167069

JPRS-WER-87-009 12 FEBRUARY 1987

West Europe Report

19980701 167

DISTRIBUTION STATEMENT A Approved for public release; Distribution Unlimited

FBIS

FOREIGN BROADCAST INFORMATION SERVICE

DTIC QUALITY INSPECTED 1

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

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

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

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

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

PROCUREMENT OF PUBLICATIONS

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

Current JPRS publications are announced in <u>Government Reports Announcements</u> issued semimonthly by the NTIS, and are listed in the <u>Monthly Catalog of</u> <u>U.S. Government Publications</u> issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

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

JPRS-WER-87-009 12 FEBRUARY 1987

WEST EUROPE REPORT

Contents

POLITICAL

FEDERAL REPUBLIC OF GERMANY

Youngest Cohort of Voters Shows Surprising Conservatism (Irene Mayer-List; DIE ZEIT, 19 Dec 86)	1
FINLAND	
Sorsa Government Falters, Lowers Goals as Election Nears (HUFVUDSTADSBLADET, 17, 18 Dec 86)	6
Rural Party Breaks Ranks May Portend Political Realignment, Editorial by Jan-Magnus Jansson	6 9
Actress Kristiina Halkola Elected Stalinists' Chief (HUFVUDSTADSBLADET, 9, 10 Dec 86)	12
Controversial Radical From Sixties, by Staffan Bruun Party 'Desperately Needs' Publicity, Editorial by Bjorn Mansson	12 15

FRANCE

Conflicts With Mitterrand Over Key Ministry Appointments (LE MONDE, 8 Jan 87)	18
Barbot Replaces Verbrugghe at National Police (Edwy Plenel; LE MONDE, 8 Jan 87)	20

- a -

NETHERLANDS

I

Commentator Criticizes Kok's Leadership of Opposition (M.M. Kommer; DE VOLKSKRANT, 18 Nov 86)	23
NORWAY	
Poll Shows Setback for Nonsocialist Parties (Bjorn Talen; AFTENPOSTEN, 27 Dec 86)	27
Willoch Attacks Harlem Brundtland for NATO, SDI Comments (AFTENPOSTEN, 27 Dec 86)	31
Labor Party, Conservatives Favored in Fall Elections (Morten Malmo; AFTENPOSTEN, 10 Jan 87)	33
PORTUGAL	
Anti-Central Government Feelings Expressed (CORREIO DOS ACORES, 16 Dec 86)	37
Lajes Base Monetary Expedient Islands' Isolation Protested	37 37
PSD, PS Emerge Winners in Opinion Poll Results (DIARIO DE NOTICIAS, 13 Dec 86)	39
Political Analysis of Democratic Left Convention (Eduardo Prado Coelho; EXPRESSO, 13 Dec 86)	41
CONTAL	

SOCIAL

GREECE

National Tendency to Escapism Scored	
(I KATHIMERINI, 11-12 Jan 87)	43

SPAIN

UGT Defeats CCOO in Union Elections (EL PAIS, 2 Jan 87)	46
CCOO Favored in Large Companies, by Rodolfo Serrano UGT Narrows Gap in Catalonia	46 47
Employers' Power To Dismiss Workers Debated (Carmen Parra; YA, 18 Dec 86)	49
New Monthly Minimum Wage Established (Carmen Parra; YA, 20 Dec 86)	52

ECONOMIC

EUROPEAN AFFAIRS

	Privatization in Nordic Countries: Progress, Rethinking (NORDISK KONTAKT, No 14, 1986)	54
FRANCE		
	Industry Minister Details Restructuring of Ministry (Alain Madelin Interview; LE FIGARO, 3 Dec 86)	61
SPAIN		
	Foreign Trade Statistics Worry Government (Roberto Santos; DIARIO 16, 7 Dec 86)	65
	Problems Facing Industrial Reconversion Plan Outlined (ACTUALIDAD ECONOMICA, 15 Dec 86)	68

MILITARY

. . .

AUSTRIA

Development of Air Space Surveillance System Reviewed (Othmar Tauschitz; DER SOLDAT, 22 Oct 86)	71
Low Turnout, Training Deficiencies Revealed in Fall Maneuver (DER SOLDAT, 5 Nov 86)	76
Reserve Manpower, Materiel Mobilization Procedures Detailed (Herbert Leitner; TRUPPENDIENST, Oct 86)	79
FEDERAL REPUBLIC OF GERMANY	
Reserve Infantry Battalion's Organization, Training Detailed (Peter Bolte; BUNDERWEHR AKTUELL, 10 Nov 86)	85
Reservist Instructor Training in Urban Warfare Intensifies (Inge Dose-Krohn; LOYAL, Oct 86)	88
NETHERLANDS	
Military Implementing Standardized Computer Network (Wim Amerongen; COMPUTERWORLD, 16 Sep 86)	90
Infantry Performs Well in Dutch/FRG Combined Arms Exercise (R.H.J. Bremer; LEGERKOERIER, Nov 86)	92
NORWAY	
Defense Minister Holst on NATO Maneuvers, 'Footnotes', Funds (Liv Hegna; AFTENPOSTEN, 8 Jan 87)	96

- c -

	Armed Forces Order Six Additional Bell 412 SP Helicopters (Cato Guhnfeldt; AFTENPOSTEN, 8 Jan 87)	99
	Briefs Submarine Search in Fjord	101
SPAIN		•
	Defense Ministry Announces 10-Year Spending Plan (Albert Bassols; LA VANGUARDIA, 5 Dec 86)	102
	Military To Purchase 106 New Combat Tanks by 1994 (Fermin Gallego; LA VANGUARDIA, 21 Dec 86)	104

•

ENERGY

NETHERLANDS

Natural Gas To Be	Stored Un	derground	in Salt	Domes	
(HAAGSCHE	COURANT, 3	Dec 86) .			105

OCEAN POLAR ISSUES

NORWAY

Group To Carry	Out Research on Peter	Ι	Island Off Antarctica	
(Torill	Nordeng; AFTENPOSTEN,	7	Jan 87)	107

/9986

POLITICAL

YOUNGEST COHORT OF VOTERS SHOWS SURPRISING CONSERVATISM

Hamburg DIE ZEIT in German 19 Dec 86 p 4

[Article by Irene Mayer-List: "Formal Address, Necktie and New Objectivity"]

[Text] No matter what politicians offer them, young voters are skeptical. "The Greens, too, do nothing concrete except reproaching other people," reasons Sven, 18 years of age and a future airplane technician at MBB in Hamburg: "Whether SPD, CDU, or the Greens, all of them just prattle." Six apprentices, all of them bright and informed first-time voters, sit at a coffee table and discuss politicians: not one is credible to them. Although their families mostly vote SPD, they are all flirting a little with the CDU. "A mixture of CDU and Greens--the one for the economy, the other for the environment--that would be the ideal government," summarizes 19-year-old Rene.

In January, 3.6 million young people will be called on to vote for the first time in a parliamentary election. Not only among apprentices, but also among high school graduates and students, one hears surprisingly often the wish for a Green-Conservative coalition. "Greenpeace as a party would be best," opines 18-year-old Christopher, a CDU fan in Frankfurt. And Arthur Fischer, opinion poll researcher and author of the Shell Youth Study '85, surmises: "A purely environmental party, no matter whether right or left, would gain the majority among young people."

A new generation? Young people between the ages of 18 and 21 constitute 8 percent of all voters. They can determine the election results, and their votes are also of greatest interest to planners of the future within the parties. For the first time, the trend setters of those born in 1968 no longer fit the old and proven pattern—that is, definitely [voting] to the left of their parents. Capitalism and consumption are no longer stimulating catchwords for them. Theories and ideologies, whether right or left, are as unpopular as political discussions, demonstrations, and quitters. Career, clothes, achievement, and body building—next to ecology, those are the big hits of the season.

A year ago, relates Green politician Antje Vollmer, she had noticed for the first time "that this is a generation for which I was not prepared." After a debate with pupils in Siegen, a young girl gave her serious and friendly

1

advice: "I think you will reach young people better next time, if you address us as 'Sie' [formal address in German]." Antje Vollmer: "I honestly experienced a feeling of helplessness." And yet: formal address, necktie and new objectivity no longer frighten youngsters. Election statistics of the 1983 parliamentary elections already indicated the first surprising signs of a change.

According to SPD election analyst Joachim Hofmann-Goettig, "even then the CDU/CSU owed their good returns primarily to those 18 to 21 years old. Among young voters, the CDU/CSU had the best results since 1969." True, there are still more old than young voters who cast their ballots for the CDU. But the fear that the Party would become superannuated, which still worried many CDU politicians even at the end of the 1970's, is no longer justified.

According to political science and German teacher Dieter Hagen of Frankfurt, this new conservative trend already began in the second half of the 1970's in the once ultra-leftist Frankfurt high schools. At that time, the CDU again became respectable among pupils. Last but not least, this was brought about by the enterprising CDU student union which was founded in 1972 and proselytized even 12-year-olds. "Many high school students in the 1970's still had adopted the values of the student movement, but no longer assimilated them in their minds. It only needed a small push to bring about a turnaround," explains Hagen, himself being of the "Apo" generation [extra-parliamentary opposition].

While the share of CDU/CSU votes among young voters (between 18 and 25 years) was 34 percent in the 1980 parliamentary elections, 3 years later that share climbed to 41 percent. The exact opposite happened to the Social Democrats who formerly received the highest share of votes from young people: between 1980 and 1983, their following dropped from 49 to 39 percent-a trend which was reinforced by most of the subsequent state elections. In the Hamburg elections in November, the SPD did even worse among young voters than among the older ones.

The Greens, who up to now had profited almost exclusively from SPD losses among the young, this year also received bad news for the first time: although they still recruit about one-third of their votes among young voters, in the elections in Lower Saxony, Bavaria and Hamburg this classical party of youth protest for the first time found fewer sympathies among the 18 to 25 year age group than among those between the ages of 25 to 35.

This development causes perplexity among the Greens as well as the SPD. During the last parliamentary election, the majority of young people still voted for the "left bloc" (53 percent). But sociologists and youth researchers are already warning that the present mood swing could have farther-reaching consequences. The first-time voters differ from the youth of 1968 not only in their stylish hairdos and newly discovered love for the tango and cha-cha-cha; they also have different life experiences, values and goals than their predecessors.

The post-protest generation: while the 1968 generation as children still had to knuckle under to their parents, the 1986 generation had been the center of

the family from infancy. Anti-authoritarian upbringing, the youth cult in advertising, and educational reform (which made many children superior to their parents)--all that endowed today's youngsters with great self-confidence from the very beginning. "Formerly, children courted their parents' love, today it's the other way round," states Shell youth researcher Arthur Fischer and he cites examples from polls: formerly, mothers bought their children's clothes; today, 14-year-old daughters decide what suits their mothers best; formerly, the children's lives were predetermined; today, their advice is asked in all major decisions in the family--buying a house, a car, taking a vacation trip. So why should they rebel against the older generation? On the contrary: many youngsters feel so comfortable in the parental home that they continue to live there even after they are out of school. Their minds are no longer on protests--neither in the streets nor within the family's four walls.

The pragmatists: the 1986 generation at 18 is already much wiser and more experienced than the protest generation of 1968. After all, they had to make their own decisions from childhood on, "sometimes to the limits of being overtaxed" (Fischer). They not only determined their toys, their clothes and their courses in school; many of them were responsible relatively early for their own bank account, a home computer and big pocket money. Ruediger Grube, a Hamburg vocational school teacher, relates: "Some of our 19-year-olds already have DM10,000 in bank debts." So it is no wonder that savings bank brochures, interest policies and the inflation rate are suddenly more interesting than the situation in Nicaragua and the peace movement. Many youngsters are not politically disinterested, as they are being accused; they simply don't have time for political discussions.

The achievement-conscious: For the 1968 generation, unemployment was still a foreign word. For the 1986 generation, it is part of daily life, just as is the prospect that the blessings of the welfare state will not continue much longer. Polls show that material security and careers are again more important to many than opposition against teachers, bosses and professors. Military service is no longer looked down on; after all, it is shorter than civilian service. A job in a large enterprise is again considered attractive, since a secure job and high wages again count for more than self-development in an alternative enterprise. Sometimes this new achievement orientation of youngsters even gets on teachers' nerves: "In the early 1970's, the students practically ran out of my lessons; that was a difficult time. But when they are quiet as mice when I tap my pencil on the desk, that is also scary, relates Frankfurt gymnasium teacher August Klose. Whichever politician promises these young voters that achievement must again become worthwhile, is "with it."

The skeptics: "Just how much change did the 1968 generation bring about with their demonstrations—or the AKW movement [anti-nuclear power plants] and the "runway" generation," grumbles Jochen, an 18-year old high school graduate who once leaned toward the Greens: "Then I'd rather try to make money." Today's teenagers don't want to hear about great designs for life; they have seen too many fail. "Ah yes, demonstrations, formerly I used to participate in those," sighs Bettina, Jochen's classmate. "I even discussed in school about children's rights at the age of 12. I got a real kick out of that, but today I

3

have the feeling: that phase is behind you. I have become more tolerant and more objective."

Youth researcher Arthur Fischer notes that teenagers of today are seldom enthusiastic about demonstrations: "Not only are they resigned, but they also have no clear enemy image." For they have seen that capitalism not only provides an opportunity for Flick, but also for young computer freaks with their own firms. They have learned that not only the United States threatens the world with nuclear weapons, but also the Soviet Union. And they know that even Green Minister for the Environment Joschka Fischer makes mistakes from time to time. Grand phrases, and especially ideologies and extreme positions no longer appeal to youngsters.

The individualists: Today's teenagers have lived from childhood on with end-ofthe-world scenarios. Nuclear war, nuclear accidents, environmental catastrophes--polls show that most of them believe these could wipe out at least part of mankind during their lifetime. How are they supposed to live with such a prospect? "It's best to withdraw to one's own affairs," says 18year-old Silke who lives in the vicinity of the Stade nuclear power plant. To "style" one's own life--as a Yuppie, Popper, Punk--this is understandably more satisfying for many youths today than worrying about the future of mankind. Bonn pedagogy professor Erich Geissler says, "if one has no large dimensions to live in, one turns to esthetics."

Shell researchers wanted to know what, in their opinion, caused the misery of mankind. First of all was listed personal power and profit thinking, then "politicians" in general. In a poll conducted by the Konrad-Adenauer Foundation, one-third of the polled youngsters also expressed a lack of confidence in parties, governments, police, the military, and judges. Against this background it is not surprising that over half of all young people (according to Allensbach polls) approve of illegal self-help against "injustices"--for example, occupation of houses and factories. Legal self-help in small areas and small, independent groups--such as local citizens' initiatives, "happenings" in front of city halls, actions in Third-World stores--most youths today consider this the only still meaningful form of political activity.

Are young people apolitical just because they withdraw from ideological discussions and involvement with political parties, because they spend more time combing in front of a mirror, and spray house walls with colorful little men? At least most of the first-time voters intend to go to the elections as eagerly as the generations before them. Their demands on politicians are also clearly outlined:

--They prefer those who are not offering ready-made panaceas, who do not fraternize with youngsters, yet listen to them. They neither want to be praised as the exponents of progress nor be pitied as the generation of decline: they simply want (in vain) a party to demonstrate to them clearly and credibly how, in the future, they can live secure, their needs satisfied, and in a clean environment. --They are tired of promises, they want to see deeds. Even with elaborately planned labor market programs and nuclear withdrawal scenarios, "one cannot make brownie points with today's youth," says an SPD politician. But they trust the one who has an environmentally safe power plant built, or supports youngsters in finding apprenticeships.

--Young voters want to be well-represented by the parties not only in Parliament, but above all in their own part of town. Whoever accomplishes something in citizens' initiatives, self-help groups and block parties--and in some towns, this is done also by conservative politicians--, has their vote.

--And lastly, young voters--like adults--demand of politicians more moral credibility. They are highly suspicious of career politicians--be they Walter Wallmann or Joschka Fischer.

First-time voters 1987: they will decide rather matter-of-factly and independently according to their own practical interests, and will not be as easily impressed as some voter generations before them. This is quite bothersome for the parties, since the youth vote becomes incalculable. But this does not make these youngsters bad democrats, by any means.

9917 CSO: 3620/99 POLITICAL

FINLAND

SORSA GOVERNMENT FALTERS, LOWERS GOALS AS ELECTION NEARS

Rural Party Breaks Ranks

Helsinki HUFVUDSTADSBLADET in Swedish 17 Dec 86 p 10

[Text] Even though it is no longer sending new legislative proposals to parliament the government still has an important political task. This observation by Prime Minister Kalevi Sorsa seems to have been the motto when the group chairmen of the government parties decided Tuesday, after long deliberations, to try once again to restore order in the government ranks.

The main political task remaining is to make sure that the proposal for next year's budget gets through the decisive balloting early next year. The prime minister hopes the government parties' parliamentary groups can stick together even after that so that the remaining legislative bills can be dealt with as planned before the parliamentary election.

At this point this is little more than a hope. The agreement to return to the old rules of the game does not seem to rest on firm ground. The actions of the Rural Party cannot be predicted with much accuracy.

But the intention at least is to try to stick together during the time that is left before the election.

There were a number of discussions about this all day yesterday. They started in the morning with a meeting of the group chairmen of the government parties, attended by Kalevi Sorsa. It is known that the prime minister had an anxious discussion of the situation with President Mauno Koivisto on Monday.

Sorsa Takes Hard Line

The main question was how to deal with the fact that the Center Party and the Swedish People's Party made a decisive contribution to the preliminary parliamentary decision to introduce a tax deduction for wages paid to domestic workers. According to reports the prime minister began by demanding that the deduction be dropped in further parliamentary discussions. In this context he spoke of a government crisis unless order can be restored along these lines. After this opening shock from the prime minister, Center Party group chairman Kauko Juhantalo and J. Juhani Kortesalmi of the Rural Party beat a cautious retreat, although they did not say anything definite.

Deduction Retained

However Ole Norrback, chairman of the Swedish People's Party's parliamentary group, felt it was too late to withdraw the deduction for domestic help, which touched off further discussions about the very survival of the government. But the end result was that the prime minister agreed fairly quickly to a compromise. According to this the controversial deduction would be retained with the addition of a proviso calling for studies concerning the economic and other effects of the deduction.

The idea is to study whether the new benefits can be regarded as overlapping other benefits, which could then be reduced. The study would also look into the effects of the reform on various groups of taxpayers.

The prime minister accepted a solution along these lines after Finance Minister Esko Ollila said he was prepared to come up with the roughly 150 million marks the new arrangement would cost and after Finnish Rural Party [FLP] group chairman J. Juhani Kortesalmi gave a further explanation of the matter. According to reports Kortesalmi was remarkably moderate in his presentation. He seemed to have forgotten entirely that party chairman Pekka Vennamo had demanded "compensation" for FLP because the Center Party had worked on the new tax deduction.

FLP Intractable

After it had been agreed to draw a line under last week's breach of the rules along the lines referred to above and to try and respect the old rules of the game, FLP became somewhat difficult. It was obvious that members of the FLP group realized that the planned agreement would not give the Rural Party any "compensation" at all.

After several group meetings and more discussions among group leaders, FLP reluctantly agreed to go along with the decision. The party won approval for a request that the government take steps to channel the tax relief to low-income families.

Members of the other government parties took a somewhat ironic view of this request. There is every indication that only wealthy families can benefit from the deduction. After all low-income families have little occasion to hire domestic help.

But the group chairmen did at least include the FLP request in their appeal to the government for a study of the consequences of the new deduction.

The Social Democrats, the Center Party and the Swedish People's Party [SFP] have already prepared a proposal for this study that will be presented in connection with the third discussion of the new tax deduction.

The Rural Party is critical of this provision because it does not directly include the request to channel the deduction to families with low incomes. Therefore FLP can be expected to present its own proposal.

After the minimal agreement had been reached, Juhani Kortesalmi made it clear that FLP will not commit itself in advance to total loyalty in the future. The party will take a stand on issues "from case to case." But it will not commit itself in advance to making trouble either.

Social Democratic chairman Pertti Paasio replied that the procedure referred to by FLP had actually been in effect earlier, in other words as long as people were abiding by the rules of the game.

The group leaders then referred in sports terms to the difficulties that have been encountered and the reasons for the agreement that was just reached. There were "occasional difficulties in the second period." Now the team has to run again in the third period.

"It would be a shame if the government collapsed in the final dash at the end of a very good race," said Ole Norrback.

Think of the Future

Prime Minister Kalevi Sorsa noted the Rural Party's reservations afterward, but said he hoped that the Christmas season would also "light the star of common sense."

