienced by that generation as the sum of experiences of their denial and therefore lost their force of attraction. Detailed research efforts reveal a generation gap in the process of value reshuffling.

While the older individuals are still almost exclusively concentrating on material values, we can detect an almost radical change in consciousness among the younger age groups and that change must be interpreted as a significant signal for future politics. For a portion of the younger generation and for more and more college graduates, the word "career," that is to say, a "normal" development process or a traditional life pattern, is no longer the most important thing; instead, the most important thing now is free, private life development without the customary compulsions and adaptation processes. A "average biography" no longer seems attractive.

There are some interesting observations which deserve attention also in the behavior patterns of young people toward politics: Relatively broad approval of the democratic system in the FRG emerges from a positive basic attitude of about 60-70 percent (some investigations even mention 87-90 percent), with definitely recognizable criticism in individual cases. The approval rate thus is higher than in other Western democracies. The politically demanding generation of the 1968-1969 student movement--as we shall show later--has obviously been replaced by a generation which inclines toward "tuning out of the institutions." In 1979, 80 percent of the young people questioned were "by and large satisfied" with the economic system in the Federal Republic; in 1973, the figure was only 70 percent [as published] (1979 Shell Study).

We also get noteworthy results in categorizing young people within the existing party spectrum. In response to the question as to which political grouping is closest to them, all in all (the question did not call for a potential voting decision), 24 percent of those questioned came out in favor of the SPD [Social Democratic Party of Germany], 20 percent came out for the "Greens," 18 percent came out for the CDU/CSU, and 6 percent were for the FDP [Free Democratic Party]; all of the other groupings (DKP [German Communist Party], KBW [West German Communist League], NPD [National Democratic Party of Germany], and free voter associations) in each case got less than 0.5 percent (1981 Shell Study). There are two conclusions which we can draw from these investigations: "The Greens" enjoy great sympathy among young people whereas extreme left-wing or right-wing groups are not getting any response.

Directly connected with this statement is the question as to the significance of the protest movement for the young generation--a question which is important in recruiting reserves for the peace movement. Committed protest movements (and thus certainly also the multilayered "peace movement") get much sympathy among young people in general, young people who for the most part hardly take any notice of official politics (a growing number do not even vote any longer); 50-80 percent have a positive attitude toward environmental protectionists, alternatives, squatters, and nuclear power opponents (1981 Shell Study). The more large segments of the younger generation turn away from official politics and the parties sustaining that effort, the more urgent does the search become for a different identity.

There are above all three points of criticism which young people again and again raise against "politics": The confused picture of politics, government, and bureaucracy supposedly makes it difficult to find responsible conversation partners; second, the handling of law as a means for the implementation of interests of politically and economically powerful individual persons and groups; third, finally, the fact that the adults fundamentally accept social contradictions passively, that is to say, as something that exists. This is where the feeling of moral superiority, which is particularly widespread in protest groups, has its roots: Only the nonconformist young people supposedly are still able to perceive these contradictions and to develop a special sensitivity for the necessary problem solutions.

The following main contradictions are mentioned:

Rising armament expenditures and growing mountains of food, on the one hand, hunger and mass misery in the developing countries, on the other hand;

Radical punishment of criminal acts by young people (breaking and entering, property damage, etc.) on the one hand, and rising "social acceptance" of economic crimes, on the other hand;

Justice and solidarity are only abstract phrases while in practice decisions are frequently made in favor of powerful interest groups.

There is something else that must be included in the tense relationship between government policy and major segments of the juveniles and young adults and that is the often-discussed but frequently overestimated problem of (also politically motivated) readiness to use violence among juveniles. Earlier we made reference to the selective mechanism of the mass media which often emerges into the light of day through media consumption and which with increased attention "rewards" unusual behavior particularly of young people, behavior which conflicts with the norm. It has been adequately documented that media reporting reproduces actual incidents, which involve the use of violence, in a distorted fashion.

The use of violence during demonstrations (Brokdorf, Gorleben [illegible in photostat], Western Launch Ramp, squatters, in right-wing radical groupings (Hoffmann defense sports group, Young National Democrats), on the drug scene or in soccer stadiums is not representative of a general readiness to engage in violence. During clashes with security forces, the overall image is

determined by those small groups of demonstrators which seek conflict and riot at almost any price and which thus enjoy the special attention of the accompanying media. On the whole, [illegible words in photostat] a connection between the absence of reactions from the political institutions to social troubles, which at first were reported with the usual means by young people, and [illegible] an increase in the readiness to violence can be established [as published].

Young people with high school diplomas, or those who have attended college or graduated from college reveal a definitely greater readiness to engage in unconventional, unusual forms of protest: 20-30 percent of the better-educated --as compared to 13-17 percent of the other young people--come out in favor of such actions; of course, this does not apply to activities which from the very beginning include a violent confrontation. The need for using violence is accepted by only 3 percent of the young people and 4 percent of the college students; 92 percent of the students and 93 percent of their other contemporaries reject violence as the last resort of politics (data from the Federal Interior Ministry's research on the causes of "Terrorism").

As we said before, the "peace, security, and disarmament" interest sphere is the most important topic for the younger generation (in contrast to the total population, for whom unemployment and rising energy costs were still more important at the end of 1981). We can recognize some typical tendencies in the line of argument and in the practical ways of behavior of the generation below the age of 25:

The current security-policy dispute is being conducted on the basis of relatively little knowledge. (this is an indication of how much the topics of peace and security have been neglected for a long time not only in the schools but also in public discussion).

Many youthful discussion partners, due to a lack of subject knowledge of their own, overestimate the FRG's action leeway within its own state (consequences of losing the war, alliance obligations, economic dependence, trade-policy and currency-policy interrelationships).

The development and the patterns of debates with young people clearly show that military-strategy justifications and objective information on Western and Eastern armament policy are very difficult to get across (the INFAS [Institute for Applied Social Science] survey result according to which at any rate 77 percent of those between the ages of 17 and 19 are ready to serve in the armed forces is therefore interesting).

On the Social-Psychology Background

Three major groups of motives behind youthful protest behavior and, as a part of it, of the "peace movement" were mentioned in published opinion studies:

Antimodernism (that is to say, the rejection of the growth and throwaway society);

Antinuclearism (that is to say, opposition to nuclear power);

Pacificism (rejection of war for religious or ethical reasons).

We will not for the time being try to figure out whether this rather general subdivision of the driving forces behind protest and rejection is or is not wide of the mark. Instead, it would seem much more helpful to make a subdivision of youthful protest behavior in terms of occasions, reasons, objectives, and background motives.

Concerning the occasions: They might range from a fund cutback for or the closing of youth centers (Zuerich, Freiburg, Nuernberg) via the clearing of occupied houses all the way to deaths of like-thinking individuals (Berlin). Besides, reasons can also always be found: The Vietnam war, emergency legislation, nuclear power plants, housing policy, atomic armament, etc. Quite accurate statements can also be made about the objective of current protests against the background of past observations.

Rebellion and rejection are not primarily aimed at political institutions and government agencies, at the "system" as such (as it was during the time of the authoritarian student movement of 1968-1969 which had set itself the objective of revolutionary social renewal). They are also not directed against political and social value concepts, as clearly documented by the broad approval of the political and economic system in the FRG, but rather against the failure to implement these basic rights and development principles.

The direction of youth protests is that which can be directly experienced by the individual in everyday life, in other words, that which is experienced, that which can be copied, such as, for example, constantly increasing environmental contamination, the absence of adequate training facilities, the cutback in training aid, the housing shortage which keeps spreading in the big cities, the construction of nuclear power plants and launch ramps, or the clearing of forests which frequently cannot be understood.

Concerning the overall image of protest behavior, the question as to its "internal" motives, the question as to the psychological background, assumes decisive significance. An initial analysis of the data material obtained so far yields a very informative result:

The younger generation today is distinguished by earlier physical awakening while social awakening is delayed longer and longer. School education, vocational training, and college study last longer and longer. The structure of work places requires many years of training and starting out in a money-earning job is postponed longer. We can basically detect a definite extension of the stay of growing young people in education institutions and that also constitutes relief for the labor market. In spite of lesser chances for getting a job and reduced prospects, students and parents aim at more and more education.

The motive for this resides in the intention of the person involved first of all generally to reduce the risks of unemployment as much as possible and, second, in view of tough job competition, to get into a socially higher-level position. The logical consequence of this development is that the "shock" of entering the job world is postponed but as a result does not lose

any of its vehemence; on the contrary, between maturity and adult life, between youth and being adult, there opens up an ever wider no-man's land. A new, socially regulated age group enters this gap. More and more people do not enter adult status after their youth as students but rather get into a post-phase of being young. This novel time phase, which determines life roughly during the third decade of a person's existence, has been referred to by social scientists as the so-called "post-youth phase" (post-adolescence). It describes a development which is characterized by the acquisition of social, moral, intellectual, and cultural independence on the part of young people without however enabling them to stand on their own feet economically. In other words: The young person of today is of age earlier when it comes actively to participate in the consumption and way of life of society as an independent person whereas he earns his own earning relatively late through his own work.

This means that the time of well-protected growing-up in the family home shrinks considerably. The separation from the parental home, cutting the umbilical cord, as it were, which is connected with entry into the "post-adolescence phase," for the individual first of all means falling away from all meaningful and familiar relationships and points of reference; anonymity and contactlessness are experienced physically for the first time and must be coped with. There is a lack of feeling of confirmation and of responsible activity.

All of these feelings are then rediscovered rather accidentally in a joint action against something (against cutbacks in training aid, against an increase in public transportation rates, against an increase in college dining room prices, against the provisions of a college law which is felt to be unfair, etc.). In such a society, which is characterized by initially only formal agreement, those feelings of belonging, of comradeship, and of "sworn community" and solidarity are experienced again. Feelings of community arise only in this kind of perhaps only external process of rebellion; only common involvement generates solidarity. Here, commitment and creativity can be released and all those "yearning" can be articulated for which there is no longer any room in the bureaucratically thoroughly efficient modern state with its objective compulsions or at overcrowded universities with their tendencies toward overeducation and their standardized thinking. This is where the lack of contact, the barriers against confidence, and anonymity can be reduced.

Against this background, the motives for the use of violence assume sharper outline. Violence--as stated in its investigation report by the "Confederation Commission for Youth Questions" which was established by the Swiss Parliament after the youth riots in Zuerich in 1980--against the outside is also supposedly "a consequence" of isolation "which is somehow still directed at communication."

For the individual young person there is another subjective experience here. The alleged pluralism of our society, with its key word of "tolerance," has been excessively stripped of its meaning. In most of the spheres of life which each individual can experience concretely (the systems of laws, the economy, the social system), the leeway for individual development becomes narrower and

the network of government controls becomes tighter. Everything is increasingly narrow and tight and the "corset of everyday life" has become quite noticeable for everybody. Here is what that means for the young fellow citizen: tolerance is sham, pressure is real. Pluralistic permissiveness became and still becomes neglect--in the family, between the generations, within society as a whole.

The phenomenon of "anxiety" is closely connected with these observations and experiences and this phenomenon has assumed emphatic attention-getting value not only in the headlines of news magazines but also on radio and television. Population pulse-taking (Allensbach, June 1981) came out with an informative finding:

Only 28 percent of the West German citizens questioned have confidence in their fellow man (in 1976 the figure was 39 percent and in 1978 it was 34 percent). A definite fear of a technology which is out of control and the feeling of an increasingly alien world constitute additional indications of a growing "experience of powerlessness." And here is the consequence: people move closer together and anything that is not part of immediate, direct experience has a threatening effect (atomic and neutron weapons, nuclear power plants, etc.).

The retreat into the private, familiar, clearly visible sphere appears as a logical consequence of this "experience of alienation." It produces that fuzzy fear which is permanently lying in wait for slogans which are then delivered mostly by the media. "Experiencing anxiety" has become a sign of mutual recognition for many young people and for large segments of the peace movement; it has become the identity card, as it were, for special sensitivity and even for human quality. The June 1981 Church Conference in Hamburg and the Bonn mass demonstrations against new atomic missiles on German soil on 10 October 1981 emphatically produced this observation.

Of course, there is a contradiction here which is rather astonishing at first sight and which is further supported by personal impressions and survey results: juveniles and adults equally were not afraid to the extent that they actually should be afraid in view of their threat from the atomic weapons stockpiles. The motive for this provides a reference back to the historical development of man as a living being: the individual, by virtue of his evolution, is geared only toward fearing acute, direct, concretely-personal threats, not an anonymous danger which cannot be experienced or which cannot be imagined concretely (for example, by way of nuclear weapons and the attendant military-strategy images, risk calculations and damage estimates).

Driving Forces and Contents of the 1980-1981 Youth Riots

The question as to the historical origin and the triggering factors and events during the 1960's and 1970's is important in estimating the peace movement but takes on generally clearer outlines only against the background of an investigation of the driving forces behind youth unrest.

An analysis of available data material enables us to conclude that there were five obviously decisive causes:

The feeling that the very foundations of life are threatened cannot really be grasped and culminates in the sensation that "one is in the water up to one's neck." Earlier we made reference to the close connection between pessimistic expectations for the future, on the one hand, and the parallel, rising commitment to protest movements, on the other hand. Protest--according to a November 1981 study by the federal minister of youth, family, and health--has become a kind of permanent form of expression of the better-educated segment of the younger generation.

Confidence in the government and the established parties, concerning the problem solution capability credited to them, declined considerably (EMNID, October 1981): 61 percent of those up to the age of 21, 69 percent of those up to the age of 25, and 64 percent of those up to 29, believe that the parties are unable to solve problems; 79 percent of those up to the age of 21, 86 percent of those up to the age of 25, and 77 percent of those up to the age of 29 are of the opinion that politicians no longer know what people think ("citizen remoteness" could not be documented any more clearly).

For the overwhelming segment of young people and young adults who still experienced the failure of the 1968 student movement, the so-called "march through the institutions" and thus the desired renewal of society failed. This is why practical development of alternate ways of life is given priority. Many young people who, due to the only defective representation of their interests by the parties and social associations, had turned away, "are not dropping out" but are not getting in, in the first place. The "march through the institutions" has become a "march out of the institutions" or in self-created institutions, that is to say, it has become a way into an alternate scene which extensively is independent of and closed off from the rest of society. What the young people find--according to the "Jugend '81" Shell Study--is used merely as building material for a society on the side. This tendency toward "self-exclusion" or "self-removal" of segments of the younger generation is taking place, according to sociological discovery, fundamentally in four ways: In apathy in subcultural ghetto formation (such as, for example, in Berlin), in escape into (youth) sects, and in the armed form of self-exclusion, in other words, terrorism.

The numerous "experiences of failure" and "experiences of powerlessness," which as a rule are on the records of those elements of the younger generation who do not rule out the use of violence as a political instrument, in many cases led to the realization that one could no longer talk or negotiate "with the state"; frustration thus becomes (first of all, internal) resistance.

Finally, "action" becomes the last resort against the experienced "structural violence" of the "system," that is to say, against the petrified all-powerful, organized institutions which are incapable of changing (the concept of "structural violence," which has been coined by "critical peace research," should here be understood as the injustices which, so to speak, are built into the political and social system and which consist of unemployment, treatment given to social marginal groups, absence of equal opportunity, etc.).

The idea of "not surrendering without a fight" and "wanting to prevail" against a state incapable of reform, according to investigations, is highly significant in the minds of those who are determined to offer resistance and forms an important reference point in the development of a separate, individual identity (biographical studies of extremist careers seem to confirm this).

Political and Social Determining Factors for the "Peace Movement" during the Early 1980's

Pacifism was organized in Germany already at the end of the 19th century (Berta von Suttner and Alfred Fried founded the first Austrian and the first German peace society in 1891-1892) and names such as Karl Liebknecht (the symbolic figure of an antimilitaristic grouping within the SPD prior to 1914), Brecht, Remarque, Tucholsky, Einstein, and von Ossietzky (just to mention the best-known pacifists of the Weimar Republic) are still known today; on the other hand, one can speak of a major "peace movement" after the end of World War II only starting in 1957-1958.

The "Fight against Atomic Death" drive, founded by the SPD in April 1957 and effectively supported by the DGB [German Labor Union Federation] developed from a protest by 18 Goettingen atomic physicists (including Carl-Friedrich von Weizsaecker, Otto Hahn, Werner Heisenberg, and others) against the issue of atomic weapons to the West German Armed Forces, something which was hotly debated at that time. All that is left from those days is the annual so-called "Easter March" which for the first time did not take place in 1970 (it was resumed in 1982 by large segments of the peace movement). The antiatomic campaign sustained by the SPD and the DGB ended in 1959-1960 when both groups came out in favor of the need for NATO and a separate defense contribution (for example, in the 1959 SPD Godesberg Program). The displacement of and diversion from the atomic threat was then characteristic of the 1960's.

The outcome of the Cuban missile crisis late in the autumn of 1962 which was positive for the United States (President Kennedy replied to the stationing of Soviet medium-range missiles on Cuba with a naval blockade around the island), the atomic test ban treaty signed by the United States and the USSR in August 1963 (suspension of nuclear weapons tests in the atmosphere, in outer space, and under water), as well as the concentration of public attention on other important political events and objectives which could be observed during the second half of the 1960's (Vietnam war, problems of developing countries, Soviet intervention in Czechoslovakia, start of East-West detente, arms control negotiations in the context of Salt I)--these moved security-policy questions into the background. A fundamental security-policy debate seemed neither necessary, nor desirable also due to extensive agreement between the parties. Topics such as armament and security, were matters for the experts in the media, in the Lower House committees, and in the parties and those topics were presented in the language of the experts.

Interest in the fundamentals of Western security policy grew slowly but steadily only starting about the middle of the 1970's; this security policy in the final analysis was based on the threat of the use of atomic weapons--and this is something which the public now became increasingly aware of. The reasons for this change in significance are many but all of them point in

one direction. The fundamental and initially contradictory realization that the rising services provided by the welfare state obviously were not paralleled by growing but rather declining satisfaction among its citizens formed an essential motive for the more pessimistic outlook on reality and the future.

Growing skepticism as to the results deriving from detente policy and arms control negotiations began to spread in the West. Soviet military intervention in Africa in 1975-1976, by means of auxiliary groups, the shattering end of the Vietnam War for the United States in April 1975, and the unrestrained rearmament of the USSR in all fields made criticism of a continuation of the East-West detente process so loud that it could no longer be overheard especially in the United States. Parallel to that, fears about the future began to spread in Western societies, economic crises and unemployment colored the picture of reality in much more somber shades. A more pronounced awareness of the environment began to spread also due to the rapidly growing anti-nuclear power movement: The reactor accident in Harrisburg, United States, and the German towns of Wyl, Gorleben, and Brokdorf became symbols of the feeling of being delivered helplessly to a technology that was out of control.

Another, closely connected occasion for pessimism about the future and skepticism especially among the younger generation at that time resided in the growing decline in the credibility of the SPD (and FDP) in their "classical" policy areas of peace preservation, detente, and social renewal. The growing and increasingly confused split between promises of progress and future prospects, on the one hand, and reality, on the other, was something which many young people were capable of experiencing for the first time in their everyday lives; that dichotomy could no longer be overlooked by large segments of social-liberal voters and sympathizers. The experience as to the extent to which promises, party-policy programs, and reality diverged from each other, the degree to which social and environment-burdening costs of "prosperity production" kept rising--these are things that lastingly fashioned the young critical generation's concept of politics.

Just as important appears to be one observation which cannot be separated from that and which so far has been met only with little attention: Every one or two decades, new age groups of young people and young adults suddenly become aware of the fact that the foundations of their own country's security in the last analysis rest on the threat of using atomic weapons. The "internal" assimilation of this discovery process almost necessarily leaves "traces" and this so far has always been coped with by means of displacement [disregard].

Around the turn of the year 1979-1980, there were mainly three events that contributed to the spread of a growing fear of war and constantly stronger perceptions of being threatened. The sudden awareness of once again being in a tension-charged international situation after years of detente was triggered by the revolution and the taking of hostages in Iran, by the Soviet occupation of Afghanistan, and by the announcement of a tremendous armament program by the new American President Reagan. The events in and around Poland starting in the middle of 1980 further heated up the international crisis situation.

It was only following the 12 December 1979 twin NATO resolution (which at that time due to a lack of additional information hardly produced any broad public reaction) and its triggering effect on the "peace movement" which began to take shape roughly around the middle of 1981 that security policy since the 1950's again became the predominant topic that pushed everything else into the background. Since then, there is no foreign-policy and security-policy topic area that altered the political scenery more in the FRG and that split public and published information more deeply than the Brussels "armament catchup resolution."

On the "Peace Movement's" Framework

In spite of the confused, frequently variegated image, which is sustained by the most varied sources, and which this protest movement presents of itself in public and in spite of the previously described difficulty in the determination of those groupings and individual persons which identified with it, we can recognize that it is made up of three major groups which, of course, cannot always be clearly delimited with respect to each other:

Left-wing groupings,

Groupings with Christian motivations, and

The "alternatives."

In the entire peace movement and inside its left wing, the pro-Moscow communists (the DKP and its front organizations, such as the SDAJ (Socialist German Worker Youth) and the MSB (Marxist Student League Spartakus), constitute the biggest, compact and most active grouping. Politically, the clout of the left-wing branch of the movement as a whole seems to be quite considerable because it directly influences the parties in power in Bonn. This applies above all to members of the SPD and the FDP, Young Socialists and Young Democrats, many labor unionists, as well as the GDB Youth (with a total of more than 1.4 million members), the biggest German Youth Organization.

The left-wing spectrum furthermore includes the war resisters (organized since 1974 in the DFG-VK (German Peace Society--United War Resisters), the "Socialist Youth of Germany--the Balkans," who are close to the SPD, the friends of nature youth of Germany, as well as organizations influenced by the DKP, such as the VVN-BdA (Association of Victims of the Nazi Regime--League of Antifascists), the DFU (German Peace Union), founded in 1960, and the KFAZ (Committee for Peace, Disarmament, and Cooperation), founded in Cologne in 1974 as "an important organ for the coordination of the communist disarmament campaign," according to the 1980 Federal Government Report on the Protection of the Constitution.

All of these three "influenced organizations" in addition to other orthodox-communist groupings supported the signature drive for the so-called "Krefeld Appeal" of November 1980 (the 10 October 1981 appeal for the Bonn peace demonstration by 760 mostly democratic groups, plus about 80 of the "old" and "new" left).

The main denominational grouping in the peace movement can be characterized as the most committed pacifist fraction. Its most important basic principles (nonviolence, civil disobedience) also influenced the other two camps of the movement.

Four initiatives took shape on the Protestant side:

"Christians for Disarmament" (founded in 1976 by Pastor Konrad Juebbert, Uetersen, the chairman of the "Reconciliation League, Incorporated," one of a total of 15 members of the AGDF (Action Community of Service for Peace, Incorporated));

"Living without Armament" (established in 1978 in Stuttgart by clergymen and laymen mostly from the southwest German area);

"Preservation of Peace" (a movement based on military preservation of peace and opposing the above-mentioned action, started in July 1980 by clergyman and journalist Eberhard Stammer, Stuttgart, and a study group by the same name which, among others, includes the strategy researcher Count Wolf von Baudissin and the political scientist Kurt Sontheimer.

"Create Peace without Weapons" (peace weeks carried out under this slogan in November 1980 and 1981, staged by the "Action for Signs of Repentance and Peace Service, Incorporated" which was founded in 1958 and the "Action Community of Service for Peace, Incorporated," which consists of another 14 members).

Catholic Christians were organized in the "Pax Christi" world peace movement founded in France in 1944 and above all participate actively in the work of the peace movement not only in the FRG through their detailed platform entitled "Disarmament and Security" published in November 1980. The "League of German Catholic Youth" (65,000 members) addressed itself to the public in a May 1981 position paper entitled "Peace and Justice."

A nondenominational study group entitled "Steps Toward Disarmament," which was made up of two peace researchers, journalists, and clergymen, in May 1981 jumped into the discussion with a detailed disarmament proposal consisting of three selected steps and in so doing picked up the basic idea behind the "Pax Christi" platform. The goal of the group's work is to facilitate a "action consensus" between the various church-oriented disarmament initiatives.

The third pillar of the peace movement consists of the so-called "alternatives." In spite of the manifold currents within this grouping, it views itself to be a movement which has been able to fight and win for itself certain open areas in or "next to" society and which presents its radical consumption and progress criticism out of its awareness of moral superiority and which practices its own alternative life patterns. In this category we can furthermore include the state-wide and national-wide "The Greens," "The BBU (Federal Association of citizen initiatives on environmental protection, the "alternatives (or multicolored) Slates," as well as working groups, action committees, and initiatives which are concerned with the abolition of nuclear energy and with environmental questions above all in the Third World. On top of that, among other things, we also have representatives of the women's movement ("Women for Peace") and the Rural Community Movement.

Essential Characteristics of "Peace Movement"

Many characteristics of the youth protest wave prove that the problems, which young people pick up and discuss, do not involve special youth problems but rather problems facing society as a whole. The limits of growth, unemployment, development in the cities, but also the existential questions concerning the preservation of peace, security, and disarmament today constitute not only the basic contents of public discussion for society as a whole but also form opportunities for a specifically experienced involvement of each individual. This is why it also seems understandable why the vast volume of activities, summarized by the overall term of "peace movement," did not spring up in the colleges (as in 1968) but primarily came up in the alternative scene, in church and political-social groupings which represent a considerable portion of the population.

Critical peace researchers and strategy researchers (such as the Starnberg peace researcher and former Federal Armed Forces staff officer Alfred Mechttersheimer, to whom almost all segments of the movement make reference) play an essential role as important suppliers of key words, multipliers, and rather technical-conceptual advisors. For them, political influence and the effect of atomic weapons opponents is a basic prerequisite, so to speak, a vehicle for the origin and continuation of a broad public discussion on alternative security models which until now had been debated only in university seminars and in closed groups of experts.

What are the typical essential characteristics that mark the peace movement as a whole? Against the background of what we have said so far, we in particular note six characteristic features.

1. First of all, the previously mentioned open admission of anxiety as a special privilege, as the expression of emphasis on human quality and sensitivity, in other words, "having anxiety" as a symptom of an individual still existing as a human being, as a personal "self-purification process" in the midst of a society that has adjusted to the problems of the outside world, such as they are, a society that faces those problems in a dull and inactive fashion. That the claim to moral absolute superiority, expressed here in discussions with representatives of traditional views, frequently comes out as intolerance is no contradiction but rather happens to be the logical consequence of the radical ethical drive which demands a fundamentally different policy.

2. The movement and the way it views itself is characterized also by the conscious use of emotion, of feelings, so to speak as a "weapon" against the "technocratic rationality" of the ruling military establishment, the security policy makers, and their bureaucracies. The educator Bernhard Sutor reduced the profound skepticism toward defense-policy justifications to a formula that is easy to remember: "If we read how instrumental thinking calculates overkill capacities and how a computer game simulates the escalation steps in an atomic war, then one is seized with horror. Should anybody who thinks about this deeply, simply put up with it or cope with it efficiently and thus come to terms with it?" Of course, a clearly recognizable "counterexpertocracy" has taken shape within the peace movement and it likewise argues almost exclusively

in military strategy terms and thus moves into the same field of questionable and, in the last analysis, unpolitical "technical evidence presentation"--getting into fields such as practical security policy.

3. Another thing that is typical of the movement is the spontaneity of many of its activities which spring up voluntarily and from its own internal drive. Actions are not the result of long theoretical and ideological discussions which are conducted in centrally controlled common bodies but rather spring from more subjective, individualistic drives and experiences.

4. Another essential feature likewise deserves attention here: Politicians and parties considerably underestimate the morally motivated readiness and resolution of the by far largest segment of the movement to proceed with all nonviolent means against the stationing of new atomic weapons on German soil and the corresponding preparations. It is above all denominational groups, such as the "action for signs of repentance and peace services," which leave no doubts as to their intention to use all peaceful means of preventing and hindering this effort, all means of civil disobedience and of systematic rejection (this is clearly documented by an "Aktionshandbuch" [Action Handbook] which already has been published in more than 40,000 copies). The men who hold political responsibility presumably also underestimate the volume and effects of the entire protest potential which has grown up: 10-15 percent of the juveniles and young adults alone are included in the alternative scene, that is to say, they represent an alternative spectrum which cannot be integrated, and among college students the share of alternative-culture students is 11.9 percent. The voter potential of the "Greens" has been estimated at as much as 15-20 percent (data from the two studies of the federal minister of youth, family, and health, 1981).

5. The fifth characteristic consists in the pronounced skepticism of large segments of the peace movement with respect to the so-called "integration trap" into which the student movement of 1968 supposedly got with its "march through the institutions." The fear that the Extraparliamentary Opposition might again, as at that time, be placed under "social control" by the established parties--that is to say, that it might be squeezed into the traditional structures for the formation of the will and that it would thus lose its decisive effect and dynamism--can be proved almost as often as one would wish to do so. After the "march through the institutions" failed, the march into self-made, clear life spheres now has priority. The wish to remain "among oneself," to win one's own identity by falling back to a "limited" experience sphere, is the guiding motive--not a revival of the national issue.

6. Finally, the peace movement is distinguished by another basic feature: As we showed, it does not represent an isolated minority, it is not a political one-day butterfly. Although the "members" and supporters, which one might formally include in it, do not represent a numerical majority either in the population as a whole or among the younger generation, we can again find the ideas, the self-concept, and parts of its lifetime practice in a growing number of West German citizens (the French political scientist Pierre Hassner recently in a magazine article described these heavily committed minorities as "moral majorities" which represents moods but not yet political concepts).

The renewed East-West conflict, which will lastingly influence the international situation for the foreseeable future, sees to it that the struggle for peace, defense, and armament remains on the agenda and that the discussion, which has now been started up again, will hardly fade away. The "desire to survive" and the "ability to live" as subjectively perceived absolute values especially for young people does not accept any defense-policy justifications and pushes any military-strategy justification aside. Resistance against traditional security policy, opposition to atomic weapons, and doubts about nuclear deterrence are today already being shared on a far larger scale and are perceived even more so than a decade ago.

Doubts are in place as to whether the existing parties so far have fully recognized this challenge and its far-reaching political and psychological effects, not to mention its ability to follow up on the younger generation's views of these problems as expressed in the "peace movement." An objective discussion which is based on credibility and confidence, which is open and committed, and which offers practical, convincing solution possibilities cannot be recognized even in its beginnings, at least right now. Tactical, party-policy maneuvers and displacement processes, according to all past experience, are not helpful measures against skepticism and distrust.

In view of the seemingly unresolvable conflicts between official (security) policy and the concepts of the major segments of the juveniles and young adults, is the development of a common political perspective possible at all? The situation in which we are urgently demands such an approach because if we do not manage together to preserve peace, then war is the only certainty.

The peace movement and practical peace and security policy can and must, with entirely differing emphasis, confront the situation of necessity which arises from the indisputable fact that, on the one hand, military might will for a foreseeable time remain a part of the security policy of all countries and that the instrument of armament will be considered as something absolutely indispensable by all governments; on the other hand, defense by military means only reduces the risk of war--it cannot eliminate it.

The peace movement expresses its moral rebellion against armament. On the basis of the radical-ethical impulse of its appeals, demands, and actions, it prevents society from coming to terms with the ever-growing annihilation potentials. With its demands for a fundamental security-policy rethinking process it blocks the organized pooh-poohing of (atomic) weapons and military risks which is being pushed not only by the arms interests. With many of its partly radical alternative ideas it consciously goes beyond that which today is possible in practical-political terms; regardless of the taboos and the long-believed commonplaces, it tries to open up new prospects and, by means of concrete alternative proposals, to adjust the impression created by official policy to the effect that new concepts already entailed greater risks than the security policy pursued until now.

In spite of serious internal and conceptual conflicts, the movement has not yet broken up. It tries to zero in on remote targets that look utopian, it tries to develop a long-term perspective which goes beyond the mere prevention of

the rearmament resolution, it tries to design the specific future space of a "world without weapons" which by no means looks completely hopeless.

With this kind of attitude, which is free of (alliance-) policy compulsions and considerations, the peace movement already today has become a considerable policy-influencing force. Without its pressure, President Reagan would hardly have elevated the "zero solution" demanded by the European allies (no stationing of new American rockets if the Soviet side reduces or removes its corresponding potential) to the status of the official American negotiating line. The moral and political pressure exerted upon the government or governments by the movement, to the effect that all possibilities of arms reductions and tension reduction must be exhausted, will continue to be very significant.

Of course, morally motivated protest, indignation, and rejection alone do not constitute adequate steps toward disarmament. Rebellion for ethical reasons does not relieve the followers of the peace movement of the need to think deeply about practical and short-term possibilities for reducing the danger of war.

The necessary steps toward consciousness change must not make present-day, compellingly needed war prevention impossible and that which is desirable in the future must not distort the view of that which is possible today. A hope which does not contemplate truth remains an illusion--and that is the way a pensive peace researcher put it during the June 1981 Hamburg Church Conference. The truth however includes existing alliance obligations, international interrelationships, and situations of dependence, as well as the realization --painful for many--that the FRG, after losing a war, now only has limited action leeway for itself. The yearning for peace and the desire for peace do not yet add up to peace policy and the sincerity of a subjective perception is not yet evidence of its correctness. The invitation "to create peace without weapons" represents the indication of a problem but not the solution of a problem.

Practical peace policy needs action strategies, it needs concretely expressed solution designs for the present and the foreseeable future which can command a majority. If arms control negotiations should fail, then all the hope for comprehensive disarmament remains merely wishful thinking. A successful peace policy must be not only morally tolerable and politically implementable; it must also retain its influence over current negotiations by preserving its own action capability in today's problem-charged world.

5058

CSO: 3103/623

SORSA DISCUSSES OUTLOOK FOR SOCIALIST PARTY, ECONOMY

Helsinki SUOMEN KUVALEHTI in Finnish 16 Jul 82 pp 56-59

[Article by Hannu Savola: "Basis for Future Prospects Being Turned Upside Down"]

[Text] What has happened to the poetic editor, who has been Finland's prime minister longer than anyone else?

What has happened to the Social Democratic Party, which has become the country's leading party?

What has happened to Finnish society, which can no longer believe in rapid economic growth?

Now Kalevi Sorsa answers these and many other questions. He predicts that the next elections will be very decisive.

After the elections there will also be a long period of government cooperation.

Unemployment is the chief concern of Prime Minister Kalevi Sorsa, who is leading his third government. When Martti Meittunen's "national emergency" government was formed six and half years ago, there were 60,000 unemployed in the country. Now there are three times as many unemployed, and no one can even imagine any immediate return to the level of "only" 60,000 unemployed.

Sorsa points out that the labor force is growing the whole time at a rapid rate. Unemployment has reached record figures even though nearly 200,000 new jobs have been created in the last 5 years.

"Basic production and to an ever greater degree services are also being automated. There is no permanent solution for finding new jobs even though there would be room in society for increasing services, for example, since even this is being gnawed away at by automation..."

According to the Prime Minister we must learn to live with the idea that our needs will be less and less satisfied with human labor.

However, Sorsa does see something positive: "It is predicted that the rather rapid growth of the labor force will come to a halt in the middle of the 1980's. At that time it may become possible that high unemployment figures can be definitely reduced with an effective economic and employment policy.

"Apparently, it will also require a new organization of working hours... No one has been able to find a better way."

Half-Year Educational Leaves

Sorsa does not, however, believe a solution can be found by shortening the work day, which, in general, is still being accomplished gradually. He refers to the experiences in France: employers rationalize as the work day is shortened, and no new jobs are created to any noteworthy degree.

A reduction of working hours must be accomplished in larger units, over a longer period of time. In this way employers would be compelled to compensate for the reduced labor force, at which time new jobs would be created, states Sorsa.

"In my opinion the most ideal way would be to increase adult education. A certain breakthrough has already been made on the labor markets now that an agreement has been reached on educational leaves. These are not leaves with pay so that their use will apparently remain quite limited.

"It would be ideal if it were possible to think of a system in which everyone would have the right -- let us say even once every 10 years for the time being -- to a half-year leave of absence for educational purposes, which would include vocational training as well as a general education."

According to the Prime Minister educational leaves would be justified from the point of view of the individual as well as the national economy: They would reduce educational differences between the various age groups, would modernize available information and knowledge, and would provide us with a better labor force.

Sorsa is grateful to the trade union movement for the fact that it feels its responsibility for the development of the national economy: "The fact that the trade union movement is ready to tie additional growth to employment is a clear sign of this. I do not know in how many countries and how many times this has occurred."

The only problem in this is that the trade union movement would naturally need definite numbers for an agreement: if we give this up, then employment would improve. This is a completely justified need, states Sorsa.

"On the other hand, there is no such party which could reach an agreement in this manner. And then there is still the question of how to make a comparison. We are compelled to make a comparison with a hypothetical situation, which would have existed if an agreement had been reached in this way.

"But, indeed, it is worth racking one's brain over this matter since the objective and proposals are quite valuable."

Level of Objectives Reevaluated

According to Sorsa the trade union movement as well as the parties have been compelled to reevaluate their level of objectives and rhythm of reform.

"In the beginning of the 1970's we experienced a period of violent growth when everything seemed possible and much was accomplished. But now slow growth is the rule of the day, and no one is expecting anything better any longer."

The Prime Minister predicts that this cycle of slow growth will continue until the end of the 1980's. During this period the margin for reform requiring economic investments will according to him be narrow.

On the other hand, slow growth has calmed the people as well as the parties, states Sorsa. The people have -- astonishingly enough -- become accustomed to this slow growth. This is noticeable, for example, when one visits job sites.

"In the beginning of the 1970's there appeared such a forceful type of demanding individual who seemed to think nothing was sufficient and who was of the opinion that anything can be accomplished if the will is there. Now this vocal type has disappeared into the background and a different type of person is speaking with greater deliberation."

We are now according to Sorsa entering into a phase in which everything that was intended to be implemented on the basis of economic growth in the 1970's is now beginning to be fulfilled.

"Even in this respect we should look at the future as it appears today -- and make provisions in accordance with it. We are faced with a time of fundamental evaluation."

Youth of the 1960's in Their Places

If society has changed, the Social Democratic Party has also changed. Sorsa recalls the "impassioned feelings" in the early stages of his term as party secretary when radical youth of the 1960's came into the party with much fanfare and noise and were impatient when in their opinion they were not able to influence issues with sufficient speed.

"With their entry into the party they brought the ideas of a radical generation which conflicted with the natural rigidity of the old organization."

The new party secretary was compelled to iron out these differences between youth and the older Social Democrats. He considers Matti Ahde of Oulu as a typical example when Ahde conflicted with Antero Vayrynen, who at that time represented the party leadership in the same city.

"I remember saying to Matti that he could be a little less adamant. Someday Matti Ahde may be in the same position as Antero Vayrynen. Now Matti has been in this position for a long time already in leadership positions of the party, currently a minister. All the youth of that era have experienced similar situations."

Sorsa predicts that the great wave of age groups travelling through all of society will hold its positions of power for a long time. "It may be that what was originally quite radical may finally become a conservative cork travelling through a bottleneck."

In Sorsa's opinion the SDP has withstood the "narrowness of the Mattis" quite well: "One must be amazed that the party has been able to accept such a violent dose and subsequently assimilate and integrate it. It has left its own mark, changed our programs of principles and methods of thinking, but it has not destroyed or divided the party. It is still in principle the same social democracy."

"I Try to Take It Easier"

Has Prime Minister Sorsa changed himself since his first term as prime minister?

"I have changed... My steps are shorter... I take things easier. I no longer have the energy to become interested in everything and become involved in everything.

"In my opinion I have reduced my activities in an organized manner and have succeeded in this."

It sometimes seems that Sorsa is no longer even able to provoke citizens in the previous manner. Who has changed, Sorsa or the people?

"I have gained 10 kilos. Perhaps I have become more loveable looking... I have changed in other ways also. Perhaps I am more considerate of other people. But, indeed, my feelings have changed.

"The interim away from government certainly relaxed my mind and taught me to be lazy. And now that I have become accustomed to this, I would willingly stay this way and can find excuses to do so...

"In retrospect I have considered that since there was such a powerful left-wing or overall radical spirit in society in the first part of the 1970's, especially in that segment of society which knows how to use and uses the public word, there had to be a reaction of fear on the part of the bourgeoisie.

"At that time perhaps the skin was more sensitive on the bourgeois side. Perhaps on this side there was defiance and on that side sensitivity, which was the cause for overreaction here and there."

Five-Year Plans

Is Kalevi Sorsa still aspiring to anything else? Are there ambitions outside of politics?

"I am not yet at that age that I could imagine doing anything else. The fact is, I would like to. Perhaps I could still hold down another career."

What kind? International?

"My ideas have not yet been crystallized.

"I still have two matters which I would willingly deal with," states Sorsa. "One of them is the reform of the Social Democratic Party's program of principles. It would be a rather interesting and challenging task. The other is constitutional reform, about which I could say the same.

"Then I do not know what I would do after those tasks are accomplished.

"The SDP's program of principles will be reformed in 1987, but this does not presuppose that I would be chairman of the party until then," states Sorsa. "It only presupposes that it would give me the right to be included in this work."

The Prime Minister believes that everyone will make preparations for constitutional reform after the next elections. He believes that the issue of reform will be a major issue during the election period of 1983-87.

Forthcoming Elections to Be Decisive

The Prime Minister predicts that the parliamentary elections next March will be "significantly decisive". According to him they can provide new premises for politics. I believe that after the elections the basis for future prospects will be turned upside down, he states.

"In the first place, the power relationships among the parties will change more than what people have in general been accustomed to. In addition, it seems that the small parties will lose their significance and the four large parties will remain to see what kind of combinations will come about."

Sorsa says that the SDP will be closer to the government than opposition. However, the SDP is not condemned to government responsibility according to him, but to striving for responsibility. He points out that the SDP is a reformist party and reforms are accomplished in the government.

A more remote reason for aspiring to government responsibility according to Sorsa is the fact that the country's president is from the SDP. However, Mauno Koivisto is not fully bound to the SDP, states the Prime Minister-Chairman.

"If the government can be kept intact until the elections and the elections are held according to schedule, it is possible to consider that the service obligation has been fulfilled in a certain sense. The new president has in some respects made himself a viable force.

"I believe that President Koivisto would be able to manage with even a different kind of government combination," states Sorsa.

Sorsa believes that relations between the SDP and Koivisto will be different than Urho Kekkonen's relations with his former party, the Agrarian League-Center Party.

"Koivisto is quite different from Kekkonen. I do not believe that he would want to interfere in the internal affairs of his former party in the manner of his predecessor. Perhaps even in this respect we can in general be like the other parties."

A Political Power in 13 Years

Kalevi Sorsa, 51, has become a major power in Finland's politics within a period of 13 years. In 1969 hardly anyone knew this "strange bird", whom Chairman Rafael Paasio promoted as party secretary of the SDP after Erkki Raatikainen.

In 1982 Kalevi Sorsa has been prime minister longer than anyone else in Finland's history, before Urho Kekkonen and Mauno Koivisto chairman of the presidential party, except for Georg C. Ehrnrooth the oldest party leader in terms of seniority, and a prime mover in the Socialist International.

Sorsa became a member of parliament in 1970, foreign minister for the first time in 1972 and prime minister 6 months later. He was foreign minister again in 1975-76 and prime minister in 1977-79. At the present time he is serving his third term as prime minister. He has led the government for more than 5 years already.

In addition to economic policy, Sorsa has concentrated on foreign policy, disarmament issues in particular. He heads the disarmament group of the Socialist International and as its representative he has met with the presidents of the United States as well as the Soviet Union.

Sorsa's stock is good in the Soviet Union. It is indicative that the Soviet hosts praised Sorsa by name during the recent visit to Moscow of a Center Party delegation headed by Paavo Vayrynen.

10576

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EFFECT OF POLITICAL, ECONOMIC FACTS ON GOVERNMENT VIEWED

Paris ESPRIT in French Jul-Aug 82 pp 3-13

[Article by Paul Thibaud, finished on the eve of 9 June press conference of Francois Mitterrand (only the title is taken from it): "The Second Phase"]

[Text] In the past year, the leftist government has essentially done three things, which together constitute "the change."

First of all, the left established and increased its power in the government (nationalizations, changes in ORTF [Office of French Broadcasting and Television] officials, and so on). This part of the program concerns the left's relations with itself: It was a matter of proving to itself that it was truly on the left and truly in power. The French left has always had identity problems. Although it believes in its mission religiously, it still has to convince itself that it is loyal to it. At any rate, a leftist government had to start out by making certain gestures confirming its nature; it had to mark its territory by taking possession of it.

Next, a number of "plums" were handed out, to use Jacques Delors' figure of speech (fifth week of paid vacation, 39-hour work week, jobs created in the civil service, and so on).

Finally, a simultaneously moralizing and reassuring speech was delivered to the nation, praising the left's good will and castigating its adversaries. It was of the Mauroy type: "We are here to.... We shall not tolerate...." A somewhat swashbuckling good will. Here it was a question of the left's relations with society, which have taken on a frankly paternalistic tone. The people were placed in the position of creditors, although moderation was preached to them. For its part, the government has posed as a benevolent divinity, the distributor of handouts, to which both requests and prayers are addressed.

Reformers in Ministries

Contrary to what some may fear, the one-upmanship of the PC and the CGT did not encounter favorable conditions because of the discredit of "existing socialism" and because the institutions, as well as the conditions under which the left came to power, make the Office of President the sole source of

political legitimacy. What is surprising is that despite the neutralization of its old adversary, the socialist government continues to maintain with French society a kind of relations similar to those practiced by the PC: The people are both flattered and treated like children. They are always right to ask, but it is the political leaders who decide whether or not to grant the request, who always satisfy the desires of the rank and file, while still remaining the best judge of those desires. The people are a healthy, brute force; there can be no question of their taking their own affairs in hand. The key word here is "promise." Have we not been told often enough that the government would keep the ones it made? And yet, this way of presenting things places the French in a totally passive situation: They are insatiable in their requests.

This separation of the government from society can also be seen in the way in which reforms outlined are initiated. There is a startling contrast between the agitation and activism that reign in the corridors of government and the calm outside the ministerial offices. It is a well-known fact that in those offices, everyone claims to be overworked. I do not believe that if they are complaining, it is solely for the purpose of being forgiven for being there. They pile up reports, proposals and accounts of work done. Around the accumulation of papers, the different political and bureaucratic clans engage in bitter struggles, but neither the proposals nor the in-fighting make any sense to public opinion. No overall approach to reform, no interpretation of the crises in society and the solutions they require seems to inspire this government that incessantly talks about itself, that ceaselessly pleads its own case, that does not know that it exists so that society might know itself better, so that it might see itself and have a better understanding of itself.

The most important part of the leftist program, the major reforms (decentralization, right to work, penal code, social security, and so on), has only been roughed out. Furthermore, it will not be enough to obtain the approval of Parliament. The reforms must shape up, inform behavior. That is when the strategic weaknesses will show up. Reformism in a closed circuit risks wasting a great deal of energy and giving rise to great confusion. Naturally, there are consultations, but they do not lead to well-defined orientations or effective reform processes. The disadvantages of this denseness are already apparent: It puts the reforming government at the mercy of the lobbies, the administrative cliques, the narrow group interests that hold their ground. The police hierarchy quickly circumvented the minister of interior, who, like his predecessors, has become the "top cop in France" and proud of it. The FNSEA [National Federation of Farmers Unions] and the doctors unions intend to keep control of the professional circles they represent. As for education (public and private), it is organized by the supposedly representative bureaucrats. Only a convincing definition of a few priority objectives for public opinion could rock the boat and inject some life into the situation. To date, the government has not provided one.

With its paternalistic, benevolent image, the government is perhaps gaining some support, but it does not mobilize. Nor is it inspiring in any way. It neutralizes more than it stimulates. It is as if it always basically addressed itself, not to matters of concern or those requiring imagination in

our country, but rather, to those elements wishing to be reassured, to forget the crisis through soccer, tennis, vacations, to rely on a government that displays its determined serenity, its Buddha-like calm, its stubborn silence (with an eternal "I am here" constituting the substance of its discourse), the absence of backbone, of any kind of provocation. Confronted with the only massive, autonomous movement which France has known since 10 May, the movement of support for Solidarity, the government was disconcerted. It was in fact threatened in the area of its monopoly over political expression. This time, it was facing a determined country; it should have responded, interpreted, taken up France and Europe's idea of freedom that was latent in that sudden and surprising revolt against established oppression. If the government failed to understand, it was perhaps not so much because of the political difficulties that might result, but rather and above all, because it would have had to turn to another style of relations between government and society. It would have had to learn to listen instead of preaching.

Economic Management Reflecting Politics

It is a paradox for a leftist government: lacking ideas and even an ideology. Or rather, the ideas of the left are *ad intra*; they serve to comfort the tribal identity. Their usage is neither practical nor potential; it is emblematic. The leftist ideology is basically reduced to a proposition: The organized people -- that is, the left -- have a monopoly over what is right and consequently, it is only through the left that history moves forward. It is not in a set of political values that the left mainly believes, but in itself. With the deterioration of the great beliefs in the sense of history, what had been a Messianism mobilizing mass support has simply become an insurmountable narcissism, a stubborn point of honor for bureaucrats and militants. This customarily latent conviction generally bursts into flame at the congresses (as we saw at Valence), but it finds no echo outside them.

And yet, although worn and incredible, the idea which the left has of itself prevents any dialogue with society. It leads, not to the idea of pluralism of expression, of a complex search for possible futures, but rather, to extreme orthodoxy, to monism, to the cult of unity managed by the legitimate center. Whence the scandal over the remarks made by Edmond Maire. Krasucki does not shock with his flat one-upmanship; it is normal for trade unionism to lay it on thick in its demands. What is not normal is that it does not respect the distribution of tasks, that it gets mixed up in economic management and, what is more, that it defines and defends certain political values (solidarity). If trade unionists have political ideas, they can only be borrowed from party programs, not their own.

The empiricism customarily followed by political analysts too often leads them to neglect psychological structures, collective make-believe that is terribly significant and compelling, that envelopes the actors and sometimes confines them. And yet, even in economic policy, that paternalism has been found for the past year in the relationship with society corresponding to the ideological commitment that is the basis of the unity of the left: dogmatism at home, empiricism abroad. The articulation of the two domains is provided by a Janus government, socialist at home and publicly unanimist, a government

whose ideas and ultimate reasons do not circulate abroad, that is not in communication with society regarding the values inspiring it. It is remarkable, for example, that the factional debates within the PS go on in the form of bureaucratic struggles within the government. They subsist, but they have become incomprehensible to the common mortal, who is deprived of access to discussions of substance.

Because it lives off the remains of an ideology now intransmissible, the socialist government is both opaque and culturally inactive, not stimulating. Instead, almost necessarily, it is a distributor government, whence an economic policy based on an attempt at recovery: The budgetary deficit (the increase in certain benefits) and a number of salary increases were to get the economy back on its feet and thus able to supply new resources. Implemented with moderation, the policy failed, giving rise to monetary difficulties and a growing foreign trade deficit. This Keynesianism is not a mere technical tool; it is a means of managing social relations, a rather demagogic type of management insofar as one distributes in advance the benefits of the expansion thus created. The budgetary deficit and inflation are two symptoms, two measures of a direct failure to settle conflicts in society, proof that one has handed out more than one has taken in. If, with the socialists in power, the deficit and inflation have increased, it is because the social demands have become even more incompatible than they were before.

The postwar period of expansion has made people accustomed to this type of governing on credit, spending the proceeds of future development in order to calm today's conflicts. In France (and elsewhere¹), the right has often governed loosely, thanks to a generous distribution of wages and benefits. The rise and institutionalization of trade unionism and the development of social welfare measures have deprived capitalism of the instruments of constraint it once had (layoffs and unemployment can lead directly to poverty). The economic recessions have been much shorter and have had much less influence on the level of wages than was formerly the case. With the breakdown of their system of control over the workers, the capitalists have witnessed -- especially after 1968 in France -- a deterioration in the results of enterprises² and in methods of management also: the increasingly speculative management of certain enterprises (see the methods of the Willot brothers, more skillful at deriving profit from real property than at organizing production), the granting of credits, many of which -- particularly in France -- are now given out at preferential rates, often lower than the rate of inflation.

The heirs of such a deteriorating situation, which explains the weakness of very broad sectors of Western capitalism in the face of competition from the Far East, the socialists have so far continued along the same path. They have also compensated for advantages awarded to wage earners by advantages given to the enterprises, thus increasing recourse to the government in two ways, set setting off a vicious spiral of budgetary interventions,³ with the deficit in public accounts (government, social security, unemployment) measuring the impasses and incompatibilities of social negotiation.

What Lies Ahead

At the beginning of this, the second year, it is clear that this type of government will not last, that we no longer have the means. On the other hand, and this is scarcely admitted, a change in economic administration presumes a kind of cultural revolution in the left, a revision of ideas, heretofore rejected, not only for election reasons, but for much deeper reasons having to do with the political identity of the left itself. Stuck on the idea that it and it alone can conceive and bring about a conscious transformation of society, the left has difficulty accepting the fact that it is dealing with something it cannot manipulate, that transforms itself. While, in the name of liberal values, the political left practically agrees to limit its ambitions, it has much greater difficulty sharing leadership of social change with others.

Schematically speaking, three possibilities of reorientation can be envisaged:

1) a change in direction. The failure of the recovery is exclusively attributed to international conditions that would have thwarted even a coherent plan. The relationship of government and society would not basically change: One would simply go from a benevolent paternalism to a harsh paternalism. It is not certain that in an atmosphere of disappointment and scarcities, certain reforms (decentralization, the Auroux reforms, for example) would be applied with great constancy and imagination. Thus, the left would recognize -- without saying so, naturally -- that the economic policy of R. Barre was the one which took the international environment most into consideration. The ideology would be hidden under a bushel, but the PC is scarcely in a position to protest effectively. In the long run, one would have more to fear from internal dissension in the PS. Above all, if the redistribution is not followed by social reforms, the left would be on the defensive politically. The good face which the government would perhaps retain when confronted with its ill fate could not hide its resignation long. To say that one is continuing when that is not possible is to admit failure.

2) the national way out. CERES [Center for (Socialist) Studies, Research and Education] recommends a rallying of energies around the PS government. The "modern republic" of which J.P. Chevenement has been talking for some time is a mixture of Jacobinism and "Japanism." (Chevenement says that Japan combines a high level of education with the integration of efforts of the government, banks and private industry and the people's love for work.) This policy would obviously be based, first of all, on the nationalized sector and on research oriented toward application. Management would have but to hold on; corporativisms of all types would be combatted. There is no doubt that proposed reforms should be reviewed in order to conform more closely to the requirement that energies be mobilized.

Logically speaking, an orientation of this type would presume some loosening of certain limitations of the international market. It would be the triumph of techno-economism of the left, a characteristic example of the way in which the class struggle can turn into statism provided that, since those in power are no longer the same, the way in which the state is described changes. A government that is the friend of the people can never be too strong or too vigorous! This hypothesis is so remote from the image that Francois Mitterrand

wants to give of his presidency that there is little chance it will be generally chosen.

3) solidarity. The third conceivable way out would be to articulate social reform and economic competitiveness positively. Instead of seeking the solution in distribution and recovery, one can in fact think that a less unegalitarian, less wasteful, less divided society would meet human needs at a lower cost and be better armed to face international competition. It is the path of austerity, if one wants to call it that, but austerity viewed positively, not as a reason to leave things as they are, but as a direction of reform.

Furthermore, why is the word "austerity" understood as coming from the right? What connection does the left have with laxity? One might be surprised at this prejudice when one sees how capitalism manages its own affairs, the credit mess, particularly on the international level, which precipitates its downfall. If, in order to accept the requirement of austerity, the left has to make a psychological reversal, it is because it holds to the idea of abundance. For Marx, it was the necessary condition of communism. Speaking more generally, it is the horizon of the philosophies of progress. This explains why the social struggle and material demands have been considered by the left as infallibly good. According to the Maximalist interpretation, they are the small change of the revolutionary requirement, proof that the desire for socialism is alive. According to the reformist interpretation, they are a stimulus for technical and social progress. But this is true only within the framework of expansion that is in principle unlimited. However, the principle of the absence of limits has now been discredited, particularly by ecological considerations (there are insurmountable scarcities).

What is more, the current economic crisis points up the grave weaknesses of societies that have placed their stake on abundance. One can naturally think that a reorganization of the international economy, a world Keynesianism, would bring about a new demand in the Third World and put an end to the crisis. The flaws revealed by this crisis in the operation of Western societies and economies would nevertheless subsist. Moreover, perhaps the crisis can only be resolved if one has a remedy for it. The operation of these societies appears to be terribly costly. They spend enormous sums to make up for the evils they could prevent: the cost of the welfare state and social work in particular. They reproduce human life at a very high price. Our industry even ruins the capacity for work. The obsession with the end result, short-term management, devalue the act of working and engender a collective scorn for actual work, for technical know-how rendered increasingly precarious, either by innovation or financial analysis.⁴

Concentration of profits alone has led to a scorn for work. Work makes it possible to obtain everything, but it is nothing in itself. We have forgotten that there is a culture, a tradition, in interhuman relations. When they compare their methods with those of the Japanese, certain American managers confess they have used devastating brutality vis-a-vis labor organizations, treating every plant based on its monetary performance, unscrupulously liquidating any that were not profitable enough, behaving, in the final analysis,

not as heads of enterprises, but as investment managers. Short-term profits, but at the cost of killing the goose that laid the golden egg, at the price of the alienation and demoralization of personnel thus scorned, whence the drop in professionalism, the scorn for quality.⁵

In the face of the challenge of international competitiveness, one can see the emergence of proposed solutions that are narrowly technically oriented: directing efforts, from research to marketing, to the good lodes, the products of the future. These tactics are fragile and hazardous. One might bet on the wrong horse. Therefore, what counts is flexibility, the ability to adapt, which presumes that the famous approaches are not islands of initiative in a sea of passivity. In sum, competitiveness is not merely the realm of champions; it is a quality of society on the whole and therefore, also a satisfactory way of life, the integration of technology into culture, the fact that the participation of everyone in social life and production is properly valued.

One can therefore maintain that social reform finds more arguments on the side of austerity than in the demagogic prospects of abundance. But radical change is difficult. The left has become unaccustomed to speaking the language of moral exigency, not that it was indifferent to principles, but because society divided into classes did not seem the right ground for their application. They were as if exported by imagination into future society. Here, only the logic of the struggle reigned. If one no longer believes in the coming of socialist society, but simply in a democratic society that creates itself here and now, amidst debate and confrontation, the prospects change. One must give the struggles a qualitative aspect, an ethical significance.

Whence, as the CFDT states, the decisive nature of the small privileges and the internal divisions of wage earners. If it is no longer a question of destroying capitalism completely, even its aspects of true order and honesty, but of resocializing, rebuilding, then it is obvious that those who defend certain values of solidarity must also apply them to themselves. Leon Blum said in 1936 that the Popular Front was an attempt to introduce a little justice into a system it condemned. If that failed, it would be proof that one would have to change systems. To speak in this manner was to presume that one had ready the plan for another world all ready to be put into action. But if there is no longer any spare world, if one has to move forward in this one, then the method has to be different. No longer is it a matter of presenting oneself before the old broken down world with demands one summons it to accept. Rather, it is a question of beginning right now to build a world in which there is more equality or more alternatives. One cannot blame capitalism and the bourgeoisie forever; one has to assume more of the responsibilities.