He called on the parliamentary groups of the other government parties as well as FLP to bear in mind in January and February that their actions will very soon be tested under new and important circumstances, in other words, after the March election.

Sorsa called last week's events in parliament "deplorable" in every way. Decisions were made on a very loose basis. One can only hope that they will later turn out to have been positive in nature. However, with reference to the People's Democratic League, he said that most indications suggest that the domestic help deduction will benefit only well-to-do families.

All in all the latest events were not as serious as the differences earlier in the fall, according to Sorsa. He was apparently referring to Paavo Vayrynen's moves on trade with the East and employment.

Crisis Possibility Discussed

Sorsa also mentioned briefly his call on President Mauno Koivisto on Monday. The president had stated that if the four-party government collapsed now, with barely 2 1/2 months remaining before the parliamentary election, the only solution would be to let the cabinet remain in office as a caretaker government. Sorsa also confirmed that he talked about the fall of the government during the introductory talks in the morning. "We decided along with Finance Minister Esko Ollila that the situation would be untenable if nothing is done," he said and added that the finance minister had also said he would try to come up with the money needed to pay for the new deduction.

Incidentally the deduction was decided on in parliament yesterday evening after it was approved in further discussions in the large committee by a vote of 23 to 22.

May Portend Political Realignment

Helsinki HUFVUDSTADSBLADET in Swedish 18 Dec 86 p 2

[Editorial by Jan-Magnus Jansson: "A Taste of Bloc Politics"; first paragraph is HUFVUDSTADSBLADET introduction]

[Text] The cooperation of the Social Democrats with the People's Democrats and of the Center Party with the Conservative Party in parliament recently shows where cooperation might lead if the demand for a consensus across the middle loses its appeal, according to Jan-Magnus Jansson.

The recent uproar in parliament, with the two biggest government parties playing a major role, deserves more attention than the other clashes between the two parties that are now on the agenda. The conflict over building a power plant in Pudasjarvi and especially over a tax deduction for wages paid for domestic help gave us a taste of what the Swedes call bloc politics. The already severely strained solidarity within the government broke down altogether and instead first one and then the other of the leading government parties joined forces with the opposition.

What started the ball rolling was a controversial local issue that has upset government cooperation before. The new river protection law which involves protecting 53 as yet undeveloped rivers and streams against exploitation was enacted by parliament on Tuesday. The law has had a hard time winning approval. In spite of the agreement in principle on the importance of this environmental protection measure at the llth hour, the law is a sensitive issue, especially for landowner interests.

The difference of opinion over the principles of compensation led to an almost even split in the Constitutional Committee over the question of the correct legislative method to adopt. Even then there was a clear agreement of opinion between the Center Party and the Conservatives. But a decision in favor of a simple legislative arrangement was facilitated by Center Party member Hannele Pokka, who has sometimes been mentioned as a possible minister of environmental affairs in a future government.

In the area of river protection the Center Party has become especially worked up over the so-called Kollaja issue. This involves the possibility of using a section of the middle part of the Ijo River that is full of waterfalls as a source of water power. The issue is controversial locally but the Center Party has committed itself to removing Kollaja from the environmental law, a stand for which it has won no support.

To make things even more complicated the minister of trade and industry's program for expanding the country's energy supplies includes a peat-fired power plant in Pudasjarvi. On the cabinet level the Center Party managed to remove the power plant from the list of those to be put into operation in the first stage.

On 9 December the smoldering conflict in parliament received a new political boost. The biggest government party, the Social Democrats, backed a proposal from the opposition party, the Finnish People's Democratic League [DFFF], that requested the government to set aside the money required to start up the peat power plant in Pudasjarvi. Following in the wake of the Social Democrats the Rural Party also voted for this proposal.

This kind of parliamentary proposal is not binding on the government. But the fact that on such a sensitive issue the Social Democrats joined forces with the left-wing opposition was immediately viewed as a challenge by the Center Party. Minister Seppo Lindblom further fanned the flames by categorically stating that if parliament takes the stand that a peat power plant should be built in Pudasjarvi, then it will be done. And the state-owned Imatran Voima Company will be allowed to do so if no one else does.

The next chapter could be called: "Center Party Seeks Revenge." Vayrynen asked both the Swedish People's Party and the Conservative Party if it would be possible to mobilize enough votes (65 members of parliament) to delay the river protection law until after the election. The answer was no, which can be regarded as both wise and correct on the part of both parties because on the one hand it involves a local matter and on the other it involves a major and long-awaited environmental protection law. There was not enough enthusiasm for the proposal even in the Center Party. Heading into the election the average voter would have a hard time understanding a delay in a reform of this kind.

The situation became really interesting when in its search for weapons the Center Party decided to take up again the question of a tax deduction for the cost of paying for domestic help for families with children. This is a reform that has long been discussed across party lines and has been promoted in the government by the Center Party and the Swedish People's Party in particular. It was not included in the budget proposal for next year.

An unexpectedly broad front rallied behind the deduction, including the Conservatives and the People's Democrats in addition to the Center Party and SFP. Most groups split on the issue, but politically the decision meant that the Social Democrats were left alone with the majority of the Rural Party group, which meant the Center Party had repaid its humiliation over Kollaja.

Seen objectively the proposal involves an improvement of social policy and should be welcomed, like all measures that ease the lot of families with children. This is true even though the relief will actually include only a limited group of people. According to what was originally Kauko Juhantalo's motion, which was approved, the deduction applies only to domestic help costs for socially protected families with children under the age of 7. Of course very few families fall into this category. But the deduction alleviated a pressure for reform that has been in existence for a long time.

The political effects resulting from the decision will be greater than the social policy implications of the reform. The move was even more serious as far as government cooperation is concerned than the Social Democratic excursion into the Pudasjarvi area. Prime Minister Sorsa and Finance Minister Ollila in particular ended up in a painful position in the middle because the measure tore a hole in the budget that was estimated in various ways but would involve a cost of 150 million marks at the most.

Whether it was a question of tactics or conviction, Sorsa's visit with the president was designed to underline the fact that he views the situation seriously. According to the prime minister's own account the conversation dealt with whether the government could remain in office until the election as a caretaker government even if it suffers a political collapse. Sorsa added that the government has already sent its bills to parliament and is increasingly playing the role of caretaker government as it is.

It is interesting that Sorsa characterized the earlier government crises--he referred among other things to Vayrynen's move on trade with the East--as more serious than what is now taking place in parliament. This shows how hard the fighting has been--although those were verbal attacks, while in parliament the parties have gone in different directions on concrete political issues.

While conditions in the government are still uncertain--the Rural Party in particular has probably regained its old zest for rebellion--the agreement on Tuesday can be regarded as having repaired the worst damage. Strong forces, especially the Center and SDP group chairmen, appear to be working for moderation.

And the interlude will hardly be entirely without effect. Although voting patterns were complicated, the fact remains that the Center and Conservative parties joined forces on two important political votes and the Social Democrats and the People's Democrats did the same on one. That is "bloc politics" and shows how natural certain cooperative patterns emerge when the demand for consensus loses its force.

What happened does show how the Rural Party has teamed up with the Social Democrats, after Veikko Vennamo's influence over FLP declined. This also makes it credible that the demand for nonsocialist cooperation will be raised with increased force if the "real" nonsocialist parties win a workable majority after the election.

6578 CSO: 3650/34

11

ACTRESS KRISTIINA HALKOLA ELECTED STALINISTS' CHIEF

Controversial Radical From Sixties

Helsinki HUFVUDSTADSBLADET in Swedish 9 Dec 86 pp 3, 7

[Article by Staffan Bruun]

[Text] Twenty years ago Kristiina Halkola made her debut as an actress in the film "En Kotte Under Ryggen." She was 21 years old and Finland's answer to sexpot Brigitte Bardot.

Today Halkola is 41 and has just been elected chairman of the minority communist party Democratic Alternative, DA.

Much has happened in 20 years. Kristiina Halkola is best known for suing Jorn Donner in 1968. The reason was that in the film "Black on White" Donner superimposed Halkola's head on another woman's body in a scene depicting sexual intercourse.

Six years later the Supreme Court ruled in favor of Halkola and Donner was ordered to pay damages.

In the 1970's Halkola was one of the leaders of the political song movement.

Halkola Wants Revolution

Some 81 years after women won the right to vote in Finland a parliamentary party is being led by a woman for the first time. Kristiina Halkola was elected chairman of the minority communist party, Democratic Alternative, on Sunday.

Halkola, who made her debut in films 20 years ago, has nothing against becoming a fulltime politician. She is a candidate for parliament in the spring election.

"I am already active in politics. In parliament I can work more effectively on the same things that concern me now. The fact that many members of parliament have lost their faith in the possibility of influencing policy says more about those particular politicians than about parliament per se. "According to the constitution parliament is the country's most important decision-making body. I believe that parliament will live up to that if its members have the resolve. That is my intention."

Halkola intends to rally those people who oppose today's policy of consensus as a party base for DA.

"I hate the word consensus. All parties agree that something must be done about the housing shortage in Helsinki, for example. But when we propose a law that would require empty housing to be rented out, that is the end of the consensus. Nothing is done about the housing shortage."

Communist

Kristiina Halkola became a communist during the revolt in the 1960's. She took part in the production of "Lapp Opera" and many controversial TV and radio programs for the National Broadcasting System in the late 1960's. She helped to develop the political song movement in the 1970's. She was one of many radicals who went all the way and became "Taistoites."

Many of the others have quit. But Kristiina Halkola is still proud to say she is a communist.

"The others are still with us in spirit. Except for those who have embraced the values of today's society and have 'succeeded' according to those criteria. But the antipolitical trend has scared many people away. DA wants to lure them back again."

Kristiina Halkola wants DA to be an umbrella organization for all movements working against present policies.

"All those who are working for increased housing production, against unemployment, for better day care and an emphasis on trade with the East should be able to function within DA. I am a communist but DA is not a communist party. We are a nationwide election party."

Is there any communist party in Finland today?

"There is the Finnish CP, of course. It is still Finland's Communist Party. And I still regard myself as a member even if I have been expelled.

"We were forced to found DA because we were not allowed to run for office within the Finnish People's Democratic League [DFFF] election alliance."

Six or Seven Seats

Kristiina Halkola feels that opinion polls in Finland are extremely unreliable. She believes DA will win six or seven seats in the election this spring. "The mood in Abo during the party meeting last weekend was fantastic. Members radiated great optimism and were full of enthusiasm about starting to work on the election campaign. The election cannot go badly."

But is that enough? Don't the voters have to be enthusiastic too?

"They will be. A new survey shows that there are half a million poor people in Finland. Unemployment shows no sign of declining. The housing shortage is acute, especially in Helsinki. The people who are affected have every interest in a change and in voting for us."

Will it be the end of DA if it wins no seats, as predicted by the opinion polls?

"No, why should it be? The homeless and the jobless will still be here after the election. An election is just one form of political activity. There are others. The work of a political party cannot depend on a single election."

Kristiina Halkola referred to DA's election program, citing examples to show that the party will assure itself of possibilities for action even if the election does not go well.

"DA is demanding that 5000 names on a citizens' petition be given the same effect as a parliamentary initiative. If 5000 people want parliament to take up a proposal, it should be required to do so.

"We are also in favor of a form of citizens' interpellation. We have over 10,000 names on a petition asking about trade with the East. Parliament should be required to deal with this kind of lack of confidence in the policy that is being pursued.

"Many of those signing this petition have suggested new items that could be imported from the Soviet Union. It turns out that in many areas the Soviet Union has an excellent technology that we can benefit from. As an example of this, health-care personnel mentioned different types of health-care items."

Revolution!

Halkola brushed aside all speculations about the prerequisites for government cooperation by DA.

"We are not interested in the government. That is not what we want," she stated.

Asked which reforms Kristiina Halkola would carry out if she had the power to do so, she became uncertain.

"Unemployment must be eliminated. It is frightening that we approve of unemployment as a matter of course. But reforms, no, I am not much interested in those. I am a communist and I want a revolution that will change everything at once." Position Unpaid

Kristiina Halkola prefers to talk about politics. She wants to establish a profile as a serious politician. She does not want to make use of her position as a well-known actress.

"But I am not paid for being party chairman. I must continue to earn my living as a freelance actress, which I have done since 1976 when my husband (director Eero Melasniemi) and I finally got fed up with all the day-care forms we were being forced into."

The Halkola-Melasniemis have four children ranging in age from 11 to 18.

"My problem is that the National Broadcasting System, which has been my main employer so far, has evidently placed me in an election quarantine. Although the election is in March and according to the rules the quaratine lasts for only 50 days I do not have a single job for the Broadcasting System at this time. I do not understand the reason for my 'extra quarantine.'"

On the other hand Kristiina Halkola admits that she is working fulltime even with fewer acting jobs. The party chairmanship involves considerably more work than she thought it would, she said yesterday after spending several hours familiarizing herself with her new tasks.

Party 'Desperately Needs' Publicity

Helsinki HUFVUDSTADSBLADET in Swedish 10 Dec 86 p 2

[Editorial by Bjorn Mansson: "Taistoites in New Package"; first paragraph is HUFVUDSTADSBLADET introduction]

[Text] How many Finns today share Kristiina Halkola's revolutionary vision? asks Bjorn Mansson in a commentary on the attempt of the so-called Taistoites to establish themselves politically in a new package.

The so-called minority communists' election organization, Democratic Alternative (DA), openly admits that actress Kristiina Halkola was elected party chairman in a bid for publicity. Halkola is not just a superstar, she is also the first woman to serve as chairman of a parliamentary party.

DA desperately needs the publicity a Halkola can give the organization. At the same time we should bear in mind that the new party leader is not "just" a celebrity but also a very experienced minority communist politician--although mainly on the municipal and organizational level. She will undoubtedly try to be more than just a glamorous figurehead.

But DA itself is set up as something of a glamorous image. Despite all attempts to claim the opposite, it is dominated by the minority communists. In short it contains the old so-called Taistoites in a new package. For them the parliamentary election in March will be a fateful one in the most dramatic sense of the word. If DA does not succeed in establishing a position in national politics now it will undercut the argument of the "real" Finnish communists who claim that they--in contrast to the official Finnish CP--have the "support of the people." It will not be enough in the election to simply surpass the publicity threshold, the party must also surpass the actual vote threshold in effect in each election district. DA is going into the election alone without forming election alliances with any other party.

In the 1983 election the vote threshold for a seat in parliament varied from around 3 percent (in Nyland) to around 10 percent (in North Karelen). Opinion polls that give DA a support level of between 1.2 and around 2.5 percent are threfore not promising. If these figures are borne out in the election DA's only hope is for such an uneven regional distribution of support that the party receives a sufficient number of votes in some large election districts.

Now polls, especially when it comes to small groups, must always be interpreted with great caution. As far as DA is concerned we should also bear in mind that this is at least formally a new and unestablished group. Many loyal communists who voted for the minority in the past may have said as a matter of routine that they will vote for DFFF while others may have preferred to keep quiet about their standpoint at this stage.

In the 1983 election the then minority communist candidates received around 100,000 of the 400,000 votes cast for DFFF/Finnish CP. Thanks to a successful concentration on one or two candidates in each election district this quarter of the votes was parlayed into about a third of the seats won--10 out of 27.

One of DA's foremost election trumps now is that all these 10 members of parliament are running for reelection, while half of DFFF's remaining group is not, among them such well-known names as already departed Kalevi Kivisto and Veikko Sarto as well as Ulla-Leena Alppi, Inger Hirvela and Terho Pursilainen. The situation is especially difficult for DFFF in Helsinki, Nyland and the northern election districts of Tavastehus--where a change in the weather can be detected.

The big question is whether DFFF's former voters will primarily remain loyal to the party (which would benefit DFFF and the Finnish CP) or whether they will be loyal to their members of parliament (which could benefit DA). After the Finnish CP made an authoritative announcement that it was taking a neutral stand on both competing communist groups, the so-called Moscow factor (which was previously regarded as favoring the Taistoites) must be viewed as virtually eliminated in any case.

Another of DA's trump cards is that the party can now ignore all vote concentrations and nominate a broad selection of candidates in all election districts.

However the question is whether even this will be enough to win the six or seven seats that are the official DA goal. In Friday's TIEDONANTAJA a leading

DA official admitted that "of course we have no illusions about a big success" in the election--a statement that can be interpreted as an attempt to prepare people in the party for a defeat.

If DA's attempt to get publicity seems somewhat desperate, the same can also be said of the attempt to maintain that the election organization has a broad ideological character. There is no practical significance in the fact that the last remnants of the former Socialist Labor Party, ASSF, are now formally incorporated in the Taistoite group. And a single self-proclaimed green swallow in DA's 20-member presidium--elected without his consent, by the way-definitely does not indicate a summer. Why should environmentally-oriented voters prefer DA to the "real" environmentalists who in this election are expected to have a chance to make their national breakthrough?

Since Democratic Alternative is trying to woo all kinds of "alternative groups," such as housing occupants, river and waterfall champions, left-wing feminists and friends of so-called progressive rock music, the party will probably face stiff competition from the environmentalists, not to mention the fact that the more established parties will probably also be attentive to the demands of various grass-roots movements during the campaign.

DA's central message seems to be a ringing no to the so-called policy of consensus. As an election theme this does not really seem adequate. Fortunately party chairman Halkola emphasized a few points in an interview with HUFVUDSTADSBLADET yesterday: she is not interested in government participation or reforms. Instead she wants to start a revolution.

It will be interesting to see how many Finns share her vision in March 1987.

6578 CSO: 3650/34 POLITICAL

FRANCE

CONFLICTS WITH MITTERRAND OVER KEY MINISTRY APPOINTMENTS

Paris LE MONDE in French 8 Jan 87 p 10

[Article by J.-Y.L.: "The Reduction of the Presidential 'Advance Party'"]

[Text] Domestic security, foreign security, the vital interests of France: here are three areas in which Mr Mitterrand intends to exercise his prerogatives to the point of retaining all power over posts considered to be ultra-sensitive. On 16 March 1986, the following were members of this "advance party": the chief of staff of the armed forces (General Saulnier); the director-general of the DGSE (General Imbot, appointed to this position following the Greenpeace affair to "lock-in" the services and to cut "the rotten branches off"); the Paris police chief (Mr Guy Fougier); the director-general of the National Police (Mr Pierre Verbrugghe); and the governor of the Bank of France (Mr Michel Camdessus).

Ever since he took office, Defense Minister Andre Giraud had unsuccessfully been calling for the head of the armed forces chief of staff to whom Mr Chirac (undoubtedly in an effort to handle Mr Mitterrand) attributes the-in his eyes--deplorable financial management of defense affairs and a delay in modernization. General Saulnier is still at his post. At the DGSE, General Imbot owes his relative calm only to the difficulty of his assignment. The restoration of order among the various divisions calls for an effort of such scope that his potential successors (especially Mr Michel Roussin, chief of the office of the prime minister, former director of the office of Mr Alexandre de Marenches, now boss of the SDECE [Foreign Intelligence and Counterintelligence Service]) are in no hurry to take his place.

The three others left their posts or are about to do so. Before Mr Verbrugghe was replaced as director-general of the National Police, Mr Fougier resigned his post as Paris police chief in July. Although close to Mr Robert Pandraud, he had been pictured on television by Mr Charles Pasqua as a personality who, prior to 16 March, was under the orders of the socialist establishment whom he had served, according to the minister, by lying about the crime statistics. Mr Fougier did not admit this offense. He was replaced by Mr Jean Paolini who is close to the majority. As for the governor of the Bank of France, Mr Mitterrand absolutely refused to replace him, as Mr Chirac had been asking him the moment he took office. But Mr Camdessus will leave his post on 15 January. It is true that he will become director-general of the International Monetary Fund.

Although Mr Mitterrand agreed to the appointment of Mr Paolini (Paris police prefecture), after having resisted the pressures of Mr Pasqua for the succession to Mr Verbrugghe (directorate-general of the National Police) for 9 months, the president's "advance party" has been considerably whittled down.

5058 CSO: 3519/55

BARBOT REPLACES VERBRUGGHE AT NATIONAL POLICE

Paris LE MONDE in French 8 Jan 87 p 10

[Article by Edwy Plenel: "Mr Pasqua Wins a Victory Over Mr Mitterrand"]

[Text] On Wednesday, 7 January, the cabinet was to appoint Mr Ivan Barbot-who until then had been commissioner of the Republic of Var--as directorgeneral of the National Police. He was to replace Mr Pierre Verbrugghe who had been leading the National Police since June 1983 and who was appointed senior advisor to the General Accounting Office.