Without question, many French people are readier than one might think to accept such a reversal. Disillusioned but not desperate, somewhat freed of the rancor and disappointments that are scars of their recent history (from 1940 up to the Algerian war), but not thereby resigned to count for nothing, they are undoubtedly capable of reasonable and exacting ambitions. It would not appear that the socialist government knows this. Because of its monopolism, it closes the door, shuts itself up in booby-trapped debates with every lobby instead of trying to find a way out, to innovate.

Let us suggest, not solutions, but opportunities to get a collective movement, an imaginative resocialization, going again, lacking which our all-purpose government will succumb under its burden and responsibilities:

1 -- A fiscal reform should be aimed, not only at great fortunes, but also at the many perks that are the protection and camouflage of great privileges: fiscal deductions and family size, which are more beneficial the higher one's income is; failure to include in one's declared income the rental value of housing occupied by the owner. An increase in the inheritance tax would bring into question inequalities stemming from inheritances, which is one of the traits of French society. The idea that everyone must pay has been accepted by public opinion. It has not been accepted by the parties and lobbies that make it a practice to exploit the weaknesses of public opinion.⁶

2 -- Decentralization should not simply be an administrative matter. It has meaning only if the ability to hear needs and demands, to capitalize on resources and action is thereby increased. Problems concerning the development of open spaces, energy conservation, the socialization of young people and the integration of the handicapped into society should give rise to the formation of local committees. Reorganization of the system of social needs, their reevaluation and the mobilization of the means to satisfy them obviously cannot be done on the central level. Nearby pluralistic institutions, polling institutes, promotional and alternative organizations could draft reforms that cannot be conceived at the highest level once and for all.

3 -- Work sharing -- that is, a reduction in the period of work paid for directly during one's lifetime -- could mean the exclusion from society of increasingly numerous age groups or result in the spread of moonlighting. If one wants to avoid these disadvantages, one must orient part of these energies and competencies toward needs heretofore poorly met.⁷ At the same time, one must invent intermediate steps between paying jobs and volunteer work, other ways of using public monies than hiring civil servants and granting subsidies. This is also a matter of practical and necessarily decentralized action.

4 -- Perhaps one of the most urgent reforms is that of political life and therefore of the parties, starting with the Socialist Party. We are now seeing that a party which put a government in office... then becomes entirely dependent on that government, a slave to something it can neither control nor disavow without disavowing itself. The den of dreams and disappointed ambitions, the party "in power" becomes a place of uselessness, dogmatism and demagoguery. It does not participate in the apprenticeship of reality made by ministers and their advisers. It is "out of work" until the next election.

Any thorough reform of the administration of affairs presumes that the pyramidal, centralist structure of the party will be compensated by a diversification and "localization" of activity. Parties now organize the identification of the rank and file with the government on the candidate for power. Political militants enjoy power by proxy. Whence, generally speaking, the false and demagogic relations of the rank and file with leaders, a denseness all the greater because differences are constantly denied. If the activity of the party were oriented toward the social and cultural invention that is so

necessary at the local level, then the rank-and-file organizations would be both less vindictive and less submissive. They would have their domain of action and their own legitimacy. They would undoubtedly enjoy more influence on leaders because they could speak from experience.

By putting the left in power at the wrong moment, in the midst of a crisis, when social democratic and Keynesian remedies reveal their limitations, when Ronald Reagan and Margaret Thatcher rage, the French have at least helped pose the question of the relationship of democracy and the economy in a new way. The wager of the left is that society can transform itself, consciously, politically. That is why, for the left, citizens will not stop where the laws of the market place begin. That is why it has always regulated and organized the economy. This control could not, however, extend to the collectivization of the economy, to its absorption by politics. One must therefore reconcile the demands of production with those of democratic policies, which will not happen by itself. Without trying to make politics a superstructure, it is obvious that a system which does not permit a rational operation of the economy is very threatened and that it cannot survive without heavy restraints. Without going back to the Germany of the 1930's, it is clear that the "unmanageable" nature of economic and social relations in countries such as Uruguay and Argentina is one of the decisive causes of the establishment of the current military regimes. Closer to home, the deterioration of British democracy which Thatcherism indicates is linked to violent contradictions between the action of the trade unions and the demands of the capitalist economy.

Keynesianism owed its fortune to the synergy it permitted between political representation, the institutionalization of trade unions and economic development. The limits of that synthesis are now evident and another must be invented, one less demagogic, without a doubt, more demanding morally speaking, based more on self-discipline of society, on institutions that allow and express a democratic collective state of mind. Otherwise, it would be the material, external form of coercion that the economy represents which would be imposed and the field of democracy would not fail to be limited by it.

FOOTNOTES

1. In two very interesting articles (LES TEMPS MODERNES, May and June 1982), S. Bowles and H. Gintis, economists of the "new American left," emphasize the downward trend of the yield of capital invested throughout the postwar period, not because of any change in the "organic composition" of capital, but because of the higher cost of labor. In their opinion, this is the cause of the current crisis.
2. In the articles mentioned above, it is thought that in the United States, the net deduction from capital (after amortizations) went from 18 percent of production in 1947 to 7 percent in 1977 (with a low of 2 percent in 1975).
3. See in LIBERATION (12 April 1982), Pierre Ronsanvallon's article on social-corporatism.

4. A particularly strong tendency in France, where the difference between engineers and workers, between those who conceive and those who execute, is sharper than elsewhere (in Germany, for example), with respect to training and career (see M. Maurice, F. Sellier, J. J. Silvestre, "Politique de Formation et Organisation Industrielle," PUF [French University Press]).
5. See 7 June 1982 INTERNATIONAL HERALD TRIBUNE, for an analysis of the hypotheses of two Harvard Business School professors, R. Hayes and W. Abernathy. See also J. Magaud: "What the Left Can Learn From Japan," ESPRIT, May 1982.
6. See Philippe Madrinier: "For an Antibureaucratic Tax System," ESPRIT, Oct-Nov 1981; and Pierre Uri, "Changer l'Impot," Calmann-Levy.
7. On these matters, see Guy Roustang, "Le Travail Autrement," Dunod.

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TATU: REEXAMINE POLICY ON REVOLUTIONARIES, THIRD WORLD

Paris POLITIQUE ETRANGERE in French Jun 82 pp 319-324

[Article by LE MONDE Editorialist Michel Tatu]

[Text] If something had to change in French foreign policy after 10 May 1981 or, to be more specific, if it were necessary to look for an area capable of lending itself to a new approach, in accordance with the doctrine of the ruling Socialist Party, we should turn our view toward Central America more than anywhere else.

The "Third-World sensibility" claimed by the new leaders actually has two aspects: economic Third-Worldism, preached at the summits of Ottawa, Cancun and Versailles, which advocates a new world economic order but is doomed to remain just wishful thinking for lack of an agreement with the other partners and also for lack of arousing in France even the spirit of solidarity that would overturn egotism and self-interest; and political Third-Worldism, all the more necessary since the first aspect tramples, by aiming to support both the actions and philosophy of certain countries, on parties and movements considered more deserving.

But sites for applying such "cultural choices" are not so common. In Africa (excluding Algeria), the "neocolonial" dependence of many countries is too great and the privileged position of France too established for the area to readily lend itself to an expression of this ideological and political "Third-Worldism." In Asia, Vietnam has been too discredited as a result of its difficult reconversion to peace, the tragedy of the boat people and the invasion of Cambodia so that this country could serve as a standard, as before, for this "anti-imperialistic" movement (a timid effort at rapprochement with Hanoi has certainly been attempted since 10 May, but very quietly and with modest results).

It is true that we could refer to Afghanistan and its intrepid resistance: if anyone deserves the support of anti-imperialistic militancy, it certainly qualifies. But the movement is not structured enough, its ideology is too far removed from Marxism and, more generally, from all Western thought for the trend to take shape.

Thus Central and South America are left. Closely akin to Mediterranean Europe by religion and Latin origin, to the Sorbonne and different variants of European socialism by the education of its elite and the cultural model, this region

offers a favorable site for applying the French left's body of traditional doctrine, a social marriage of Marxism and Christianity. Social inequalities there are more attributable than elsewhere to the domination of the American economic model and to the influence of multinational corporations; military dictatorships there generally defend a reactionary philosophy which has strayed from "Western Christian values" to the point of arousing the hostility of local Catholic churches; finally, human rights violations there are even more intolerable since they are committed in the name of the same values and contradict the official Christian humanism. Armed insurrection, without being explicitly advocated, seems advisable under such conditions, even if it assumes radical forms and leads to movements or regimes very closely related to communism: what is totalitarian and detestable in Moscow appears progressive or at least excusable in Cuba. The "good Castro" is contrasted with the "evil Brezhnev."

But there is not only idealism. In response to the neo-Marxism of "ideologists" such as Regis Debray, there is the neorealism of a Francois Mitterrand, for whom rapprochement with the activist and revolutionary movements of the Latin American continent is a double investment: in the service of French interests, of course, but also the interests of the West, quite obviously. As Francois Mitterrand said to TIME (19 October 1981), "Communism is born of poverty and if the West does not demonstrate more understanding, those people (in Latin America) will take up arms and turn to others, that is, the Soviet Union. And we will end up by pushing into the enemy camp people who are not natural enemies of the West, but who will become its enemies due to the logic of the situation which we impose on them." By aiding the revolutionaries, therefore, we serve the Western cause.

Depending on the degree of ideological commitment, some advocates of this doctrine will speak of policy which is "complementary" to that of the United States and has the same aim: to move those countries away from communism. Others will emphasize the "Third Way" to be found, equidistant from both Soviet-style state communism and American capitalism. But the conclusion is the same for both: let us aid these movements, let us sympathize with them even if we do not share their radical philosophy.

Without a doubt, it may be added, the communists of Moscow and Havana also have an influence on them, but the question of knowing "who is using whom?" is unresolved and may be true in both directions. For someone who has succeeded in his own country in making the Communist Party a docile satellite after putting up with its domination and its insults for years, it is permissible for him to consider himself "stronger than the communists."

The actual gestures deriving from this approach are well known: whereas the France of Valery Giscard d'Estaing stayed well away from the rebellion in El Salvador (thus Jean Francois-Poncet, the minister of foreign affairs, did not challenge the file which Washington sent him in early 1981 to convince him of Soviet intervention in the region), the socialist administration, on the other hand, is trying to demonstrate its solidarity: In particular, there was the Franco-Mexican declaration (signed at the request of Mexico), which recognized on 28 August 1981 the character of "representative force" of the

Democratic Revolutionary Front [FDR] supporting the guerrillas. In December of the same year, there was the supply of arms to the Sandinist government of Nicaragua, at a time when the United States had launched a new campaign of denunciation against that government. Finally, in March there was the refusal to support the electoral process in El Salvador, plus an invitation to France, in July 1982, extended to the number one member of the Nicaraguan junta, Major Ortega.

But a change seems to be taking shape since the spring. One of the reasons could be the election in El Salvador, which demonstrated, despite its imperfections, the population's lack of affection for the guerrillas. At that time, the Socialist Party and the French Government adopted a "low profile," while the agreement for the sale of arms to Nicaragua has been minimized: the deliveries, it has been stated, "will take time" and it has been implied that there will be no new agreements. Although the government of Managua still enjoys the favor of a good part of the current French administration (unlike the FDR in El Salvador, which has been judged decidedly extremist), its internal radicalization cannot be noted in Paris, as its positions are more and more systematically favorable to those of the "socialist camp," in the case of both Poland and Afghanistan.

In general, a reexamination is necessary concerning a policy which really satisfies no one and does not seem to produce the expected results. On the left of the Socialist Party, some consider the gestures of solidarity made to the Central American revolutionaries to be insufficient. Actually, the new French leaders have always been careful never to give such gestures an aggressive twist or one too disagreeable to Washington and have, on the contrary, looked for every opportunity to "sweeten the pill" for the Reagan administration (thus the Caribbean development plan proposed in February by the U.S. President was immediately hailed in Paris as "a step in the right direction"). But on the left, some people suspect the administration of using Central America as a "leftist alibi," as a screen of no great consequence, behind which a pro-American policy and "Atlantic Alliance support" in the case of East-West relations is being developed.*

But other objections have emerged more to the center of the political spectrum. If the goal is definitely to divert the "rising forces" from communism and Moscow's influence, the policy of "going along" with revolutionary movements makes sense only as long as these movements have not fallen into the orbit against which we want to protect them. As soon as that threshold is crossed, the aforementioned policy would become an endorsement of totalitarian movements and would be counter to the objective pursued: not only would it "cover" in advance, in the event of a victory, regimes which experience has demonstrated how detestable they can be, but it would also introduce, as of now, into the heart of the conflict that East-West dimension which we wanted to rule out specifically.

*Read in particular Pierre-Luc Seguillon's analysis in the journal of CERES [Center for Socialist Studies, Research and Education], NON!, Sept-Oct 1981.

Thus it is entirely a question of knowing when a movement can be considered "communist" and "beyond recovery." The character of the political leader used as a front is not the principal factor in this case. Mr Ungo, chairman of the FDR in El Salvador, may well be, as Francois Mitterrand told TIME (19 October 1981), "a very peaceful social democrat ... by no means a communist," but he is not directing the armed branch of the rebellion. It is that armed branch, more specifically its "hard core" which makes the rules, not only during the fighting but even more so after the victory.

In this regard, the experience of Vietnam is particularly traumatic for the French left, since everything which had been hoped would demonstrate the specificity, the "originality" of the Vietnamese combatants in comparison to the rest of communism (the inclusion of "middle class" elements in the national liberation front, moreover a "third force" which was to play a decisive role during the transition, etc.), all that was swept away within a few days, indeed within a few hours, after the victory of April 1975: a victory which was essentially that of North Vietnamese divisions and the Politburo of Hanoi.

Thus it is more difficult than before, even if this fact is not always consciously recognized, to give in to the "anti-imperialist" mystique, in whose name so many struggles were formerly waged. After the tragedy of the boat people and the genocide in Cambodia, who can claim that his opinion has not been changed and that he would behave exactly as he did all during the two wars in Indochina? The recent experience has led to a consideration of two better-known aspects of the communist phenomenon: its simplifying aspect within the countries in question. After hearing analysts of the traditional left speculate about the particular features of agrarian societies and their "cultural impermeability" to the Soviet model, you suddenly realize that they are the real Marxists, not the Castroist, pro-Soviet or "Marxist-Leninist" revolutionaries, who steamroll over social realities and, after their victory, make the facts conform to doctrine. Thus the North Vietnamese communists, without worrying about the "particular features of the south in relation to the north," established in Saigon/Ho-Chi-Minh City a system closely modeled on their own. This is also the case of the pro-Soviet Afghan leaders, about whom no one would dare claim today that the undertaking was a result of the country's "social conditions."

In any case, the time is past when an Arbenz in Guatemala, a Lumumba in the Congo, or even an Allende in Chili embodied revolutionary purity, refining the "ideological" struggle taking place in the world on the basis of their experience. Today a successful Marxist-Leninist revolution almost immediately includes the appearance of Soviet weapons, Cuban advisers and East German police in the "liberated" area. The struggle is probably less uneven in the field, but it is more uncertain in terms of ideology, even more in terms of nonalignment: as we have seen in Nicaragua, the "rising forces" actually tend to align themselves with the positions of the "socialist camp," sometimes with more zeal than is asked of them.

It is therefore very premature to state, as a certain official analysis does, that there was a "break" in the alliance between the nonaligned countries and

the USSR, in particular as a result of the Afghan crisis. It would be more correct to say that there has never been any such alliance, but that within the Third World the Soviets continue to score points using less "ideological" and more concrete methods than before.

Another factor in the reexamination has been the relationship with Latin America as a whole. Is it more important to maintain good relations with this or that revolutionary movement or with the rest of the continent? The question was first raised in the case of El Salvador, since support for the FDR was coolly received by several Latin American governments, including democratic parties and governments hardly suspect of systematically approving U.S. positions, such as that of Venezuela. But it was raised even more acutely in the case of the war over the Malvinas, since France's support of Great Britain destroyed, in a few weeks, what little the new policy concerning Central America could have built.

Here again, it is true, an idealistic concern (opposition to the use of force by Argentina, respect for rights) was reinforced by a more realistic interest: France, an intermediate power but heir to privileges such as the vestiges of a colonial empire and a permanent seat on the Security Council, could only support Great Britain, whose status is very similar. Classified, like Great Britain, as a "small power among great powers," it must oppose the encroachments of the "large among the small," which includes Argentina, Brazil, India, Mexico, etc., all of which are countries that the new Third World policy specifically wished to cultivate!

As is apparent, this theory ran directly counter to the policy from the start of North-South relations. Despite the perceptible discomfort of the Socialist Party and despite the regrets which Francois Mitterrand himself had as a result of this "contradiction for which France is not responsible" and this "situation in which there are only disadvantages" (interview on ABC, 30 May 1982), the French Government will undoubtedly have a great deal of difficulty repairing the damage and restoring the consistency of its policy in this area.

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CONTRADICTIONS, PROBLEMS IN POLICY ON ISRAEL, PLO VIEWED

Paris POLITIQUE ETRANGERE in French Jun 82 pp 395-402

[Article by Dominique Moisi, assistant to the director of the French Institute for International Relations (IFRI)]

[Text] French policy concerning the Near East is one of the best demonstrations that France is a presidential regime and that its foreign policy, basically formulated at the Elysee Palace, expresses the "will of the prince." In June 1967, disregarding the pro-Israeli sentiments of most of the political elite and French public opinion, General de Gaulle condemned Israeli aggression. In 1981, despite the conservative reaction of most French diplomats, Francois Mitterrand chose to alter the course of French diplomacy concerning the region. In an international environment in which perceptions are just as important as realities and in a regional context which is particularly charged with emotions, any change could only lead to reactions out of all proportion with reality.

The guiding principles of French policy regarding the conflict have definitely been modified substantially, even if there has essentially been no real break between current policy and previous policies. But such alterations contrast with a global foreign policy which basically fits into a general pattern of continuity¹ and, behind the facade of words and the ritual of formulas, the emotional content of the policy is different. To understand the nature of these changes, it is necessary above all, it seems to me, to analyze the approach of the president of the republic and to resituate the Near East conflict in the president's philosophical--some people would say literary--view of our century's history.²

To judge the extent of this change, we should ask whether the means available to France, to influence the development of the conflict and to translate its words into diplomatic actions, are not still the same as those which were available under previous presidents. The recent events in Lebanon, the traditional center of the French presence in the Near East, can only reinforce a tragic feeling of helplessness. In the face of developments which the superpowers themselves cannot control, what can and should be the reasoning and role of a power such as France?

Speaking to the Arab press on 14 December 1981,³ Foreign Affairs Minister Claude Cheysson recalled the four major basic principles of the new French Government's Near East diplomacy: "The right of states of the region to live in peace within secure and recognized borders, all states ... the state of Israel and the Palestinian state." "The same rights for all peoples ... i.e., the right to a homeland, the right to self-determination ... the right to government structures, the right to a state." There must not be "any acceptable unilateral violation of international decisions." "Everything must result from negotiations between the forces of the region."

These principles are appreciably different from those set forth under the previous president. By recognizing the Palestinians' right to a state and no longer just to a homeland, Mitterrand's France has gone farther than did the France of Giscard d'Estaing. On the other hand, by insisting on the principle of negotiation between the forces of the region, France seems to back off from the European declaration of Venice and the principle of a European initiative. These slight but significant differences have been relegated to secondary status, however, by the symbolic significance of President Mitterrand's visit to Israel. Regarding his speech to the Knesset, Arabs and Israelis have chosen to retain only the symbolism, intentionally ignoring the content of a speech that was disturbing to both sides. Once again, "the medium was the message."

In visiting Jerusalem, despite certain misgivings of the Ministry of Foreign Affairs and the opposition of Arab countries, President Mitterrand performed a gesture as revealing of his underlying nature as the one made in a totally different context by Chancellor Brandt in visiting the Warsaw ghetto. Through his speech to the Knesset, we can discover four components of his thought. Mitterrand the French Resistance fighter, the Fourth Republic minister, the eminent member of the Socialist International and especially a man trying to reconcile a moral and realistic approach to the international world, all expressed themselves in Jerusalem.

Mitterrand the Resistance fighter naturally situates the history of Israel in the saga of the Jewish people, considered to be one of the most, if not the most, tragic symbols of 20th-century history. Thus his visit to Jerusalem can be interpreted, at least partly, as a posthumous reparation for the policy followed by the Vichy government regarding the Jews. An even more necessary reparation, since the policy previously followed by President Giscard d'Estaing seemed cold and detached. The absence of an immediate presidential reaction following the Copernic street attack symbolized that policy, cut off from the real emotions of most French people. This desire to comfort the Jewish population of France transcended electoral and selfish considerations. The two words used by President Mitterrand in the beginning of his speech, describing the Jewish people as "proud and noble," constituted an indirect response to General de Gaulle and to his description of the Jewish people as an elitist people "proud of themselves and domineering." Here again, in a Gaullist style, President Mitterrand has defined himself in relation to De Gaulle, the eternal model and adversary.

The memories of the Fourth Republic minister are certainly present as well. Within the Socialist Party, it is possible to speak of a conflict of generations concerning the Israeli-Arab conflict. In general, those over 50 years old still see Israel as the pioneer state, the friend and ally of France throughout the Fourth Republic and even more so during the Suez crisis. For the younger generation, particularly within the left wing of the Socialist Party, emotions lie with the Palestinians. This position is in greater harmony with the Third World orientation of the Socialist Party in general.

The ties established by the Socialist International between brother French and Israeli parties have not failed to establish personal relationships which go far beyond ideological similarities. The democratic character of the Israeli state, its political life, which recalls the questionable charms of the Fourth Republic, have been able to strengthen a feeling of familiarity which also counterbalances some socialist sensibilities concerning the South.

Moralism, which constitutes one of the bases of President Mitterrand's foreign policy, undoubtedly represents the most important explanatory factor of his approach to the conflict. Mitterrand's speech to the Knesset is a translation and extension of a plan which he expressed upon taking office, "of a just and jointly responsible France, which intends to live in peace with everyone and can light humanity's way." In insisting on the "right" of each party in the conflict and in condemning each one's refusal to recognize the other's rights, Mitterrand is faithful to this moral requirement which he has set for France. Thus he does not recognize the PLO's right to sit down at a negotiating table as long as the PLO refuses to recognize the right of the state of Israel to exist. Thus he insists on the legitimate rights of the Arab populations of Gaza and the West Bank to a homeland.

For Mitterrand, in the case of the Near East, it is by being a moralist that the greatest realism is demonstrated. He does not present France as an arbiter or potential mediator. It is for the parties themselves to settle their disputes directly between themselves. France would participate in possible negotiations only if specifically invited to do so. Using this approach, more ambitious in terms of its principles and more modest in terms of its immediate implications, Mitterrand is making a date with history. By stating rights, by proposing a just and balanced approach, France means to be in a position to play a role when the prerequisites for possible negotiations are met. To do this, France would have to be accepted by both parties, which presupposes the re-adjustment of a policy considered by many to be unnecessarily too favorable to the Arab side's positions. The visit to Jerusalem was ultimately the prerequisite for a psychological rapprochement between France and Israel.

Considered by itself, Mitterrand's visit to Israel undeniably represented a success, a perilous exercise but one which was mastered with diplomatic balancing. Mitterrand's speech to the Knesset is not unworthy of a comparison with one of even greater spiritual loftiness, delivered in the same place several years earlier by President Sadat. But a policy cannot be limited to speeches. In a world dominated by states which behave like cold monsters--according to Raymond Aron--or impassioned monsters--if we are to translate the regional realities, basing a policy on the affirmation of moral principles is a delicate exercise. That requires firmness, steadfastness and a clear

vision of the goals sought. France's presentation of its policy has not always, as in Mitterrand's speech to the Knesset, demonstrated these qualities. France has sometimes given the impression not only of confusion but, more seriously, of duplicity, by appearing too pro-Israeli in Israel, too pro-Arab in the Arab world, by not following to their logical conclusions the principles which it laid down beforehand and which could have implied harsher criticism of some of the more unacceptable aspects of Israeli policy, for example.

Any change in France's position regarding Israel could only be perceived negatively by an Arab world which had found an attentive listener in France since 1967. Thus it is not surprising that Arab countries think nostalgically about the "golden years" of the Giscardian era, a feeling which the USSR seems to share. But if the changes in French policy have been perceived as negative by both hard-line and moderate Arab countries, it is because despite its quest for equity and balance and its insistence on the Palestinians' right to a state, this policy seems to be in contradiction with the development of the regional context. It is tragically ironic to note that at the very time when France is adopting a more balanced policy concerning Israel, the policy followed by the Begin government appears less justifiable, since the invasion of southern Lebanon is only the final chapter, but the most serious, of a policy based on force alone. The Israeli Government has engaged in a policy which is indifferent to international considerations, by annexing the Golan Heights, and to human considerations by repressing, with ever increasing brutality, the Arab population of the West Bank.

An obsession with security, justified by the Arab rejection, the appeal of a nationalistic temptation with a religious and historical basis favoring Greater Israel, the absence of political imagination by its elite, the state of Israel, with the blessing of a public opinion largely in favor of the Begin government's actions and in the absence of a credible opposition, is implementing a policy of faits accomplis. The presence of an ever increasing Sephardic population, more suspicious of the Arabs and less cultured historically and politically, can only reinforce this trend of domestic hardening.

With regard to its political and administrative elite, the existence of a favorable international situation does not encourage a reconsideration of the options chosen. The conflict between Iran and Iraq, the moderate Persian Gulf countries' fear of the threat of Iranian expansionism, whose fundamentalism has been strengthened by victory, the presence in the West, in particular in France and the United States, of chiefs of state favorable to Israel, detente in the oil market, everything is working to reinforce Israel's present diplomatic choices. Israel's current leaders reject the lessons of history--a people has never been satisfied with autonomy which does not lead to independence--one negotiates only with his enemies and one does not create any quislings. They deny the long-term consequences of a demographic development which, if the West Bank were annexed, could only weaken the political, cultural and moral foundations of Israeli society. They reject the lessons of recent military history, which demonstrates that technological advances tend to reduce the advantages of the qualitative superiority of troops at the expense of their number. The state of Israel is becoming more and more isolated from its friends and its allies, is justifying the criticism of its enemies and starting

down a path which, in the long run, can only be contrary to its fundamental interests. Israel's real security cannot be based on military force "alone," but requires its recognition by its neighbors and this ultimate "legitimacy" is not won on the battlefield.

Does the development of Israeli policy constitute a sufficient reason for justifying the criticism of Arab countries concerning France?

For some Arab countries, the rejection of France's political choices in the Near East cannot be dissociated from suspicion concerning its own political and social choices. If Arab investors have been able, in certain circumstances, to speculate against the franc's stability, it is perhaps as much for economic as for political reasons. France's entry into the group of European countries which are victims of terrorism is certainly related to its foreign policy choices, but considering the complexity of the terrorist phenomenon and its tangled network, French domestic policy considerations are not necessarily absent either. Regardless of its Middle East choices, a socialist France is "by nature" more vulnerable to the terrorist phenomenon.

In making a cost/profit analysis of this new French policy, the European initiative should be added to the list of "victims." Europe is conspicuously absent from Mitterrand's speech to the Knesset. What was introduced by Giscard d'Estaing as one of the most brilliant successes of his foreign policy, a joint European position on the conflict, close to the original choices of France, is now largely abandoned. This estrangement of France from one of the most striking results of the process of European political cooperation can be explained by numerous factors: above all, it means a reorientation concerning the spirit of the Venice declaration. The previous position of the Nine [EEC member countries] is rejected as too rhetorical and too ambitious in its formulation, too unbalanced in its options, too negative regarding the Camp David process. The present French Government skeptically judges the results of political cooperation concerning the Middle East, since Europe has largely been satisfied with verbal declarations and commentaries in the manner of a Greek choir. The new orientation of France in the case of the Middle East has not failed to irritate its European partners, which once again feel that France is trying to distinguish itself and to abandon them on a path to which France itself led them.

Would France alone be capable of doing more than the European powers together? The return to a more bilateral approach can also be explained by a certain loss of enthusiasm for the process of European cooperation in general. But the main reason is perhaps to be found elsewhere. When vital interests are at stake or when emotions are involved, the national dimension always prevails-- a sad reflection on the state of the European ideal.

If the orientation and emotional content of French policy have changed, its ability to influence the events in the region is still largely the same. The recent events in Lebanon tragically illustrate our helplessness. Between the two world wars, France was, in terms of its presence in the Near East, only the poor relation of Great Britain. It can no longer even claim this role. But a fair assessment of France's capability for action today must take

into account the fact that even before 1939, our influence in the region was more limited than nostalgia makes it appear in historical retrospect. From the military standpoint, which is still the principal aspect of the Israeli-Arab conflict, France is no match for the superpowers. (What is true for Europe is just as true for France.) Even if France gradually reduces its dependence on Arab oil producers, its ability to diplomatically influence the events remains marginal.

In the present regional context, the chances for a solution are particularly limited. Camp David I constituted a success, since the key issue, Egypt's recognition of Israel's legitimacy, was settled even before the negotiations began. If Camp David II seems blocked and if it is also difficult in the present context to foresee alternative solutions, it is because the prerequisite for any negotiation is in fact the recognition by each partner of the other's legitimacy of existence. Such recognition would imply a development of the Israelis and Palestinians in a direction opposite to the one they are currently taking. Only the United States, perhaps, if it had the political courage, could exert real influence on the two parties' positions.⁴

It is unlikely that the Reagan administration will open a dialogue with the PLO and translate into actions its disagreements with Begin's policy. The United States is absorbed with other priorities, such as redefining an East-West policy which preserves the ratio of military strength between the two superpowers and the cohesion of the Western alliance. Everyone is actually delighted to maintain a precarious status quo in the Israeli-Arab conflict. The local actors themselves are actually giving priority to the consequences of the war between Iraq and Iran.