The departure of Mr Pierre Verbrugghe is a victory for Mr Charles Pasqua and a defeat for Mr Francois Mitterrand. By at last bringing about a departure which he had wanted the moment he arrived at Beauvau Square, right after the March 1986 legislative elections, the interior minister reached a decisive point in the forces behind cohabitation.

The president of the republic has finally yielded to the obstinacy of Mr Pasqua after having nevertheless worked hard for almost 10 months to keep the same man at the head of the National Police. The decision was virtually taken in December and the only thing left to do was to agree on the name of the successor and on the new job for Mr Verbrugghe.

However, this simple statement does not rule out other, more shaded and paradoxical explanations. The political and police significance of Mr Verbrugghe's departure does not boil down merely to the confrontation with Elysee Palace [the president's office] and Hotel Matignon [prime minister's office]. If one realizes that the person involved, far from being a socialist, did not fail to be admitted to the UDF [French Democratic Union] and if we add his personal desire to leave his post after several weeks, then one understands that the interpretation of this departure is more complicated than it looks.

Political Precariousn'ess

It has triple significance. It first of all underscores the persistence, in the Interior Ministry, of a change in high officials unequalled in any other sector of the government. All of the central administration directors on Beauvau Square have been replaced since 16 March 1986. The operational directorates of the police were not spared and this movement was accentuated by departures due to retirement. Thus, the post of Mr Michel Guyot, the central director of the judicial police, has been vacant since the end of the year, while Mr Francois Le Mouel, chief of the UCLAT (Anti-terrorist Fight Coordination Unit), is in turn scheduled to leave in a few weeks.

The appointment of their successors promises a new battle of attrition between Mr Mitterrand and Mr Pasqua. Elysee Palace is already reluctant to accept the candidate of the interior minister for the judicial police, Mr Marcel Leclerc, presently chief of the Inspectorate-General of the National Police.

The president of the republic likewise never accepted the nomination of Mr Raymond Sasia, a man who is close to Mr Pasqua, to head the official trip and high personality protection service. This is a dispute which has been going on since September. The departure of Mr Verbrugghe, who had quite a bit to say, obviously makes the stubborn attitude on the part of Elysee Palace even more chancy.

Beyond that, this responsibility waltz-around underscores the special role played by the police in the State. The responsible officials of this administration seemed to be doomed to a condition of political precariousness. By staying on the job 3-1/2 years, Mr Verbrugghe nevertheless did set a record: in spite of his exceptionally long service in various responsible positions at Beauvau Square between 1968 and 1981, before entering politics and rejoining the RPR [Rally for the Republic], Mr Robert Pandraud was director-general of the National Police only for 2 years and 7 months, from 1975 until 1978.

The police union organizations and especially the commissioners always complained about this instability, noting that the National Gendarmerie is not in the same boat. Indeed, the latter's director, Mr Olivier Renard-Payen, although appointed by the Left, is still at his post.

The second consequence of this departure is that it reveals an evoluation of the Charles Pasqua--Robert Pandraud two-man team. Highly knowledgeable about Beauvau Square, the minister delegate for security appeared to be in charge of police quartermaster affairs, with Mr Pasqua assuming a more directly political role. Now, this division of labor did develop with the interior minister in posing his will when it came to purely police decisions.

Mr Verbrugghe--who did not get along with Mr Pasqua--is a friend of Mr Pandraud with whom he uses the familiar form of address and whose deputy he was in the Interior Ministry between 1978 and 1981. Likewise close to Mr Pandraud was Mr Guy Fougier, the Paris police chief, who was forced to resign last spring after a rather unfortunate remark by Mr Pasqua "when the moment of truth had come." It was the latter who picked the successor to Mr Velbrugghe and not Mr Pandraud. If we add to this the affair of the Development Crossroads--where the minister delegate's entourage emphasized that the issue of a "really forged" passport to Mr Yves Chalier by the DST [Directorate of Territorial Surveillance] was not exactly for nothing--one can understand that the fact that this ministry had two heads once again created an atmosphere of conflict, as it did, under the Left, at the time of the Gaston Defferre--Joseph Franceschi two-man team. Finally, the departure of Mr Verbrugghe also betrays disagreements among the majority. A "republican" official, according to the standard term, Mr Verbrugghe does not have any political commitment. While he got to know Mr Mitterrand, in his capacity as secretary-general of Nievre between 1966 and 1970, as well as the special advisor to the president, Mr Jacques Attali, who attended the training course at the ENA [National School of Administration] with him, the friends of the former director-general of the National Police instead belonged to the UDF. They included Messrs Michel d'Ornano, Gerard Longuet, and Jacques Douffiagues, just to mention a few. Now, Mr Verbrugghe did not conceal his exasperation, if not his worry, about the way Mr Pasqua was running the police, from his collaborators and even his friends.

He went so far as to announce that he was resigning in December, shocked, we are told, by the disorganization as regards the maintenance of order during the student demonstrations and also by the political handling of the Chalier affair by the police sections involved. An advocate of police professionalism and a certain administrative autonomy of the police with respect to the party in power at the moment, Mr Verbrugghe was successful in imposing choices upon the Left without sectarianism, for example, the rehabilitation of Mr Le Mouel, a police officer beyond reproach who however had been punished for his independent spirit by Gaston Defferre, or the rise of Mr Robert Broussard who today is chief and central director of Public Security.

For several of these "big cops," Mr Verbrugghe's departure is thus felt to be an alarm signal. Here they see the sign of a return to direct political manipulation of the police instrument, that mixture of ways of life between the police and the political establishment which only strengthens the poor image of their administration in public opinion.

They recall the message addressed by Mr Verbrugghe to police officers, after his appointment in June 1983, following the police demonstrations, in which he emphasized that the National Police, placed "in the service of the State and the citizens (...) must in no case be suspected of having a partisan spirit and (that) no politization effort will be permitted here."

(Born on 5 January 1937 at Ploeuc-sur-Lie, Cotes-du-Nord, with a degree in literature, a graduate of the Paris Political Studies Institute, Mr Ivan Barbot in 1961 was office chief for the prefect of Tarn-et-Garonne and of the prefect of Upper Savoy before being appointed subprefect in 1965 and director of the office of the prefect of Upper Savoy. In succession, he then became chief of the office of the Paris region in 1968; subprefect of Etampes (Essonne) in 1969; in 1974, he was chief of mission in the office of Prime Minister Pierre Messmer; in 1976, he became technical advisor in the office of Interior Minister Michel Poniatowski, after which he held the same job under Mr Christian Bonnet; in 1977 he became secretary-general of Seine-Saint-Denis and in 1982 he became commissioner of the republic in Charente. Finally, in 1985, he was appointed commissioner of the republic for Var.)

5058 CSO: 3519/55 POLITICAL

NETHERLANDS

COMMENTATOR CRITICIZES KOK'S LEADERSHIP OF OPPOSITION

Amsterdam DE VOLKSKRANT in Dutch 18 Nov 86 p 13

[Article by M.M. Kommer, PvdA member: "PvdA Leader Kok Conducts Opposition much too Respectably"]

[Text] The PvdA fraction leader in the Second Chamber advocates in a memorandum conducting a constructive opposition, the VOLKSKRANT reported on 1 November. Opposition is just what we need, but certainly in a quite different way than Kok obviously sees it. Referring to the fact that only a few voters frankly think the cabinet policy is bad, he wants to limit the role of the opposition to that of a good cheer leader.

Project developer Lubbers and Company come up with plans to demolish good and inexpensive rental housing to establish a villa district there. Because the original residents of the district, if asked, declare they certainly want to live in a villa, Kok proposes, with the motto "it can be better" covering up the attached swimming pools.

The fact that no one has taken the trouble to inform the original residents that not only the conspiciously low prices mentioned in the prospectus merely refer to the unit itself, but that the future residents still will have to pay once a year an equally large amount for maintenance, does not matter to him, no more than the fact that the whole project is incompatible with the appropriation plan in force.

If Kok--from what really--concludes that there is hardly any opposition in society to the present cabinet's policy, then he must see no sign in this that anyone would want a completely rejecting, not to mention polarizing attitude regarding that policy.

On the contrary, he would have to search out his heart and ascertain that the PvdA obviously has not succeeded in laying the basis for a broad social opposition in recent years. For that is really what is wanting now: a PvdA which discusses the basis of cabinet policy and offers something new in its place.

Financial Deficit

Meanwhile others have made a fundamental criticism on two points. They are the fiction of the financial deficit and the unconscionable action of the government.

As a result of the latest budget and the remarks of Prof Schouten (VOLKSKRANT of 17 September) more attention has finally been given to the seamy side of an enormous national debt and the proportionate interest burden for future generations. This seamy side concerns the huge amounts which the institutional investors (pension funds, insurance companies) must see placed every year and the income which we ourselves and future generations must receive from that.

It is incomprehensible that the PvdA did not do all that much earlier and with the same tenacity as Schouten. We may certainly take it amiss that the regular economists--and especially those in the PvdA--have hardly taken the trouble to tell the other story about the myth of the financial deficit. By not fundamentally joining the struggle with the distorted idea of matters connected with the financial deficit and the extent of government expenses the PvdA has legitimized the policy of the CDA and VVD.

With that the party has given at the same time free play to the government and the entrepreneurs in their efforts to blame for the malaise everyone who ate "at the state trough"--those entitled to benefits, officials, subsidy receivers (with the exception naturally of business.) Consequently Kok must not complain about the fact that these people, who have come to believe that their dreadful greed is the cause of the bad conditions in our country, are finally ready to take a step backward without too much grumbling.

Unconscionable Leadership

The second point, the unconscionable action of the government is likewise as a consequence of the latest budget finally unequivocally brought up for discussion and by Prof Schuyt--by chance also in the VOLKSKRANT (the supplement 4 October). Strikingly illustrated by the article included in the same supplement about the rich yuppies, he showed on the basis of the progress of matters connected with Deetman's plans for scientific education that the government has again managed to give itself back the place which its name suggests: above us. And consequently not with, or in the name of or on behalf of us.

Disguised by pretty stories about reducing the role of the government, the cabinet has completely appropriated power for itself and is proceeding on an unheard of scale to meddle in all kinds of affairs where citizens, government institutions and lower governmental organizations could decide for themselves in the past. The government action can today be called forceful without further ado.

The effectiveness and efficiency of the government's operation appear to have improved unquestionably, but the democratic standard of the community is more seriously affected by it, than by the decision to station 48 cruise missiles.

If Kok wants to conduct a constructive opposition against a cabinet acting in such a way, then he at least incurs the suspicion that he wants to exchange social-democratic principles for the technocratic lack of principle of which the present "leaders" are apt to accuse the PvdA. For in that case the PvdA is obviously only going to participate in the government, in influencing the result without worrying about the question of how that is achieved.

That would be a fatal mistake. For the final result will be in the best case a gigantic opposition, but then against the existing political parties (including the PvdA) and in the worst case complete apathy, beginning with the (potential) supporters of the PvdA.

Agreement

Does this mean now that the PvdA would do well to conduct not a constructive, but a destructive opposition? Really, this cabinet policy must be eliminated--but not only because we do not like that result. What is involved is that it is built on lies. It is the PvdA's assignment to expose that. The moment is ripe for that.

The policy in the field of public health offers an illustration, undoubtedly appealing to many (for it is felt in the pocketbook), of the fact that private and public expenditures are communicating vessels and that most economies in the government expenditures simply amount to shifting the burdens to the individual citizen.

This is something with which the PvdA can also appeal to those with whom it must really deal with if it wants to be able to end this cabinet's policy in the foreseeable future. They are not those who are ready to be treated as the weakest in the community, but those who still believe in an improvement of their own position (and then not only from a material standpoint). The PvdA can now again clearly show them that they must not be in this cabinet. However, if the PvdA wants to get their active support, they must appear with a convincing alternative.

The progress of matters connected with the universities (but in fact the whole policy regarding reorganization and privatization), as well as the government personnel policy provide a perfect opportunity to expose the discrepancy between the fine stories of the CDA and VVD about the reduction of the role of government in society and the almost dictatorial behavior of the cabinet.

This is perhaps not something with which to get much support directly. The risk consists in that you are involved in an academic discussion literally

and figuratively. However, it is probably the most essential problem to tackle and in each case a point when opposite opinions clearly can come to light.

The PvdA has developed a number of interesting ideas in this field through the years, but unfortunately at the same time it has only managed to invoke the image of power hungry technocrats. In the choice of the new party chairman, a great deal will depend regarding this--Pronk could develop many fine things here. I am only afraid that Kok did not intend that.

8490 CSO: 3614/25 POLITICAL

2

POLL SHOWS SETBACK FOR NONSOCIALIST PARTIES

Oslo AFTENPOSTEN in Norwegian 27 Dec 86 p 3

[Article by Bjorn Talen: "Gallup/Norwegian Opinion Institute/AFTENPOSTEN: Overall Nonsocialist Decline"; first paragraph is introduction]

[Text] Support for the Labor Party is still significantly lower than it was before last spring's change of government, but Prime Minister Gro Harlem Brundtland has reason to be pleased by the fact that the Labor Party and the Socialist Party of the Left together enjoy, for all practical purposes, the same support as the three big opposition parties, 45.2 as against 45.3 percent.

The three big nonsocialist parties clearly decline, the Labor Party, the Progressive Party and the Liberal Party strengthen their positions. This is the trend in the December Gallup/Norwegian Opinion Institute poll which was conducted as recently as the period between 8 and 19 December.

In this poll, uncertainty increases as to the direction current events are moving in. The three most recent polls from the other polling organizations agree over the extent to which the Labor Party and the center parties have declined, while the Conservative Party has turned its decline around and advanced again. What nevertheless appears to agree nicely is the fact that the Christian People's Party, and to a somewhat lesser extent the Center Party as well, has had some cold water thrown in its face after its periods of advance in the fall. It also appears that both the Progressive and the Liberal Parties are in better shape than they have been in for a long time.

Unclear Trend

In today's poll, conducted for AFTENPOSTEN by Gallup/Norwegian Opinion Institute, the Labor Party surges forward again from 38.0 to 39.2 percent. But this is a bit weaker than the result two months ago. The trend is therefore not significant and may be due to random factors. The swings are well within the statistical margins of error.

As far as the Conservative Party is concerned, the study shows a steady decline since August, when the Labor Party and the Conservative Party came out at precisely 35.5 percent. The decline this month is 1.4 percentage points, to 30.5 percent. The other organizations, as has been mentioned, show an upswing for the Conservative Party, and here as well there may be random factors. But the question can also be asked whether the Conservative Party is not struggling with a problem, which is never a small one, as far as the authority and the penetrating power of the party leadership are concerned.

The Christian People's Party was all the way up to 9.6 percent last month and is now down again to a more normal 8.1 percent. Once again, random factors may be at work, but the other organizations have also shown the same development. Presumably, in the voters' eyes, the party came out the best from the nonsocialist budget debacle, but since then has witnessed a certain reaction based on the budget agreement with the Labor Party.

Normal Level For Center Party

The Center Party stands still at 6.7 percent (-0.1). This can indeed also be called a normal level, and furthermore corresponds precisely to last year's electoral result.

The Socialist Party of the Left hovers in the 6 percent range, and this is somewhat above the result from the parliamentary elections. But it is not enough for a party which is taking the measure of itself to become big enough to form a coalition with the Labor Party.

The Progressive Party has had a weak period, but seems to be growing a bit stronger. 4.1 percent (+0.5) is its best showing of the year. It is natural to set this advance in the context of poor conditions where people's confidence in politicians is concerned.

Liberal Party Up

, **F**-

Also a record high for the year is the 3.4 percent (+1.1) of the Liberal Party, though this does not necessarily point to a Liberal Party parliamentary comeback in the next parliamentary elections. The Red Electoral Alliance, or, to put it more correctly, the Workers Communist Party (Marxist-Leninist), with 1.1 percent, for the first time is over the 1 percent threshold. This might mean new municipal administrative posts next year for the reddest of the red.

For the first time since May, the four nonsocialist parties in Parliament together have less than 50 percent support. The Labor Party, the Socialist Party of the Left, and the three former partners in government lie side by side.