In such a context, apparently so hopelessly blocked, what could the policy of France be? From the standpoint of its relative helplessness, the only philosophy it can have is a moral one. In the long run, such a position is the only one which could enable France to play, when the time comes, a complementary but useful role. Giving such priority to morals represents a difficult choice. Such a policy requires clarity of expression, internal consistency and a precise sense of its own limitations, which French diplomacy has not always demonstrated in the past and which may be contrary to the diplomatic traditions of France. In the case of the Middle East, for the time being, despite some inconsistencies, more apparent than real, despite some perhaps inevitable contradictions related to the persistence of traditional diplomatic reactions, and despite the Israeli leaders themselves, President Mitterrand seems to be elegantly illustrating the excellent observation of Cardinal de Retz, according to which "a public figure never rises so high as when he does not know exactly where he is going."

FOOTNOTES

1. Dominique Moisi, "Mitterrand's Foreign Policy: The Limits of Continuity," FOREIGN AFFAIRS, Winter 1981/1982.
2. Claude Imbert, "Un personnage de roman" [A Novelistic Figure], LE DEBAT, No 20, May 1982.

3. LA POLITIQUE ETRANGERE DE LA FRANCE [Foreign Policy of France], Textes et Documents, La Documentation francaise, December 1981.
4. Cf. William Quandt's article, "Palestinians May Be Ready for Firm Diplomacy," INTERNATIONAL HERALD TRIBUNE, 27 May 1982.

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INFLUENCES ON, NATURE OF MITTERRAND FOREIGN POLICY EVALUATED

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[Article by Annie Kriegel, professor of political sociology at the University of Paris X-Nanterre and the author, among other publications, of "Communismes au miroir français" [Communisms in the French Looking Glass], Gallimard, 1974; "Un autre communisme? Eurocommunisme, compromis historique, union de la gauche" [A Different Communism? Eurocommunism, Historic Compromise, Union of the Left], Hachette, 1977; "Le communisme au jour le jour, chroniques du Figaro" [Communism from Day to Day, LE FIGARO Chronicles], (1976-1979), Hachette, 1979: "François Mitterrand, Diplomat"]

[Text] "I don't know how to describe the foreign policy of France ... but I find it bland." François Mitterrand made this remark in 1979 to the Europe 1 Press Club.¹

Does he find it, should we find it, spicier today? Maybe not: Whereas 10 May 1981 certainly represented a "break"² and a beginning in domestic policy, the foreign policy of a France even reservedly described as "socialist"³ gives an impression of continuity. In any case, one of the leading architects of French foreign policy, Claude Cheysson, the minister of foreign affairs since the start of the current 7-year term, acknowledges this quite readily: "France has a continuity which transcends majorities."⁴ Judging from the information provided by the SOFRES [French Opinion Polling Company]/LE FIGARO MAGAZINE survey for the period of 19-25 March 1982,⁵ French public opinion confirms this view. Moreover, the principal actors on the international stage do not refute it.

Even if it was without warmth, the impromptu meeting between François Mitterrand and Ronald Reagan in Washington on 12 March 1982 was most likely a result of what Claude Cheysson said about it: "Imagine that between us there were some matters on which we did not agree. I am told that you think such and such, I don't understand why you think it, so I call you up and we have lunch together. That is the tone of relations between the United States and France."⁶ On the other hand, the Soviet Union has hardly modified its assessment of 9 July 1981 concerning the part of Pierre Mauroy's first speech-program that was devoted to Afghanistan: "The prime minister has actually reiterated the previous government's position."⁷ Decidedly less reserved (and sometimes enthusiastic) in its opinion of the meaning of a victory of leftist forces in

France, which "includes the participation of communist ministers in the government,"⁸ concerning French foreign policy it is still maintaining a carefully balanced wait-and-see stance in which positive,⁹ negative¹⁰ and contradictory¹¹ features are pinpointed before ritually expressing the hope of an improvement in bilateral French-Soviet relations. Even the moderate Arab states, which had reason to believe that French policy (at least concerning the Middle East) had really changed, and for the worse from their standpoint, expressed no intense concern in either their words or actions.

However, it is not certain that this dominant impression of continuity is really in keeping with reality: but before making any judgments, it is a good practice to evaluate the significant changes which have meanwhile occurred in the external and internal conditions affecting the formulation of French foreign policy and partly determining its aims and results.

Profoundly Changed Conditions

Even in the second half of 1980, the former president of the republic, Valéry Giscard d'Estaing, had started to put together in his mind the signs which made it possible to think that French foreign policy might soon be substantially reshaped. The fantastic social movement which began to unfurl in Poland in August, the war of aggression which Iraq launched against its Iranian neighbor, Ronald Reagan's election as president of the United States, these three extremely important events, all occurring in less than a 6-month period, actually led to the belief that 1980 would undoubtedly mark a global turning point.

What were the major determining factors of this turning point? They mainly derived from two series of events, which it is convenient to separate temporarily, but which are actually interdependent.

The first series of events concerned the socialist camp, which went through a period of remarkable expansion, both intensive and extensive, in the 1970's. Intensive because the construction of a military apparatus which at least put it on an equal footing with that of the West¹² had been completed in that single decade. Extensive, of course, because from 1974 to 1980 not a year went by without a new territory, a new state, whether new or not, being more or less irreversibly added to the list of socialist states or states of socialist orientation.¹³

Thus it is not at all surprising that this period of accelerated expansion could be followed for the time being by a period of reinforcing achievements, whether these were still to be mastered conclusively, as was the case of Afghanistan and Ethiopia, or whether they were to be forcefully returned to socialist orthodoxy and standards, as in the case of Poland, or whether they were to be reestablished on a less pointlessly conflictual basis, as in the case of relations between the USSR and China (somewhat in the way that arrangements were made with Yugoslavia in the late 1950's), or whether, finally, it was a question of assuring natural successions, which could not fail to soon be the case with Brezhnev. In short, the odds were that the socialist world would have turned inward more and thus, in its international relations,

would emphasize the dominant issue characteristic of this type of situation--no longer the issue of detente, but that of peaceful coexistence and disarmament.¹⁴

The second series of determining factors likely to justify the idea of a global turning point concerned the Western world. The second oil crisis had finally been absorbed and what had been vainly hoped for 7 years seemed destined to happen as a result of a combination of circumstances and a practice oriented toward energy conservation: the oil weapon was smashed. Thus the economic crisis, far from being alleviated, became even more intense in all developed countries with liberal economies, and focused and narrowed in on the problems posed by the new technological breakthroughs worldwide. Which meant that, reinforced by the advent of Reaganism, the significance of American leadership in this regard had to be reassessed in terms of its desirable features and in terms of its fearsome characteristics.

Which meant, above all, that France would necessarily enter an era that would call for basic revisions and innovations. On the level of the West, on the level of Western Europe and in an area in which it was no longer possible to postpone the readjustments: that of defense. In the first in-depth interview which he gave since his defeat, Valery Giscard d'Estaing mentioned the fact that before leaving office he had opened the working file for the detailed study on methods of "organized cooperation" between NATO's defense system and that of France, in particular to respond to the problem posed by the possible use of tactical nuclear weapons, short- and intermediate-range missiles,¹⁵ from the FRG. As early as 31 December 1981, Francois Mitterrand in turn announced that he had "established the strategy of our armed forces" and the communique of the French-German summit of 11 January 1982 stated in fact that "detailed exchanges of views on security problems would be held between the two governments."¹⁶

After a 20-year period in which the same concepts had been applied again and again in a completely satisfactory way, French foreign policy was destined to undergo an in-depth modernization effort, an overall reorganization, because of the external conditions affecting it. But what about the internal conditions affecting it at the same time, i.e., the effects which the "socialist experiment"--the first in France for more than a quarter-century--could have on the determination and implementation of correlative diplomacy?

A Functional Obstacle

An initial, central obstacle also showed that these internal conditions were not automatically favorable. As president of the republic, Francois Mitterrand adopted, finding it to his benefit and by his own admission, the institutional practice of Fifth Republic presidents. Thus like his predecessors, he intended to establish his authority as a statesman on the results which he would achieve in foreign policy, considered his own "private domain." But it happened that the socialist experiment (even though it nurtured a vast and sincere ambition--that of proposing a novel model of society, a "third way" which would be equidistant between liberalism and the communist version of socialism) was being conducted on the scale of France alone and thus favored the general fortune of France and the French in the stakes under their control. Which explains why, during the first problems which began to dissipate the initial

"state of grace," as early as the fall of 1981, public opinion, but even more so the modest and militant actors on the French domestic stage, grew annoyed with what they considered an inequitable division between working time and presidential concerns. "In 20 days," LE MATIN's editorialist wrote with a touch of critical skepticism, "Francois Mitterrand has received the German chancellor, has seen Italian leaders and John Paul II, has visited Israel and is leaving for Washington, where, as a short-notice visitor, he will meet with Ronald Reagan."¹⁷ Similarly, after internal problems increased and after they were penalized by the severe defeat of the socialist-communist majority in the cantonal elections, the schedule of travel planned for the chief of state in coming months was noted with irritation and people began to grumble: "Is France being governed?" An impertinent question, but one which justifiably raises a related question: Was the choice of prime minister made with adequate consideration for the requirements implied by the president's "concentration" on foreign affairs rather than for the requirements of balancing socialist factions and trends?

A Personal Obstacle

This initial central obstacle, of a functional nature, was accentuated by a more personal obstacle: Francois Mitterrand belongs to a category and generation of French politicians whose cardinal virtues include being deeply implanted, by nature, by taste and by experience, in the French world and reality: "I don't need an idea of France. I am experiencing France. I have a deep, instinctive awareness of France, of France as a physical entity. I have a passion for its geography, for its living body. That is where my roots grew."¹⁸ But as the price paid for this cardinal virtue, on the other hand, Francois Mitterrand is a new statesman, who has also turned toward lands beyond the oceans not very spontaneously. Although he chose his house in Latche a short distance from the ocean, he is a landsman, not a sailor; he is a literary man devoted to his language of thought, culture and expression (even though it is not certain that he is the great writer he is sometimes called); in any case, he is not a scientist bound to follow international ceremonial etiquette; beyond his intense and parochial Frenchness, he is also a Latin European, but not a cosmopolite. He had certainly taken quite a few trips before becoming president, but he was not fond of them and did so at the capricious pace of art lovers and those who are curious about human microcosms, rather than at the driving pace of specialists in international affairs and habitues of embassies. Which explains why, in order to put his personal stamp on French foreign affairs from the outset, he had three initial concerns.

First, the politician in him wanted people to be able to write: "He was the first French chief of state who" Thus he chose to go where his predecessors had not gone--to Italy, Japan, Denmark--without the urgency of such visits being warranted other than by the fact that they were the first. Second, the Latin European in him caused him to readily toy with the amiable idea of a "Mediterranean socialism"--although it is a somewhat discouraging fact that at the very time when two socialists preside over the destinies of Greece and France, there are no policies more opposed than those of Athens and Paris. It was also as a Latin European that he hoped for a political and cultural rebalancing of Europe southward--although it is also a discouraging fact that between France and Italy, for example, the "wine war"

has rarely been more bitter, as is competition in the clothing sector. Finally, it was also the Latin European in him which led him to fantasize about a "Euroleft" dominated by France and Italy, even though its actual consistency is problematic. Isn't it in fact illusory to hope that an Italian Communist Party (which, after the failure of the brief Eurocommunist adventure, no doubt continues to yield to the temptations of such a beginning, but nevertheless thoroughly remains a child--even though it may be prodigal--of the communist family) and a French Socialist Party, which is no stranger to a certain "radical reformism," could join together or even reach a compromise?

First as a politician and then as a Latin European, it was finally obviously the Judeo-Christian in him which made Francois Mitterrand so sensually attentive to Israel: His speech to the Knesset had hardly any political substance and thus could not have the least real impact internationally; but it was rife with metaphysical inspiration which swept away the rock on which the common spirituality of Europe rests.

It was perhaps also the prevalence of his capacity of politician over that of a statesman which, beyond his priority concerns, explains the methods to which Francois Mitterrand seems devoted. First of all, he knows that every problem cannot be solved. Valery Giscard d'Estaing, for example, was erroneously convinced that it was his duty to find a solution, elegant if possible, to every question formulated in terms of a problem. This is, if not naive, at least a useless fever which has not gripped Francois Mitterrand. The current president of the republic also knows the art of pouring old wine into new goatskins. It is most often sufficient to cut the leather and felt for the goatskin according to a novel pattern so that the same wine can be drunk without suffering the boredom of *deja vu*. In short, Francois Mitterrand's approach to foreign policy is political first of all--in the sense of the word political in the case of domestic policy. We also have the impression that he talks only about France and the French always. In which case, he is a Gaullist: but we are no longer in 1940 and that does not doom him to being either a mediator or a negotiator.

An Administrative Obstacle

These traits of the presidential personality are accentuated by the choice which the chief of state made in assigning members of his administration to the foreign sector. There have actually been few really significant changes in the diplomatic apparatus¹⁹ since 10 May, with the exception of some official "favors" due for personal loyalty or required for maintaining delicate balances between the various "sensibilities" of the Socialist Party. The fact that Gilles Martinet was appointed ambassador to Rome is rather irritating to the people at the Ministry of Foreign Affairs, but that is a nice little treat which a president can and must allow himself on occasion.

The choice of minister of foreign affairs, whether considered fortunate or not, was not very significant either. Claude Cheysson talks a lot--he is "direct," he likes to say, perhaps actually inadequately controlled or restrained; but that is because he had previously belonged to that technocratic faction of the diplomatic corps whose quality of language is unimportant since they have no audience.

On the other hand, the three men at the Elysee Palace who handle major foreign policy issues are each helping to increase the specifically political responsibility of the presidential approach to international problems.²⁰ Paradoxically, it is still Jacques Attali who is probably discharging his duties in the most traditional way: in a neutral manner, also rather out of personal eclecticism and transparency than by choice. This is because, as a prodigious and indefatigable intellectual machine for all types of terrain and weather, Jacques Attali, apparently with an arrogant casualness but actually with agonizing anxiety, is moving through a universe of vague ideals whose formalism, he knows, bars him from access to the density of the real world: such access which alone provides a scientist--except in mathematics or theoretical physics--with the opportunity for generative proof of discoveries and fundamental proof of truths.²¹

This is not the case of Guy Penne, who does not hide from himself or from others why he is there: For a century--since the beginnings of the colonial adventure to the end of the last century--it has been standard practice for the republican state to maintain the network of its African friendships through the semiprivate channel of Masonic connections. And no government has failed to do so, no more and no less the successive governments of the Fifth Republic. The church had its missionaries and the state its chambers of commerce.

The most problematic case is obviously that of Regis Debray: Having moved from the Cuban apparatus to Francois Mitterrand's circle of followers well before the latter attained the highest office, is the former theorist of revolutionary guerrilla warfare, a limited novelist, now just an old-fashioned student of higher rhetoric, as it was formerly said and as his latest verbose works tend to suggest? Or is he only hiding his lasting and constant ties behind endless, extensively erudite essays? Or is he instead, like other former militants of his generation, in a genuine stage of dismantling his former personal universe? Who would dare to make a judgment in such a case, even if we note with some uneasiness that as late as 1978 he concluded a short pamphlet with these words: "The native European still retains his capacity for removing his grain of sand from the walls of the Western fortress, by lending a strong hand to the 'barbarians' fighting outside the walls against our sophisticated barbarity."²²

An obstacle deriving from the presidential office, an obstacle deriving from the presidential personality, an obstacle deriving from the president's men. But the Elysee Palace is not France and the "socialist experiment" underway is putting its mark on foreign policy in another way--no doubt more discriminating in comparison to what had been the standard since General de Gaulle's return to power and the establishment of the Fifth Republic: the independent intervention, in external affairs, of political parties representing the majority. For a primary reason that is common to both parties, the Socialist and the Communist Parties: the fact that they are part of entities with the aim of establishing themselves worldwide, the Socialist International [SI] in the former case and the international communist movement in the latter case. This is not to say, of course, that the relationship of the Socialist Party to the SI and that of the PCF to the community of communist parties--whether in power or not--are of the same nature and entail the same obligations in both cases. The PCF, which also likes to joke cynically sometimes, enjoys

pointing out that its organizational independence is total, whereas the Socialist Party is structurally dependent on the SI: A complete hoax which shows the unsuspected presence of jocular minds among the communist cadres.

But we could not completely ignore the role of the SI and its various agencies in the penetration of certain issues, whose insistent return and disproportionate place which they now occupy in French policy are surprising. Paradoxically, in fact, the SI, whose existential relationship to Europe is nevertheless of an umbilical nature--since for a century and a half Europe has continually been the womb, cradle and dry nurse of every socialist variety that belongs to the democratic species--has been gripped with an exclusive passion, since its Geneva congress in 1974, for everything which concerns what is metaphorically called the South. Incredibly oblivious to the smashing of socialist democracy in Eastern Europe in the 1940's and 1950's, it maintained exemplary composure when the death knell was sounded in Warsaw for a genuinely national movement led by a genuinely rallied working class and people.²³ On the other hand, it has constantly stood up for the Central American guerrillas, whose communist control it ridiculously claims to dispute.²⁴ Its Madrid congress in 1980 also established a committee for supporting the Nicaraguan Revolution and passed a motion to support the Democratic and Revolutionary Front of El Salvador, whose "representative character" it already recognized. Inundated by support for the SI, in less than 10 years, from a wave of parties--Latin American in particular--whose socialist consistency and authenticity vary (such is the case of the MNR [National Revolutionary Movement], led by Guillermo Manuel Ungo in El Salvador, the Dominican Revolutionary Party of Jose Francisco Gomez, the Socialist Democratic Party of Carlos Gallardo Flores in Guatemala and Manley's National People's Party in Jamaica) and beset by the presence of observers of several dozen liberation movements whose loyalty to democratic socialism is doubtful (from the Sandinist Front to the POLISARIO [Popular Front for the Liberation of Sagui el Hamra and Rio de Oro] Front to SWAPO [South-West African People's Organization]), Latin American parties with really undeniable socialist status, such as that of Venezuela, have trouble being heard: witness the open crisis which preceded the latest meeting of the SI Presidium in Bonn on 1-2 April 1982.²⁵

Thus it is not at all surprising that the Socialist Party, whose reconstruction since 1969 and consolidation went hand in hand with comparable phenomena within the SI, is also exposed to radical trends in foreign policy. Even more radical, since they are more or less beyond the control of rank-and-file militants: the foreign policy division is somewhat out of the mainstream in a party that has remained--which is its strength--very provincial. Thus in positions which are sensitive in principle, we find unfamiliar, sometimes puzzling figures whose degree of experience is not proven. Is this why the Valence congress, in the fall of 1981, modified its program? In any case, it has released Veronique Neiertz from his duties; Neiertz had succeeded Lionel Jospin when he became the party's first secretary. And Jacques Huntzinger has been named a member of the national secretariat for international affairs. A choice more in keeping with the nature of things, since the new appointee is an expert, but which will perhaps not help to simplify and to clarify the formulation of a policy whose impetus already comes from two centers: the Elysee Palace and the Ministry of Foreign Affairs. Thus Lionel Jospin on a visit to the United States, accompanied by Jacques Huntzinger,

exhibited very new restraint in exonerating himself and both the SI and French diplomacy: after admitting that the elections in El Salvador had "changed some particulars," he made a point of stressing that "French policy is not at all to install Marxist-Leninist regimes in Central America. Our policy has never been to support guerrillas in either El Salvador or anywhere else."²⁶

Then there is communist activism. The PCF in fact accepted the invitation to participate in the governing majority and to have representatives in Pierre Mauroy's cabinet after the two parties, socialist and communist, adopted on 23 June 1981 a joint platform whose every word had been carefully weighed, at least by the communists: nothing therein was capable of making the friends of Georges Marchais contradict themselves. The four communist ministers had also hardly assumed their respective posts when the PCF allowed no ambiguity to hang over its very restrictive concept of government solidarity: it could not impair its full political and organizational independence. L'HUMANITE therefore did not change by one iota the positions in its international column, unquestionably the most orthodox--pro-Soviet--of all columns of a boldly orthodox newspaper. Of even more significance is the fact that the PCF behaves to make it appear that it cleared the way for the course which the socialist government has taken, after itself. Thus Georges Marchais and Maxime Gremetz--described by L'HUMANITE on that occasion as "leaders of the governmental majority"--conferred with Castro at length and published a detailed joint declaration with the Cuban Communist Party²⁷ before the Cuban Government's vice president for international relations, Carlos Rafael Rodriguez, made an official visit to Paris at the invitation of the chief of state.

The Logic of the Third Way

Nothing is more uncertain than judging a foreign policy by its results, especially when there has not been enough time for its conclusive effects to emerge in one direction or the other and also considering the often minimal portion resulting from the personal will of the director. There is, of course, good reason to make a disenchanted assessment of the past year. None of the presidential trips abroad, which were carefully prepared and staged and which also aroused great expectations, has apparently achieved the desired response, neither right then nor later: The president returned from Cancun, Mexico City, Algiers, Rome, Jerusalem and Tokyo without his baggage getting heavier in the meantime, even if only from commitments and promises. Received everywhere courteously, sometimes warmly, he was listened to properly but not heard. Moreover, none of the matters which were followed from Paris with particular interest, especially African matters--Ethiopia, Chad, Central African Republic--received treatment whose appropriate character was subsequently confirmed by the development of the local situation: which simultaneously cast doubt on the satisfaction derived from the major French-African conference held in the fall of 1981. Important commercial, industrial, civilian and military negotiations ended with one disappointment after another: without describing here the highly controversial conditions of the gas contract with Algeria, French negotiators were no more fortunate in Morocco either. The major balances which it was claimed could be reestablished between stubborn adversaries through an equitable, candid and dynamic policy were not found

any more than they had been in previous years. The Israeli-Palestinian conflict, the French-Italian wine war and the cordial widespread disagreement within green Europe (whether the antagonism is metaphysical, historical or purely material) were not alleviated because of France. But above all, the three crises which have most stirred French opinion since 10 May: Poland, El Salvador and international terrorism, have not triggered a French response that is appropriate, constant and effective at the same time. The signing of the gas contract with the Soviet Union, the approval for the supply of arms to Nicaragua--supplies which we do not know whether or not have been delivered--the reversal of the official evaluation of the threat of international terrorism spreading to France, these are factors which have disputed or refuted the validity of the initial steps taken.

But although an evaluation of the results is still questionable because of the ambiguities, uncertainties and trials inherent in any active diplomacy, it does seem useful to question whether or not there is a logic which would be the basis for Francois Mitterrand's foreign policy. French socialists actually like to claim as their basis a logic which they have christened the "Third Way." Is this then the logic which has been at work for a year?

An initial observation: The parallels now frequently drawn between the Gaullist view of things and the Mitterrand of post-10 May derive their partial legitimacy from that common determination (to be in a third position in relation to the two superpowers). "Everything that will make it possible to leave Yalta behind will be good," the president of the republic also made this part of his main New Year's wishes to the nation on 31 December 1981. Thus we find, restated by the new socialist director of French diplomacy, the myth which specifically General de Gaulle, more than anyone else, had helped to forge.

It is certainly recognizable that the contrasts traditionally used to portray the two Legion of Honor commanders by French leftists and the other side have only relative value. The idealism of Francois Mitterrand stops when the Florentine reappears; the Macchiavellianism of De Gaulle stops when "his old and dear country" unquestionably hangs in the balance. The internationalism of the socialist? The nationalism of the Maurassian? One buys Algerian gas above its price, whereas the other had abandoned Saharan oil without hesitating.

On the other hand, it would be quick work to abruptly gloss over the alternate direction taken on 10 May and to reestablish a genealogical continuity between the first and fourth presidents of the Fifth Republic, if we were to leave the two intermediate presidents out of such continuity. No doubt the "third party" status adopted in any arrangement produces identical effects of an almost physical nature. But nothing else makes it possible to state that, in both his relations with the Soviet Union and in those with the United States, Francois Mitterrand is inclined to resume the Gaullist tactical game. If only because of the fact alone that the international situation is no longer that of the 1940's--when the Soviet Union was the ally of Western democracies against Hitler--nor that of the 1960's when the same Soviet Union had succeeded in imposing its interpretation of the concept of detente. Moreover, for De Gaulle the third party in question was always only France; for Mitterrand, it is not out of the question that in certain circumstances this could be the European community.

Another observation: In the thinking of socialist leaders, the Third Way seems to merge with Third-Worldism. A common strategic interest in fact unites them: that of increasing the strength of the "third party," whether this third party is the Third World or a third plan of society. The result is that the socialists, because they themselves want to be a third party in East-West relations, are induced to accept the Third World as a consistent and significant unit. Which leads them in turn to take up a whole vocabulary: imperialism, nonalignment, liberation movement, a vocabulary which was forged outside of them and against them. That they now intend to turn it around against the communists derives from a good intention, but they have not demonstrated, far from it, that this was a realistic intention. There is, instead, a tendency to think that they are in the process of abandoning it, seeing how Jacques Huntzinger, in a conference at the IFRI [expansion unknown] on 21 January 1982, again stated "support for liberation movements in Central America," which he would certainly phrase less categorically today.

Perhaps the best approach to this Third Way consists of seeing an "evasive attempt" in it--to use a term from the vocabulary of analysis--to reject or escape from a reality which is not perceived because it is disturbing. A rejection or escape which justifies the dominant impression left by the presidential practice of the past year--the impression of a lack: the lack of a link, which would prevent all the threads, when put together, from slipping from the hand holding them and falling to the ground in an inconsistent tangle.

What is this "evasive attempt"? In De Gaulle's case, we know well what it was: accepting as actors (already in place or in the wings) on the international stage only those who embodied well-established national-state realities or which were likely, as such, to acquire consistency. There was France, Germany and England, there was Spain and the United States, there was Persia and China, there was Russia. Thus the general did not give much consideration to the seriousness and cohesion of any project which was not based on the only foundations which were durable in his eyes: those offered by nations. Europe could only be the Europe of states, the Europe of homelands. Thus the general was led to grant only instrumental, devious or precarious status to ideologies which he considered, at best, to be the nicely adorned servants of the national interest. This conviction--itself also ideological!--was for him the living source of the intuition which enabled him, as early as 18 June 1940, to state that France would inevitably overcome its defeat and would again become what it could not cease to be: a great nation, a free and independent nation. But this conviction, which has demonstrated clearly and vividly how much real truth it contained, would also reveal its limitations in the following 30 years. Is it necessary to recall that however much Poland is Poland and continues to be, loyal to itself and thus far with its most intimate and singular reality still intact, it is now and indefinitely only a part of a whole which occupies, oppresses and can hope to crush it? Contempt for ideology fortunately protected General de Gaulle from the evanescent seduction of the imagination, but doomed him to ponder the world in terms of 19th-century categories.

The "evasive attempt" in the case of Francois Mitterrand is found elsewhere. It would be difficult for a socialist leader to wonderfully ignore the whole ideological continent, although a man like Schmidt manages to do so quite well.

Thus Francois Mitterrand has made undeniable progress over De Gaulle and has crossed the necessary bridge to get to the other side of the gorge, that deep gorge which was dug by a most important event--the October Revolution--which occurred between the two periods in which the two future presidents of the republic came to observe the world. Before 1914, De Gaulle had really received the highest education concerning the world of nations, even if they were European and the most powerful among them had dispensed with their empires. Between the two world wars, Francois Mitterrand knew immediately that Russia and its empire had served as the framework and provided the necessary ingredients --space, peoples, resources, history, languages, cultures and religious loyalties --for an historic creation of an entirely new nature: the Soviet Union. It was undoubtedly convenient, but totally false, to identify the second with the first.

It is this recognition of the specific character of the Soviet Union--and as wrong--which explains two traits of Mitterrand policy. The first is that of being a "supporter of the Atlantic Alliance," as are all those who do not see, in the opposition between the Soviet Union and the United States, merely competition between two superpowers, each fighting the other for supremacy. The second trait is that of not being entirely defeated by the problems of combating (American) imperialism, as are those who, often after trying Soviet imperialism and having judged it detestable, docilely transfer to the United States the concept and ideological vision of the things offered by Soviet socialism. They are well aware that the Soviet Union could not be reduced to a traditional national state, but at the same time they transpose what they have discovered about the USSR in order to apply it to America.

But after accepting this recognition of the Soviet Union as such--and as wrong--Francois Mitterrand did not draw the logical conclusions and, above all, has not perceived its recent developments.

The logical conclusions: Francois Mitterrand is familiar with and condemns the ideology which has fashioned, reshaped and reorganized the former national realities of the Russian state and Russian society into a novel and deplorable arrangement. Thus there is a firm motivation for his anti-Sovietism; but it collides with the traditional problem which is that of any statesman who has to act in a world in which the only legal category of internationally recognized actors is represented by the category of states: the Soviet Union is itself a state, at least externally when it has relations with other states, even if, internally, it is rather a party in power, a party-state. Hence the fact that the motivation for the anti-Soviet reaction remains in an inter-state dimension. Thus this inconsistency: On one hand, France has frozen all top-level relations with the Soviet Union; on the other, it has concluded an agreement which will make it dependent on Soviet gas. Jean Francois-Poncet's formula deserves recognition: "Concessions without dialogue."

The recent developments: Since 1945, the Soviet Union of the period between the two world wars has entered a phase of expansion and change, with the result that not quite 40 years later it is the central component, the matrix and the engine--but only one component, even though it is the matrix and the engine--of an entity with a complex structure, of intercontinental scale,

with integrated institutions, and which has been called the "world communist system" until a better name comes along. But that reality is so recent and its operating machinery so poorly synchronized, that its ability to knit together its still soft parts and its interim borders, its ability to overcome its crises and its internal splits, constitute a real problem. But it is quite obvious that any diplomacy which does not include that reality in its considerations and analyses will necessarily be run over and knocked down: This must be carefully evaluated before engaging or reengaging in adventures or misadventures which would result from having failed to recognize Vietnam or Cuba²⁸ as full-fledged members of the most integrated and stabilized institutions of the socialist community.