Stortings- valget 1985 %	1986 Jan. %	Feb. %	Mars %	April %	Mai %	Juni %	Aug.	Sept.	Okt. %	Nov. %	Des. %
	41.0	42.2	43.3	43.9	. 41.2	39.9	35.5	36.0	39.6		39.2 0.7
			0.1	0.7	0.3	0.3	0.3	÷ · ·			4.1
			3.1	3.3	3.6	3.5			-		30.5
			30.9	28.8	31.0	32.1					8.1
0.0			7.2	7.3	6.9	8.4					0.3
			0.3	0.1	· 0.4	0.0					1.1
		0.6	0.6	0.6	0.7	0.3					6.7
		5.7	6.0	5.8	7.4						6.0
			5.7	6.6	5.9	5.8					3.4
		2.3	2.2	2.5	2.5	2.5					0.0
	1.1	0.6	0.6	0.4	0.0	0.5	0.0	0.5	0.3	0.2	0.0
		100.0	100.0	100.0	99.9	100.0	100,0	99,9	100,1	100,0	100.1
. 100.1		20010				4 1 7	197	42.0	45.3	44.2	45.2
. 46.3	47.4	48.1	49.0					49.5	47.8	48.3	43.3
. 45.3	44.7	43.9	44.1	41.9	10.0					51.9	49.4
•								52.7	50.9		
	valget 1985 % 40.8 0.5 3.7 30.4 8.3 0.2 0.6 6.6 5.5 3.1 0.4 100.1 48.3	valget 1985 1986 Jan. % % 40.8 41.0 0.5 0.4 3.7 3.5 30.4 30.4 8.3 9.5 0.2 0.4 0.6 0.3 6.6 4.3 5.5 6.4 3.1 2.2 0.4 1.1 100.1 100.0 48.3 47.4	valget 1985 1986 Jan. Feb. % % % % 40.8 41.0 42.2 0.5 0.4 0.8 3.7 3.5 3.5 30.4 30.4 30.2 8.3 9.5 8.0 0.2 0.4 0.2 0.6 0.3 0.6 6.6 4.3 5.7 5.5 6.4 5.9 3.1 2.2 2.3 0.4 1.1 0.6 100.1 109.0 100.0 48.3 47.4 48.1	valget 1985 1986 Jan. % Feb. % Mars % 40.8 41.0 42.2 43.3 0.5 0.4 0.8 0.1 3.7 3.5 3.5 3.1 30.4 30.4 30.2 30.9 8.3 9.5 8.0 7.2 0.2 0.4 0.2 0.3 0.6 0.3 0.6 0.6 5.5 6.4 5.9 5.7 3.1 2.2 2.3 2.2 0.4 1.1 0.6 0.6 100.1 100.0 100.0 100.0 46.3 47.4 48.1 49.0	valget 1985 1986 Jan. Feb. % Mars April % 40.8 41.0 42.2 43.3 43.9 0.5 0.4 0.8 0.1 0.7 3.7 3.5 3.1 3.3 30.4 30.4 30.2 30.9 28.8 8.3 9.5 8.0 7.2 7.3 0.2 0.4 0.2 0.3 0.1 0.6 0.3 0.6 0.6 0.6 6.6 4.3 5.7 6.0 5.8 5.5 6.4 5.9 5.7 6.6 3.1 2.2 2.5 0.4 1.1 0.6 0.4 100.1 100.0 100.0 100.0 100.0 100.0 48.3 47.4 48.1 49.0 50.5 50.5	valget 1985 1986 Jan. Feb. % Mars % April % Mat % 40.8 41.0 42.2 43.3 43.9 41.2 0.5 0.4 0.8 0.1 0.7 0.3 3.7 3.5 3.5 3.1 3.3 3.6 30.4 30.4 30.2 30.9 28.8 31.0 8.3 9.5 8.0 7.2 7.3 6.9 0.2 0.4 0.2 0.3 0.1 0.4 0.6 0.3 0.6 0.6 0.7 6.5 6.4 5.9 5.7 6.6 5.9 3.1 2.2 2.5 2.5 0.4 1.1 0.6 0.6 0.4 0.0 0.0 0.0 100.1 109.0 100.0 100.0 100.0 99.9 99.9 .48.3 47.4 48.1 49.0 50.5 47.1 45.3	valget 1985 1986 Jan. Feb. % Mars % April % Mat % Juni % 40.8 41.0 42.2 43.3 43.9 41.2 39.9 0.5 0.4 0.8 0.1 0.7 0.3 0.3 3.7 3.5 3.5 3.1 3.3 3.6 3.5 30.4 30.2 30.9 28.8 31.0 32.1 8.3 9.5 8.0 7.2 7.3 6.9 8.4 0.2 0.4 0.2 0.3 0.1 0.4 0.0 0.6 0.3 0.6 0.6 0.7 0.3 6.6 4.3 5.7 6.0 5.8 7.4 6.7 5.5 5.4 5.9 5.7 6.6 5.9 5.8 3.1 2.2 2.3 2.2 2.5 2.5 2.5 0.4 1.1 0.6 0.6 0.4 0.0 0.5 100.1 <	valget 1985 1986 3an. Feb. Mars April % Mat % Juni % Aug. 40.8 41.0 42.2 43.3 43.9 41.2 39.9 35.5 0.5 0.4 0.8 0.1 0.7 0.3 0.3 0.3 3.7 3.5 3.5 3.1 3.3 3.6 3.5 2.5 30.4 30.2 30.9 28.8 31.0 32.1 35.5 8.3 9.5 8.0 7.2 7.3 6.9 8.4 8.4 0.2 0.4 0.2 0.3 0.1 0.4 0.0 0.0 0.6 0.3 0.6 0.6 0.6 0.7 0.3 0.6 6.6 4.3 5.7 6.0 5.8 7.4 6.7 6.7 5.5 6.4 5.9 5.7 6.6 5.9 5.8 7.2 3.1 2.2 2.3 2.2 2.5 2.5 3.3 <td>valget 19851986 Jan.Feb. $\%$Mars $\%$April $\%$Mat $\%$Juni $\%$Aug. $\%$Sept. $\%$40.841.042.243.343.941.239.935.536.00.50.40.80.10.70.30.30.30.53.73.53.53.13.33.63.52.53.230.430.430.230.928.831.032.135.534.58.39.58.07.27.36.93.48.47.70.20.40.20.30.10.40.00.00.30.60.30.60.60.70.30.60.30.61.35.76.65.95.87.26.93.12.22.32.22.52.53.32.70.41.10.60.60.40.00.50.00.5100.1100.0100.0100.099.9100.0100.099.9. 46.347.448.149.050.547.145.742.742.9</td> <td>valget 19851086 Jan.Feb. $\%$Mars $\%$April $\%$Mat $\%$Juni $\%$Aug. $\%$Sept. $\%$Oht. $\%$40.841.042.243.343.941.239.935.536.039.60.50.40.80.10.70.30.30.30.50.63.73.53.53.13.33.63.52.53.23.130.430.230.928.831.032.135.534.533.58.39.58.07.27.36.93.48.47.78.20.20.40.20.30.10.40.00.00.30.10.60.30.60.60.60.70.30.60.30.46.64.35.76.05.87.46.76.77.36.15.55.45.95.76.65.95.87.26.95.73.12.22.32.22.52.53.32.72.50.41.10.60.60.40.00.50.00.50.3100.1100.0100.0100.099.9100.0100.099.9100.1.46.347.448.149.050.547.145.742.742.945.3.46.347.448.149.050.547.145.742.742.9</td> <td>valget 1985 $\frac{1986}{50}$Jan. $\frac{76}{76}$Feb. $\frac{76}{76}$Mars $\frac{76}{76}$April $\frac{76}{76}$Mat $\frac{76}{76}$Juni $\frac{76}{76}$Aug. $\frac{76}{76}$Sept. $\frac{76}{76}$Oht. $\frac{76}{76}$Nov. $\frac{76}{76}$40.841.042.243.343.941.239.935.536.039.638.00.50.40.80.10.70.30.30.30.50.60.43.73.53.53.13.33.63.52.53.23.13.630.430.430.230.928.831.032.135.534.533.531.98.39.58.07.27.36.98.48.47.78.29.60.20.40.20.30.10.40.00.00.30.10.20.60.30.60.60.60.70.30.60.30.40.86.64.35.76.05.87.46.76.77.36.16.85.56.45.95.76.65.95.87.26.95.76.23.12.22.32.22.52.53.32.72.52.33.12.22.32.22.52.53.32.72.52.33.12.22.32.22.52.53.32.72.52.33.1<</td>	valget 19851986 Jan.Feb. $\%$ Mars $\%$ April $\%$ Mat $\%$ Juni $\%$ Aug. $\%$ Sept. $\%$ 40.841.042.243.343.941.239.935.536.00.50.40.80.10.70.30.30.30.53.73.53.53.13.33.63.52.53.230.430.430.230.928.831.032.135.534.58.39.58.07.27.36.93.48.47.70.20.40.20.30.10.40.00.00.30.60.30.60.60.70.30.60.30.61.35.76.65.95.87.26.93.12.22.32.22.52.53.32.70.41.10.60.60.40.00.50.00.5100.1100.0100.0100.099.9100.0100.099.9. 46.347.448.149.050.547.145.742.742.9	valget 19851086 Jan.Feb. $\%$ Mars $\%$ April $\%$ Mat $\%$ Juni $\%$ Aug. $\%$ Sept. $\%$ Oht. $\%$ 40.841.042.243.343.941.239.935.536.039.60.50.40.80.10.70.30.30.30.50.63.73.53.53.13.33.63.52.53.23.130.430.230.928.831.032.135.534.533.58.39.58.07.27.36.93.48.47.78.20.20.40.20.30.10.40.00.00.30.10.60.30.60.60.60.70.30.60.30.46.64.35.76.05.87.46.76.77.36.15.55.45.95.76.65.95.87.26.95.73.12.22.32.22.52.53.32.72.50.41.10.60.60.40.00.50.00.50.3100.1100.0100.0100.099.9100.0100.099.9100.1.46.347.448.149.050.547.145.742.742.945.3.46.347.448.149.050.547.145.742.742.9	valget 1985 $\frac{1986}{50}$ Jan. $\frac{76}{76}$ Feb. $\frac{76}{76}$ Mars $\frac{76}{76}$ April $\frac{76}{76}$ Mat $\frac{76}{76}$ Juni $\frac{76}{76}$ Aug. $\frac{76}{76}$ Sept. $\frac{76}{76}$ Oht. $\frac{76}{76}$ Nov. $\frac{76}{76}$ 40.841.042.243.343.941.239.935.536.039.638.00.50.40.80.10.70.30.30.30.50.60.43.73.53.53.13.33.63.52.53.23.13.630.430.430.230.928.831.032.135.534.533.531.98.39.58.07.27.36.98.48.47.78.29.60.20.40.20.30.10.40.00.00.30.10.20.60.30.60.60.60.70.30.60.30.40.86.64.35.76.05.87.46.76.77.36.16.85.56.45.95.76.65.95.87.26.95.76.23.12.22.32.22.52.53.32.72.52.33.12.22.32.22.52.53.32.72.52.33.12.22.32.22.52.53.32.72.52.33.1<

Tallene angir hvor mange som ville stemme ved et eventuelt stortingsvalg imorgen, av dem som helt sikkert ville stemme. Det er også spurt hvilket parti man stemte på ved stortingsvalget i 1935. Forskjellene mellom de enkelte partiers oppslutning på dette spørsmål

og faktisk valgresultat i 1985 e<mark>r benyttet som</mark> veiefaktor.

Intervjuene ble jøretatt i tiden 8.—19. desember 1936. GALLUP/NOI

<u>Key</u>

- 1. Labor Party
- 2. Liberal People's Party
- 3. Progressive Party
- 4. Conservative Party
- 5. Christian People's Party
- 6. Communist Party of Norway
- 7. Red Electoral Alliance
- 8. Center Party
- 9. Socialist Party of the Left
- 10. Liberal Party
- 11. Others

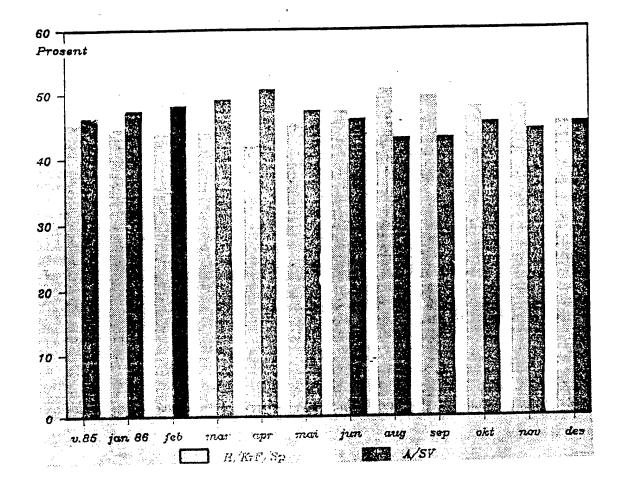
12. Labor Party + Socialist Party of the Left

- 13. Conservative Party + Christian People's Party + Center Party
- 14. Conservative Party + Christian People's Party + Center Party + Progressive Party

The figures tell how people would vote if parliamentary elections were tomorrow, of those who would certainly vote. Also asked was what party a voter voted for in the 1985 parliamentary elections. The differences between the support for individual parties on this question and the actual 1985 electoral result have been used as a weighting factor.

Interviews were conducted during the period 8-19 December 1986.

Copyright Gallup/Norwegian Opinion Institute



As is shown in the diagram, the Labor Party and the Socialist Party of the Left enjoy the same level of support as the Conservative Party, the Christian People's Party, and the Center Party. One has to go all the way back to May to find a situation in which the socialist bloc enjoyed greater support than the three parties in the previous government.

12789 CSO: 3639/8

5-

30

POLITICAL

WILLOCH ATTACKS HARLEM BRUNDTLAND FOR NATO, SDI COMMENTS

Oslo AFTENPOSTEN in Norwegian 27 Dec 86 p 12

[Article: "Willoch: Norway Must Not Weaken NATO Unity"]

[Text] "I think that our NATO positions are a part of the basis for our policy, and that Norway's prime minister should not make statements on Norway's behalf which conflict with it," Kare Willoch (Conservative), the chairman of Parliament's foreign committee, told AFTENPOSTEN. Has it become "really dangerous" for a Norwegian politician to point this out, Willoch asked. He put great emphasis on NATO unity.

Willoch thinks that the prime minister's attack on him in an interview with ARBEIDERBLADET on 23 December gives a strange impression of her relationship to NATO cooperation. "What she said is so odd that it deserves greater attention and reaction," Willoch stated, referring to the fact that the prime minister characterized his statements as "remarkable and really dangerous."

What is being termed dangerous is that "the leader of Parliament's foreign committee...is clutching at formulations in a NATO communique and produces it as if it alone should be the basis for what Norwegian policy is." "I think this is turning things on their head," the prime minister said.

"Now it is naturally an exaggeration to say that I regard NATO communiques as the 'very basis' for Norwegian policy, but I do view them as an important part of the basis for our security policy," Willoch said. He repeated that the NATO countries, starting from different points of view, formulate common positions on, for instance, relations with the Soviet Union. This is done especially in communiques from ministerial meetings.

"But when that has been done, it should be Norway's position that the member countries should stand by what they have reached consensus about. Unity is necessary in order to achieve results. And then it is not 'turning things on their head' to recommend that the members of the organization behave in conformity with jointstatements," Willoch said.

"The explanation for the prime minister's attack is criticism of the fact that, when in Moscow, she gave a version of an important security policy issue which was different from the position her own government had just agreed to in NATO. The difference of opinion was over research into defense against nuclear weapons," Willoch said.

"After the Norwegian Broadcasting Corporation's meticulous Olav Versto had given a painstaking account of what the prime minister said in Norwegian to Soviet television, he could state that it agreed with the proposal for a parliamentary measure which the Socialist Party of the Left had made, but which Parliament had rejected. Then the prime minister tried to claim that the radio had misquoted her. It was demonstrated that sie had been correctly quoted. And then she said that she stood by what she had said--but that was something she had first denied having said. It is easy to get involved in such problems when you have two positions on the same question," Willoch said, drawing the following conclusion:

"What the prime minister tola Soviet television, in response to a question having to do with defense against nuclear weapons, was that 'we are against that research which is being conducted in both the US and the Soviet Union, where this type of weapon is concerned.' But what her own government has agreed to within NATO on the same subject is 'strong support of US research into space and defensive systems, to the extent that the ABM treaty permits it.' What the prime minister said in Moscos is thus a point of view different from the one she had agreed to in NATO. I think our NATO positions are a part of the basis for our policy, and that Norway's prime minister should not make statements on Norway's behalf which conflict with it," Willoch said.

12789 CSO: 3639/8 POLITICAL

LABOR PARTY, CONSERVATIVES FAVORED IN FALL ELECTIONS

Oslo AFTENPOSTEN in Norwegian 10 Jan 87 p 3

[Article by Morten Malmo: "Ready For An Eight-Month Electoral Fight: Duel To Be Waged In The 'National Arena'"; first paragraph is introduction]

[Text] When the New Year's fireworks burst in the air, Norway entered election year 1987. In eight months, on 14 October, well over 2.5 million voters will flock to polling places. National politics will determine municipal and county elections. Parliament's spring session could be a disastrous one for nonsocialist cooperation. Now, as the new year begins, electoral prospects look best for the principal opponents, the Labor Party and the Conservative Party. In the election the Center Party has to fight hard for its life as a medium-large party.

It is quite uncertain whether 1987 will produce any change of government. Nevertheless the leaders of the three parties which were formerly in the government meet regularly. What is certain is that the political paths the three parties choose during the spring will have significance for the fall elections. If the Mesnali affair does not eventually end in a change of government, a change can occur if the Conservative Party, the Christian People's Party and the Center Party unite around a common economic position when the revised national budget is taken up before the summer recess. A crisis can also take place before that if the government presents a "winter package" full of controversial retrenchment measures.

Choosing a Path

The approaching elections will to a great extent be open to tactical moves on fine points by the parties. The three former parties in the government do however now face a clear choice of path during Parliament's spring session: Will they use the majority they have, together with the Progressive Party, to carry out nonsocialist policy? Or will the nonsocialist bloc stand and watch as the Labor Party gradually lets planks of its platform become actual policy with the help of one or more nonsocialist parties? In other words: Will the nonsocialist parties live up to the obligations they took upon themselves before the 1985 elections or will they not?

This question will not be submerged in electoral tactics. Large segments of the Center Party calculate that being in the opposition will bring them a win.

The problem for spokesmen from the Center Party and from the Christian People's Party and the Labor Party is that the three parties agreed to a compromise on the national budget for 1987. If they complain to Finance Minister Berge about a shortage of funds, then such complaints can also be directed against Johan J. Jakobsen and Kjell Magne Bondevik. Double bookkeeping can be quickly revealed. Spokesmen of the Conservative Party will not have an easier time if they go chasing after money. Indeed the Conservative Party again closed its money bag to the other parties during the budget debate.

Bright Prospects

Now, as the new year begins, electoral prospects are bright for both the Labor Party and the Conservative Party. If we look at the average of the opinion polls taken by Gallup/Norwegian Opinion Institute, MMI and Scan-Fact in December of last year, we see that the Labor Party has 39 percent. In the 1983 municipal and county elections the party received 38.9 percent, while it reached 40.8 percent in the 1985 parliamentary elections. In December the three opinion polls gave the Conservative Party 32.3 percent. This is "sky high" above the 26.4 percent which the Conservative Party received in the 1983 elections. If the elections produce such an advance for the Conservative Party, then party chairman Rolf Presthus can smile broadly. Meanwhile his problem is that frustration can spread in the ranks of the Conservative Party as well if the change of government does not materialize.

Christian People's Party and Center Party

For the Christian People's Party and the Center Party the assumptions are poorer. In December Gallup/Norwegian Opinion Institute, MMI and Scan-Fact gave the Christian People's Party 7.4 percent. In the 1983 elections the party received 8.8 percent and in the 1985 elections the party received 8.3 percent. The Center Party's average in December is 5.9 percent. This is significantly lower than the 7.2 percent the party received in the 1983 elections. In 1985 the Center Party received 6.6 percent. The opinion polls show that the Center Party is scraping bedrock. Party leader Johan J. Jakobsen must therefore tread carefully. The golden days of 1973, when the Center Party received 11 percent, are long since gone. Since then the party has gone downhill. If Jakobsen turns the trend around in this year's elections, it will be a feat.

Socialist Party of the Left and Progressive Party

Today the Socialist Party of the Left enjoys support at a level of around 6.5 percent. This is a full percentage point better than in the electoral results for both 1983 and 1985. The Progressive Party does not share such good electoral prospects. In December Carl I. Hagen's party had an average of 4.2 percent as against 6.3 percent in the 1983 local elections. In the 1985 elections, for the first time in 101 years, the Liberal Party had no members in parliament. This year's elections will be decisive for the Liberal Party. If the rescue attempts do not succeed, the party will soon find itself among the "splinter parties" in Norwegian politics, viz. the Red Electoral Alliance, the Liberal People's Party, and the Communist Party of Norway.

Small Margins

Small margins may determine this year's elections. In 218 of the country's 454 municipalities there are Labor Party mayors. The nonsocialist parties hold power in 11 of Norway's 19 counties, as the map shows. This is the case for Oslo, Akershus, Vestfold, East Agder, West Agder, Rogaland, Hordaland, Sogn og Fjordane, More og Romsdal, South Trondelag and North Trondelag. On the other hand, the Labor Party is in control in Ostfold, Hedmark, Oppland, Buskerud, Telemark, Nordland, Troms and Finnmark.

The Labor Party must fight hard for its power position in Ostfold, Buskerud and Troms. On the other hand, there will also be keen struggles for power in Oslo, South Trondelag and North Trondelag, which have nonsocialist administrations today.

Battle Theme

Regardless of whether or not there will be a change of government, the daily diet in national politics in 1987 will feature economic policy. Battles can be expected about income policy, retrenchments and the new tax form. The wage settlement can create additional new turbulence. The health and social sector and municipal finances will stay in focus. Security policy will almost certainly achieve a place in this year's electoral fight, as it has so often in the past. Footnotes, nuclear-free zones and space weapons are the catchwords here. Furthermore debate can flare up about Norway's relationship to the EEC after the government submits its report on Europe. Nevertheless, in an election year, the parties dread any "yes or no debate" about Norwegian membership in the EEC.

Stay At Home?

After fall conflicts between politicians and voters and the lack of confidence in politicians which has been observed, it will be interesting to see whether this year's elections will be affected by any of this. Will we now see a record number of stay-at-homes or will voters get more involved in political issues after what has happened? It is hard to predict. On election night the answer will come on television screens into the nation's homes.



run by nonsocialists, while counties run by the Labor Party are shaded black.

12789 CSO: 3639/10

POLITICAL

PORTUGAL

ANTI-CENTRAL GOVERNMENT FEELINGS EXPRESSED

Lajes Base Monetary Expedient

Ponta Delgada CORREIO DOS ACORES in Portuguese 16 Dec 86 pp 1, 7

[Text] The book, "The Americans and the Portuguese," by journalist and historian Jose Freire Antunes, published several days ago in Portugal, is a quite revealing document of the history of the strategic importance of the Azores.

On the basis of having studied innumerable confidential documents belonging to the U.S. government, supported by the "right to know" legislation of that country, Freire Antunes tells some curious stories regarding the way in which Portugal has always used the Lajes Base as a means of barter in its international negotiations, to the point that Salazar invoked the Azores as indispensable to maintaining the country's overseas empire.

The same situation exists today. Portugal invokes the Azores in order to achieve success in its international military plans, and reaps funds of many millions of dollars of which the Azores sees only a very small part.

These are those who dare to throw stones at this important group of islands in order to rule it, in order to dominate it, and in order to profit even more. It is for this reason that the book in question represents a ray of clarification regarding the government's negotiations; it is an important document for all of us to reflect upon.

Islands' Isolation Protested

Ponta Delgada CORREIO DOS ACORES in Portuguese 16 Dec 86 pp 1, 7

[Text] Ill winds have been blowing to us from Lisbon lately. Right now it is the increased fares on TAP airlines between the Azores and Lisbon. With no recourse and without cause.

When the price of oil decreases, the air transport industry tends to reduce fares in almost all countries. Europe is discussing the liberalization of air

transportation, but Lisbon, with no notice and without consulting our government, decided to increase our already chronic isolation by another 10 percent.

The increase in TAP's air fares makes no sense at all, unless it is designed simply to aggravate the lives of the Azorians. It is interesting to listen to those in power, with their big smiles, with their readiness for conversation, and their great understanding, and their dream world. . .

Please tell us. Might it be that they fear that our own SATA airline will create flights to Madeira and the continent? Might it be that they won't authorize the secretary of state for transporation to visit the Azores in order to discuss things with the local authorities? Might it be that they want to isoalte us in the islands more and more? They will wish us a Merry Christmas and a Prosperous New Year. The Portuguese government's hypocrisy!