FOOTNOTES

1. Was this on 25 January or on 25 February 1979? The first date is given on p 35, the second on p 333, of the Francois Mitterrand anthology, "Politique 2, 1977-1981" [Politics 2, 1977-1981], Fayard, 1981.
2. In his inaugural speech upon taking office as president of the republic on 21 May 1981, Francois Mitterrand used the expression "brief and glorious breaks" to refer to revolutionary episodes and probably political periods when the left is in power. To be honest, if the thought is clear, the expression, which is emphatic, as would be expected in such a speech, is vague: "On this day when I take possession of the highest office, I think of those millions and millions of men and women, the fermenting agent of our people, who, for 2 centuries, in war and in peace, by blood and sweat, shaped the history of France without having access to it other than through brief and glorious breaks in our society." This "access" to the "history of France" derives from a rather outmoded conception of French history.
3. It was in Algiers that Claude Cheysson spoke on behalf of "socialist France."
4. Interview with Claude Cheysson in PARIS MATCH, 8 April 1982.
5. In response to the question: "Do you believe that the role of France in the world is presently becoming stronger or weaker?", 23 percent said they believed that it was becoming stronger, 37 percent that it was becoming weaker and 31 percent that there was no change. LE FIGARO MAGAZINE, 3 April 1982.
6. PARIS MATCH, 8 April 1982.
7. TASS [Telegraph Agency of the Soviet Union] Agency statement, reprinted by PRAVDA.
8. PRAVDA Editor in Chief V. Afanassief, after attending L'HUMANITE's celebration in September, published in PRAVDA of 17 October 1981 an article which attracted a great deal of attention, in which he stated that "whereas capitalism has reached its historical limit in France ... each French

communist must be fully aware that, for the first time, the question of socialism is posed, not as a remote abstract prospect, but as a concrete response to the current problems of society." This was confirmed by Yuri Zhukov in PRAVDA on 2 November 1981: "World opinion, including that of the USSR and other socialist countries, is following with much attention and sympathy the way in which the leftist forces which have attained power in France will clear a new way to change."

9. In particular, the fact of "having declared legal the revolutionary movements in Latin America." (PRAVDA, 17 October 1981).
10. The "loyalty of France to the Atlantic Alliance," which can be interpreted as support for the Atlantic Alliance; France's position on Euromissiles; its position on the issue of Afghanistan.
11. The "totally contradictory" policy of France in the Middle East; French-Soviet relations, which "continue to develop" in scientific, economic and cultural areas, but "not as rapidly and as broadly as desired," because of French socialist leaders' interpretation of the events in Afghanistan (PRAVDA, 17 October 1981).
12. Besides the work by Cornelius Castoriadis, "Devant la guerre, I" [In the Face of War, I], Paris, Fayard, 1981, which is tainted by both pointlessly controversial writing and by theorization based on never-ending, uncertain Trotskyist conclusions concerning the inevitable fall of the Soviet Revolution and regime in a Thermidorian reaction and Bonapartism, the best work in French on the subject is under the direction of Christophe Bertram, director of the International Institute for Strategic Studies (London), "La menace soviétique" [The Soviet Threat], with a preface by Helene Carrere d'Encausse, Berger-Levrault, 1982 ("Strategies" collection).
13. Concerning this wording and, in general, concerning this phenomenon of expansion, cf. No 21 of the magazine POUVOIRS, devoted to the "world communist system," Spring 1982.
14. On the "'Struggle for Peace' and 'Peace Movement' in the Strategy of the International Communist Movement," cf. my message to the conference on "The USSR and International Relations," Bordeaux, 14/15 November 1980.
15. Cf. PARIS MATCH, 19 February 1982.
16. Cf. Francois de Rose, "Updating Deterrence," LE MONDE, 21-23 November 1981, and "French Deterrence or European Defense," LE MONDE, 14 April 1982. Francois de Rose notes that "this statement may open a new period in the history of our continent."
17. LE MATIN, 12 March 1982.
18. LE QUOTIDIEN DE PARIS, 26 October 1977, interview by Didier Buffin and Paul Guilbert. Reprinted in "Politique 2," p 13.

19. "At the Ministry of Foreign Affairs, of 11 departments only 3 (Political Affairs, America, Personnel) have changed hands; the new general secretary, Mr Gutman, replaced Mr de Leusse when he retired." (Francois Bardos, "Civil Servants and the Government," POUVOIRS, 1982-20).
20. Cf. for a more detailed analysis of the Elysee Palace team, Samy Cohen, "The Men of the Elysee," POUVOIRS, 1982-20, pp 92-3.
21. Cf. the uncontrolled drifting in inconsistencies, even if they were "in" and "chic," arbitrariness and rhetoric, which have more and more ruined the latest works published by J. Attali.
22. Regis Debray, "Modeste contribution aux discours et ceremonies officielles du dixieme anniversaire" [Modest Contribution to Official Speeches and Ceremonies of the 10th Anniversary], Maspero, 1978, pp 89-90. It should also be noted that Samy Cohen--about whom it may be thought that he repeated here what he had been told in high places--made the following statement in the study listed in footnote 20: "R. Debray is not playing the role of a traditional diplomatic adviser. He maintains few relations with the official representatives of foreign countries. On the other hand, he readily meets with 'nonofficials': politicians, militants, intellectuals, journalists, representatives of certain liberation movements." (p 92) But this is not at all true: his first trip to Africa, his second trip in February to western and southeast Asia, and his visit in April to Central America were completely "official" and resulted in his meeting with official figures.
23. Cf. the statement published by the SI, signed by its chairman, W. Brandt, and its general secretary, Bernt Carlsson, concerning Poland on 17 December 1981 just after the power play. It was so shocking that after the French Socialist Party had publicly disavowed any part in it, a second, more suitable statement was unanimously adopted and was published following an emergency Presidium meeting held in Paris on 31 December.
24. Cf. SOCIALIST AFFAIRS, SOCIALIST INTERNATIONAL INFORMATION, No 6-81, "War and peace in Central America."
25. Cf. the statement published following this Presidium meeting on 2 April 1982. This was undoubtedly one of the very first times that the SI spoke of the elections in El Salvador as "so-called elections." A controversy had to break out in the SPD and the mayor of Bremen had to speak of an "excess of zeal" before W. Brandt could be satisfied with a less brutal formula, that of "doubtful elections."
26. LE MONDE, 17 April 1982, "Never?" This is not what emerged from Michel Tatu's commentary when he wrote, barely a month earlier on 12 March, on the occasion of the Reagan-Mitterrand meeting in Washington: "With the Franco-Mexican declaration recognizing the representativeness of the guerrilla political organization in El Salvador and then with its supplies of arms to Nicaragua, France has actually 'chosen sides' in the current conflict. Its position has been important as an example in the Socialist International and with a large number of European

governments. After the refusal of Belgium, Denmark, Greece, the Netherlands, the FRG and Canada, only Great Britain seems to have decided to send observers to the elections organized by the Salvadoran junta, a process whose validity is disputed in advance by the French Socialist Party and Government." (LE MONDE, 13 March 1982).

27. L'HUMANITE, 13 April 1982.

28. Cf. this message from Francois Mitterrand to Castro on 1 June 1981: The president of the republic proposes "strengthening the friendship between France and Cuba and putting it in the service of peace, independence, international economic cooperation and respect for human rights/." [in italics] (Underlined by me, A. K.)

11915

CSO: 3100/849

POSSIBLE PASOK-KKE COOPERATION IN MUNICIPAL ELECTIONS

PASOK Weakness Reported

Athens AKROPOLIS in Greek 25 Jul 82 pp 1, 16

/Text/ A secret poll carried out by PASOK reveals a significant drop in its strength compared with results of the parliamentary elections last October.

This poll --according to reliable sources-- was made in view of the forthcoming municipal elections to determine to what extent PASOK can act by itself and consequently could then put forward its own candidates for the municipal elections without party strengthening from other forces.

This disappointing result of the poll for PASOK has forced its leadership to change its tactics of self-sufficiency and to be oriented toward frontal cooperation that would cover up from the people damage done to it.

Therefore, over the past few days --in accordance with reliable information-- behind-the-scenes deliberations have been conducted between PASOK and the KKE, with a parallel attempt also being made for collaboration with forces of the Center.

With Trade-Offs

There are two objectives in the PASOK-KKE negotiations. On the one hand, to determine the method of their cooperation in the first round of the municipal elections in the big cities, and, on the other hand, how they will cooperate during the second round --the so-called repeat elections.

As for the first round, the negotiations concern primarily five big municipalities --Athens, Salonica, Volos, Piraeus and Irakleion in Crete. As for Patras and Larisa, the two parties are putting forth separate mayoral candidates.

PASOK has asked for the support of the KKE in Athens, Piraeus, Volos and Irakleion, with a trade-off to support the KKE candidate in Salonica.

This is also the reason why PASOK has avoided announcing its own candidate for Salonica up to now.

The KKE --the information adds-- does not reject PASOK's suggestions, but, in return, wants "part of the spoils," in municipal councilors as well as PASOK's support in any municipalities where it had elected its own candidates in past municipal elections.

PASOK appears up to now unwilling to make so many concessions to the KKE. And recently in an attempt to frighten the KKE, it began deliberations with centrist forces for cooperation in the municipal elections, with a trade-off the assurance that it will get their support for the mayors and to concede to them a certain number of municipal councilors.

The secret negotiations between the two parties are continuing and their results are expected shortly.

KKE Positions Stated

Athens RIZOSPASTIS in Greek 18 Jul 82 p 1

/Article by Nikos Kaloudis: "The Meaning of the Municipal Elections and the KKE Position"

/Text/ The forthcoming municipal elections battle is beginning to come into the center of political life. The workers, independent of party positions, are anticipating from this battle the election of municipal and community officials who will consistently fight for the acute local and peoples' problems, for the basic strengthening of the institution of local administration, so that the municipalities and communities might become bases for popular unity and struggle for peace, democracy and national independence.

The significance of the municipal elections provides the basis for a broader possible rallying of democratic forces and factors. Consequently, the municipal elections must not become a field for a narrow party reckoning. They must not be converted into an arena of the most narrow party disputes as to who will "capture" the local administration, something that is contrary to the promotion of the most acute local and popular problems and hurts the cause of the institution of local administration and its independence.

Consequently, the meaning of the municipal elections cannot be a proof of the "damage" of the government, as being sought by the Right. Nor, of course, can it be the proof that the government is maintaining its electoral percentage, as a series of events and statements show that the government party is seeking.

For us, the municipalities are original cells of popular authority that must unite citizens, to become bases for cooperation on common problems of democratic forces, even beyond the KKE and PASOK. The role of the municipal officials is not to faithfully serve each government and to unthinkingly approve of any of its decisions, but, above all, to serve the people, to build popular unity and to rely on popular struggles for the solution of problems.

The KKE, understanding the all-democratic content of the municipal elections battle, has stressed that it considers democratic cooperation indispensable and that it is ready to discuss and move forward toward the broadest possible cooperation, on the basis of a joint program, on the basis of equality and the correlation of forces as this is clearly shaped in municipal and not in parliamentary elections. On the basis of this position, it is understandable that there be a prime condition that democratic mayors, who objectively put forth positive work and who have the trust of the people, must be supported by all democratic forces together. Within this context, they would surely be able to confront constructively and in an upright fashion any possible contradictions and disagreements. With the joint participation in the elections as a standard, we judge that this is particularly necessary in the big cities such as Athens, Salonica and Piraeus where the reactionary forces will seek to benefit from any possible split in the democratic forces. For the success of this united line, our party has not used merely statements. The KKE party organizations have developed a multifaceted unifying activity in every municipality.

These efforts are meeting with broad acceptance, despite obstacles and difficulties put up by PASOK's policy. A policy whose exclusive preoccupation appears to be close party imposition --the election of municipal and community officials who will thoughtlessly applaud the government's policy in every instance-- and attempt to restrict the KKE's presence.

The KKE, and more generally-speaking the democratic world, does not intend entering into any form of new dilemma of the PASOK or Right kind. Such kinds of dilemmas were proved to be ensnaring for the people at the time of the parliamentary elections since, as it appears today in actual fact, the solution for a course of change was not merely to be found in PASOK's "self-sufficiency" but in the rallying of progressive forces. Even more so, such dilemmas have no place in the municipal elections.

The KKE has shown in its entire history that it cannot be cornered, that it is a force strongly rooted in the people, devoted to struggles of consequence and responsible democratic unifying policy.

The KKE will insist on the achievement and victory of the broadest democratic cooperation and, within this context, on the basis of constructive competition, for the strengthening of its position in the municipalities. And there are great possibilities, as shown in the 1978 municipal elections. Broad

democratic cooperation can take place even if PASOK' policy insists on its negative position on the problem of cooperation.

The victory of democratic unity and the even stronger presence of the communists and collaborating democrats in the municipalities will today be the best contribution to genuine change.

Papandreou-Florakis Meeting

Athens TO VIMA in Greek 20 Jul 82 p 1

/Text/ Prime Minister Andreas Papandreou and Mr Kharilaos Florakis, KKE secretary general, met yesterday at Kastri for a 45-minute talk. As the government spokesman announced, the meeting took place on Mr Florakis' initiative and touched on various foreign and domestic issues.

According to TO VIMA's information, the major part of the discussion dealt with the municipal elections. Result of the meeting will possibly be a series of contacts between officials of the two parties to broaden the possibilities that exist so that there would be no direct reckoning of the two parties in certain big cities.

Reserved optimism was being expressed yesterday by the KKE over the prospects that will be examined by two party committees.

It is to be recalled that in an article appearing in RIZOSPASTIS on Sunday, Mr Nik. Kaloudis, KKE parliamentary representative, stressed the need for "democratic cooperation and the broadest possible cooperation in the municipal elections on the basis of a joint program, on the basis of equality and the correlation of forces as this is clearly shaped in municipal elections and not in parliamentary elections."

5671

CSO: 4621/470

EDITORIAL CALLS RESHUFFLE 'BLUFF'

Athens AKROPOLIS in Greek 4 Jul 82 pp 1, 16

[Editorial by D. Levendakos: "'Reshuffling' Is Better Than Restructuring"]

[Excerpt] Is something going to change in the government's economic policy with the "restructuring"? Are there any margins? What will this change mean to everyone of us if there is actually a change? These are the two questions which stand out, created by the second act of the three-act farce of the "restructuring" (the third act will be played tomorrow with the swearing in of the "restructured.").

The answer to these questions is rather simple. No, nothing is going to change, or, if it changes, it will again be for the worse.

It is easy for someone to be so positive if he keeps in mind certain elements which compose the scenario of the "restructuring," which was essentially limited to the vital economic sector and the manner in which it was written.

Arsenis instead of Arsenis

What was the end result of the reshuffling?

If we examine it closely the only thing left is the removal of the Minister of Coordination, Mr. Ap. Lazaris, preceded by the rude dismissal of the Minister of Finance, Mr. Emm. Drettakis and their replacement by Messrs. Ger. Arsenis and Dim. Koulourianos, until yesterday governors of the Bank of Greece and ETVA [Hellenic Industrial Development Bank] respectively.

New faces, the naive reader will say and, why not, a new and dynamic economic policy.

But things are not like that. Not at all. It is just one more of Papandreou's "bluffs," with high sounding expressions and acts, but void of content.

Why?

The government's economic policy was drawn until now by the Government Council of Economic Policy (the KYSOP, which was renamed--it is not known why--KYSYM).

Who were the members of KYSPOP?

Messrs. Papandreou, Lazaris, Drettakis, Arsenis and Koulourianos!

Something else too. It is known that Arsenis of the four top advisors to the premier was the "soloist." It was he who wrote or edited the final text of the program statements of the administration on economic matters as well as of the restrictions (read: anti-popular measures) and, finally, of the budget.

In plain Greek, that is, what happened to yesterday's reorganization?

The non-conventional super-minister Mr. Arsenis--responsible with Mr. Papandreu for the up to now failed economic policy--has now become a conventional minister of National Economy.

The Lazaris Case

On the other hand, it is known that the until today Minister of Coordination, Mr. Lazaris, often found himself the object of surprises.

As top minister he would suggest one thing to the premier and then would hear different announcements being made by his colleagues or by Mr. Papandreu himself.

It is therefore clear that what happened yesterday with the reshuffling in the economic sector can be characterized only as returning to a worn out system.

It is one more mistake added to what Mr. Papandreu says and does for which all of us may come to pay dearly one day.

If there were some limits within which the economy could have held fast from its downward slide to which PASOK is leading it, these have been eliminated with the departure from the government of the Minister--until yesterday--of Coordination, Mr. A. Lazaris.

Professor Lazaris was the only one who held the doors open for a dialogue with the manufacturing classes (workers and employers) and nurtured their hopes for a change of climate in the economy.

What we should wait to see now is whether Mr. Arsenis will find the "third course" for economic development" he has been seeking, according to his own statement, for some time now.

The problem is that this course goes through the hard anti-inflationary measures (price and wage freezes) which will hit mainly the non-privileged Greeks.

9731

CSO:4621/426

POLITICAL

GREECE

NATION SEEN IN WESTERN CAMP WITHIN NON-ALIGNMENT

Nicosia 0 AGON in Greek 18, 21 Jul 82, p 1

[18 Jul 82 p 1]

[Text] "Britain has no permanent friends; only permanent interests." This phrase by Lord Palmerston the foreign minister of the then Great Britain, defines epigrammatically the foundation of international relations.

Here in Cyprus, in spite of all that we have suffered, we seem to have learned nothing with regard to the basis which underlies the foreign policy of various countries. We keep a romantic view about the way foreign policy is formulated and each time we give our trust to various people, we consider them friends, and inevitably we are disappointed when we find that the occasional friendship resulted from occasional interests.

Sooner or later we must grow up and understand the cold logic which governs international relations and try to put together a foreign policy which will serve only and exclusively our national interest.

The tragic events in Lebanon should have drastically affected our reasoning--if we had not riveted our attention and interest to the coming "presidential elections" and nothing else.

A people and a country are being raped in the most brutal manner while the world just looks on the spectacle and the United Nations issues academic pronouncements. These people and this country live in our vicinity in the vital region of the Middle East, the only area Kissinger and his country would risk a third world war to protect.

The Palestinians are facing disaster yet no other Arab country nor the Soviet Union does anything to prevent the destruction. Our president who was travelling a few weeks ago through the United States should have studied how and with what criteria is American foreign policy being shaped especially in our region--instead of being satisfied with protocol contacts and courtesy receptions.

A document that should have occupied his attention seriously is the long text prepared recently by the U.S. Department of Defense to guide the Pentagon in

the preparation of the 1984-88 "defense" budget. The text which is secret but has leaked to the press, is titled "Defense Guidelines for the Fiscal Years 1984-1988." Among other things it proposes a strengthening of the Norwegian and Turkish assault forces.

The Middle East (according to this document) is regarded a vital area and the Atlantic Alliance the basis for deterring the "communist threat." The West's spheres of influence should not only be maintained but expanded.

The document is revealing especially for those who are unable to see the trends in the international horizon and need some help to understand that we live in the world of the superpowers.

We have placed ourselves since the beginning of our independence in the camp of the non-aligned. Our choice was not mistaken. The non-aligned in 1960 were a tremendous moral force and were led by personalities such as Nehru, Tito, Nasser. Next to them came Makarios, a great leader of a small country. The movement of the non-aligned was taken into account and was in a position to influence. Since then, however, the signs of a political confrontation left deep marks on this camp. In 1962 the Soviet Union and the United States decided what to do with the missile bases in Cuba without asking Havana. Castro protested in vain. Vietnam was being destroyed between 1965 and 1973 while the United States and the Soviet Union cultivated "detente." Following the defeat of the Americans in Vietnam, Vietnam invaded Cambodia and China invaded Vietnam. Czechoslovakia was suppressed in 1968 (in 1973 Alliente was destroyed in the other end of the world) while Nasser was led to defeat in 1967. His successor, Sadat, moved gradually toward the West, signed a peace treaty with Israel in the context of Camp David, and was thus isolated from the other Arab states. But he recovered his lands. The non-aligned still have one power position. They control mainly the resolutions of the General Assembly in the United Nations. But these resolutions are not implemented; not even the binding resolutions of the Security Council unless a major power such as Britain decides to "implement" them as in the case of the Falkland Islands, when it decides that its interests are at stake. Iraq which called last September the meeting of the non-aligned and assumed the chairmanship is now being defeated in its war with Iran. Lebanon is once again being hit savagely and without provocation while nobody moves a finger. Since the end of World War II more than 140 wars have broken out with the non-aligned countries being mostly the victims and executioners and with the superpowers usually providing the inspiration. [This is] a dark picture of the planet with only two powers being in reality (and up to a point) "non-aligned--the United States and the Soviet Union.

The small countries remain prey to their stronger neighbors while the raw violence, coupled with the cold assessment of interests, prevails.

[21 Jul 82 p 1]

[Text] Cyprus is a classical case of a small country entangled, whether it likes it or not, in adventures with possible international repercussions

because of its strategic location. It is located in the Middle East which is openly said to be the likely place in which the third--and the last--war may start.

The plans of the U.S. Department of Defense--as we clearly wrote earlier--are, on the basis of its own documents--so eloquent that even imbeciles can grasp their meaning. These documents place Cyprus geographically within the area of vital western interests.

We have been saying for a long time what has now become a cliché, that Turkey invaded Cyprus (exactly 8 years ago) and that it is not going to leave unless thrown out or unless effectively pressured. We have said it most formally that the only country which can exert pressure on Turkey is the United States.

The United States is capable, but is it willing? And what if the United States for reasons of its own or because of our own actions decides to exert pressure on Ankara but in a direction which is opposite to the one we desire?

The Yalta Conference (Stalin, Roosevelt, Churchill) defined the frontiers and the spheres of influence in Europe. The area where the superpowers have placed us--not where we prefer to belong--is within the sphere of influence of the West. We chose the non-aligned camp and our choice was not wrong. But the camp lacks homogeneity. It includes countries which cannot be seen clearly apart from the Eastern bloc and countries which cannot be distinguished from the Western Alliance. The great majority of the non-aligned condemned the Soviet invasion [in Afghanistan] and the martial law in Poland.

Cyprus is gradually moving from the center of the non-aligned to the eastern shore of the camp. In some cases it has taken more advanced positions on the side of the socialist camp than countries of the Warsaw Pact such as Romania, while it found itself on certain votings on the side of Yugoslavia. And the last straw: the foreign policy references contained in the "minimum platform" undoubtedly places Cyprus in the outer limits of the left bank of the non-aligned camp.

If such a turn was combined with assurances or alliances guaranteeing the country's national survival and security, then such a choice would be worthy of consideration.

But not only such a combination does not exist, but it could not possibly exist. Cyprus has already on its soil Turkish troops in the North and British troops in the South. The British bases are used by American U-2 planes with our permission since 1973. Greece--with a popularly elected socialist premier--has made choices in its own foreign policy based on the nation's security which is directly related to the reality created in Europe since World War II.

Greece knows that Turkey is the enemy. The Yalta Treaty and the Helsinki Convention will never allow the Soviet Union to intervene in Greece (as it

did not actively intervene in 1948-49) just as the same agreements did not allow the United States to intervene in Poland or in Czechoslovakia in 1968 or in Hungary in 1956 (while the United States overthrew Alliente in 1973 without any penalty.)

Whether the superpowers are in a cold war posture or in a period of detente, the small countries pay the price for their quarrel or for their "love-making." Cyprus, with its territories occupied for 8 years, must weigh with wisdom its choices and to access accurately the existing prospects in our area. The world of the non-aligned has no doubt the moral strength. The superpowers have the material strength.

There is no reason for Cyprus to leave the non-aligned camp to which it belongs since 1960. But there is every reason to reassess the foreign policy it follows lately and to adjust it to the realities of our time and to our national dictates, always within the context of the non-aligned movement.

The messages are clear as is history also. Our only real support, Greece, gave us already a warning (and was castigated for it). It is up to us to reach the proper decisions--soon.

The last conference of the non-aligned in Cyprus has shown clearly that in practice declarations have no significance. The Palestinians were abandoned by everybody. Nobody wanted to accept them. Nobody came to their aid. They were advised to commit suicide. If all these cannot serve as eye-opening lessons, nothing will.

The fact that the conference took place in Cyprus was probably good publicity for the country with positive effects. But the publicity will soon fade and we will be left with the stark facts which weigh heavily on Cyprus.

We should never forget these facts and we should act accordingly. If we come into conflict as concerns our policy with Greece while at the same time we continue to work in the area of our foreign policy on the basis of the "minimum platform" then we are leading the country to worse adventures than those we have already faced. The eighth anniversary of the Turkish invasion should make us ponder.

7520

CSO: 4621/473

EDITORIAL DESCRIBES REORGANIZATION 'FIASCO'

Athens AKROPOLIS in Greek 6 Jul 82 p 1

/Editorial: "The Fiasco"

[Text] For the time being the much touted "restructuring" of the government has given ample food for sarcastic comments. It has caused perplexities and questions and it has dashed the hopes which it had fostered in the incurable optimists.

No "restructuring" actually took place. Simply, the number of ministers and deputy ministers was increased. Some ministries were split and new ones were created. And then? Is all this sufficient to increase the yield and effectiveness of the government machinery and to improve the situation? If so, why were they not made at the beginning instead of letting eight entire months go by to find out that the existing ministries and the ministers were not sufficient to implement the program of PASOK?

The economy is today the most critical sector of the government's responsibility. Matters in that sector go from bad to worse. The government itself has admitted it directly and indirectly. While we were awaiting an earthquake in that sector and to have a change of faces and foundations, what did actually happen? Two ministers were removed and two bank governors, who already participated in the formulation of economic policy and, therefore, were equally responsible for its; until now, failure, were promoted. In other words, the economic staff of the government shrank and the handling of economic matters is more concentrated.

We confess that we do not understand how the new scheme can guarantee a more effective solution of the economic problems. If there were any hope that something could be done, not only the individuals should have changed and others used, but mainly the policy and mentality of the government should change. Essentially, the same persons, acting within the framework of the same policy and with the mentality they have shown up to now, do not leave any margins for optimism. We hope that events will prove us wrong. We are afraid though that the situation will become worse.

In the other sectors, the "restructuring" brings to mind the adage that "the players have changed, but the melody lingers on." Ministers who are not considered successful have taken on new duties in order to continue their failures. With regard to the new ones, we express the hope that, at the end of their term, they have contributed only in the rise of the expenditures of the State's budget.

EDITORIAL ON PRIME MINISTER'S RESPONSIBILITIES

Athens AKROPOLIS in Greek 7 Jul 82 pp 1, 9

/Editorial: "The Responsible One"7

[Text] It is said that each premier has all the qualifications, but he does not have the proper collaborators. It is a myth which was created in order for the chief to cash in on the successes and place the blame for his failures on his collaborators.

It is a myth. In our times no one has all the necessary attributes for the governing of a country. The role of the leader is not that of the total minister. It is to select the proper collaborators. To put them in the proper positions. To guide them and coordinate them. If he fails in that he is not a worthy leader. Perhaps it is he who is mainly responsible for the eventual failure.

Incapable ministers mean that the premier is incapable. Failure of the government means failure of its premier.

From now on all this has increased meaning. Because with the "restructuring" the premier was shown to be the sole source of power in the council of ministers. He chose the deputy ministers arbitrarily, he so boasted himself. He alone defined their responsibilities by setting aside the until now customary negotiations.

The decisions will be made, essentially, only by him. The others will execute them. We have an overconcentration of authority, which aside from its possible unconstitutionality, means an overconcentration of responsibility.

PASOK made pre-election promises. It did not keep them. Who else but its leader has the main responsibility?

The first Papandreou government went bankrupt within six months. Who else but its premier has the main responsibility? The country stood on tenterhooks for three months awaiting the reshuffling. Who else but the person ordering it has the main responsibility?

By now the premier has concentrated openly in his hands the largest responsibility. Naturally each minister has his own responsibilities and the council of ministers as a whole, the joint responsibility. However, the foremost, the basically greatest responsibility for anything that will happen henceforth, good or bad, will be Mr. Papandreou's anyway. He himself wanted it so. He has no right to forget it. He is personally responsible.

EDITORIAL ON GREEK WORKERS AT AMERICAN BASES

Athens ELEVTHEROTYPIA in Greek 2 Jul 82 p 4

/Editorial: "The Greeks Working at the Bases"/

[Text] The 48-hour strike which was called on the American bases gives us the opportunity to remember a "third man" who perhaps is not taken into account as much as he should be in the negotiations on the bases. It has to do with the Greek personnel employed on the bases without whose work these bases could not function.

The Americans do not hire Greek personnel on their bases to fight unemployment in Greece. They hire it because they are bound by the bilateral agreement which they have signed and have accepted its terms. They owe it to their signature to respect it and along with it to respect the Greek personnel whose presence is so vital for them.

However, as events have proven, the manner in which the Americans treat the Greek workers goes from bad to terrible, according to individuals and circumstances. On the American bases there have often been frictions, incidents, and strikes because the Americans oppress and try to humiliate the Greek employees in every way. As, for example, in the current strike which was called because, in order to intimidate the employees, the American command dismissed the union president and refused to reinstate him, despite the fact that the Greek government (under whose jurisdiction the personnel is theoretically) has revoked his dismissal as being illegal.

Here, then, is one more dimension to the subject of the bases which the government should examine with special attention during the relative talks. Because it is enough for us to tolerate (if we will tolerate) the presence of foreign military on our soil, it is not necessary for us to tolerate the transformation of the foreigners into atrocious and arrogant employers of the Greeks.