12857/13104 CSO: 3542/33

PORTUGAL

POLITICAL

PSD, PS EMERGE WINNERS IN OPINION POLL RESULTS

Lisbon DIARIO DE NOTICIAS in Portuguese 13 Dec 86 p 3

[Text] Of those who vote in Portuguese elections, 40.9 percent would vote for the PSD if elections were held now, while 23.2 percent of the electorate would vote for the PS, the party that continues to be the PSD's closest adversary, according to a poll conducted by the Institute for Political Studies.

These results come from a poll of 987 individuals selected randomly from a universe of people over the age of 18 and living in Portugal. Between last Monday and yesterday, representatives from the Institute for Political Studies conducted direct, personal interviews based upon structured questionnaires. According to those in charge, the sampling error of the entire study is about 3 percent, and the level of confidence in the results is 95 percent.

In response to a question regarding which party would be returned to power if elections were held now, 40.9 percent of those asked said they would vote for the PSD, while the PS was supported by 23.2 percent of the voters, the APU by 15.7 percent, and the PRD and CDS by 13.2 percent and 6.9 percent, respectively.

Curiously, in comparing these results with those of the legislative elections of last October, only the APU remained at its previous level, while there were marked declines for the CDS (from 9.96 percent to 6.9 percent) and especially for the PRD, which fell from 17.9 percent to 13.2 percent.

As for the PSD, the present poll indicates a clear increase from 29.87 percent of the votes last October to 40.9 percent now. However, the PS also experienced a marked rise from 20.77 percent voter support last October to 23.2 percent in this more recent poll.

Government Performance

Other questions asked in the poll had to do with the performance of the government. In the opinion of 43 percent of the respondents, the performance level of the government has been average (neither good nor bad), while 32.1 percent of those polled felt that the government has performed well. Of those remaining, 10 percent felt that the present government has performed poorly, and 3.5 percent, very poorly.

When asked to compare this government's level of performance with that of the previous administration, however, 46.5 percent of the respondents considered it better, 34.1 percent considered it equal, and 10.1 percent felt it was worse.

Those aspects of performance most strongly criticized were unemployment (34.3 percent considered it bad, and 11.3 percent, very bad), and cost of living and health (30.6 and 30.7 percent respectively).

With regard to the performance of the prime minister, the most frequent response was positive (38.6 percent considered Cavaco Silva's results to be good, while 12.4 percent judged them to be very good, and 29.7 percent neither good nor bad); only 10 percent of the respondents considered Cavaco Silva's performance to have been negative.

Analysis of Personages

Opinions regarding the 4 best known political personages of the day, Mario Soares, Cavaco Silva, Ramalho Eanes, and Vitor Constancio were also sampled in the present poll.

The characteristics that best distinguish the president from his "opponents" are his warmth, his communications skills, and his support of democratic values. But, nevertheless, 36.6 percent of the respondents felt that his most outstanding strength was his political experience, while his decision-making abilites was the least indicated (only 5.8 percent).

Cavaco Silva was noted especially for his leadership ability, his competence, and his decision-making ability, but above all for his intelligence, mentioned by 48.9 percent of the respondents.

Ramalho Eanes is thought of principally in terms of his honesty (37.8 percent), authority, and personal prestige, while his communication abilities are rated as inferior to those of his opponents.

As for Vitor Constancio, the majority of those questioned were unable to select from those qualities listed any that they could ascribe to the leader of the PS (58.2 percent), while those remaining emphasized his intelligence, (23.5 percent) and his competence (13.6 percent).

12857/13104 CSO: 3542/33

PORTUGAL

POLITICAL

POLITICAL ANALYSIS OF DEMOCRATIC LEFT CONVENTION

Lisbon EXPRESSO in Portuguese 13 Dec 86 p 18-R

[Article by Eduardo Prado Coelho]

[Excerpts] After long delays during which there was no lack of indecision, false starts, attacks and doubts, the convention was held last weekend. Holding aside any specific evaluation, one can only say that it was a worthwhile effort.

Let us review the political results. Right from the start a serious error was made. One has to assume that, with its deeply rooted tradition of myopia, any convocation of the Portuguese left has to define itself as a summit meeting of parties bent upon the overthrow of the rightist government. This demonstrates one thing mainly: a rush to power. But such an obsession carries within itself another even deeper obsession: the fear of thinking.

It was based upon this error that the problem of exclusions was raised. I would like to explain, from my point of view, what I consider to be the problem of the PCP.

Since socialism is the political philosophy through which it hoped that the present society will be improved, the Portuguese Communist Party continues to present to us, as the only blueprint for transformation, the model of the Eastern societies. There is not the slightest hint to anticommunism in or conviction that any project in democratic socialism has to begin, on the other hand, by affirming clearly that the Eastern model must be totally rejected. As long as the Portuguese communist party fails to carry out an unequivocal critique of the Eastern societies, it can have no place whatsoever in the domain of the democratic left.

It is precisely because the left allows itself to be depicted through images that monstrously distort democracy that the democratic left feels compelled to regard democracy as a primary and inalienable value. The democratic left is primarily democratic, and it is only within the democratic context, which it defends as fundamental, that it affirms itself as being leftist.

It is for this reason, I repeat, that the democratic left and the democratic right have more in common than do the democratic left and the totalitarian left. And the same holds with the right, of course. Whoever continues to think in terms of the "family of the left" is fooling himself. The basic great family is that of democracy, and it is only within that family that is makes sense to speak of a family of the left, and, by extension, of a unification project.

With regard to the PRD, I believe that it was absolutely wrong for them to have absented themselves for their position of influence. They could only have gained if they had been there. They called attention to themselves by not attending, and thereby proved that the domain of the democratic left is much more isolated than we might have supposed.

That is to say, they left it entirely up to the PS to show itself capable of mobilizing almost all of the independent sectors of the Portuguese democratic left: Sectors to the left, on the fringes of an MDP that is in the process of a painful fragmentation; parallel to sectors (such as the "pintasilgustas"); and sectors to the right of the PS (those social democrats that keep thinking that it is not the job of social democracy to homogenize the Portuguese right).

It is precisely because the PRD feels itself to be more and more desperate that during the next few weeks it is going to appeal to the PS to make common cause with it.

And here there is a historic irony that ought to be clarified. It is obvious that the electorate of the PS and what remains of the electorate of the PRD have everything in common. Yet there also exists an important schism: within this domain of commonality there are those who want to define themselves as different without even being able to articulate the difference (I am referring here to the PRD, of course). Since they are unable to demonstrate their difference, they have to radicalize and shout about a difference they cannot prove. And it is precisely for this reason that any idea regarding common cause would become deeply conflictual. That is, it would be the most divided of unities as a function of the very irrationality in the idea that a real division exists.

12857/13104 CSO: 3542/33 SOCIAL

NATIONAL TENDENCY TO ESCAPISM SCORED

Athens I KATHIMERINI in Greek 11-12 Jan 87 p 8

[Article by "E": "Escape..."]

[Excerpts] "What will happen with this new poverty?"

Greece is losing Greeks.

Once again.

The tendency to escape has deep roots within us. It can be found in everyday life, but also in literature. We are forever reading about and looking at pictures of the child who looks, transfixed, at the horizon and at the sea, and wants to set out for new worlds, to free himself from ties and family. It is the most beloved subject, because it is the truest.

In times past, escape granted survival. Poverty used to pressure the people to leave Greece, the poverty of hunger used to send the young far away from the lonely rocks.

Worldwide events and wars destroyed the large empires, but also the little ones. Rich Greeks started to return, some with fortunes and generous dispositions, some others with the hope of finding their roots again.

Now they are leaving again, and they increasingly do so. The poverty that is chasing them away is not the old one, it is a new, different one, perhaps more bitter yet.

What can you do with Greece, given the aspect that it is taking? What is it offering? What kind of quality of life, what prospects?

Please do not translate these remarks as an anti-government bent of mind. This downhill slide was not created by the PASOK. Indeed, it got worse during the last five years, but if one wants to look at reality with sincerity, without rose-colored glasses, one will see that the symptoms began to be evident many years ago. Lies cover them up. Continuous, unceasing and many-sided lies, which occult the heavy disease that is undermining the country. At regular intervals, we write about small truths, but as for the large, the important ones, those that we keep within the body of the country, letting it get poisoned, we cover them up carefully.

How many times did I not read, written seriously by serious men in serious publications, about the "wholehearted resistance of the Greek people against the military dictatorship."

Could a bigger lie, a more fantastic tale, ever be told? Would it not be more useful for the health of the country to review the phenomenon of the almost general acceptance of the despicable regime with courage and seriousness? In which civilized European country could three armed unknowns demand that the state be handed over to them? And how could they have succeeded-as they did--thanks mainly to the smiling indifference of the population?...

And please do not tell me that on that 22nd of April, Athens behaved like a city with democratic citizens... It was a shameful slave, harkening back to the times of the Turks, ready to submit to the orders of the Sultan.

We do not know, nor have we ever counted, how many of the hordes who left Greece in disgust at that time stayed away, established families elsewhere, changed their names and acquired a new country.

And we do not know how many and which ones are leaving now. Do not be fooled: the present situation is unable to keep in our poor surroundings an entire world of the young. The ambiance is bad, the offers are few, there exists a competitive attitude projecting into enmity, and access to any kind of worthy work simply through merit is difficult.

There is a generalized conviction--and please excuse me for saying so--that everybody, more or less, is stealing. That all those who appear to be rich, successful, habitues of the "bouzoukia" [popular Greek music] and the discos, are thieves, exploiters, misusers of public funds.

All those with a tendency to walk the ways of fraud are attempting to find their future here, are following the examples from above, are taking advantage of the indulgent climate.

A climate they know could not be found elsewhere. They become different persons the moment they leave. And these "different persons" abroad are the good Greeks, whose lack will become increasingly noticeable.

Lies: We tell lies to the students, who in turn lie to us about studying. We tell lies to the landlords and lies to the renters, we tell lies to the people of Kalamata [hit by a terrible earthquake this past year], and lies to the donors about the use of the funds; we tell lies to the EEC and we shall be telling lies in Davos, where once upon a time the sick would go to be cured, and where the politicians now go to tell lies to each other without getting rid of their disease. Lies are told on television too.

Do we want the truth? Can we take it? Does any faction, any party dare to try it? Dare to help clean up the political horizon from the pollution that is chasing the young away, sending them to breathe elsewhere?

/7358 CSO: 3521/63

UGT DEFEATS CCOO IN UNION ELECTIONS

CCOO Favored in Large Companies

Madrid EL PAIS in Spanish 2 Jan 87 p 41

[Article by Rodolfo Serrano]

[Text] Madrid--The UGT [General Union of Workers] has won the union elections by six points, according to tabulations confirmed by sources in the administration itself. Nevertheless, CCOO [Workers Commissions has won a majority in companies with more than 750 employees, according to the same data. The same sources asserted that fraud complaints had been filed against 3,839 tally sheets (6.72 percent of those entered) and that only 334 (1.43 percent) had been admitted totally or partly by judges.

Administration circles confirmed that in late December, although some sheets remain to be entered, the UGT looks to be the big winner in the union elections, defeating CCOO by six points. Although the results are not final, major changes are not expected.

In a breakdown by companies, the UGT won a majority in those employing between 50 and 750 workers. CCOO won in companies with more than 751 employees. According to the sources, however, even in these companies the margins were small, no more than 100 delegates.

Change of Team

Union circles, including CCOO sources, point to "the change in the campaign team" as one of the reasons for the CCOO's defeat. In previous elections the Carrillo faction of the union controlled the organizational secretariat, which was taken over by the Gerardo faction at the most recent congress. According to these circles, the new team reacted too late to the UGT's offensive in small and medium-sized companies, thus costing the CCOO its majority.

In spite of everything, all of the sources consulted agreed that both the CCOO and the UGT have considerably strengthened their representation. In the 1986 elections both groups easily surpassed the number of delegates they won in previous union balloting.

SPAIN

The final election results will not be made public until all tally sheets are certified and the wave of challenges that the unions have filed against the delegates of the other organizations are resolved. In this regard, the data in the administration's possession, as furnished by the General Council of the Judiciary, seem to indicate that there was not as much fraud as the public complaints would lead one to believe.

Not counting Madrid and Barcelona, 3,839 tally sheets have been challenged nationwide (6.72 percent of the total number filed with the various Institutes of Mediation, Arbitration and Conciliation). The figure is much lower, however, if we look just at the results of the challenges. According to the aforementioned sources, of the 3,839 challenges filed, 327 were admitted and another 7 partly admitted; 518 were rejected, 776 were withdrawn, 21 were reconciled, and 240 were not accepted for processing.

Number of Challenges

At present, hearings are scheduled for 1,247 challenges, while another 468 are awaiting processing; 1,889 have been resolved. In short, only 1.43 percent can be regarded as totally or partly admitted.

The rest of the pending challenges, the sources say, are groundless and under other circumstances would not have been filed.

The union federations (and according to administration sources, neither of them can be regarded as free of blame) were "genuinely happy" to file challenges against their opponent, thus giving the public the impression that there was a great deal more hank-panky in the balloting than there really was. Bilbao, Malaga and Huelva were the capitals in which the most challenges were filed.

UGT Narrows Gap in Catalonia

Madrid EL PAIS in Spanish 2 Jan 87 p 41

[Text] Barcelona--The CCOO won the most votes in the union balloting in Catalonia, according to the provisional returns tabulated by the Department of Labor of the Catalan Legislative Assembly from a total of 10,273 tally sheets as of 30 December 1986. According to this source, the CCOO has won 10,864 delegates, 41.1 percent of those elected, while the UGT, which came in second, has elected 9,937 delegates, 37.7 percent.

Far behind these two came the Workers Trade Union (USO) with 927 delegates, 3.5 percent; the National Confederation of Labor (CNT) with 280 delegates, 1 percent; and the Union Confederation of Workers of Catalonia (CTSC) with 337 delegates, 1.3 percent. Unaffiliated delegates accounted for 12.4 percent of the representatives elected, 3,267.

These numbers indicate that the CCOO and the UGT have made gains and consolidated their positions with respect to the union panorama that took shape at the last elections. The CCOO increased its share of the delegates from 38.35 percent in 1982 to 41.1 percent in 1986. The UGT posted an even

greater increase, from 30.29 percent in 1982 to 37.7 percent in 1986. The UGT has cut the gap between it and the CCOO from 8 points in 1982 to 3.4 at present.

Unaffiliated Delegates Lose Ground

The gains by the CCOO and the UGT were mostly at the expense of the unaffiliated delegates, who accounted for 21.99 percent of the total in 1982, dropping to 12.4 percent at the most recent balloting. The USO's total barely changed over the 4 years. It took 3.8 percent of the delegates in 1982 and 3.5 percent at the last election.

By provinces, the CCOO won in Barcelona and the UGT in Gerona, Lerida and Tarragona. In Barcelona, the CCOO won 43.9 percent of the delegates, 32.2 percent in Gerona, 27.1 percent in Lerida and 33.8 percent in Tarragona.

For its part, the UGT garnered 35.9 percent in Barcelona, 45.5 percent in Gerona, 59.6 percent in Lerida and 36.4 percent in Tarragona. It was in the latter province that the USO did best, electing 275 delegates, 11.1 percent of the total, according to provisional returns from the assembly's Department of Labor.

The CCOO's majority is based on its performance in the large companies, where it won 48.8 percent of the delegates, whereas the UGT won 28.9 percent in these companies.

CCOO Majority

The CCOO won in SEAT [Spanish Passenger Car Company, Inc] (before the tabulation period), Enasa, Motor Iberico, Mercedes Benz, Macosa, Miniwatt, Siemens, Maquinista Terrestre y Maritima, Aismalibar, Spanish National Railroads, Iberia, Ferrocarriles de la Generalitat, Autobuses de Barcelona, Telefonica, Electric Power of Catalonia, Inc, Ribagorza National Hydroelectric Enterprise, Hidroelectrica de Catalonia, the Sant Pau Hospital, La Alianza Health Manor, Mutua de Tarrassa, Safa, Puignero and in the Central, Vizcaya, Santander, Popular, Catalana and Sabadell banks.

8743 CSO: 3548/33 SOCIAL

EMPLOYERS' POWER TO DISMISS WORKERS DEBATED

Madrid YA in Spanish 18 Dec 86 p 16

[Article by Carmen Parra]

[Text] The ministry of the economy thinks the government should take part in negotiations with management and the unions to eliminate rigid features in the labor market, while some other ministers agree with Nicolas Redondo, and think that the executive should remain outside these negotiations. The ministry of labor has already initiated the first contacts in its efforts to revise social security financing and to lower labor costs. Many questions still remain about other issues.

It seems that the joint discussions for next year--or social dialogue, as these discussions are called in the European Community--may be difficult, based on the prior positions taken by management and the unions. The government's involvement in these talks is also uncertain. The ministry of the economy, according to well informed sources, wants the executive to take part in the negotiations to eliminate rigidity from the labor market, so long as there is a minimum prior commitment on the part of both labor and management, while the ministry of labor would prefer to rely on free negotiations between management and the unions.

Nonetheless, the government is already involved in revising social security financing. After the agreement the ministers who deal with economic affairs reached with the CEOE [Spanish Confederation of Businessmen's Organizations] in contacts before the completion of the general budgets, Manuel Chaves met with the top business leaders to seek ways of cutting labor costs. One of the factors being considered is to compensate for reducing the employers' share in social security costs by increasing the general rate of the IVA [Value Added Tax]--12 percent.

Sources consulted by YA stated categorically that the government has never considered increasing the employers' freedom of dismissing workers, adding that the CEOE's request is just part of its prenegotiation strategy. A highlevel administration official believes that the CEOE starts by asking for

49

twice what it can hope to get, going as far as calling for increased freedom of dismissal, and then achieves some strong gains in issues such as mobility, productivity, and job classifications.

Government officials, though, would not be displeased if agreements were reached on the costs of layoffs, which normally run 3 to 4 times higher than what is permitted by law. But generally speaking, for the government flexibility is another matter, and is related to determination of the cost of the labor factor, social security, and take-home pay.

One issue that could arise might be the possibility of linking part of the salary to productivity, sales, and the company's economic position, though this would not reduce the cost of salaries in the short term, but rather in the longer term. Another might be [to link] occupational and geographic mobility and the company's starting salary, much higher than the minimum wage.

The government, though, does not want to prepare a package, but rather to introduce reforms in social security and the National Employment Institute. The November unemployment data recorded by the Employment Offices did come as a surprise to the government. The rise in unemployment in September and October had been expected, but not November's disturbing figures. The impression at the ministry of the economy is that linking job-training courses to the requirement to be registered as unemployed has artificially boosted unemployment figures. For this reason, they are waiting to see the working and job-seeking population survey for the last quarter in order to determine what has happened with the unemployment figures.

Redondo Does Not Accept CEOE's Preconditions

Nicolas Redondo maintains that his organization has not moved to a more radical position, and that it does want to take part in joint negotiations, but only if the content of these talks is worth the effort. There is one thing he is not prepared to accept: preconditions set by anyone, and particularly not any such conditions set by management. The top UGT [General Union of Workers] leader says that "if the negotiations collapse, it will be largely the CEOE's fault." If that should happen, his organization will follow a different course of action and will not negotiate on the basis of inflation forecasts, as it has in past years.

The UGT still insists that the government should not take part in the negotiations, but Redondo notes that this doesn't mean it should be neutral. He wants "the executive to take an aggressive stance on the CEOE's demands on flexibility, for Felipe Gonzalez is the secretary general of the PSOE [Spanish Socialist Workers Party], and all his ministers are socialists." Redondo feels that the CEOE's leadership has adopted behavior which he describes as "audacious"; "after ordering the right around it now wants to order the government around and tell it what it should do." Moreover, he notes that "everyone realizes there has been an economic upturn. Job earnings have been lost, and now is the time to put an end to the workers' sacrifices."

The UGT secretary general wonders why multinationals are investing in Spain under the same regulations and terms as Spanish businessmen. In his opinion, it is not that they want to be more competitive, but rather to get bigger profits. The union leadership has approved a document which analyzes possible issues to be discussed in the forthcoming talks. Apolinar Rodriguez, in charge of union action, says that the two main axes will be: modernization and streamlining of collective bargaining, which should be better organized at lower levels of the company and sector; and working together with other unions to develop alternatives.

As for specific content, on salaries the UGT insists that there must be no reduction in purchasing power, and it will call for increases higher than the expected IPC [Consumer Price Index], with a revision clause; it will ask for a reduction in the length of the workday and job-sharing packages; it will propose the introduction of new company internal management methods; it will ask that training be considered a decisive method for modernization of the production system; in productivity it wants the concrete application of the agreement reached in the AMI to remain pending on the company level; and it will ask that the introduction of new technologies, which it does not oppose, be negotiated.

The UGT believes that the elimination of labor regulations is going to play an essential role. In addition to metal, the construction and trade sectors have already initiated such contacts.

7679 CSO: 3548/31

NEW MONTHLY MINIMUM WAGE ESTABLISHED

Madrid YA in Spanish 20 Dec 86 p 17

[Article by Carmen Parra]

[Text] The new general minimum wage which will take effect on 1 January 1987 will be 42,150 pesetas a month. The minimum wage for young people will be 16,290 pesetas a month; for household employees it will be 304 pesetas an hour.

Starting on 1 January the 1987 minimum wage will be 1,405 pesetas a day and 42,150 pesetas a month, if the ministry of labor's proposal is approved. YA has had access to this proposal, which was sent to labor and management groups so they may review it before it is approved by the council of ministers.

As in past years, the draft decree sets a different minimum wage for young people. Workers under 17 will be paid a minimum wage of 543 pesetas a day and 16,290 pesetas a month; the minimum wage for persons 17 years of age will be 862 pesetas a day and 25,860 a month.

For household employees, the hourly wage will be 304 pesetas for persons 18 and older, 186 pesetas for 17-year-olds, and 118 pesetas for persons under 17. These amounts apply to persons who work on an hourly basis. For domestic workers with an 8-hour day, the regular minimum wage will apply. Up to 40 percent may be deducted when the employer provides room and board.

These amounts represent a 5 percent increase over the 1986 minimum wage; only the inflation forecast was considered in setting the new rates. The unions are thinking of expressing their disagreement with this increase, since the Workers Statute specifies that in setting the minimum wage each year, the government must take into account, "in addition to the estimated consumer price index, the national average productivity achieved, the increase in job participation in national income, and the overall economic situation; it should also provide for a 6-month revision, if the inflation forecasts are not met." Although at times there have been proposals made to modify some of the provisions of article 27 of this statute, they are still in force, and so the UGT [General Union of Workers] is thinking of calling for an 8.1 percent boost, while the CO [Workers Committees] are considering asking for a some-what higher increase.

Nonetheless, it seems likely that the government will hold to its proposal to raise the minimum wage by only 5 percent, due to the multiplying effect of the SMI [Minimum Wage]. Only 300,000 people are directly affected by this wage, with another 700,000 indirectly affected, but it is still the reference point used to set the payment base for social security and the amount of unemployment compensation. Consequently, any increase over 5 percent would trigger a rise in those payments, which neither business nor the government want.

Trends in Recent Years

Under 17

17

18 and Older

	Pesetas	Pesetas/	Pesetas	Pesetas/	Pesetas	Pesetas/
	per day	month	per day	month	per day	month
June 80	294	8,820	465	13,950	759	22,770
April 81	331	9,930	523	15,690	854	25,620
Jan 82	367	11,010	581	17,430	948	28,440
Jan 83	415	12,450	657	19,710	1,072	32,160
Jan 84	448	13,440	710	21,300	1,158	34,740
Jan 85	479	14,370	760	22,800	1,239	37,170
Jan 86	517	15,510	821	24,630	1,338	40,140

7679

CSO: 3548/31

ECONOMIC

PRIVATIZATION IN NORDIC COUNTRIES: PROGRESS, RETHINKING

Stockholm NORDISK KONTAKT in Norwegian, Swedish, and Danish No 14, 1986 pp 14-18

[Text] Is privatization a dead issue? What has become of the privatization that the nonsocialist governments proclaimed everywhere in the North except in Finland? In Denmark it is a dead issue and has been replaced with talk about modernization of the public sector. In Norway a careful revision has taken place, and in Finland there is a debate on child care at home or at a center. In Iceland a series of public operations have been privatized. NORDISK KONTAKT's national editors have asked questions in their respective countries.

A Dead Issue in Denmark

Four years ago, when the nonsocialist government took over in Denmark, it was with the proclamation that privatization would now take place. There were many ideas, gathered through the years of opposition, and the impulse was strong from those sections of the economy that thought they were in direct competition with public operations. But privatization in Denmark became a dead issue. Now one talks instead of modernization of the public sector with SAS chief Jan Carlzon as the big guru.

Service workers in schools, universities, institutions and technical work on municipal roads and installations were to be privatized. In some places this happened. In others it did not. But it turned out that it would not pay to replace the schools' own cleaning people with cleaning people from a private firm. Then it was the turn for the privatization of the State Institute of Life Insurance -- a national insurance company in direct competition with private insurance companies. But here too privatization was shipwrecked. The employees in the State Institute of Life Insurance were employed as civil servants, and it would be very expensive for the state to privatize the company, because the state's obligations in the dismissal of civil servants would then come into effect.

It was precisely the State Institute of Life Insurance that had been named in the time of the governing parties' opposition as the most obvious example of an operation that could be privatized.

54

Only one area has really been privatized. This took place with the government's sale of Cryolite Company Oresund. The cryolite company dealt in the course of time with much more than cryolite -- among other things, the company owned an important factory for the making of cookies for export to the U.S. This company was sold at a good price above market and is today in private hands.

As a result of efforts at privatization, changes have been made in the value added tax law and in the law on the submission of bids, so that bids by private and public companies -- particularly in construction work -- can be better compared.

But privatization as an item for political discussion has been finished for several years in Denmark, for the simple reason that there is not very much in Denmark that really can be privatized.

Child Care at Home or at the Center in Finland

The privatization debate in Finland has up to now been kept alive mainly by the Social Democrats who at times take up the question because they think they see tendencies toward privatization in the nonsocialist parties.

The absence of any real debate on privatization on the scale that has become usual in Western Europe has often been explained by the state of the Finnish economy and the aims of economic policy.

When the 1981 budget proposal was published, Prime Minister Kalevi Sorsa and Finance Minister Esko Ollila reported, not without pride, that there would be no reductions in the public sector.

In Finland, one regards the debate on privatization in other countries as a reflection of reductions, and they think that the lack of reductions makes a debate on privatization unnecessary in Finland.

Another reason that the debate or that privatization itself has not really gotten started is to be found in Finnish regulations on public service. They allow in many cases for the use of private services within the framework of public operations.

Thus, for example, the municipalities can choose between producing the services themselves and buying them, but the responsibility is and remains with the municipality.

On the municipal level, measures of this kind have sometimes caused intensive debate that usually has followed the traditional left-right format.

On the other hand, a type of privatization debate that is typically Finnish has taken place for many years. It has to do with children and whether the institutional care center or the home is better.

In the spring of 1985 the Social Democrats and the Center Party were able to agree upon a compromise on child care. It contains a program for the expansion

of day care centers and at the same time a "parenting system" that is being built up step by step and enables a parent to obtain a sum equal to sick pay to stay home and care for his or her child.

The goal of the compromise is to create by 1990 complete freedom of choice for all parents of small children so that they themselves can choose whether the child is to be cared for at home or at a public center.

Alongside this system there has for many years been a system of municipally supervised family day care.

The latest element in this Finnish privatization debate concerns the possibility of a tax deduction for children's nurses at home. The Unification Party has for many years demanded this right, and the Center Party supports it in principle but wants to progress gradually. In this phase it proposes the right to deduct only the social security costs.

From the Social Democratic point of view, the question is considered to be marginal. It is said to concern only four percent of the Finns, and the problem cannot be solved by child supervision centers.

State Ownership on the Decline in Iceland

In the program statement of May 1983 by the coalition government of the Independence and Progressive parties, there is a special point on central administration and public operations. It promises, among other things, 1) that the government board of auditors, which was then under the finance department, will be placed under the Allting, 2) that government projects will be subjected to increasing operational control, particularly increased market control, and 3) that more bids will be obtained for public works.

The government board of auditors is now under the Allting. Some state operations have been sold, as well as state participation in companies (stocks in corporations). And more bids have been obtained for public works, for example, road and harbor construction.

The contracting out of government projects has in almost all cases led to a better use of appropriations for the projects and to better working results. Invitations for bids on services have now been tried, for example in the health sector. But efforts in this area must for the present be considered more as experiments than as a decisive change of course. But from little acorns mighty oaks grow, the proverb says.

Goal-Setting Governmental Decisions

The following are a few examples of the relinquishment of government operations:

1) The government ran a fish processing plant, Siglosild, up north in Siglufjordur, which was not doing well. It was operating only part of the year and was not making a profit. This plant was sold to private hands at the beginning of 1984. The operation of the plant has changed considerably, and it has become a much greater help for the district than before.

2) The state ran Landssmidjan, an iron industry firm. It was sold to a stock company consisting of employees. Just about half of the previous employees in the state operation put in stock capital and now own and run the plant.

3) Industribanken. The state owned 27 percent of the stock in the bank. The stock has now been sold to the private sector. The stockholders had first rights on buying the stock, but quite a large amount of it went to new owners.

4) Statens dypboring carries out deep drilling for warm water and earth steam. Previously the plant was 100 percent state operated, but now it has become a stock company. The state and Reykjavik municipality each own half. The law gives the state the right to sell its part.

5) Krafla, a power plant based on earth heat and earth steam. It was completely under state ownership. The Krafla plant was very controversial. The sale of power covered only a fraction of the costs. The plant has now been sold to Landsvirkjun, that is, Iceland's power development, which is owned by the state and two large municipalities. The sale price amounted to about a third of the cost. The state again has a significant debt, but it has also gotten rid of the operational responsibility.

6) Statens jordvarmeverk in Bjarnarflag near Myvatn, a small power plant (steam development), which, among other things, sells electric power to the Kiselgur company, was previously completely owned by the state, but now has been sold to Landsvirkjun.

7) Algetilvirkningen (production of seaweed flour), 97 percent state-owned, went bankrupt. The plant is now rented to stockholders in the district. The legal authority for the sale of the plant has been approved.

8) Statens sementfabrikk at Akranes. The minister of industry introduced a bill to make the factory into a stock company. Twenty percent of the stock was to be sold on the open market. The bill was not passed, but its introduction still reveals the government's changed position.

9) In the stock company, Flugleidir (Icelandair), the country's largest air line, the state had a 20 percent ownership. The government's stocks are now sold. Half of them were bought by the company itself, the other half by the employees of the company.

10) Islands dampskipsselskap, Inc., the country's largest ship builder. Here the state owned five percent of the stock, which now has been sold to the private sector.

11) Nordstjernen, a fish canning factory in Hafnafjordur, was mainly publicly owned (the Development Fund and the state). It was recently sold to private hands.

12) Trafikksentralen, a building in downtown Reykjavik, which serves passenger and goods traffic on the country's roads, was recently sold to stockholders in this company.

The Health Sector

In Iceland the institutions in the health sector are for the most part state and municipal. In the period 1960-65 the state had 728 beds (39 percent), the municipalities 831 beds (45 percent), and private owners 295 beds (16 percent). In 1980 the distribution was: 1,027 beds (28 percent) state, 1,265 (33 percent) municipal, and 1,499 (39 percent) in private hands. The private share has increased from 16 to 39 percent.

The same is not true in cost distribution. In 1980 the state paid approximately 79 percent of the total costs, the municipalities 12 percent, and the private sector eight percent. The private sector has increased its share in the administration of health institutions, but its share of the costs has declined relatively when one looks at the total picture.

In private hands are first and foremost health institutions for older people, for example, the Grund Institute, but also other institutions such as those for alcoholics, for example. In this group are organizations such as the Cancer Union, Heart Protection, and the Organization for People Concerned with the Alcohol Problem, which run special health institutions. There are also hospitals such as Reykjalund and Landakot, which are independent. Physicians in private practice also run various small service institutions in their own names.

State hospitals have also received bids from the private sector for various services, primarily maintenance jobs, but also cleaning and driving, and meals (as yet only to a small extent).

Municipal Shipping Companies a Thing of the Past

Municipal trawler companies were once an important factor in Icelandic fishing. The last company of this type, Reykjavik Municipal Trawler Company, was recently merged with a private shipping company to form a new stock company. Private shipping company activity now dominates in fishing, even if some of the shipping companies and fish processing plants are run on a cooperative basis.

Education

Education is almost completely state and municipal. Nevertheless, private schools do exist, both special schools and schools for younger children. It drew some attention here that a new private school for the youngest ages group in primary school, which has the backing of young teachers, began its operation in the capital in the past school year. It cannot be predicted whether there will be more schools of this type, but the demand for such school service is greater than the supply.

Careful Changeover in Norway

When the Conservative Party's minority government took over after the elections in 1981, it had the clear goal of leaving the Norwegian mixed economic system with a different mixture than when it took over. After five years it can be said that no dramatic changes have taken place, just a careful changeover.

A number of government minority interests in industrial corporations have been sold, the private sector has entered to an increasing degree both in the aluminum and steel industry, and in several areas room has been made for private initiative alongside the public offerings.

Of the large state monopolies in factories and services, only Televerket has undergone changes during this time. In the spring of last year the Storting gave its approval in principle for the discontinuation of Televerket's monopoly in user equipment, which because of rapid technological development had already been undermined. When the changeover has been carried out, Televerket will be divided in three: the administrative section will be placed under the Department of Transport and Communications, the basic organization will take care of the basic monopolized system, and a separate company will compete with the private sector for contracts on communications systems and user equipment within the company.

The activities of the Norwegian Broadcasting System have been expanded during these years, among other things by the establishment of a new, country-wide, state radio channel. But at the same time, the Norwegian Broadcasting System's air monopoly is finished. Experimental activity with private local radio stations has taken such a hold that no one believes in a future without private radio offerings in Norway.

A similar development has been seen in the health and school sectors, areas in which there has always been a certain private offering. Previously, nonprofit organizations dominated in private health institutions. A new element in the picture has appeared with the establishment of such institutions on a purely commercial basis. Whether in the future there will be a new mixture of public and private initiative in the health sector depends upon the result of the political struggle that is raging at the moment on individual private projects. In the school sector, private offerings improved their (public) financing during the years of the nonsocialist government. This was made possible to a great extent by the higher education law. An example of a private educational institution with strong growth in recent years is the Industrial Economy Institute.

In state construction operations, particularly in roads and water power, there has been a noticeable reduction in favor of private enterprise. A tendency can also be noticed in the increased number of public services that are put out for bids. In many municipalities there are such considerations and experiments, but no radical change has taken place yet. The sale of government shares in industry has not taken place to the extent that the most privatization-eager political groups have wished, but enough for there to have been political controversy on a series of transactions. Among other things, the state has sold shares it owned in Anker Batterier, Norion (a holding company in textiles), Bergen Mekaniske Verksteder, the entrepreneur company Hoyer-Ellefsen, Kosmos, Elkem, Norske Skog, and DNN-Tyssedal. In most cases, the sales have been of minority positions. The state's shares in Norsk Hydro have also been reduced a little bit. In the aluminum and in the steel industry private interests have obtained increased weight. The previously government owned Ardal and Sunndal Works (aluminum) has merged with Norsk Hydro's aluminum operations, with Norsk Hydro as the strongly dominant owner. A rather large "package" for the coordination of the Norwegian steel industry led among other things to the entry of Elkem with 20 percent ownership in the previously completely state-owned Norsk Jernverk.

9124 CSO: 3639/1 ECONOMIC

INDUSTRY MINISTER DETAILS RESTRUCTURING OF MINISTRY

Paris LE FIGARO in French 3 Dec 86 p 15

[Interview with Alain Madelin, minister of industry, postal services, telecommunications, and tourism, by Henri d'Armagnac, Elisabeth Chavelet, and Pierre Zapalski; date and place not given; first three paragraphs are LE FIGARO introduction]

[Text] In an interview with LE FIGARO, Minister Alain Madelin explained that the purpose in reforming the Ministry of Industry is to influence the environment and competitiveness of French firms.

The new structures will be based on markets rather than production, as they were before. One major department--the Department of Competitive Environment--has the basic mission of creating the conditions with respect to legislation, regulations, taxes, social matters, and international relations that will ensure better competitiveness on the part of the firms.

The reform of the ministry is one of modernity in the service of growth strategies with a view to the single European internal market that will begin in 1992.

Question: The Ministry of Industry in France is interventionist by tradition. Isn't it odd to find Alain Madelin, a liberal minister, at the head of a ministry that is not only interventionist but also destined to disappear?

Answer: I have never said that we should make the Ministry of Industry disappear. It must be transformed. The world is stirring. The firms have to take up a fantastic challenge. They must adapt to a new international environment which is forcing them even more than in the past to aim at the highest level of competitiveness. How can one ask them to make this permanent adaptation while continuing to confront them with a Ministry of Industry whose sluggish structures were inherited from 40 years of dirigisme? Like the firms, the Ministry of Industry must "adapt or perish," to use the title from Alvin Toffler's book.

Question: How is your organization going to adapt itself closely to the needs of the firms?

Answer: What we see in the world of today is the importance of knowledge. Knowledge and the transfer of knowledge are the principles inspiring all highperformance organizations. Those are the principles which have guided my actions. The first thing is to be familiar with what I call the competitive environment--that is, the space in which French firms move and that in which their competitors move--in order to see whether French structures are providing firms with the most favorable environment for competitiveness.

Transfer

The ministry must acquire the means for studying and influencing that which constitutes to a large extent the key factors in economic success. The second thing is to be familiar with the way occupations and markets are developing worldwide. The days are past when the frontiers of political sovereignty coincided with the frontiers of a firm's market. For many company heads, the horizon already includes the whole world, whether they are thinking of their suppliers, their raw materials, their patents, or their customers.

The ministry must be a center of information and services enabling the firms to situate themselves with respect to those markets. We must therefore gather information and then circulate it. Quite obviously, the chief beneficiaries of that transfer of knowledge will be the PME [small and medium-sized businesses], which in most cases are not in a position to gather that worldwide information themselves. One of the jobs assigned to our regional directorates will be that of making that transfer. I would like to say that I would also see nothing but advantages if the trade press could take advantage of the "data bank" which this ministry will be.

Question: Specifically, what is this going to change?

Answer: The ministry used to be divided into large vertical directorates. The new structures will now comprise three horizontal departments and four vertical departments, not including the regional directorates, of course.

The entire organization will be under the authority of the director general of industry, who is, as you know, Jacques Maisonrouge.

The big novelty among the horizontal departments is our establishment of the Department of Competitive Environment (SEC). Its main job will be that of creating the conditions with respect to legislation, regulations, taxes, social matters, and international relations that will ensure better competitiveness on the part of the firms.

Within that department, one subdirectorate will be responsible in particular for seeing to it that everything is ready for the European market, which, as you know, is scheduled to begin in 1992.

The ministry must help the firms prepare for that economic dimension.

Alongside the Department of Competitive Environment, we have two other horizontal departments: the Department of Regional Action, Security, and Industrial Competitiveness and the Department of Innovation and Industrial and Technological Development. One purpose of those departments is to actuate the instruments available to the ministry for influencing the environment in which the firms operate: standards, patents, metrology, and so on. Another is to think up and implement horizontal measures: support for innovation, assistance for consultants, policies with respect to quality, training, and so on. In short, they will transfer to firms in general, but to the PME in particular, the ministry's knowledge in the areas of innovation, technology, processes, standards, and so on.

The vertical departments, of which there will be four, will be organized not on the basis of production, as before, but on the basis of markets.

Let us take an example: it used to be that the same directorate was in charge of refrigerators, cranes, and sheet steel because iron production was at the source of all three. But those are three very different markets. From now on, those products will be separated. The first will be handled by the Consumer Goods Department, the second by the Capital Goods Department, and the third by the Basic Industries Department.

Everyone is well aware that today, it is the market which rules. The structures of the Ministry of Industry had to adapt to the demands of that situation.

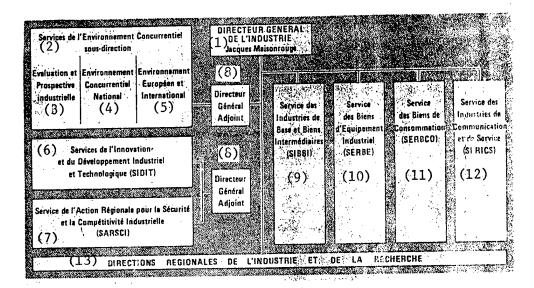
Modern Approach

Question: What are the profiles of the men destined to head up those new departments?