9731

CSO:4621/426

POLITICAL

GREECE

BRIEFS

TURKS ASK FOR POLITICAL ASYLUM--More than 220 Turks have sought political asylum in Greece since the military took over the power in Turkey. [Text] [Athens ELEVETHEROTYPIA in Greek 2 Jul 82 p 14] 9731

THREE TURKS ASK FOR ASYLUM--Three young Turks sought political asylum when they arrived night before last at Skala Mystegnon in a small boat. [Text] [Athens ELEVETHEROTYPIA in Greek 5 Jul 82 p 1] 9731

CSO:4621/426

ANALYSIS OF LOCAL ELECTION RESULTS ISSUED

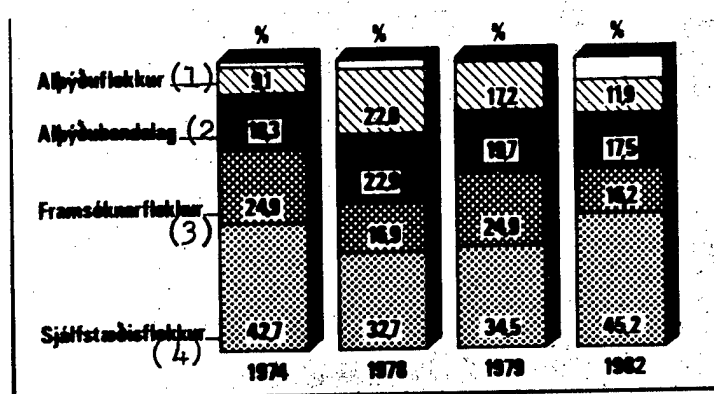
Reykjavik MORGUNBLADID in Icelandic 21 Jul 82 p 2

[Article: "Independence Party Strongest Political Force"]

[Text] The Independence Party received 45.2 percent of the votes cast in the local, i.e., municipal and town, elections of 22 May. Rural elections took place on 1 June, and these were by and large nonpartisan. Taking into account some scattering of the vote in townships and rural districts, it is apparent that the Independence Party has improved its position considerably since the last Althing election. It received 45.2 percent of the vote compared to 34.5 percent in 1979, a 31-percent increase. In terms of party following in the last three Althing elections and in the recent local elections, the situation is as given in Figure 1:

Figure 1. Party Following in the Last Three Althing and 1982 Local Elections [in percentage]

	<u>1974</u>	<u>1978</u>	<u>1979</u>	<u>1982</u>
Independence Party	42.7	32.7	34.5	45.2
Progressive Party	24.9	16.9	24.9	16.2
People's Alliance	18.3	22.9	19.7	17.5
People's Party	9.1	22.0	17.2	11.9



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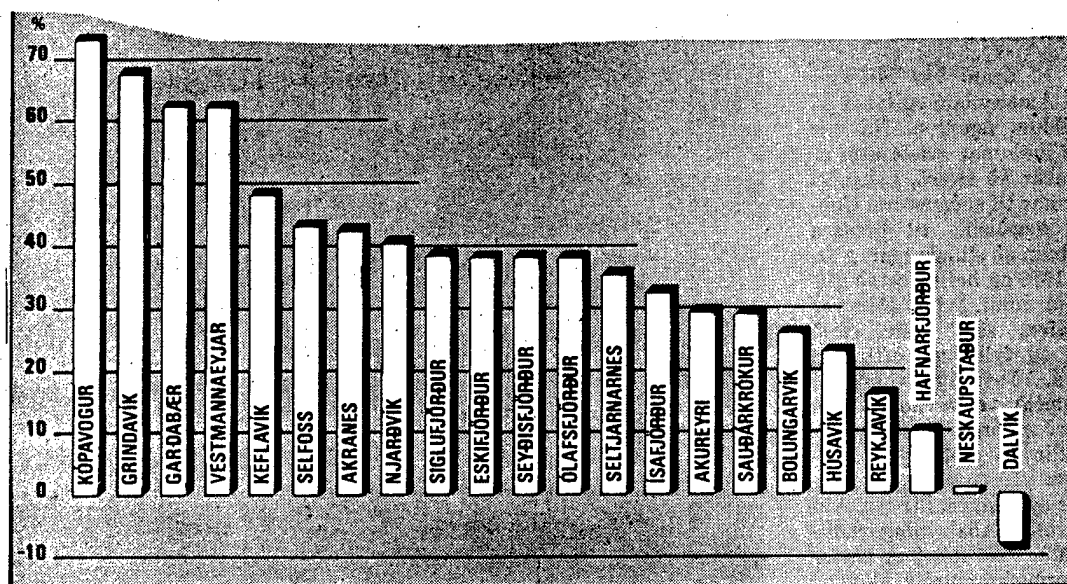
- | | |
|----------------------|-----------------------|
| 1. People's Party | 3. Progressive Party |
| 2. People's Alliance | 4. Independence Party |

Some 174,500 persons live in 57,000 households in 22 municipalities of Iceland. When we examine the results of the 22 May local elections as a whole and changes in party affiliation since 1978 and 1979 (see Figure 2), it is clear that the Independence Party won the elections. Other parties came away with reduced support.

The Independence Party increased its following in the recent elections in all municipalities except one. The increase in the number of votes since 1979 is up from less than 2 percent to 73.69 percent. The following table shows the proportional increase of votes for the party in the municipalities compared with the outcome of the 1978 elections:

Figure 2. Change in the Support (Number of Votes) of the Independence Party in 22 Municipalities between the Years 1978 and 1982 [in percentage]

- | | |
|--------------------------|--------------------------|
| 1. Kopavogur--73.69 | 12. Olagsfjordur--38.86 |
| 2. Grindavik--68.51 | 13. Seltjarnarnes--36.70 |
| 3. Gardabaer--63.17 | 14. Isafjordur--33.39 |
| 4. Vestmannaeyjar--63.07 | 15. Akureyri--30.31 |
| 5. Keflavik--48.94 | 16. Saudarkrokur--29.93 |
| 6. Selfoss--44.34 | 17. Bolungarvik--27.02 |
| 7. Akranes--43.59 | 18. Husavik--23.98 |
| 8. Njarkvik--41.59 | 19. Reykjavik--17.09 |
| 9. Siglufjordur--39.52 | 20. Hafnarfjordur--11.05 |
| 10. Eskifjordur--39.16 | 21. Neskaupstadur--1.09 |
| 11. Seydisfjordur--39.09 | 22. Dalvik--minus 9.20 |



The People's Party received 22 percent of the vote in 1978, 17.2 percent in 1979 and 11.9 percent in 1982. The party's following in the rural districts has been incorporated into these figures to some degree and it may be that the rural districts following of the party has been overestimated since the support of the party is primarily in the more populated areas.

The People's Alliance received 22.9 percent of the vote in 1978, 19.7 percent in 1979 and 17.5 percent in 1982. These figures tell their own story and nothing more need be said.

The Progressive Party had a following of 16.9 percent in 1978, 24.9 percent in 1979 and 16.2 percent in 1982. In the last figure, the estimate for the party following in rural districts is probably a little off, but by and large the Progressive Party seems to reside on a hollow base compared to the Althing elections of 1979 and to be standing still compared to the 1978 local elections. Its local standing is rather better than in the Althing.

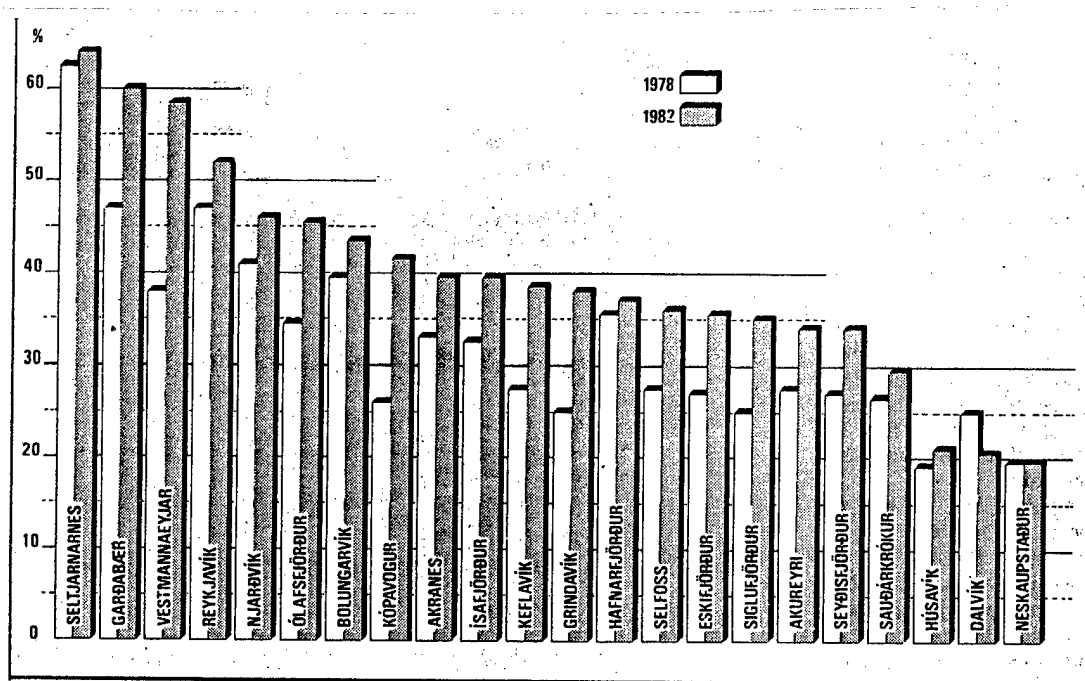
The Independence Party received 32.7 percent of the vote in 1978, 34.5 percent in 1979 and 45.2 percent in 1982. The party increased its support considerably in most municipalities (see Figure 2) and received over 50 percent of the vote in four municipalities--Seltjarnarnes, Gardabaer, Vestmannaeyjar and Reykjavik--and over 40 percent in five more--Njardvik, Olafsfjordur, Bolungarvik, Kopavogur and Akranes (see Figure 3). The party recovered its majority in the Reykjavik municipal government that it lost in 1978 after 48 years of rule. This success was the crowning achievement of the party's election victory.

Figure 3. Independence Party Support as a Percentage of Total Votes Cast

1. Seltjarnarnes--64.40
2. Gardabaer--60.50
3. Vestmannaeyjar--58.90
4. Reykjavik--52.53
5. Njardvik--46.40
6. Olafsfjordur--45.90
7. Bolungarvik--43.90
8. Kopavogur--42.10
9. Akranes--40.10
10. Isafjordur--39.90
11. Keflavik--39.20
12. Grindavik--38.30
13. Hafnarfjordur--37.50
14. Selfoss--36.50
15. Eskifjordur--36.20
16. Siglufjordur--35.36
17. Akureyri--34.60
18. Seydisjordur--34.30
19. Saudarkrokur--27.20
20. Husavik--21.30
21. Dalvik--20.90
22. Neskaupstadur--20.00

[Figure 3 on next page]

[Figure 3 continued]



The People's Party and the People's Alliance were at one in the type of agitation that put its stamp upon national developments in 1978. The labor movement was seized by a fear that is well known, since these events are so recent in Icelandic history. It involved the claim that strikes were to be made illegal and that an export ban was to be placed on fishery products. Slogans such as "Agreements in Force," "Purchasing Power of the Solstice Agreement" and "Elections are Wage Struggles" etc., brought the Althing delegations of the two parties into a new leftist government in 1978 under Olafur Johannesson. In spite of the 1978 victory, however, neither of the people's parties could take the lead in forming a government. The Progressive Party had to come to their aid even though it had itself received a real slap in the elections. That government came to a quick end, as is well known, in spite of all the big talk it produced so freely. In the end it was all hot air.

Local issues, to be sure, dominate when local officials are chosen. National conditions, however, do have their influence as well. When one looks at the explanations offered for the collective shipwreck of the two people's parties in the 22 May elections, explanations that were more or less the same for all of Iceland, one remembers the slogan struggle of 1978 in particular and what was done by the parties in question while in power. In the 22 May elections the people's parties were amazed at all the hot air produced in 1978. The Icelandic people have made a comparison between word and act in the voting booth.

The terms of office of the members of the Althing are well advanced. There is a crisis, to call it nothing more, in employment and economics, and the coalition partners in the present government are in agreement about little and do nothing. The political basis for cooperation in the government has always been to do too little too late. Whether this will continue to be the case we cannot say. Whenever Althing elections take place, at the latest late next year, possibly considerably before that, the local elections just held will necessarily have their impact on the voting.

It is tempting to try and forecast the results of the upcoming Althing elections in terms of the local elections. We will avoid the temptation. Mayor David Oddsson hit the nail on the head when he told a reporter, with reference to a public opinion poll before the elections, that the only public opinion polls and election forecasts that matter are the elections themselves.

9857

CSO: 3111/48

PAPER COMMENTS ON CONTINUING IMBROGLIO OVER TALKS WITH USSR

Reykjavik MORGUNBLADID in Icelandic 18 Jul 82 p 24

[Editorial: "The Clear Position of Albert Gudmundsson"]

[Text] A lack of objective arguments has been characteristic of Progressive and People's Party support of Soviet agreements. A resolution of the People's Party Althing delegation and the People's Party director has shown that the penthouse democrats are not in agreement about things. TINMINN has waged an impotent effort to defend the Progressive ministers who made the agreement to respect the wishes of officials, emigrants and, last but not least, the prime minister. Independence Party members have condemned the economics agreement because of its content. This can be seen clearly in the interview with Althing member Albert Gudmundsson published in MORGUNBLADID yesterday. In the interview, Gudmundsson offers powerful objective arguments for his position on the agreement, makes reference to those clauses of the agreement that he considers most frightening and characterizes the agreement as "a kind of moral testimonial of the Icelandic authorities" to a Kremlin seeking a response from world public opinion.

Albert Gudmundsson offers harsh criticism of the actions of Progressive Party ministers with respect to drawing up the agreement, and for that they have to answer to the Althing. It emerges from Albert Gudmundsson's words that the Ministry of Trade and Ministry of Foreign Affairs refused to listen to any of his suggestions. "In spite of repeated requests to find out why the two ministers switched from opposing to supporting the agreement, my question remained unanswered," said Gudmundsson. He also received no answer to his question about what went on in Moscow between the Icelandic ambassador and the USSR Ministry of Foreign Affairs. When Gudmundsson asked what the Soviet ambassador to Iceland said to Foreign Minister Olaf Johannesson when they met, he also received no answer. Gudmundsson likewise criticizes the way the ministerial chief in the Ministry of Trade has been operating. He says that there was no direct discussion of the agreement draft in the Althing in spite of repeated requests from Independence Party members.

Gudmundsson states: "I find it amazing that any Icelander could think that the Independence Party, in view of its position on the agreement, was wrong in requesting a copy of the draft of the agreement and in asking that the matter be discussed in detail in the Althing before the agreement was

sanctioned in the way that it was... I found it interesting to observe, after the agreement was signed, the enthusiasm for the Soviet agreement among the opponents of the Independence Party. My position on the agreement is thus clear. My position toward the government on account of this agreement must be along the same lines. There has never been a greater need for a strong Independence Party than now. Independence Party members in all of Iceland and others who fear foreign intervention should take the time to think about this," said Albert Gudmundsson, member of the Althing, in an interview with MORGUNBLADID published yesterday. /

9857

CSO: 3111/48

BRIEFS

ENERGY CONSUMPTION STATISTICS--Total energy use in Iceland in 1981 amounted to an equivalent of 1,758,000 tons of oil. Of this, 41 percent was provided by electrical energy, 27 percent by geothermal energy, 30 percent by oil and 2 percent by coal. The increase in use since 1980 was 2.4 percent. Total electrical power generated in 1981 amounted to 3,258 gigawatts, a 3.7-percent increase over 1980. Of this, 94.7 percent was hydroelectric power, 3.8 percent was from geothermal energy and 1.5 percent from oil. Some 3,108 gigawatts of this was demand power and 150 gigawatts interruptable power. There was an electrical assessment of 201 gigawatts for larger consumers on account of electrical shortage during the year. Energy consumption was divided as follows: 53 percent by large systems, 2.2 percent for other large purchases and 44.8 percent for public consumers. Sales to large consumers grew by only .9 percent during the year and public consumption by 7.2 percent. By the end of 1981, 749 megawatts had been installed in public power supply plants, 612 megawatts from hydroelectrical power, 17 megawatts from geothermal energy and 120 megawatts in oil-burning plants. Some 32 megawatts of capacity was installed in private power plants. The first unit of the Hraueyjafoss Plant (each around 70-megawatt generating capacity) was put into use last year. The other two are expected to be activated this year. By the end of 1981, there were 27 heating plants operating in Iceland not including private heating plants. Around 75 percent of the population uses geothermal energy for house heating. Fuel imports in 1981 were around 585,000 tons in all, 1,146 million krona in CIF values or 15.3 percent of all Icelandic imports. Sales amounted to 435,000 tons during the year, a 1.3-percent drop compared with 1980. Sales of gasoline for home heating decreased 17.3 percent over the previous year. [Text] [Reykjavik MORGUNBLADID in Icelandic 21 Jul 82 p 2] 9857

UNEMPLOYMENT RATE--Registered days of unemployment in June increased by 2,480 over May and by 5,500 over June 1981. Total registered days of unemployment in Iceland were 9,936 in June. This figure corresponds to a total of 459 persons unemployed for the entire month, .4 percent of the estimated total labor force for the month. These figures are from the monthly summary of the Ministry of Social Affairs. The largest increase in unemployment during the month was in the capital district, 2,500 days more compared with the previous month or June 1981. The cause of the increase is considered to be a halting of trawler outfittings during the month, which had a special impact on fishing in Reykjavik and Hafnarfjordur, although it also had a wider impact

as well, as is clear from the summary. The summary also states that calculated on an annual basis, unemployment is exceptionally large, 3,700 days over the average days of unemployment for the years 1975-1982, inclusive. The summary states that female unemployment amounted to 68 percent of registered days compared with 43 percent in June of 1981. It emerges from the summary that registered days of unemployment more than doubled during the first 6 months of this year compared with the first 6 months of last year. There were 63,700 registered days of unemployment during the first 6 months of this year or 132,600 a year. This is a 108-percent increase over last year. On employment prospects, the summary says that there is much uncertainty about prospects in outfitting and fishing and that it will not be long before measures are taken to assist outfitting and fishing and to prevent the negative employment situation from continuing to ... [worsen?; end of article missing] [Text] [Reykjavik MORGUNBLADID in Icelandic 20 Jul 82 p 3] 9857

INFLATION RATE--The Icelandic Central Bank has calculated the wage index for August and the index figure amounts to 387 points, a 3.75-percent increase in 1 month over the July index figure. According to this figure, the annual inflation rate is now 55.55 percent. The wage index, on the other hand, has increased by 49.42 percent during the last 12 months. [Text] [Reykjavik MORGUNBLADID in Icelandic 20 July 82 p 48] 9857

CSO: 3111/48

POLL: SIXTY PERCENT OF NORWEGIANS CONDEMN ISRAEL INVASION

Oslo NY TID in Norwegian 23 Jun 82 p 6

[Article by Einar Fjellvik and Ingolf Hakon Teigene: "Six of Ten Norwegians Condemn Israel"]

[Text] Six of ten Norwegians condemn Israel's invasion of Lebanon. Only 25 percent say they can "understand" the Israeli military moves. These are results of the poll conducted by the Norwegian Public Opinion Institute for NY TID.

The same poll shows that a slight majority thinks Norway should recognize the PLO, while a very large majority are against economic and diplomatic "sanctions" against Israel.

The poll was taken in the middle of last week.

Another interesting feature of the poll are the figures showing the Labor Party constituent's views.

Clear Labor Party majority for PLO

While the majority for recognition of the PLO among those polled is only 45 against 42 percent, almost 59 percent of Labor Party voters want to recognize the Palestine Liberation Organization. This is compared to only 27 percent of the Conservative Party voters who support recognition.

The poll included 200 persons, and should not be extended to cover the other parties.

The chairman of the Palestine Front, Kjell Bygstad, stated to NY TID that he was not surprised at the positive attitude towards the PLO.

Bygstad stated "A shift of sentiment has been under way for some time, and experience from many years work with the cause has shown that evolution of peoples' opinions occurs in leaps and bounds."

Results

Results of the Poll

The poll's results also show:

- Of all questioned, 60 percent say that they "condemn" Israel's invasion of Lebanon, while 25 percent say they "understand" the action.
- 45 percent say that Norway should recognize the PLO, 42 percent are against such recognition.
- 27 percent believe Norway should apply an economic and diplomatic boycott as "punishment" to Israel; 60 percent are against that.

Women

An interesting feature of the poll is the significant difference between the views of women and men on these questions.

There are, for example, only 15 percent of the women who have an "understanding" for the invasion, while 69 percent condemn it. This is compared to 35 percent of the men who can "understand" it, and 50 percent who will condemn Israel.

And while there is a very clear majority among women who would recognize the PLO, there is a majority against recognition among men.

Pleasant

"This was pleasant information to receive in the middle of all the misery from Lebanon." This was Kjell Bygstad's spontaneous reaction.

"The Gallup Poll shows a large majority are against any boycott of Israel. Is this disappointing?"

"If one thinks the Palestine people have been done an injustice, the best thing one can do is support their view. The Gallup Poll shows that this is just how people have reacted. We now hope the Norwegian Parliament falls in line with the population and supports the PLO demand for a Palestinian state in Palestine."

Diplomatic Breakthrough

Norway does not diplomatically recognize the PLO. But during the 1970's the PLO celebrated one diplomatic breakthrough after the other. The Organization is today recognized as the Palestinian people's representative in 120 countries.

The first country outside the Arab world to recognize the PLO was China in 1965. In 1972 the PLO was recognized by the nonaligned nations organization, in 1974 by the Organization for African Unity and the same year by the Islamic countries. The Soviet Union and Eastern Europe recognized the PLO

during 1973-1974 and in November 1974 the UN General Assembly gave the PLO observer status.

The first Western nation to recognize the PLO was Austria, in March 1980. The European NATO countries of Greece, Spain and Portugal later followed Austria's lead. The minority of the world's countries who still have not given the PLO formal recognition, are composed for the most part of USA faithful NATO countries--among them Norway--together with a number of more questionable regimes of the Taiwan and South African type.

Questions and Answers

Condemn the invasion?

Israel has invaded Lebanon during the past few weeks. Do you have understanding for the Israeli invasion, or do you condemn it?

	<u>All questioned</u>	<u>Men</u>	<u>Women</u>	<u>Ap</u>	<u>H</u>
Understanding	25	35	15	14	47
Condemn it	60	50	69	75	40
Mixed opinions	8	8	7	2	8
Don't know	8	7	9	10	5

For or against the PLO?

The Palestine Liberation Organization demands that the Palestinian people shall have their own homeland, and for several years have waged a diplomatic and military fight for this demand. Norway has not recognized the PLO. Do you think that Norway should or should not recognize the PLO?

	<u>All</u>	<u>Men</u>	<u>Women</u>	<u>Ap</u>	<u>H</u>
Think Norway should recognize the PLO	45	40	51	59	27
Think Norway should not recognize the PLO	42	51	32	33	67
Mixed opinions	1	1			
Don't know	13	8	17	8	7

Boycott of Israel?

Both in Norway and in international debate demands have been raised for an economic and diplomatic boycott of Israel. Are you for or against Norway applying this type of penalty against Israel?

	<u>All</u>	<u>Men</u>	<u>Women</u>	<u>A</u>	<u>H</u>
For	27	27	26	40	17
Against	60	62	57	48	77
Mixed opinions	2	2	2		7
Don't know	12	9	15	13	

9984

CSO: 3108/131

BRIEFS

WILLOCH JOB PERFORMANCE APPROVED--A majority of the voters say that the Willoch government does a good job. Sixty-five percent are satisfied with the Conservative Party governments efforts while 32 percent are not satisfied, as shown by a poll taken by the Norwegian Public Opinion Institute for the newspaper Trygg Politikk. Thirteen percent give Willoch and his advisors a rating of excellent, while 52 percent of the voters say the government does very good work. Twenty-one percent characterize the government's performance as very poor. Eleven percent are of the opinion that the government does an extremely poor job. There are more satisfied women than men, and among the Conservative Party's voters 30 percent are very well satisfied--67 percent are well satisfied. In the Christian People's Party 16 percent are very well satisfied. In the Center Party only ten percent are very well satisfied. In the Labor Party two percent give the Willoch government very good marks. In the Socialist Left Party there are no voters willing to give the government top marks. [Text] [Oslo AFTENPOSTEN in Norwegian 6 Jul 82 p 7] 9984

CSO: 3108/131

EANES DEEMED KEY ACTOR IN UNSTABLE POLITICAL SITUATION

Lisbon A TARDE in Portuguese 15 Jul 82 p 2

[Article by Manuel de Lucena: "Summer Maneuvers"]

[Text] From the postponement of the abolishment of the CR [Council of the Revolution] to the release of the complete text of the agreement between PS [Socialist Party] and PSD [Social Democratic Party] regarding the law on revision's going into effect; from the "extemporaneous" letter from Eurico de Melo and Cavaco Silva to the publishing of the results of the new "EXPRESSO-Norma" poll: there is every indication that we are embarking upon a political agitated summer. I shall not attempt here to guess about it, or to devise the possible "scenarios," nor even to probe the aforementioned faits accomplis. I shall try to find a guideline capable of affording us a combined interpretation of them, as part of the surrounding landscape.

In center stage is the president of the republic, to whom all these matters are related, either directly or indirectly. Hence, it is only natural to begin on the side of Belem.

1. Eanes and the Presidency

Whether they attribute it to a calling, a promise, a spirit of mission, an enjoyment of riding in a plane, a liking for power or a perverse mania, all the politicians in the country are acting on the assumption that General Eanes is preparing for long flights, and not confining vast ambitions to the temporal terms of his present mandate. Now let us assume that this is so; and, if it is not, we should be excused because of the universality of the error.

This being the case, it seems inevitable (and at least beneficial) to me to agree that Eanes should not want "for later" less power than he has now; something which gives nightmares to many good people, but which does not suffice for him to govern us. Hence, it is difficult to imagine him resigned to the role of head of another party, with random influence on the state; or even becoming, via that dangerous route, prime minister of a government, like the others. This seems to run counter to the efforts that he has been expending to retain to the maximum degree the authority of the position he holds now; because it would doom him in the future to being forced to yield to individuals as yet unknown.

But then it follows that the guarantee of continuity as head of state must perforce be his priority goal. And there are two ways of guaranteeing this: either to be reelected in 1985, despite the fact that the Constitution rules to the contrary; or to select his successor by himself, so that the latter may later be forced to remain loyal to him. The first hypothesis, unquestionably the most comfortable one in principle, and the preferable one from his point of view, certainly depends on the occurrence of a political crisis so serious that, in the eyes of the public, both internally and externally, it warrants disregard for the fundamental law. But, if we observe carefully, the second one also demands a rough sea, although not so much so; for the simple reason that Eanes will only be able to select and effectively control a successor if he acts somewhat in the manner of Salazar. In other words, if he has a largely majority party or movement different from the others, a kind of "national union," combining variegated political families under its strong hand. Now this presupposes a serious breakdown of the current party system.

In any event, Eanes must count on the crisis, waiting for it to provide him with the minimal conditions for the conquest of power or even, God willing, the maximum. So, it is not essential to discuss whether he is already aiming for the third consecutive term, or even to what extent he thinks the interests of the country necessarily coincide with his. The action itself will show him how far he should go. And it may even be fitting if not everything that he may be thinking now rests with him. A certain amount of naivete would be useful to him. It is the advantage of "lying with one's heart on one's sleeve."

Hence, counting on the crisis: in the parties, Parliament, the economy and the society. But this is not enough, just as the argument of a popularity that is as vast as it is diffuse will not suffice either. Those are necessary "conditions," but by no means sufficient. To take full advantage of them, he will also need certain "tools" currently at his disposal, but which are now threatening to oust him or to reduce him drastically. Namely: the almost discretionary right to dismiss the government and to dissolve the Assembly; the power to appoint the highest-ranking military chiefs; great influence on the legislation relating to the Armed Forces, as well as on the overseeing of the constitutionality of the laws. Without these tools, the control of the political situations will tend to evade him. Without them, the very creation of the famous presidential party would lose credibility; he would cease to benefit from a powerful protection and to arouse instincts for affiliation, and he would begin to slide in the direction of political suicide. In fact, the undertakings of this general depend on the power that he holds upon launching into them. Therefore, one can well understand that the constitutional revision which is under way has caused him to be alarmed and has found in him one of its worst enemies.

2. Eanes and the Constitutional Revision

For a great many reasons, it does not befit the current president of the republic to attack the revision that is under way directly: because he has pledged to uphold the process called for in the Constitution; because it would be disastrous for him to damage the separation of powers overtly; because he does not yet have strong parliamentary support; because he must carefully demarcate himself from an

anti-revisionist "to the death" PCP [Portuguese Communist Party]; because the Armed Forces want the abolishment of the CR, and the vast majority of the political country expects the revision to be made. Thus, faced with an imminent substantial reduction in his powers, he has preferred, and must continue to prefer the use of indirect methods, aimed at the postponement of the revision, the encirclement and division of its promoters and the restriction of its content, or the restoration of the same unfavorable devices that have been approved. In this connection, he had, first, the difficulties involving an understanding between PS and AD [Democratic Alliance]. And, later, upon finding them surmounted, he became involved in pressure, evoking a series of threats (or allowing them to be evoked by him): of a reneging on his agreement with PS, of the creation of a presidential party resorting to a referendum, of a waiver of the term, of a dissolution of the Assembly and of a dismissal of the government.

This is not the proper time to recount all these procedures, to undertake a perfect analysis of them or to discover the effects that Eanes sought, is seeking or will seek to obtain at each step. It will suffice to state for the present, regarding the intermediate goal, that this is an attempt to weaken not only the determination but also the internal unity of the revisionist parties (particularly that of PS and PSD), with the shadow of a collapse of the party system itself looming on the horizon. It should be added, insofar as the final result is concerned, that the PR's [president of the republic's] hopes are categorized as follows, in descending order of preference:

- a. In the first place, it would suit him if the revision were to reach a successful conclusion, provided it did not have any major effect on his political and institutional position.
- b. Secondly, that it founder, owing to an irreparable lack of agreement among the parties, provided it were impossible, or at least very difficult to foist upon him (Eanes) the blame for the situation.
- c. Thirdly, that it be postponed indefinitely, on the same condition. To be sure, this gain of time would be useful in itself; but, in addition, the postponement might then lead to the definitive stalemant of hypothesis b. or restore hypothesis a., which currently appears precluded.
- d. Fourthly, that it leave a door open for the actual recovery of the powers that have been officially lost, specifically through the negotiation of the supplementary organic laws and the fulfillment of the new organs.