Answer: Not everyone can have a profile like that of Jacques Maisonrouge. In any case, we have men and women in our departments who are particularly competent and who are very familiar with the problems of the firms. They are in agreement with this reform and were hoping for it. I would like to manage this new arrangement as though it were a firm and introduce the idea of career planning. I want to establish a more modern approach with individual evaluations, introduce management by objectives, and reward effort by seeing to it that an individual's merit will be reflected in his or her remuneration. For the first time, this ministry will have an office of professional development that will manage the careers and training of the personnel.

In conclusion, I would like to say that the minister of industry has a sizable budget of a little over 34 billion francs. That is more money than Laurent Fabius had when he occupied this office and more than my predecessors before 1980 had. The problem is not that of saying "I spend, therefore I exist," but of using those funds according to a new method: the thing that counts most in a firm is gray matter, and anything that can be done to transfer intelligence is a step in the right direction. Something else that counts in any firm is the competitive environment, and anything we can do to improve that environment will affect the competitiveness of the firms. So with the money at my disposal, I must act better and more intelligently. The Ministry of Industry has no call to turn in on itself. Certainly it must place its skills at the service of the government structure, but it must also uphold the cause of competitiveness in the firms over against the other ministries.

I firmly intend for us to be a place of excellence in matters of administration.



Organization Chart

Key:

- 1. Director general of industry: Jacques Maisonrouge
- 2. Departments of Competitive Environment
- 3. Subdirectorate for Evaluation and Industrial Forecasting
- 4. Subdirectorate of National Competitive Environment
- 5. Subdirectorate of European and International Environment
- 6. Departments of Innovation and Industrial and Technological Development (SIDIT)
- 7. Department of Regional Action for Security and Industrial Competitiveness (SARSCI)
- 8. Deputy director general
- 9. Department of Basic Industries and Intermediate Goods (SIBBI)
- 10. Department of Industrial Capital Goods (SERBE)
- 11. Department of Consumer Goods (SERBCO)
- 12. Department of Communication and Service Industries (SERICS)
- 13. Regional Directorates of Industry and Research

11798 CSO: 3519/46 ECONOMIC

FOREIGN TRADE STATISTICS WORRY GOVERNMENT

Madrid DIARIO 16 in Spanish 7 Dec 86 p 21

[Article by Roberto Santos]

[Text] The EEC invasion, the drop in exports and the new tariff cut this coming 1 January have Spanish businessmen worried. The CEOE [Spanish Confederation of Business Organizations] is despairing at the administration's failure to respond and at the interminable start-up of the Export Promotion Plan, while our trade balance worsens month after month.

Madrid--From his new post as secretary of state for commerce, Miguel Angel Fernandez Ordonez is going to have to grapple with one of the most pressing problems in Spain's economy: the foreign trade mess.

No sooner had he settled into his new job than he was visited last week by Jose Maria Cuevas and Adrian Piera. The trade balance figures for October made the "red light" that began shining last March even brighter, if that is possible. Businessmen are looking on terrified and, to an extent, "powerless" as the trade imbalance worsens steadily and products pour in, especially from the EEC, while they unrepentantly knock on the administration's door, ask it to do something to alleviate the disaster and call for the promised Export Promotion Plan and the package of measures that they regard as necessary to make Spanish business competitive again.

Their urgency is even greater if we bear in mind that in a few days, on 1 January, the second phase of the tariff reductions with the EEC begins, and we will have to make our protectionist umbrella 12.5 percent smaller.

During the January-October period, our nonenergy imports rose 20.2 percent, while concurrently our exports fell by 3.1 percent. Thus, the nonenergy trade balance, which posted a 336 billion peseta surplus during the same period in 1985, has recorded a deficit of 286 billion this year.

This development has taken place, moreover, while world trade grew by five percent and domestic demand in Spain expanded by four percent. What it means is that not only have overseas markets been lost, but Spanish companies are also losing some of the domestic market. The problems with the EEC area are even more serious, inasmuch as since our trade with the Community was loosened up, imports have risen at a 35 percent pace, according to CEOE statistics, while our exports there are up only 8.5 percent.

Thus, with October's numbers, so far this year we are looking at a deficit of 109.324 billion pesetas, which contrasts starkly with the 234.615 billion peseta surplus during the same period in 1985.

According to customs data, 35 groups of products with import sales of over 4 billion showed increases of more than 40 percent in imports from the EEC (see table). The strong domestic demand in some sectors is being met with imports.

To all this we must add the government's short-term measures. To stem the rise in the consumer price index, it boosted imports of farm products from the EEC, the prices of which are subsidized by the EEC funds to which Spain also contributes. In the judgment of the CEOE, this measure is "unwonted" and hard to justify to Spanish farmers.

The CEOE is calling for a comprehensive strategy in light of the obvious lack of competitiveness of Spain's production machine, as protectionist barriers are gradually dismantled as a result of our entry into the EEC. The firstyear impact of the first tariff cut and the disappearance of the tax rebate on exports paved the way for a smaller market share, even here at home.

Early in the year Carlos Solchaga promised some 50 businessmen at the APD that an Export Promotion Plan would be implemented immediately, a promise that Felipe Gonzalez repeated during his meeting with Cuevas this October.

First the general elections and then the disagreements within the economic team and mainly with the now dismissed Luis Velasco, have dangerously delayed the start-up of one of the most important tools with which Spanish business can withstand the liberalization of the economy.

The other major tool that the CEOE is pushing is competitiveness as an antidote to the EEC invasion. Such competitiveness hinges on "establishing real flexibility in the labor market in hiring, during the contract and at its conclusion; an appreciable reduction in Social Security contributions, Social Security reform and continued restraint in wages."

These measures, along with what the CEOE calls "accompanying policies," are the prescription that the businessmen have again put on Fernandez Ordonez' table so that Solchaga and, ultimately, the government will make prompt decisions. The first of January is just around the corner.

[Box]

Madrid--The Spanish Confederation of Small and Medium Businesses (CEPYME) has expressed its concern over the serious repercussions that the mounting trade deficit is having on small and medium business. The move from a surplus of 300 billion pesetas with the EEC in 1985 to a deficit of 109.324 billion during the first 10 months of the year (it could easily reach 200 billion by the end of the year) "means a loss of a half trillion pesetas from one year to the next. Translated into jobs, it could represent the loss of 100,000 direct jobs, many of them in small and medium business and in the subsidiary industries of the major export sectors."

According to the CEPYME, the decline in the competitiveness of Spanish companies stems from a failure to implement reforms that would provide them with a flexible framework.

Ranking of the "Invaders" (Percent Increase from 1985 to 1986)

Barley	795.2
Meat	239.2
Fertilizers	189.6
Pharmaceuticals	138.3
Refrigeration equipment	108.9
Iron or steel sheets	98.2
Garments	98.0
Buses and trucks	89.6
Automobiles with fewer	
than nine seats	68.8
Milk and dairy products	57.4

8743

CSO: 3548/32

PROBLEMS FACING INDUSTRIAL RECONVERSION PLAN OUTLINED

Madrid ACTUALIDAD ECONOMICA in Spanish 15 Dec 86 pp 30-31

[Text] The Plan Falls Short

The government's latest moves, such as extending the Reconversion Act for another year, are an acknowledgement of something that had been feared: some of the work-force adjustment and investment programs may not be enough.

"We are looking at a new stage in industrial policy, as the fundamental parameters have changed. After Spain's entry into the EEC, the government's maneuvering room has shrunk and the instruments for pursuing this policy have changed. Nevertheless, we are going to keep on stressing permanent adjustments in sectors that are suffering from a lack of competitiveness and structural problems."

These remarks, addressed recently by the minister of industry and energy to a large delegation of businessmen, reflect the official stance on the issue of overhauling crisis-ridden sectors: the reconversion as such is over, principally because European legislation on competition prevents the government from launching new programs; at the same time, however, a door remains a jar for consideration of specific situations.

The industrial reconversion (a process that began in the early 1980's and that comprised a total of 10 sectors and certain isolated companies in difficulties) is by now at an advanced stage. The obstacle of excess workers (of a total of 262,024 workers in the affected sectors, 194,785 are supposed to stay on at the close of the process, in other words, 67,239 fewer) has begun to be overcome. At the start of this year, some 80 percent of the scheduled reductions had been eliminated through early retirement, permanent layoffs and the Employment Promotion Fund; thus, 14,889 jobs have yet to go.

As for scheduled investment during the entire process (493.445 billion pesetas), by late 1986, 352.247 billion had been invested. Most of this investment is being financed through government subsidies, soft loans and guarantees, capital expansions and replacements of losses assumed by the INI [National Institute of Industry]. The general state budgets for 1987 call for outlays of 180 billion pesetas in reconversion and reindustrialization activities.

Problem-Plagued Sectors

The problems facing the reconversion are far from over, however, even though the administration feels that work-force adjustments in shipbuilding, selfpowered electrical equipment, electrical components and semifinished copper goods have been completed.

There are cases, such as integrated iron and steel, specialty steels and shipbuilding, in which the change in the economic environment (especially after the expansion of the EEC) could make the programs that have been undertaken inoperative. In other cases, such as fertilizers, the reconversion has not yet begun owing to the absence of agreements among companies on exchanging their assets. A third group of industries, like electrical equipment, seems to have missed its last chance to hop on the reconversion bandwagon.

The situation is especially difficult for the steel industry. Under the membership treaties, the output capacity of Spain's steel industry in the area of hot-rolled sheets will not exceed 18 million tons a year, which is a reasonable ceiling when we bear in mind that in 1985 production was just 11 million tons.

Nevertheless, the disadvantage vis-a-vis the EEC's steel industry is clearly reflected in the foreign trade numbers for steel in the first half of 1986, as imports were up 77 percent while exports fell 24 percent. According to the documents signed as part of the treaty for membership in the ECSC [European Coal and Steel Community], "in the event that the viability of Spanish enterprises is not sufficiently assured at the close of the transition period, the Commission, upon a favorable report from the Spanish Government, will propose, as of the end of the first year after membership, a complement to the reconversion plans or restructuring measures for enterprises not included in the plans."

This new assistance must be requested from the Commission before the end of this year. This is precisely what the Industry Ministry intends to do. Although it will not clarify the kind of and conditions for the new aid, the administration will request a 1-year extension of the reconversion programs; thus, companies will have until late 1990 to establish a competitive industry without government assistance.

The Fruits of Reconversion

Regarding shipbuilding (an industry that has been hit by a serious demand crisis, complicated by the restructuring process throughout the EEC), the Spanish Government will most likely also request an extension to 1990.

According to European Commission sources, "the sixth guideline that the EEC will begin to apply will impose a ceiling of 26 percent above the cost of the product for government subsidies. Nevertheless, Spain, which did not benefit from the aid included in the fifth guideline, will have a more flexible

system, including a longer time period for the aid to reconversion in shipbuilding."

Alongside the sectors and companies in which the benefits of the reconversion are beginning to make themselves obvious, the government still has a few hot potatoes on the table, such as Standard-ITT (some are starting to call for its nationalization) and fertilizers. Another problem is that the workers who availed themselves of the Employment Promotion Funds are starting to return (25,584 out of a total of 67,239 workers). They were laid off for 3 years, with the promise that they could return to their job if they did not find another. The need for further work-force adjustments (this time with more permanent solutions) could arise again at any moment.

Investment in Reconversion So Far and on Tap (in billions of pesetas)

Sector	<u>Up to 1985</u>	<u>1986</u>	1987	1988	<u>Total</u>
Shipbuilding				·	
(G. Shipyards)	1.116	2.875			3.991
Shipbuilding					
(P. and M. Shipyards)	.250	6.339			6.589
Integrated Iron and Steel	45.089	65.306	65.404	26.996	209.067
Specialty steels	7.497	10.271	1.640	.230	19.638
Major household appliances	9.370	10.300	11.793	4.093	35.556
Union Explosivos Rio Tinto	10.603	12.044	11.270		33.917
Textiles	61.338	55.656			116.994
Fertilizers		19.300	10.000	3.500	32.800
Standard-ITT	8.500	.500			13.700
Electrical components	2.158	1.586			3.744
Self-powered		0.040			10 100
electrical equipment	10.277	2.862			13.139
Heavy Foundry (stamp)	1.262				1.262
Semifinished cooper goods	3.048				3.048
Total	160.508	191.739	100.107	34.819	493.445

8743

CSO: 3548/32

AUSTRIA

DEVELOPMENT OF AIR SPACE SURVEILLANCE SYSTEM REVIEWED

Vienna DER SOLDAT in German 22 Oct 86 pp 6-7, 9

[Address by Army Chief of Staff, Gen Othmar Tauschitz: "Air Space Surveillance"]

[Text] Air space surveillance, and with it the flight report regiment, celebrated their 20th anniversary in Salzburg. Upon this occasion Army Chief of Staff, Gen Othmar Tauschitz, gave a widely noted address. Because of the currentness of the topic DER SOLDAT offers exclusive publication of his remarks.

According to the most recent edition of the army's service regulations "Military Concepts," air surveillance is understood to include the totality of all measures which are used to observe air space, make assessments, identify aircraft and missiles, pursue and establish defense measures and their implementation. Simply stated, this means register, identify and react.

Today, after about 30 years of development of the army, we finally stand at the threshold of putting into operation a self-contained national air surveillance system which in the future will constitute the basis for fulfilling our air space surveillance responsibilities.

If we take 1 March 1966, the date of the founding of the flight reporting regiment, thus of the first large unit in the framework of air space surveillance, as the beginning point of the anniversary celebration, we should not forget the many difficult efforts which took place before that and indeed since 1956 in order to guarantee inclusion of air space in the concerns of national defense.

Unpleasant events which have often taken place in our neutral air space frequently resulted in endeavors by the highest level military and political leaders which, however, failed mostly because of the inadequacy of budgetary resources, but also because of the lack of the necessary qualified personnel.

The most notable endeavor of this kind was the establishment of a radar station, which covers a large area, on the Kolomannsberg in the 1960's; it was intended as the first part of a total system which, however, unfortunately was not subsequently continued.

Almost a decade passed until the Council of Ministers decided on 17 December 1974 to build the Goldhaube air space surveillance system.

But it would be wrong to assume that the flight reporting unit had been asleep in the meantime. At a schooling station in the Schwarzenberg barracks, personnel were trained in ever increasing numbers, but, above all, methods were developed by which air space data were processed in a time-consuming manner by hand, and which later constituted a valuable foundation for establishing EDP programs when we got involved in the Goldhaube automated system. In addition, outdated, but nonetheless effective mobile radar devices were used for training in making the radar network more dense; thus, the training of personnel progressed.

Overflights in the wake of the crisislike events among our northern neighbors in August 1968 came at this time. They were decisive in that, from then on, at least the permanent part of the system, namely the Kolomannsberg radar station, was kept in continuous operation. Together with the data from the civil air traffic control, this operation produced, at least for an important part of our country, a steady overview of events in the air space within and outside of our borders.

At this time I was also entrusted with the command of the flight report regiment for a period of 1 year. This was the year systematic radar control was introduced in our aircraft against unknown air intrusions.

In considering whether it would serve any purpose in the context of this ceremonial speech to enumerate the names of all the deserving men who from the first moment until today played a significant role in developing air space surveillance, I decided to refer you, honored guests, to the important festschrift of the air space surveillance command where they are all listed in connection with the genesis of this unit. The problem of according appreciation by names seems to me to be defined by the fact that a line must be drawn somewhere and thus one or another deserving man will be left out.

I want to keep to the fitting motto of a flight reporting officer here which he once posted in the Kolomannsberg radar station: "The individual is nothing; teamwork is everything."

In a similar all-inclusive manner, from the ranks of those being thanked, I would like to emphasize the Office of Civil Aviation which since the 1960's, with increasing participation, has been making its detection data constantly available in good cooperation within the limits of its capabilities and thus has expanded the horizon of our still fragmentary surveillance system. As we know, this worthy activity has resulted in close cooperation between the civil air control service and military air space surveillance in respect to the planning of the Goldhaube air space surveillance system. My cordial thanks to those responsible!

I would also like to express similar cordial words of thanks to the Elin Co, which since 1970 has cultivated an intimate partnership relationship with air space surveillance command, but even prior to that, in the context of a factory contract, performed valuable assistance by means of a technical team of specialists in the operation of the Kolomannsberg radar station. The periodically recurring discussion about the problems of air space which, of course, is an integrated component of our sovereign territory, ultimately resulted in 1974 in the sweeping political decision at the level of the Council of Ministers involving a national radar system which was to be built jointly with the civil air traffic control service.

1

Only few people knew that this was a system which cannot be compared, say, with the purchase of a rather large number of vehicles or tanks, but is a system with many kinds of components, starting with the real estate for the buildings, their development with access roads and bringing in power and water, the complicated buildings as such, the radar devices, the operating electronics, data processing, the communications system, vehicles and many other requirements.

All these components had to be fitted into a schedule covering several years in such a way that the conditions for accepting each ordered part of the system at the prescribed time were established in each case. The air space surveillance system project staff started work with five staff workers on 1 March 1975; in the first half year they did not even have offices together. Borne by great zeal, the staff soon took shape, and the forward movement of the project seemed to function in conformance with the planning, until 1978 when a well-known scandal outside the army put the entire public system of awarding contracts on a completely different basis and ultimately control of forward success. The braking effect was enormous and in subsectors led to stagnation which could only be overcome with great effort and loss of time.

If the time period of 8 years as set in the Council of Minister's resolution had been observed, then this transfer, if figured effective 1975, would have to have taken place in 1983. But, in addition to the increasing denseness of the bureaucratic jungle there were also factors involved in the delay such as a project of this magnitude inevitably encounters: I recall the transition to the space defense idea which 1 year after the start of the project entailed new planning and the establishment of the operations center in the central region. It also caused added costs which have to be estimated today at approximately one-half billion. Finally, technological difficulties in the radar system also cropped up which stemmed from the future-oriented electronics, and finally--bad luck never comes alone--a radardome, which had been mounted improperly by the company, burst to pieces just at the time when the polemic in the press about the technological difficulties had reached a high point. Thus, even this project was not spared by the press from running the gauntlet nor even scrutiny by a commission, a favorite procedure in Austria.

A word of acknowledgement seems to me to be appropriate at this point because after studying the course of the project the activity of the commission which was external to the department soon concentrated on the search for coping with the problem and not on the search for guilty people, who, as far as one can judge, simply did not exist.

The radar technology could be raised to the anticipated level because of joint work with Selenia, the supplying company, and the radome was replaced by the Gruenzweig and Hartmann Co. But both items cost time and even some money. The project costs of the military part of the system had been set at about 1.2 billion Austrian schillings in the original financing plan with 1974 as the cost basis. If we consider the total of all indexes of increases in the technical sector up to 1985, which compared to the rate of inflation of the normal basket of goods, were a strong one-third higher and by the end of 1985 underwent an overall increase of at least 120 percent, and in the construction sector it was even higher, the costs of the Goldhaube up to 1985 should amount to about 2.5 billion Austrian schillings. Based on existing calculations it is just about 2.7 billion, but for 1986 and 1987 payments on the order of several hundred millions of schillings will come due. If the events which were mentioned relating to the system are included in the calculation, then, with only modest restraint, it can be concluded that the project will be finished with an increase in costs which is tolerable in magnitude.

In connection with these comments on costs I would like to make reference to the special circumstance that the larger share of costs, namely that for the buildings, remained in the country and gave the construction industry special stimuli by confronting it with extreme, technical challenges. These buildings, including their special technical facilities, have lasting value because they will still exist 100 years from now and will then likely serve other purposes than they do today.

The data processing sector warrants special recognition: At the time of the start of the project it was not at all so obvious that our own EDP team would be able to develop the data processing for a real time system of this complexity and magnitude on its own.

Nonetheless, by attracting young specialists we succeeded in putting together a data processing team which was able to follow completely new paths which were suited to the geographical defense conditions in our country and to develop with modest foreign support the no doubt most sensible program which compared to other countries exists today. In this connection I may note that my greatest concern, namely whether it would be possible to get a handle on data processing, turned out in the last analysis to be the least concern.

All programs function as expected, and work on programming in the new air space surveillance airplane is in progress.

In connection with the overheated discussion about the air space surveillance airplane, to an increasing degree there arises the impression as if the Goldhaube air space observation system is there solely in order to guarantee control of these airplanes. It is my desire to make clear that at the beginning of its young history radar first served exclusively to warn of air attacks, and this will continue to be one of its essential tasks to protect the people. By way of a contribution to flight safety, it also has the job of controlling flight movements in the air space by separation from other air space users and warning of turbulent weather conditions, and finally controlling our own aircraft in the context of air space surveillance or other tactical uses.