Having reached this point, it befits us to consider several things:

One, that the hypotheses just mentioned are intimately linked with the problem of the presidential party. The first one would dispense with its creation for now, by clearing the way for an agreement between the PR and the already existing parties, with Eanes in a dominant position. The second, on the contrary, would facilitate its immediate launching and expansion, over the ruins of the current party system. The fourth would allow time to prepare for its deferred launching, under the protection of a strong authority. The third (of the postponement) has no autonomy, because it is a point for moving in various directions.

Another, that Eanes is not obliged to make guesses and to hastily choose among the "scenarios" for the revision that we have just cited, just as he need not decide now whether he should risk a new presidential term or confine himself to selecting a future submissive president. He need only pressure to the maximum extent, expose himself to the minimum extent (although, necessarily, more than he is used to doing) and prepare to exploit thoroughly all that this pressure or the circumstances accrue for him. Only the imminence of the final approval and rapid enactment of a law on revision highly unfavorable to his ambitions and making his maneuvers totally irretrievable would (or will) force him to become unhinged, to expose himself in an open area and there, most likely, become lost. This also requires the prompt entry into operation of a Constitutional Court in which he has no standing, as well as of a State Council and another for National Defense wherein his influence is slight; as well as that PS and the AD parties not become fatally weakened, in the meantime. This is asking a great deal, but not too much.

And, finally, that the use of the various weapons in the Eanist display is considered dependent on the preceding. Hence, there is very little hope that the PR would dare make use of a waiver of the term or the constitutional referendum to dispassionately cause a political stalemate; although the situation may perhaps change in form after a greater crisis is declared. As for the dissolution of the Assembly, this too seems impossible to occur before the revision has been completed, unless the latter becomes hampered; it will not occur soon if AD is firm. But the possibility of a reelection of the majority is an enormous risk for Eanes. And it will not be easy for him either to dismiss the government within a short period of time if there is not within PSD an affirmation of tendencies to capitulate in the matter of the prime minister or the government's orientation. But it will be a different story if the pressure from Belem runs up against parties which are subject to fragmentation, in a state of upheaval and beginning to recede and to yield when the wind intensifies.

3. The Changes in Atmosphere

Considering now (in this context) the political events which heralded summer temperatures to us last week, for the present I wish only to make the following observation:

That PCP, upon achieving the aforementioned postponement, did not confine itself to gaining a few days, which are actually fruitful from a political standpoint. It also threw onto the table the upsetting question of the interval, filled with difficulties, as we have observed.

That the response to this question contained in the published PS-PSD protocol appears extremely hazardous: It is true that it facilitates the government's permanence until the end of the year, and impedes a dissolution of the Assembly in the meantime (let it be said in passing that this sheds a new light on Mario Soares' deepseated intentions); but it does not guarantee either the one or the other thing absolutely, and it postpones the entry into effect of the law on revision, perhaps indefinitely, giving Eanes not only more time, but also new opportunities for interfering in the process, specifically the authority to refuse to promulgate the organic laws.

That the Norma poll, although it contains indications favoring the maintenance of AD, adds to the uneasiness of PSD, which will be very vulnerable to the blackmail of early general elections (which might prompt it to yield on the government level); and it is as tempting as a siren to CDS, inviting it to a triumphalism which could shatter the Alliance more certainly than any signed letter could.

And that the recent position of Eurico de Melo and Cavaco Silva, constituting in principle an obvious mistake and a "stroke of luck for Balsemao," may now be the object of careful (but it is feared that they will be disastrous) reinterpretations, guided by the aforementioned poll.

A more detailed analysis of all this must be left for next time. And it will surely be important to undertake it. But this should not prompt us to lose sight of what is essential, which I shall summarize as follows:

In any event, Ramalho Eanes' goal will necessarily be that of commanding in this country; for which purpose he must remain in Belem, even if it should be through an interposed person. The roads or byways to this ambition appear as varied as those leading to Rome. Many landscapes will have to be traversed, but we must not allow ourselves to be fascinated by them. Be that as it may, any agreement on apportionment that is concluded will have perfidious features, and anyone embarking on it will be foolish.

Essentially, Eanes is counting on the crisis in PS, PSD and AD, the "sine qua non" condition for the development of his maneuver. Corollary: whoever does not help to reinforce the unity of these groups will be going along with him, like it or not.

The announced constitutional revision strips him of fundamental powers. Hence, it must be passed quickly, and without appeal.

The rest will come in addition.

2909
CSO: 3101/55

ACTIVE DUTY OFFICERS SUPPORT AIMS OF COUNCIL OF REVOLUTION

Lisbon O JORNAL in Portuguese 30 Jul 82 pp 2, 3

[Article: "Officers on Active Duty Back CR and Reaffirm April Pledges"]

[Text] On Saturday, at Porto de Mos, nearly 120 officers on active duty from all the military units in the country (except for Vila Real) reaffirmed "the pledges made by the MFA [Armed Forces Movement]" and their determination "to continue the struggle to have the April ethic extend to all the Armed Forces, from the standpoint of the defense of liberty and democracy." The consensus reached was later assumed by officers of the Northern Military Region who, unable to go to Porto de Mos, met the next day in Porto, with the four members of the Council of the Revolution [CR] who were there to attend the "Army Day" ceremonies at which Gen Garcia dos Santos officiated.

The PS [Socialist Party]/AD [Democratic Alliance] agreement on the method for abolishing the Council of the Revolution changed the mood of the meeting in Porto de Mos, planned a long time ago (although for a later date) to celebrate the end of the transition period and the complete fulfillment of the objectives of 25 April, with the country's return to democratic normality. The April military, in fact, deemed it necessary to link with the "acceptance of the disappearance of the MFA's institutional representative, the Council of the Revolution," the "condemnation of the method negotiated outside of the Assembly of the Republic for transforming the 'D' of democratization."

The meeting took place at a residence belonging to the family of council member Vitor Crespo, and began with an open-air luncheon. All members of the CR associated with 25 April participated, with the exception of Sousa e Castro, who was unable to do so for personal reasons. Of the best known personages in the Captains' Movement still on active duty, the only ones not present were Salgueiro Maia, who was out of the country on that day, and Otelo Saraiva de Carvalho, who was not contacted for that purpose (and who was, moreover, in Mozambique). The leaders of the Armed Forces were notified of the holding of the meeting.

Furthermore, there was no secrecy surrounding the meeting. Portions of the speeches were even heard by newsmen who were in the vicinity of the residence of Vitor Crespo's relatives.

Conclusions

Vasco Lourenco coordinated the activities, which lasted more than 7 hours, resulting in a platform, in the form of conclusions, concerning the strategy to be adopted by the members of the Council of the Revolution with regard to the PS/AD agreement; a platform with which all those present identified themselves, regardless of their opinions. The possibility of immediate resignation by the members of the Council of the Revolution was discussed. Some of those present also maintained that the CR should advise the president of the republic to dissolve the Assembly of the Republic, but the proposition was not included in the final text, which reads as follows:

1. Reaffirmation of the pledges and commitments made by the MFA on 25 April 1974, and throughout the following political process. Of specific concern is the matter of the first of the three D's in the MFA Program: democratize.
2. Acknowledgment and congratulations for the fulfillment of the commitments made by the MFA, now that the transition period is at its end. Acceptance of the disappearance of the MFA's institutional representative, the Council of the Revolution.
3. Condemnation of the method negotiated outside of the Assembly of the Republic for transforming the D of democratization; noting that this is only the reflection of other decisions being made in the area of the constitutional revision which appear contrary to the spirit of 25 April. Agreement with and support for the positions assumed by the CR.
4. Assessment of the potential positions of the CR members toward the change in the situation. Confidence that the CR members will manage to assume the best positions from the standpoint of fulfilling 25 April in a worthy fashion. Certainty that they will find a way of fighting to have the revision of the Constitution carried out in accordance with the spirit of 25 April. Backing for the positions that they assume
5. Reaffirmation of the MFA's continuation as a spirit and style of conduct within the Armed Forces.
6. Affirmation of the fact that the April military will continue to fight so that the April ethic will extend to all the Armed Forces, from the standpoint of the defense of liberty and democracy. For this purpose, it is necessary to continue believing in liberty, in democracy, in the people's capacity for governing themselves, if they do not accept with the same conviction fascism, authoritarianism, the dictatorship, coupism and the use of the Armed Forces as a tool for oppressing the Portuguese people.

Reactions

The meeting at Porto de Mos evoked conflicting reactions. In statements made to RTP [Portuguese Radio-Television System], Pinto Balsemao declared: "There are some who are interested in the instability of the institutions." In his opinion, an institutional system was created and it is unacceptable for other forces to

try to put everything in jeopardy again. He specified: "We cannot accept weekend meetings of a few officers, promoted by a few members of the Council of the Revolution, whose conclusions put the constitutional revision in jeopardy."

Although PS did not make a statement immediately, the Socialist deputy and leader, Jaime Gama, told ANOP [Portuguese News Agency] that "such meetings are unusual and serious in countries with a stabilized democracy"; and he deemed it fitting to warn that "only coups against dictatorships produce democratic regimes, and not the opposite, because only dictatorship systems can result from conspiracies against democracy."

PSD [Social Democratic Party], for its part, said that it hoped that the PR [president of the republic] would "repudiate" meetings such as the one in Porto de Mos, in a communique in which it referred to the "harm capable of being caused to politico-institutional stability by meetings which recall an undemocratic atmosphere of a conspiratorial bent."

Sources associated with AD claimed that there is a contradiction between the Porto de Mos conclusions and the statements made by Garcia dos Santos on Army Day, to the effect that the military "should remain aloof from each and every political dispute, and from each and every appeal for intervention."

MDP [Portuguese Democratic Movement]/CDE [Democratic Electoral Commission] issued a communique in which it expressed the view that the officers' meeting, "in addition to voicing the significant commitment which links the April military together, was also a natural reaction in a social context that has been deviating, in a subtle manner, from the paths which were its objective." And it mentioned in particular "the negative action of the AD governments and the CDS [Social Democratic Center Party] in the constitutional revision process."

Meeting of Sergeants

Meanwhile, a "gathering for reflection" for sergeants from the three branches of the Armed Forces was set for 31 July, in the Verdizela park, near Fonte da Telha, also designed "to intensify and solidify the bonds of friendship and camaraderie among the military."

2909

CSO: 3101/55

CR MEMBER EXPLAINS PURPOSE OF RECENT OFFICERS' CONFERENCE

Lisbon O JORNAL in Portuguese 30 Jul 82 pp 2, 3

[Article: "It Was Not a Conspiratorial Meeting, But Rather 'Anticonspiratorial'"]

[Text] Regarding the significance of the meeting at Porto de Mos and the reactions that it evoked from various parties, O JORNAL wanted to hear from Maj Vasco Lourenco, a decisive figure of 25 April (and of 25 November as well), who officiated at that meeting. This member of the Council of the Revolution [CR] submitted to us a lengthy written statement, essential portions of which we are publishing herewith.

To comment on the various reactions to the Porto de Mos meeting, it is of primary concern to analyze the reasons which prompted the holding of that meeting per se.

The revision of the Constitution is being made by the four leading political parties, based on the position that each one holds concerning the president of the republic. We have been witnessing a more than regrettable spectacle insofar as that revision is concerned. Hence, immense contradictions are in evidence; peremptory statements have been replaced by diametrically opposed positions, with a single goal: to make the revision at any price, and thereby attack, force to the wall and reduce the powers, and to defeat what has been declared as the principal enemy for AD [Democratic Alliance] and the PS [Socialist Party] leadership.

As a result, we have a revision which has deeply changed the present regime, lending it a definitely parliamentary quality. Although not admitting it as such, it maintains a PR [president of the republic] elected by direct, universal balloting. In the pursuit of this goal, and primarily in an attempt to use the revision of the Constitution as a factor in the internal struggle being waged within it, related to this definition of the principal enemy, the PS leadership has not hesitated to "scrap" the pact made with MFA [Armed Forces Movement], and also to subscribe to the creation of a second transition period.

Betraying the April Military

For this purpose, it has not hesitated to betray the April military, with an attitude that is intolerable on all counts. Clearly showing its discomfort and the unreasonableness of its positions, it has attempted to contrive praise for

the April military which sounds false, stating that, in its opinion, the solution is the one giving the CR the most prestige possible, and not at all undignifying. Irony of ironies: How can one who has given such poor examples of its own honor, and who has not even been able to maintain its own dignity, attempt to set itself up as a judge of the dignity of others? How can one who, with the greatest carelessness, has not hesitated to betray the spirit of April (a deepseated reason for its existence) attempt to gage the dignity of the April military? A dignity that is not personal, but rather the dignity of the April military in general, of 25 April and of the regime of liberty.

The MFA pledged to return the power to the civil society, politically organized in accordance with the people's desires. All we want and all we demand is that they allow us to keep our word. We shall not allow them to prevent us from doing this, because this is one of the reasons which we consider essential for the April regime to be consolidated and not be left at the mercy of further, unfortunate repetitions of what has happened in Portugal over the past 150 years, with periodic intervention of a non-democratic nature on the part of the military. With 25 April, we are seeking to put an end to that cycle, and we shall do everything to prevent others from attempting to resume it. If there is anything for which they can attack us, it is certainly not for failing to abide completely by all the groundrules after 25 April, in accordance with the true spirit of liberty that April contains. Why, then, have they not allowed us to comply with the last groundrule, the total fulfillment of our word?

However, it would all be secondary if, by this attitude, the PS leadership were not going along with the most reactionary right, those defeated by 25 April. If not, let's see.

It was clear to me that, upon assuming public positions of the type which it assumed, the PS leadership was saying that the April military no longer have a place in the Portuguese Armed Forces. With that position, they have extended their hand to those who have always wanted to remove us from the Armed Forces (whether they be civilians or military); with the aggravating circumstance that such positions have been publicly assumed primarily by a leader of theirs who was nicknamed "Marshal" but who would not even be useful as a corporal in facing the tests given with his thwarting of the national defense bill and his notion that "all the military are war criminals, because they waged the colonial war."

Reflecting on the Final Phase of the MFA Program

In view of this situation, we decided to organize a meeting with MFA cadres, even after considering the short time available for organizing it and the fact that many are on vacation.

We felt that it was our duty, and our most legitimate right, to reflect on the way in which the final phase of the MFA Program (insofar as full democratization is concerned) is to be put into effect with the constitutional revision. For this reason, we met. However, we managed not to lose sight of the fact that the principal enemy lies in the non-democratic, anti-25 April forces, and not in PS; even though its present leadership is doing everything to extend its hand to those forces.

Hence the conclusions reached, which I underscore, in addition to the condemnation of what is occurring from the standpoint of the end of the transition period, and the agreement with and support of the CR's positions, the reaffirmation of the pledges and commitments made by the MFA on 25 April 1974, the acceptance of the end of the transition period and the resultant disappearance of the MFA's institutional representative, the CR, the reaffirmation of the continuation of the MFA spirit within the Armed Forces and the affirmation of the continuation of the April military's availability to strive in the defense of liberty and democracy.

It was not a conspiratorial meeting, but rather an anticonspiratorial meeting, in opposition to those who are seeking to cancel April and pave the way for retrogression toward an oppressive, authoritarian regime.

The bad conscience of some and the evil designs of others immediately evoked some reactions to this meeting of ours. And while, before those reactions, I admitted that there was not a complete awareness on the part of the PS leadership of the consequences that such positions would bring, I confess (although I still do not wish to believe it) that I am now forced to admit that it is actively and consciously collaborating in a despicable maneuver knowingly directed by CDS [Social Democratic Center Party] and, perhaps, through the support that it retains among some of the military in the Armed Forces' upper and intermediate echelons.

In fact, while it is normal and understandable to see the enemies of April attack the April military, accusing us of not being associated with April, of not having made 25 April, of being antidemocratic and of not being identified with the people and with their free and sovereign will, it is less normal and even unimaginable to see the PS leadership (although only through its "specialist" on military affairs whom I mentioned previously) accuse the April military themselves of being demagogic, conspirators, destabilizers, promoters of meetings hazardous to democracy and originators of dictatorships.

The 'Poor Memory' of the Accusers

How poor is the memory of those who, without mincing words, accuse the ones whom they have been abundantly praising and lavishing courtesies on for over 8 years, and for whom, less than 2 weeks ago, they proposed a public tribute in the AR [Assembly of the Republic]. How will the true socialists feel upon witnessing absurdities such as that of one of their leaders, who "appealed" to the military hierarchy to punish the MFA military, while at the same time proclaiming joyously and with gratification that MFA has been terminated, and is illegal and unconstitutional? Even confusing 25 April with 28 May, which could only be justified by associations and friendships that have been privileged and have prompted such confusion.

However, those reactions are natural and (we must accept it) have come in the logical sequence of previous positions. The goal to be attained is clearcut, and I request the attention of all Portuguese democrats to be directed toward it and its consequences.

If we analyze the political, economic and financial situation that our country is experiencing, we shall readily conclude that it is extremely serious. For a

solution to those problems and for an economic and financial recovery, two courses of action can be pursued: either a solution with a major social effect that would prompt Portuguese workers as a whole to participate actively and consciously in that recovery (like what happened in 1977, but now under far worse conditions); or a solution that will impose enormous sacrifices on the Portuguese people as a whole, specifically, the most underprivileged working classes, and that can be achieved only through heavy repression. And it is not fitting to say that we are in Europe, because a similar solution is being put into effect in Turkey.

As I noted, in order to fulfill its purposes, the use of repression is necessary. But who will impose the repression on the Portuguese people? The Armed Forces or the Security Forces? It is obvious, in the first place, that they will attempt to use the latter as they already have done (in what was a first serious experiment) on May Day in Porto. But, for this to be viable, it becomes necessary for the Armed Forces to serve as a backing for that repressive action, and they must even agree to be used (in case of necessity).

Will this be possible with the retention of the April military within the Armed Forces, with the retention of their capacity for action and with the retention of the April spirit among the Portuguese military as a whole? Obviously not! It is obvious that so long as the democratic military can remain in the Armed Forces, can retain their capacity for internal struggle and intervention and can maintain anticonspiratorial conditions, this will be impossible.

Recovering the Bond of the April Military

Hence the need for the attacks of which the April military have been a target. Hence a provocative tactic toward those same April military. Hence the justification of the provocative and undignifying attitudes toward the April military (which some study, decide on and direct, and others follow, perhaps inadvertently), in an attempt to lead them to less proper attitudes which might warrant the accusations necessary for precluding their complete continuation within the Armed Forces. Hence the blind exploitation of the Porto de Mos meeting, despite the clear consensus that resulted from this very meeting.

Hence, also, the need for the April military to remain unruffled, calm and aware that the principal enemy lies in the reactionary right; in that right containing those defeated on 25 April, which is now trying to regain the power that it lost on that glorious date, of which the MFA military were the main promoters and which they have not failed to defend in its essence, struggling on behalf of a more just, more egalitarian and more fraternal society.

In conclusion, I would say that, despite all the toil, all the sacrifices, all the disillusionments and betrayals, I expect that the April military will manage to create new forces, to continue upholding the proposition that the people of whom they are an integral part must be the lord and master of their own destiny. I regret that it has been impossible to fulfill the D of "democratization" under the conditions that the April military would wish. I regret that it has been impossible for the MFA, at the end of the transition period, to be converted into just a spirit and a style of behavior within the Armed Forces; and that, against our wishes, it has become necessary to recover an increasingly close bond between the April military.

I am certain that the true democrats, all democrats, join us in our sentiments and our attitude. For this reason, I am certain that the Social Democrats and the Socialists will find a way of correcting the positions that the leaders of their parties have unfortunately assumed.

2909

CSO: 3101/55

PCE FEARS AP DOMINANCE RESULTING FROM PSOE FAILURE

Madrid NUESTRA BANDERA in Spanish Jul 82 pp 3-6

[Text] The elections in Andalusia revealed the political instability of a large part of the electorate. In comparison to 1979, the voters who changed political preferences came to as many or more than those who remained faithful to the parties for which they had voted in earlier elections. The electoral map of Andalusia, and with it, probably, the electoral map of Spain, has been smashed to smithereens.

The hoped-for triumph of the PSOE [Spanish Socialist Workers Party] was greater than expected. The Popular Alliance [AP], following its success in Galicia, has become the second most important party in Andalusia, and we can now see how the path has been cleared, to a great extent, toward the so-called natural majority.

The PSOE won votes from the left and from the right. Votes from the UCD [Democratic Center Union], the PSA [Socialist Party of Andalusia], the PCE [Spanish Communist Party (International)]-PCA [Communist Party of Andalusia], and the former PTE [Spanish Labor Party] and ORT [Revolutionary Organization of Workers] fell to the PSOE. Thus a concentration of votes on the left, and not only on the left but in a single party--the PSOE--occurred. Bets were placed on the winning horse, on the party which seemed the clear winner on the left in the surveys--a party which has benefited from the tensions and schisms which occurred in the UCD, PSA and PCE, and which has been counting since the beginning on the transition to a biparty system, to the left-right polarization, however much its leaders may now say that such a polarization would be harmful to Spanish democracy.

But the fact is that until the attempted coup d'etat on 23 February, the PSOE had no awareness of the need for a broad policy, for democratic concentration. However, matters in Spain were rather clear. Following the death of the dictator, a break with the old political system occurred. But that break had to be negotiated with those sectors which, having their origins in the Franco era, believed that a development of a democratic sort was necessary to safeguard their interests in the best possible way.

And the change had to be negotiated with these sectors because neither the left wing nor the workers movement, much less the progressive bourgeoisie, was

capable on its own of doing away with a state apparatus which continued practically intact.

Therefore, after the moment of change and in order to be able successfully to carry out the social and political alterations which the reality in our country demanded and continues to demand, a political agreement between the forces of the left and the progressive, reformist bourgeoisie, headed in part by Suarez, was needed.

But this necessary agreement, however much the policy of consensus substituted for it, never succeeded in taking shape in governmental forms, and we are paying for the consequences of that now. Spanish democracy has bogged down and failed to consolidate. And the harsh, authoritarian right wing, which stayed fragmented and hidden in the early days of the transition, which has not yet ended, is regrouping its forces and moving onto the offensive in all sectors.

The PSOE could not or did not want, blinded by the biparty temptation, to see the need for the democratic front referred to. Suarez and the progressive sector of the UCD were not strong enough to govern with the left.

It is a fact that after the 23 February scandal, the PSOE proposed a coalition government. But Suarez was no longer at the head of the UCD government, and the progressive sectors of the center had lost their position. Calvo-Sotelo was in command, and the UCD faction was prepared to carry out the major right-wing operation. This was a Calvo-Sotelo who, taking advantage of the coup situation, tried by making concessions to bypass Fraga on the right and to take over his position as its leader, favorable, therefore, to the polarization, to a left-right confrontation, to the blasting, whether controlled or not, of the political center.

And it is this Calvo-Sotelo, this UCD which is ever more reliant on the right wing to which the PSOE is offering its parliamentary support--support which in his day, it denied Suarez. Calvo-Sotelo and Felipe Gonzales have agreed on the polarization policy, although for different reasons. In the case of the former it is because liquidation of the politics of the center sector cleared the path for the great right-wing politics enjoying the support of big business, the multinational companies and other forces, including American imperialism. This great right-wing politics served and can still further serve to manage the economic crisis to the benefit of big capital, pushing the whole of the burden of the crisis onto the shoulders of the workers, the young people, pensioners and small and average business.

The latter, Felipe Gonzales, favored this policy because with the development of a clash between the Popular Alliance and the Socialist Party, the choice of broad sectors of the population was not in doubt. Thus in Andalusia, the useful votes went to the PSOE. In order for this to happen, it was necessary to dynamite the center and to reduce the PCE to the smallest possible electoral dimensions.

The swing to the right which had already begun in the Suarez era, pushed to its final consequences by Calvo-Sotelo, by making the UCD dependent on the support

of big business, led to the practical splintering of the center sector and the flight of the voters toward the PSOE and AP. The votes which went to the PSOE included those of an UCD which not only blamed the party for the errors committed in Andalusia, but also feared that the party would slip toward Fraga's sphere of influence more than they feared the triumph of the social democrats. The Popular Alliance has benefited from the swing of the UCD toward the right, from the division within the government party, and from the electoral campaign waged by the CEOE in Andalusia. This Popular Alliance, with its clear and energetic message on an authoritarian basis, has penetrated certain sectors of Spanish society and, relying on the policy pursued by Calvo-Sotelo, who assisted at the birth of the great right-wing policy, succeeded in robbing the UCD of a considerable mass of votes. This is an AP which, as we said before, is rallying the traditional right wing in support of Franco's sociological policies and certain politicians of the dictatorship. And the campaign, if political liquidation of the progressive bourgeoisie is successful, and if a major electoral advance were to be achieved in the coming general elections at the expense of the UCD, would attempt, in one way or another, constitutional or otherwise, to bring about a swing in the whole of Spanish politics: reform of the constitution, reduction of political and trade union freedoms, etc.

It is necessary to take note of certain issues on which our party and its policy base the elections in Andalusia. Without a doubt, a serious political and electoral setback was suffered. The slow advance achieved up until 1979 was disrupted.

The decline experienced was very definitely affected by certain objective reasons which are not easy to remedy, and without which it is impossible to understand the current Spanish political picture and a large part of the origins of the successive crises which our party has been experiencing. Indeed, an analysis of the objective causes should not serve to conceal the internal problems of a political, ideological and organizational nature from which the PCE is suffering today, or the errors committed.

Among the objective reasons we must include the way in which Spain has carried out the political change, hegemonized by the reformist forces of the preceding regime and leading, among other things, to the disappointing electoral results obtained by the party in the 1977 elections, which was the cause of much disillusionment in our ranks. There is also a profound economic crisis, to which no solution can be glimpsed, which has turned the whole of Spanish society upside down. More than 2 million unemployed people, the majority of them young, see that their problems are not being resolved by the prevailing democratic system. This is a democracy which has been and continues to be up in the air, threatened by terrorism and coups, and still unrecovered from the shock of 23 February. Along with this, and we should not minimize its impact, is the serious international political situation, the dangers which threaten peace, such issues as Poland, Afghanistan and imperialist aggression, and Spain's entry into NATO.

With the breakdown of the policy of consensus which provided major benefits to the newborn democracy, and the clearing of a path toward a biparty situation

and polarization, the existing balance of forces has to a considerable extent restored our parliamentary strength. We had what we had and nothing more than that. The shift of the UCD toward the right and the agreements between Calvo-Sotelo and the PSOE led to the isolation of the PCE. We fought against it, but we did not achieve the necessary results.

Because of the above, and also because we were unable to persuade the whole of the party of the need for the policy of democratic concentration, crisis beset this strategy. This did not mean, by a long shot, that this democratic front policy does not continue to be necessary. It is, although the difficulties have increased.

On the other hand, and as was stated at the 10th congress, we have been giving priority to our institutional activity, resulting in a certain neglect in practice of the sector in which we really have the greatest strength. It must not be forgotten that the PCE, since its clandestine days, has been deeply rooted in the workers movement, in the whole social fabric. To a certain extent, after legalization, we withdrew into the party, into the now legal premises, allowing the existing links with the mass organizations to weaken. And for a party such as ours, it is vital to regain the ground lost in our relations with the masses.

Since Cordoba and even before, stress has been placed on the need to develop a sizable, strong, flexible party capable of facing up successfully to all kinds of political situations. It does not suffice to have a correct political line, adapted to reality, if the tool required to put it into practice is lacking. And as yet, involved in internal polemics with the advocates of renewal and dogmatism, we do not have it. We need a mass party bound together by a large number of political cadres so that what is spontaneous will not be what is dominant. We need a party and members capable of ensuring a daily relationship with the masses, capable of carrying the policy into the streets, to the enterprises, to the associational movement, and capable of linking parliamentary and institutional work with the daily and general problems most important to the popular forces. We need to direct the trade union policy of the party more intensively and effectively, rather than leaving it, as has been the case, to be freely interpreted by the leading communist cadres in the CCOO [Workers Commissions]. The trade union policy is not and cannot be a private preserve entered only by the experts. Quite the contrary: the trade union sector represents an essential aspect of the overall policy of the party.

We need to proceed to resolve the problems posed by the accumulation of posts in the hands of one relatively small group of communist leaders, and as rapidly as possible. This will guarantee more effective work and a stronger and better relationship between members and leaders, and control over the fulfillment of the decisions adopted.

It should be noted that the crises which have developed in Valencia, Catalonia, the Basque country, Madrid and Andalusia have had a very negative effect on the present party situation. Dogmatists and advocates of renewal have not been equal to the demands posed by the difficult situation through which the workers class, the popular forces and the party itself are passing. They have

not been able to withstand the strain of the biparty situation, polarization, and the crisis in the democratic concentration policy. Thus the advocates of renewal and the dogmatists have revealed that they do not understand the historic reality in our country, the need for a Eurocommunist strategy which is communist and nothing else. Both have been sucked in by the PSOE policy. In the case of the inaccurately termed "renewal" advocates it is because abandoning revolutionary principles, they are traveling increasingly in the social democratic political orbit. In the case of the others, the dogmatists, it is because, among other things, taking refuge in a testimonial policy which does not take a specific analysis of the concrete Spanish and international reality into account, and rejecting in practice the Leninist policy to which they claim to adhere concerning the need for political alliances against the basic enemy, they are leaving the field free both for the right wing and for the social democrats.

Thus tensions and splits have developed. The elections in Andalusia were lost, however many errors may have been committed therein, before the electoral campaign began. A party suffering from internal dissension and successive crises offers the voting people no guarantees.

These splits would have been hard to avoid, since the political line and the agreements of the 10th congress were challenged. The responsibility for what happened falls to the advocates of renewal and dogmatists. Facilitating the task of the other political forces, they put their money publicly on electoral defeat in Andalusia before the campaign had been waged, in order thus to justify their position and to continue to combat our party. They are continuing to do the same thing now. These divisions would have been hard to avoid since the struggle against the resolutions of the 10th congress and the resulting factional activity were pursued by leaders and public officials who sought the complicity of the mass media in order thus to represent the party as lacking articulation, and salvageable only if their political and organizational proposals and their personal leadership were accepted.

Indeed, some of the media, which seemed to have the destruction of the PCE as their basic goal, did not need too much encouragement. The class struggle--and to what an extent--was also waged through these media, which are monopolized, as Bustamente's book demonstrates, by the right wing in our country. All of this had led, because it has lasted too long, because there is a preconceived tactic to keep the crisis alive by dragging out the dismissals, to confusion within broad sectors of the party and outside it, and to the loss of political influence in Spanish society. Many communists have been tired and exhausted by sterile debates unrelated to the real problems in Spanish society. As a result of this, thousands of communists have withdrawn or do not attend any groups. They did not go over to the renewal faction or the dogmatists--they went home.

Because of all that has been said above, and although the problems of the party and the solutions to them must be viewed in terms of a more distant horizon than the coming general elections, these elections will without a doubt be a determining factor in the Spanish political and social life of the years to come, and therefore, our communist party.

It is a question, then, on the one hand, of proceeding to resolve the political and organizational problems we have set forth as we move along, and returning confidence to the membership as a whole, pursuing the policy of open doors--not of negotiating the resolutions of the 10th congress, which must be carried out, with the renewal faction and the dogmatists--toward all of those who want to return to the communist ranks. We must not deceive ourselves: the task of building the party will be a slow one, and not easy. And we must begin now. It does not suffice to diagnose the patient's trouble, one must offer a solution. Some of these have been indicated in the above paragraphs.

On the other hand, and with a view to the next general elections, it is necessary to end the present crisis, to get the party ready. A central electoral commission to draft a clear and simple program within the reach of everyone is needed. Issues pertaining to the economic crisis and how to deal with it must be taken into account in basic fashion--for example the strike, rising living costs, the situation of the youth and the pensioners. What is needed is an electoral commission which will draft a nonspeculative policy, but one offering real solutions to the problems of the cultural forces and middle strata. It must be one which will stress the need for a nonaligned Spanish policy favoring peace and world detente, which will place emphasis on holding up the entry of Spain into NATO.

The problem is we must pursue a policy which will slow the right wing, a policy which must be pursued by all of those who do not want polarization. This presumes recovery of the progressive center. It must be said in full clarity that under the specific conditions in our country, and as a product of the polarization, with the electoral triumph of the PSOE against the likes of Fraga, the leader of the Spanish right wing, with the progressive bourgeoisie wiped off the map and the communists reduced to minimal parliamentary representation, that PSOE triumph will be a pyrrhic victory. What began in jest may end in earnest. It is not a question here by any means of laying bets on the socialists' inability to govern the country, or rejoicing over a possible PSOE failure. The problem is that sufficient objective conditions do not exist in Spain to enable a single party of the left, or even the whole of it, however broad its electoral coverage, to hinder the great right wing and carry out the reforms of an economic, political and cultural nature and the democratization of the state apparatus which the Spanish democracy requires today.

A socialist government, even though embellished by some independent or fugitive from the UCD, would be subject to the policies of big business and the other actual powers. Political polarization does not mean alternation in power, or a turn for Canovas and Sagasta. It means that following Felipe Gonzales, and in the short run, Fraga would succeed, and we would have the great right-wing policy for a while.

Thus, therefore, as Santiago Carrillo said in his MO editorial on 1 July: "If the PCE does not emerge strengthened from the coming elections, if the progressive sector of the center does not recover and purge itself of rightists, if the PSOE does not correct its trend toward polarization, and if all of these forces do not join their actions together, it will, unfortunately, be very difficult to slow down the right wing in this country."

DEBATE IN SOLDIERS' UNION OVER POLITICAL TENDENCIES

Amsterdam ELSEVIERS MAGAZINE in Dutch 3 Jul 82 pp 15-16

[Article by W. Wolf: "VVDM [Union of Conscripts] Wants to go Back to the Barracks"]

[Text] The VVDM, the soldiers trade union, is attracting attention. Four committee members were arrested, because they wanted to use military secrets for their antinuclear weapons demonstrations. It was an excellent opportunity for the executive committee to make a clean sweep and eliminate leftist activists. "We must go back to the barracks to again take up the advancement of our comrades' interests," so explains executive committee member, Sylvo Gaastra, the decision to repudiate the arrested colleagues.

It had hardly leaked out that three VVDM committee members were locked up on suspicion of having stolen military secrets, when leftist Netherlands rushed to the attack. There were protests and indignation everywhere. The PPR [Political Party of Radicals] and the PvdA [Labor Party] waylaid the VVDM headquarters in Hojel Barracks in Utrecht in order to be able to fire off a series of chamber questions at the minister of defense.

A week later the same groups besieged the badgered committee members in their headquarters. This time there were no declarations of support, but a torrent of reproaches and insinuations. One reproaches the VVDM executive committee members that, with the suspension of the arrested fellow committee members, they had committed treason. There were repeated hints of a palace revolution to get rid of the remaining executive committee members.

The rage of the leftist sympathizers was obvious. With the suspension of the three arrested committee members, the VVDM wanted to express convincingly the displeasure about the rising influence of leftist sectarian groups in the soldiers' trade union.

Three of the, later, four committee members arrested are members of the BVD [League of Conscripts], an organization which has never made a secret of maintaining close ties with the Trotskyite IKB [International Communist League]. Likewise the BVD concealed the fact that it considered the VVDM too uncritical and unaggressive with the military forces. Interpreted conventionally: the army must be undermined. No means goes far enough.

With the suspension of the three BVD members, the struggle for power in the VVDM has now come out in the open. The result cannot be predicted, as the unstable past of the soldiers' trade union, which is now 16 years old, has repeatedly shown. Moderates and passionate supporters of an activist policy repeatedly clashed with each other. It is clear the present VVDM executive Committee members want to go back to the barracks to concentrate on their comrades' direct material interests. They are fed up with involvement in politically sensitive and highly emotional subjects such as nuclear armament. "There are other platforms for that in civilian society. Whoever wants to conduct an action about limitation of nuclear armament has ample opportunity there. Promotion of interests in the barracks must again get the greatest priority," executive committee member, Sylvo Gaastra thinks. With this, he risks the wrath of old VVDM members and radical members, who took a high and mighty attitude, with their charge that the VVDM had gone to seed, last year during the celebration of the fifteenth anniversary of the soldiers' trade union. The trade union would be reduced to a third-rate organization which only gets angry about the quality of the peanut butter and the arrangement of the camp housing.

Indeed, the fact that there is no dazzling feat of aims of write in the annals, but precisely these apparent trivialities have made the VVDM a unique trade union in the world and the Dutch conscripts the best paid in the world. This process began when three soldiers in 1966 in the Elias Beeckman Barracks in Ede refused to waste their time and energy on things like polishing copper. A solidarity meeting developed into the founding of a trade union, which by means of actions, demonstrations and lawsuits managed to push through a series of improvements in the army. The VVDM was recognized as a trade union by the Ministry of National Defense and was assigned ample facilities, such as office and meeting space in the barracks, provided for trade union work and opportunities to recruit members in the barracks. The VVDM was a negotiation partner in numerous committees. Memoranda, reports and positions on controversial matters flew out of the committee room. Training courses for division committees and over ten committees and work groups make up but a part of the organization which places strong emphasis on the "nationalization" of the armed forces. A slow process in which many reverses must be absorbed. The newspaper TWINTIG, indispensable for good promotion of interests and following developments in the armed forces,

developed from an uninhibited, scandalous little sheet to a discriminating trade union newspaper, which not only has an eye for the rights of John Soldier.

Consequently conscripts originally saw the VVDM establish itself. Strengthened by successes over hairdress, elimination of the obligation to salute, deduction of pay for housing and food, one goes enthusiastically into the street to demonstrate behind banners against the inequalities which disgrace the army. The army leadership sees the VVDM's power increase with some suspicion. They are not very enthusiastic about the little antimilitary club.

Many officers thought initially that the VVDM actions went too far and demanded severe countermeasures. In 1971, the then Brigadier General Van Elsen circulated instructions about action against demonstrations. In open letters, minister of defense, De Koster was asked to restore discipline. The minister changed his tack. Actions in barracks and articles in division newspapers led to harsher and harsher punishments. Punitive transfers were common occurrences.

The VVDM reduced the pressure in order not to lose its laboriously acquired prestige among the over 30,000 members. This to the great annoyance of the League of Conscientious Objectors, which had been set up meanwhile and which later changed its name into BVD. The division among the conscripts did not stop with the arrival of the BVD. The AVNM /The General Association of Dutch Soldiers/, founded by dissatisfied VVDM members, who could not stand the VVDM's violent demonstrations, soon announced itself.

With this, the struggle for John Soldier's favor broke out in all its intensity. And with that the tug of war for the advancement of interests in the barracks also appeared. This development was fatal for the VVDM. It was observed that as the influence of the BVD grew, the increase of new members dropped. The number of members then declined to 13,000. That is less than half compared with 6 years ago. This reduction is not only to be attributed to the BVD's grip on trade union activity. The soldiers are very depressed. They think that trade union activity is not of much use. The army's fringe benefits were eliminated. They hardly get excited anymore about such things as the right of discipline and guarding nuclear warheads. Consequently they do not quickly join the VVDM. The decline in the number of members has led to self-examination in the VVDM. As a result it was clear that actions under the influence of leftist committee members had considerably damaged the union's image. The rank and file also criticized the fact that the union's activities extended beyond direct trade union work in the barracks. There were especially strong protests against the antinuclear weapons demonstrations. The VVDM had taken a cautious position 2 years ago. Nuclear

weapons must be reduced and finally eliminated. By cleverly manipulating this position, the activists managed to create the impression as if the signal was given to resist all activities which were connected with nuclear armament and consequently also guarding storage places, the so-called site watch. "We never said that," explains Sylvo Gaastra. "We only promised legal support to those who refused site watch, and nothing more. Most of us have chosen the army. Consequently it is not fitting to undertake actions to undermine the army. Still whoever does that, must bear the responsibility for it."

Accordingly in that light, the public reproof of the four arrested committee members makes sense. Sylvo Gaastra is determined about that, "we do not want to identify the VVDM with their behavior. Apparently leftist Netherlands does not understand that. We are not a political organization of leftist activists, but a soldiers' trade union. If we remonstrate with our leftist comrades about that, they become silent."

Consequently there is rage and irritation in the VVDM, which means the organization has attracted attention because of the capers of three committee members. All the more so because it involves a small faction in the VVDM, which is not very important numerically. The BVD hardly has 100 members out of a total of 150,000 conscripts.

Sylvo Gaastra and his fellow executive committee members have vigorously attacked the uproar about the secret military documents to again straighten out the guidelines of their trade union activity. In the coming months, they want to involve themselves intensively in barracks work. At the top of the list is raising the conscripts' pay to the level of professional soldiers. They also want to demand obtaining traveling money every week, instead of every 14 days, and the elimination of the oppressive restrictions on freedom of speech.

There are no definite actions in prospect to achieve these goals, although the VVDM Executive Committee does not want to exclude this in advance. Especially if it should appear that the army leadership is using delaying tactics. But even if it should be necessary to proceed with actions, it is a question whether this weapon can be used on a large scale. The readiness for action among the conscripts is very slight. One does not get excited about it anywhere and prefers that the 14 months' period of service elapse without any great shocks. An attitude which the VVDM committee members do not like. A rank and file which lets things slide indicates dismay. It is difficult to go forward as a trade union with this.

The VVDM is down in the dumps. The principles of solidarity and tolerance, the pillars on which the organization were built, are becoming blurred. An ominous sign in a period in which activists running amuck are getting ready to take over power, to destroy the respect which the soldiers' trade union enjoys with friend and foe.

FRYDENLUND SKEPTICAL OF CONSERVATIVES' DEFENSE PLEDGE

Oslo ARBEIDERBLADET in Norwegian 1 Jul 82 p 6

[Article by Åslang Rygg: "Defense - The Conservative Party Retreating"]

[Text] "Several newspapers have indicated that the Willoch government does not intend to carry out the goal of increasing the defense budget by four percent. The Conservative Party placed a large emphasis on this point during the election campaign and to our allies in NATO. If they do not fulfill the promise, it will be an interesting illustration of the Conservative Party government's credibility in defense policy."

Knut Frydenlund (A), Chairman in the Parliament's Defense Committee stated that after the Conservative government has spent a year sorting things out in the Defense Department.

The Conservative Party received support for their recommendation from the middle parties. The Labor Party held to the recommendation from the last government for an increase of three percent.

Frankness

"This would be in agreement with the obligations we have with NATO," Frydenlund stated.

The Defense Committee's chairman believes the government has made a large show of showing more frankness in national defense questions than the former government did. "I will remind you that our government laid out prepositioning of military equipment case completely open for the Parliament. We looked on that as the start of more frankness in such cases."

Frydenlund said that, "The experiences we have had so far are that the Defense Committee is sent cases from the Defense Department marked secret. The Minister of Defense has then publicly stated the same information in Parliament. We are not very pleased about this development."

Misunderstandings

"The most important case in the spring session was the question of followup of the double agreement from the NATO meeting in December 1979. The

presentation of the case made by the government was such that a joint committee had to state that the proposed position led to misunderstanding," contended Frydenlund.

He believes that large problems can develop in the future if the lack of seriousness evident here is indicative for the handling of national defense issues.

9984

CSO: 3108/131

SECURITY SERVICE NOW ACCEPTS INTELLIGENCE FROM BUSINESSMEN

Helsinki UUSI SUOMI in Finnish 10 Jul 82 p 7

[Article: "Security Information to Organizations and Officials"]

[Text] The Security Police has received instructions from the Interior Ministry concerning general principles to be applied in preventive security work. These instructions are based on a police statute that went into effect in the spring. According to this statute the security police are to provide officials and organizations with such instructions, advice, and information which are necessary for maintaining state security or for preventing breaches of this security.

According to the instructions, which will go into effect at the beginning of September and which are now being received by the Security Police, what is meant by actions endangering state security is in addition to an actual act causing a breach of security other such actions by which an illegal attempt is made to procure information that would cause harm to the country, is intended for a limited group of individuals, or is considered to be secret because of Finland's rights or interests.

The instructions define, among other things, in what instances the Security Police can provide an employer with information concerning an individual applying for a position or job. The relinquishing of information connected with employee security will be possible especially in cases in which there is a possibility that information classified as secret because of state security or the protection of economic interests will be handled in connection with a position or job.

The relinquishing of information is also possible if the position or job entails the handling of significant information on national defense, foreign trade, the planning or accomplishment of foreign trade, energy management, and the state of the government economy.

Also information can be provided in the event that the tasks of the applicant include the possibility of participating in the preparation of actions directly connected with protecting the security of the state or if it entails regular and frequent contacts with representatives of foreign countries or if the job also entails recurring visits abroad.

Procedure for Providing Information on Individuals

According to the instructions of the Interior Ministry preventive security work will be directed at individuals and organizations "whose normal functions are of essential importance from the point of view of maintaining Finland's political relations, national defense, public order and security, or even the country's economic interests and whose actions one can justifiably assume to be subject to operations endangering state security".

The Security Police will provide information connected with employee security only upon request. The request must include an explanation, on the basis of which a determination will be made as to whether the conditions are sufficient for giving out information.

In addition, the request must be limited to information on only that individual whom one can justifiably expect to apply for the position or job in question.

According to the instructions in giving out information the Security Police must pay particular attention to the accuracy and authenticity of the information. Also the Security Police cannot include in the information its own opinion on the individual in question.

According to the instructions the information can only be used for the purpose for which it was given and it cannot be passed on to anyone else. The Security Police must provide the Interior Ministry with an annual report on its activities based on these instructions.

10567

CSO: 3107/153

GENERAL

FRANCE

TEN NATIONS AFFIRM ROLE IN REMOTE SENSING ERS-1 SATELLITE

Paris ELECTRONIQUE ACTUALITES in French 4 Jun 82 p 8

Text The European Space Agency has decided to initiate the large scale European program for remote sensing by the ERS-1 satellite. Contributions by participating states have in fact reached the financial threshold which will allow phase B (system definition) to begin. The decision to proceed to phases C and D (completion) will be made at the end of 1983, and the satellite should normally be launched by Ariane at the close of 1987.

A Two Billion Franc Program

Ten member countries have just confirmed their participation in ERS-1. Germany, with 24 percent, is making the most substantial contribution, followed by France with 18.3 percent, Great Britain with 13.4 percent, Italy with 10.6 percent, and Canada with 9.1 percent. Other countries, including Sweden, Belgium, Spain, Switzerland, and Norway, are contributing less than 5 percent. Two more countries, the Netherlands and Denmark, are also to confirm their participation. Total cost of the program is estimated at 360 million currency units, or over Fr 2 billion. The portion allocated for the definition phase, the only one set at this time, is 25 million currency units, or Fr 150 million.

The project contract will be let in July at the close of a competition between the German firms MBB and Dornier, with much favoring the latter firm, which conducted the preliminary project study.

The mission of ERS-1 will be to inventory the earth's resources, and to monitor the environment, particularly in coastal and glacial areas.

The payload will include no less than three radars: an active hyperfrequency detector combining an opening synthesis radar with diffusimeters; a radar altimeter; and laser retro-reflectors for very high precision tracking, to which should be added an infrared radiometer to be supplied by Great Britain.

On the French side, the major industrial firm concerned is Matra, for it has been determined that ERS-1 will use the platform of the French Spot satellite. Thomson-CSF will also be concerned with the radar portion, but

the fortunes of contract distribution will no doubt leave a large portion of the principal instrument, the active micro-wave detector, to Marconi, which worked with Thomson on studies for it.

6145

CSO: 3100/816

BRIEFS

ROMANIAN CONGRATULATIONS--Romanian Communist Party [RCP] Secretary General Nicolae Ceausescu sent to Giannis Baniias the following congratulatory telegram: "Your election to the position of KKE-Int. Central Committee secretary gives me the pleasure of sending you congratulations and wishes for success in your new position and added responsibilities. I take this opportunity to underline once more that the friendly KKE-Int.-RCP relations which are based on mutual esteem and respect keep improving more and more. I am confident that this progress will continue for the interest of our parties, the Romanian and Greek people, detente, peace and cooperation in the Balkans, Europe and all the world." [Text] [Athens I AVGI in Greek 27 Jul 82 p 1] 7520

DPRK CONGRATULATIONS TO KKE-INT--The Central Committee of the Korean Labor Party sent to Giannia Baniias the following telegram: "The Central Committee of the Korean Labor Party sends its warm congratulations on your election as secretary of the KKE-Int. Central Committee by the Third Congress of your party. I take this occasion to wish your party and to you personally great success in your task for the defense of your country's independence and the construction of a democratic and progressive society." [Text] [Athens I AVGI in Greek 27 Jul 82 pp 1, 6] 7520

NEW APPOINTMENT FOR EAV PRESIDENT--Dimitrios Papanikas, Patrai University professor and president of the Greek Aircraft Industry [EAV], was appointed also Olympic Airlines president following the resignation of Th. Lianos. Olympic's Director General I. Vamvakas also resigned and pilot A. Kanellopoulos who in the past served in various posts of the company was appointed in his place. It should be pointed out that Labor Minister Evangelos Giannopoulos had asked (last February) for the resignations of Lianos and Vamvakas. [Excerpt] [Athens ELEVTHEROTYPIA in Greek 28 Jul 82 p 1] 7520

CSO: 4621/474

CHURCH EXPECTED TO UPGRADE ITS POLITICAL INFLUENCE

Madrid EL PAIS in Spanish 30 Jul 82 p 17

[Article by Reyes Mate: "The New Pastoral Orientation of Spanish Bishops Favoring a Greater Political Presence for the Church"]

[Text] On 23 February 1981, Gabino Diaz Merchan succeeded Cardinal Tarancon as head of the Episcopal Conference. There was every indication that, with the archbishop of Oviedo, a new kind of activity was beginning for the Church, which would be more pastoral, and lacking in threats of battles over freedom of education and the advocating of divorce which had typified the last years of the outgoing head. After a year and a half, influential Church sectors close to the Conference's majority line are not concealing their concern over what they interpret as retrogression and a loss of the neutrality and independence proclaimed by the Church. And they cite two facts as symptoms of the change in direction: the investment of 600 million pesetas in the Catholic Publishers (EDICA) which puts out, among other newspapers, the Madrid paper YA; and the creation of a Catholic university. There are in the center of the operation two bishops, who were usually in opposite camps: Tarancon and Antonio Montero.

It was at the next-to-last Plenary Assembly, held last November, that approval was given for that investment of 600 million with which the bishops, according to sources close to the Episcopal Conference, "have set themselves up as a majority minority," in the aforementioned newspaper chain which, in addition to its five daily publications, now has several FM broadcasting stations among its concessions, and is planning a television channel. Apparently 100 million pesetas have already been paid. Only eight bishops were opposed on that vote, including Mauro Rubio, Rafael Gonzalez Moralejo, Antonio Palenzuela, Ramon Echarren, Alberto Iniesta, Javier Oses and Jose Maria Setien. It would appear that the bishops proposed, as compensation, a change in statutes from the government junta, whereby the new members would not be elected through a joint selection by the already existing members, but rather would be appointed by the bishops. The news of the 600 million appeared a month ago, but at a press conference the bishops neither confirmed nor denied the fact, confining themselves to the statement that, "there was no discussion of it at this Conference."

The argument of the opponents was twofold: On the one hand, if the bishops control those newspapers from a business standpoint, there could be no distinction between the loftiness of goals that should mark the Episcopal Conference and the daily hostility in all types of political, social and economic problems that must be faced by the editorial offices of those newspaper companies. On the other

hand, it is warned that this type of business is a bottomless economic purse, which far exceeds the Church's financial capacity, "and therefore it would increase the Church's dependence on the de facto economic powers."

The Episcopal Conference has also approved the creation of a Catholic university, resulting from the merger of the Pontifical University of Salamanca with the Center of University Studies (CEU), which has four university schools and three on the intermediate educational level. There are about 15,000 students in all.

Five years ago, CEU experienced a bad economic period, owing to the large investments in the Monte Principe school. CEU had no recourse left other than to turn itself over to the Ministry of Education or to let the bishops take it over. After a period of indecisiveness, the Episcopal Conference decided to accept "a special relationship for the CEU educational centers with the Church." The price demanded was that owners of CEU, an authentic managing entity, submit their resignations, while the bishops reserved the right to accept them. They also demanded a change of statutes for the San Pablo Foundation. The Church, "which did not put up a peso," as a CEU source claimed, obtained with its moral support sufficient financing to extricate CEU from the crisis. Diaz Merchan, who began by opposing the plan, ended up by associating himself with the idea that Cardinal Tarancon had always upheld. The opposition from the cardinal of Barcelona was of little use.

According to sources close to CEU which, now that its economic situation has been put to rights, appears less enthusiastic about the merge, many major problems still remain to be solved. For example, to find out whether teachers and students are willing to move from university centers integrated into the civil university to a Catholic university.'

Bernardo Herraiez, 'the Spanish Marcinkus'

The driving force of this dual operation is Antonio Montero, spokesman for the Episcopal Conference. The aforementioned Church sources also cite the strong support that is being lent it by Vicente Tarancon, "who would thus appear to be giving up many of his proposals about political neutrality and independence."

The strong man, with particular influence on the cardinal of Madrid, is Bernardo Herraiez, manager of the Episcopal Conference, who is now being called "the Spanish Marcinkus" owing to his skill in economic affairs. He has, in fact, succeeded in putting the Church's finances on a sound footing. This native of Avila prompted the bishops to make the investment in EDICA and to assume responsibility for the CEU debt.

According to the experts, there is concealed behind all this a new pastoral concept, advocated by the bishops' spokesman, whereby the Church will have to offer Catholic laymen major social enterprises that will afford them greater collaboration with the hierarchy.

This restatement is not at all associated with the recent pastoral action of the Basque bishops, because they have exercised the right to express their views on a concrete political problem, as recognized by both Vatican II and the Spanish Constitution.

This may be the reason that more than one has related the creation of a party of "Christian inspiration" such as Oscar Alzaga's Popular Democratic Party to this new pastoral action of the Catholic Church. Nevertheless, it would not appear that the two bear a direct relationship, although some presume that Oscar Alzaga's good friendship with several bishops warrant the expectation that his proposal will meet the social and political requirements of the Church.

Given the plurality of location of the Spanish Christian Democrats, it does not appear that the bishops are directly supporting any concrete set of initials. However, it should not be forgotten that Tarancon has always made a distinction between doctrinal parties and those of Christian inspiration. He used to condemn the former, but advocated the latter. "While it is not feasible for doctrinal parties to exist, it is lawful to establish parties of Christian inspiration; not to make use of the Church in the specifically political realm, but rather to pool the forces of those who have a Christian concept of life."

This distinction was not adopted by the then indisputable adviser, Martin Patino, who as early as 1976 stated at the 21st Century Club: "There is now an acceptance of the enticement, not devoid of arrogance, of Christian-inspired parties, as if this were a means of negating the expropriation of the Gospel."

The lack of bishops' support for the Democratic Left (a Christian-inspired party headed by Joaquin Ruiz Gimenez) was, according to the leaders, a reason for its electoral setback in 1977. Nevertheless, the new Christian Democrats expect that, with the change in pastoral line, their fate will necessarily change in future electoral contests.

2909

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GOVERNMENT TAKEOVER OF PARALYZED LEMONIZ POSSIBLE

Madrid EL PAIS in Spanish 1 Aug 82 p 35

[Article by Carlos Humanes: "The Government Is Preparing to Expropriate Lemoniz By Decree"]

[Text] The government is finalizing a decree-law whereby it would take over the Lemoniz nuclear powerplant, owned by Iberduero, in order to complete the construction work on the nuclear facility, which has been at a standstill since 13 May of this year, as a direct result of the assassination of the chief engineer of the project, Angel Pascual Mugica, by ETA (m) [Basque Fatherland and Liberty Group-military] terrorists. Electrical Unity (UNESA), the owners' association of the sector, for its part, may have proposed to the Ministry of Industry the possibility of financing the remaining work until the powerplant goes into service, so as to avoid the dangerous precedent that public intervention in a private electrical firm would represent.

The publication of the draft of the decree, which is at a very advanced stage of preparation, may be delayed as a result of the negotiations which are taking place between the central and Basque governments. To compensate for the inclusion of the Vitoria executive body in the commission for expropriation of Lemoniz, the Madrid government is attempting to attain some political agreements. According to various sources queried by this newspaper, a moderation in the anti-LOAPA [Organic Law for Harmonization of the Autonomous Process] campaign and the backing of the Basque parliamentary group for UCD [Democratic Center Union] in some votes taken in Congress could constitute the main compensation demanded by the central administration.

The desires of the top-ranking heads of UCD to achieve some "coups de theatre" before the next elections, and the stinginess with which Iberduero has undertaken the resumption of the work on Lemoniz are, according to sources close to the administration, the main reasons for which the government would be willing to try the decree-law for expropriation of the nuclear powerplant.

Private circles in the electrical sector received with considerable uneasiness the news that the draft decree for taking over Lemoniz was under way. The opportunity was immediately offered for the companies in the sector, combined in UNESA, to be the ones to pay for the costs of completing the work, while the state would be the one to direct its material execution. Iberduero may not be in a sufficiently

prosperous financial position to undertake again the resumption of the work alone. In this connection, sources in the financial sector have admitted that Iberduero's immediate requirements until after the summer are estimated at about 15 billion pesetas.

Banking Differences

It has also been commented among stock exchange circles that the banks "backing" Iberduero, Bilbao and Vizcaya, have shown certain differences with the decision of the company's president Manuel Gomez de Pablos, to distribute 10 percent as a dividend charged to the profits from the last fiscal year. According to these accounts, the heads of the banks may possibly not have approved this decision at a time when the expenses represented by ETA's constant attacks on the company's facilities, added to the accumulated financial burden entailed by the stoppage of the work on Lemoniz, are at the point of putting Iberduero in a critical financial situation.

Only the historical quality of the company's assets have enabled it to withstand the situation to which it has been brought by the ETA (m)'s constant attacks. The increasing investment needs shown by the sector's companies, which have prompted them to accept a growing debt, in view of their powerlessness to generate sufficient funds with which to finance themselves, have been heightening in the concrete instance of Iberduero which, on the one hand, needs to undertake new projects and, on the other, must continue sinking money into Lemoniz, while it is not clear when the powerplant will be able to go into operation.

The construction work on the nuclear facility was stopped for the first time after the assassination of engineer Jose Maria Ryan, committed by ETA (m) in February 1981. Thereafter, and until the signing of the agreement between the Madrid and Vitoria governments, reached last April, the activity on the powerplant's construction work was intermittent, and virtually confined to operations involving maintenance on the phase already constructed.

The Suspension of the Work

After the signing of the Vitoria agreements, a management commission was established, with majority participation by the Basque government, and the technicians who were working on the powerplant agreed to return to their posts.

The new assassination committed by ETA (m) on the person of Angel Pascual, design chief of the powerplant, meant the official stoppage of the work until a solution was found that would guarantee the safety of the technicians working on Lemoniz. Since that time, the facility has remained locked, and there is no public information on any plan that would allow for its reopening, despite the circulation of many rumors concerning the possibility that the work might be turned over to a foreign engineering firm.

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