The Goldhaube air space observation system is now in the final phase of being

realized and only needs the final touches. For the most part, to a certain extent, the troops have smoothly taken possession of it and are preparing for full operation starting this fall, so that this day is to be understood symbolically also as the day of transfer--acceptance of the Goldhaube system as part of the army's responsibility; there are three reasons for this: the anniversary, the concluding of a partnership between First General Insurance Co and the radar battalion, and the obligation of the young men.

In this sense I thank all the committed workers of the air space surveillance system project staff and the air department for their magnificent performance as well as the members of the army who have participated for the positive start of the system and call upon the commanders and all soldiers and civil servants of the air space surveillance command to operate the new system with necessary care for the good of defending our fatherland, the Republic of Austria.

12124/12859 CSO: 3620/84

.

AUSTRIA

LOW TURNOUT, TRAINING DEFICIENCIES REVEALED IN FALL MANEUVER

Vienna DER SOLDAT in German 5 Nov 86 p 3

[Article: "Area Defense-Fall Maneuver 1986"]

[Text] Overall, the 1986 area defense fall maneuver produced satisfactory results. Positive factors were clearly predominant. But there were also "some shadows" in addition to "much light."

It proved to be quite correct to design and implement the RV-HUE '86 [1986 area defense fall maneuver] as training exercises in which the individual soldier and the commanders of the lowest command echelons, rather than the large operational-tactical situation, were the focal point of the exercises.

The following can be cited as positive findings:

--the objective and thorough preparation of the RV-HUe '86 in the context of pre-echeloned officer training;

--the high personal commitment and the enormous performance readiness on the part of the participating soldiers of all grades;

--the faultless discipline and the good appearance of the training units so that during the RV-HUe '86 not one single disciplinary action was necessary;

--the organization and assignment of duties by the staff services which were assigned from the level of the military command down to the platoon and which proved to be of great support value in the training;

--the exemplary and unbureaucratic support by national, provincial and municipal authorities and by the executive;

--the comprehensive friendly support of the people in a region which in and of itself is sensitive both economically and militarily (Draken!);

--the extensive, positively objective description of the RV-HUe '86 in the media which, in the case of large-scale exercises, has never been possible to date in this form;

--the efficient, exemplary and, in respect to training, high-quality use of the staff forces; and

--the high degree of interest given to these exercises by the visit of the president, the chancellor, the ministers for national defense and justice, the provincial leaders of Styria, Salzburg and Burgenland, numerous delegates and the large numbers of members of the national defense committees.

The following negatives must be noted:

--very great differences in quality between the individual mobilization units;

--in certain units, an absentee rate which exceeds what is acceptable;

--greater startup difficulties in various supply operations and too slow reaction in respect to correcting acknowledged deficiencies;

--the clear weaknesses in antiaircraft defense above 4,000 meters and in antitank defense at rather large distances; and

--deficient routine in command at different levels.

In conclusion, it can be stated that it was possible to achieve to a pleasingly high degree the goals set for the RV-HUe '86:

--improving the level of training of the soldiers engaged;

--solidifying confidence in the success of our conduct of operations and in the respective commanders; and

--demonstrating the integration of the army into the population.

In the 1986 audit year (intermediate stage in the expansion of the army), these exercises produced a positively usable defense-policy result.

For the command staff of the 1st Corps, which was utilized to head up the exercise, the preparation, implementation and impending evaluation provided knowledge of the importance of the command level of the corps and the necessity of implementing large-scale exercises within the BTUe operations which must be adjusted to them.

All other findings and experiences from the RV-HUe '86 will be presented to the army command by the end of the year in a comprehensive report.

Then it will be up to the army command to introduce the necessary steps and measures for improvement and to approach the responsible politicians with the open questions.

Foreign visitors:

-- the accredited military attache corps

--special military reporters

--foreign press

Domestic visitors:

--president

--chancellor

--minister for national defense

--minister for justice

--provincial leaders from Styria, Burgenland and Salzburg

--members of the national defense council and the national defense committee

--numerous other politicians

-- former high level military personnel

--district leaders

--members of the coordinating committees

--mayors from the areas of the exercises

--127 accredited journalists

In all, 1,300 visitors were taken care of by the Poels and St Jakob Information and Press Offices.

12124/12859 CSO: 3620/84

<u>.</u>

AUSTRIA

RESERVE MANPOWER, MATERIEL MOBILIZATION PROCEDURES DETAILED

Vienna TRUPPENDIENST in German Oct 86 pp 476-478

[Article by Col Herbert Leitner: "Mobilization--The Most Important Form Of Call-Up"]

[Text] Call-Up Types

Mobilization represents one form of call-up, with the aim of transforming either part or all of the Austrian Army with respect to manpower and materiel from its peacetime organization into its mobilization organization.

The national defense of a small nation like Austria is logical and purposeful only when, in case of mobilization, its manpower and materiel defense strength is as fully utilized as can reasonably be expected. Then occurs the augmentation of the Army's manpower and materiel, which are during peacetime both available and combat ready, up to the strength levels determined by the organizational plan for mobilization. The Austrian Army then reaches into areas which were not at its disposal during peacetime without a decision by central authority.

According to the 1978 Military Service Act (Wehrgesetz: WG), the mobilization type of call-up is authorized only for the purpose of Military national defense (Section 2, Paragraph 1, Letter a, WG). The following items refer only to types of call-ups which affect manpower and not materiel: For defense of constitutional institutions and for maintenance of internal order and safety (Sec 2, par 1b, WG), for assistance in case of natural disasters and accidents of extraordinary scope (Sec 2, par 1c, WG), as well as for assistance abroad (Sec 2, par 1d, WG).

These types of call-up are

--Call-up for extraordinary active duty (AOPD) in defense of the constitution or for service during catastrophes (Sec 2, par 1a and b, WG) upon decree of the President of Austria;

--Call-up of designated draftees for extraordinary exercises (AOPD) (Sec 36, par 4, WG);

--Call-up for extraordinary active duty (AOPD) by members of the military reserve. To the military reserve belong those draftees who have completed at least six months of basic military service, after their discharge for a period of six months or more (Sec 36, par 5, WG).

The Austrian minister of national defense can authorize both of the latter types of AOPD as an evasive measure to avoid mobilization.

Even the postponement of the return of draftees to the military reserve by a presidential decision may in some sense be considered to be a type of call-up. Similarly, the calling up for AOPD under the national law concerning the sending of draftees abroad for assistance (Federal Law, p 233/1965) should be regarded as a type of call-up, even when this occurs on a voluntary basis.

Criteria For Successful Mobilization

· .

The following criteria are important for a successful mobilization and are therefore to be taken into consideration:

--It is in the nature of a militia-type army that, for effective military national defense, it absolutely needs augmentation in manpower and materiel from the civilian sector. Not just the militia units, but also those of the alert troop units, as well as the territorial organization, are all dependent upon these augmentations in order to reach full combat capability.

--One of the most important peacetime tasks of the Austrian Army must be the preparation for mobilization through optimal mobilization provisions for manpower and materiel, as well as the establishment and testing of necessary organizational processes.

--If the mobilization is to be successful, an appropriate amount of time must be allocated for its orderly progress, in spite of the best preparation; because time pressures cause unsatisfactory results.

In this connection, it must be emphatically demanded that, upon indication of a threat, government leaders decide very early to mobilize the Army (or parts of it).

--A corresponding level of mobilization must be made in response to the degree of threat currently indicated. For this purpose, an appropriate selection process must be prepared and tested.

--Mobilization represents a moment of weakness in the Army's combat capability, which is contingent upon the transformation from one organizational form (peacetime organization) into another (mobilization organization).

In order to meet this deficiency at least in the initial phase, alerting of those forces already available in peacetime organizations must absolutely be moved forward in the mobilization phases, to correspondingly increase the degree of readiness of available troops.

--The mobilization process is so structured that those measures affecting the Army internally are carried out first, and then those affecting the civilian sector. In this way, premature disturbance of the civilian population is to be avoided, and the greatest possible cost savings are assured in case mobilization is broken off.

Path to Initiation of Mobilization

Mobilization in its entirety is an act of national sovereignty because, within its framework, the call-up of draftees for active duty and the calling in of requisitioned civilian goods (materiel mobilization) must, in every case, be expressly ordered by a specified organ of the central government. This decree or decision must be duly make public. Only then may the call-up of draftees or the calling in of requisitioned civilian goods take place, through the military administrative authorities (augmentation sections of military commands). The following steps are necessary along the path to that point:

--The central government recognizes the necessity for mobilization and establishes its extent (general mobilization/extent of a partial mobilization).

--The minister for national defense reaches a preliminary decision for this instance of mobilization, and

--makes a presentation about it in the national defense council.

-- The latter then passes a resolution for mobilization,

--which is sent to the federal government as a recommendation.

--The minister for national defense gives a presentation in the council of ministers concerning the necessity for and the necessary extent of mobilization, and

--the council of ministers then also passes a resolution for mobilization.

--This then is laid before the Austrian president as a recommendation by the federal government, and he enacts it as a resolution.

--This resolution is then countersigned by the minister of national defense, and

--subsequently is officially announced by the Austrian ministry for national defense.

--Only then does the general official announcement take place through the mass media and/or through the delivery of call-up orders and service assignment notices or separate notices by the augmentation sections of the military commands.

Manpower Mobilization

The following are available to achieve this goal:

--all active duty soldiers who are fully trained for their mobilization assignments; these are both the cadre and those draftees who have been trained for specific mobilization assignments;

--draftees in the reserve who, during basic military service and weapon exercises, were specifically trained for their mobilization assignments;

--Army retainers who, although not subject to compulsory military service, can carry out certain mobilization duties, such as in the area of Army administration.

So far as is necessary in case of mobilization for the filling of authorized mobilization positions, this manpower is already in peacetime either under mobilization orders for this purpose (draftees in the reserve) or else assigned mobilization duties (members of the active Army), and they are usually brought together in 2-year cycles for military exercises with their units (cadre: 6 days or moved forward to 4 days). The assignment of mobilization duties is accomplished by distributing to designated draftees in the reserve cards showing their mobilization assignments. These cards serve in preparing for the carrying out of mobilization. The mobilization assignment card contains expiration date, detailed instructions about the assignee's responsibilities in case of call-up or public summons to AOPD, as well as data about his mobilization unit-duty station and the mobilization assembly point to which the assignee must report. In addition, the mobilization assignment card is specially marked with certain numbers and letters (mobilization identification) or also with a specific color, so that the greatest possible selectivity during manpower call-ups can be assured through use of specific directions given during a public summons to AOPD ("All draftees whose mobilization assignment card is marked with the number/letter group ... are to report to their mobilization assembly points by ..."). This system makes it possible to call up even single units or specified groups of people, such as key mobilization personnel, separately for AOPD.

Mobilization assignments for active cadre personnel are handled with mobilization assignment cards, similar to the method used for draftees in the reserve. For Army retainers, special ID cards are planned, which document this group of people as noncombatants.

Materiel Mobilization

Materiel mobilization includes both the marshalling of all of the Army's military equipment permitted under the table of allowances in peacetime

and the augmentation through requisitioned civilian goods up to the complete covering of mobilization materiel requirements.

Military authorities can apply to governmental district authorities for the following items, which are considered requisitioned civilian goods:

--- Trucks and trailers;

--Aircraft;

---Ships;

--Construction machinery, including accessories and spare parts.

The requisitioning and the taking of requisitioned civilian goods are governed by the 1968 military service law, are authorized only for the purpose of military national defense (Sec 2, par 1a, WG), and provide for the following legal steps:

--according to Sec 11, military service law:

The owner of property being requisitioned learns only at the time of mobilization of his obligation to make requisitioned civilian goods available, through receipt of a military service notice in which both the receiving vehicle takeover commission (KUeKo) and the delivery point are indicated;

--according to Sec 12, military service law (in effect in almost all military commands):

The owner of property being requisitioned is informed already in peacetime of his military service obligation, by means of a procurement notice. In case of mobilization, the requisitioned civilian goods are called in by issuing either a separate notice or a general public announcement.

The delivery point and the receiving KUeKo are also given in the procurement notice. Materiel mobilization is basically prepared for by sending procurement notices to owners of property being requisitioned.

The vehicle takeover commission:

--examines the operational usefulness of the property being requisitioned;

--estimates its value;

--accepts the requisitioned property by affixing a signature;

--hands over the requisitioned property to a representative of the unit for which it is intended; and

-- causes unsatisfactory requisitioned property to be returned to the owners.

Mobilization Schedule

The development of the mobilization schedule serves both the comprehensive preparation for manpower and materiel mobilization and the associated necessary organizational processes and measures. These are to be developed by all commands with mobilization responsibilities, for all units subordinate to them. In this way, the mobilization schedule becomes, for each commander and key mobilization personnel, not only the unrenouncable working document for implementation of mobilization itself, but also the most important training document for all members of the mobilization army who are involved in the mobilization process.

Summary

Mobilization is a complex process full of mutual relationships and dependencies. If it is not successful in activating all of these processes in the coordination of reciprocal relationships in a timely, coordinated, and properly-scaled manner, the the mobilization was the Army's first and last operation. This fact should be understood by every person responsible for mobilization of the Austrian army, even if he is responsible for only a subtask.

13275/9190 CSO: 3620/85

RESERVE INFANTRY BATTALION'S ORGANIZATION, TRAINING DETAILED

Bonn BUNDESWEHR AKTUELL in German 10 Nov 86 pp 2,3

[Article by Peter Bolte: "Composure And Commitment Are Guarantees For Hundred-Percent Success--The Reservists Of The Motorized Infantry Battalion 551 Train In The 'Recreation Park,' That Is, The Muensingen Training Area--The Territorial Army Is No 'Sleeping Army'"]

[Text] "The territorial defenses, that is, the national components of our defense, used to stand in the shadow of the field army and to the present day still do sometimes," stated Defense Minister Manfred Woerner recently. In upcoming talks concerning army structure in the 1990's, he wants to do full justice to the territorial defense, and watch out for a fair balance between the interests of the field army and the territorial army.

Journalists from the Bonn area and from southern Germany got a look at the mission of the territorial army and the training of reserves for defensive missions when they visited the 55th Home Guard Brigade at the Muensingen Training Area. The German Army invited them, and the visiting group was accompanied by the Deputy Inspector of the Army, Lt Gen Wolfgang Malecha.

The "Sleeping Army" did not just suddenly come to life this year. This designation is occasionally used to distinguish it from the field army with its large standing units, but the tag "Sleeping Army" is justified neither by the growing importance, nor by the territorial army's military staffs and units, which must work under difficult conditions.

Their mission is to guarantee, with all available forces, operational freedom for the NATO army groups in the rearward areas in case of war. In order to be able to fulfill their mission, quickly "grown" and well-equipped and welltrained units are needed.

According to mobilization plans, in a state of alert 60 percent of all the soldiers in the Germany Army are reservists. Given that fact, the demand for an improved structure, greater personnel and financial commitments are more than justified...even if the demands must be met by "picking at" the active units, without neglecting the combat readiness of the field army.

In a brief lecture, the Commanding Officer of the Territorial Command South, Maj Gen Gerhard Brugmann, addressed the mission of the command within the framework of the national military defense and in the dependence upon reservists in carrying out that mission. Just in the area of the Territorial Command South, with a peacetime strength of about 20,000 troops, not only must the existing staffs and units be brought up to their combat strength, but over 1,400 units and duty stations must be drawn up. Put in numbers, this means a "growth" of 250,000 reservists. The state of combat readiness is heavily dependent upon the intensity of training, and this can only come from mobilization exercises. Normally, reservists are called up every 2 to 3 years for 2 weeks each. "That is," according to Maj Gen Brugmann, "an absolute minimum, barely acceptable in a military perspective."

The press representatives learned the way that works in reality from the commander of the 551st Motorized Infantry Battalion (Equipment Unit Renningen), Lt Col Juergen Bauer. As the director of the training center 55/4 at the Heuberg Training Area, he and his staff personnel had "changed the scenery" in order to train his men in their functions and in autonomous units. He did this in his capacity as battalion commander with his 700 soldiers in the "Second General Mobilization Exercise" in Muensigen in the Swabian Alps.

The mass of soldiers come from the Stuttgart area, and the Swabian element is pronounced. PFC Reiner Happel is trained on the "Milan" guided missile at Firing Range 1. For the experienced test mechanic, it is the first exercise in his new military home, 3rd Company. He had no problems getting released from his company for the mobilization exercise.

Reinhard Jakob, the carpenter training as a PFC, is from outside Uhingen, in the Goeppingen area. The boss at his "twelve-man operation" released him without further word to the exercise; the time of year probably had something to do with it. Even for the former armored infantryman from Dornstadt, who has experience with the anti-tank guided missile system "Milan," this is the first mobilization.

The reservists of the "3rd" are ready for action: the battalion commander and company commander do not need to prove anything more to the visitors. The "pure, free nature in a bewitching landscape with placid ridges," as it reads in a tourist flyer for Muensigen, shows its rawer side during the combat training. The cold wind and isolated snow flurries certainly did not bother the soldiers much during the combat training. The director can report "100 percent hit" during the "Milan" firing (combat distance = 1.1 miles), and the mortar troops in the heavy company are almost as fast as the activeduty comrades in moving into a firing position and achieving combat readiness. This was done by a unit "thrown together" on the second day of training.

Numbers underline the problems which awaited the responsible leaders of the mobilization. Thirty-five percent of the soldiers from the 551st Motorized Infantry Battalion are participating in their first combat training, and so are new in the battalion. Another 25 to 30 percent are at their second unit mobilization. Twenty-five percent of the reservists are from the "active" 552nd Motorized Infantry Battalion from the 55th Home Defense Brigade. They were able to be intensively trained for their future mobilization duties during their active service. The briefest time interval since discharge from the active service is 10 months, and the longest is 17 years! The oldest

soldier in the battalion is 54, the youngest is 21. Thirty-five percent of the reservists are married. A combat exercise in the battalion area formed the conclusion of the twelve days of training.

Many things have developed favorably in recent years from the point of view of active battalion soldiers as well as reservists. The efforts to improve the training conditions and the equipment are noticeable. But the initiative and resourcefulness on the part of the commanders and company leaders have contributed even more to strengthening the cohesion within the Home Defense Brigade and its units. Improved personal clothing and equipment, the presenting of the colors, homemade battalion crests are one side of the coin. The other, and decisive, side lies in the leadership style, in the interworkings of experienced soldiers with "established" men who bring their professional experience and ability into the military service.

Fifty-two percent of the personnel of the 55th Home Defense Brigade, Boeblingen, are active duty. In peacetime, this brigade is a partially-active major formation which is directly subordinate to Military District Command 5 in Stuttgart. In case of war, the brigade with its five combat and combatsupport battalions and brigade units grows to over 4,000 soldiers. Within the framework of the general mission of the Territorial Army, the brigade has the following tasks to fulfill:

-- Combat against enemy troops which were air dropped, or broke through or filtered through the lines;

-- Defense of assigned, including obstacle placement;

-- Through subordination to the field army, other assignments as the situation dictates.

As a major mechanized formation, the brigade has tanks, APCs, anti-tank weapons, artillery and mortars.

13071/12947 CSO: 3620/76

•

RESERVIST INSTRUCTOR TRAINING IN URBAN WARFARE INTENSIFIES

Bonn LOYAL in German Oct 86 pp 22, 23

[Article by Inge Dose-Krohn: "'Next, Please'--Reservists as Instructors"]

[Text] "A concept carries through to action," so we wrote in the June issue of this magazine, when we reported on the model course given in Hammelburg for reservists as instructors. Now the concept and planning has been followed up by the first actual results, and nine of the reservists who were awarded their respective MOS's at the Combat Soldier School 1 are exactly the ones forming the first training cadre. Later, they will just have to go to one follow-up short course in Hammelburg, in order to then themselves send other reserve soldiers on this path, according to the motto, "Next, please...."

With an announcement, the Regional Deputy for Military Assistance from North Rhine-Westphalia called on the reservists to report. The applicants were checked to see, among other things, if they were prepared to be available to serve as trainers, if they could carry out that task well, and if they were physically fit. Twenty-nine fellow soldiers were invited to participate, and 26 of them from the rank of PFC up to Captain agreed to take part in the three-part week-end course. A considerable response. They came from the areas in the Military Regional Commands 31 and 32.

The first training segment, Attack on Villages/Homes, took place in mid-April. On a September weekend they trained in the same area in defense, in a brickyard by Engelskirchen. In Dueren it was "Movement on Streets and Overcoming of Obstacles."

A good hour after assembly in the Engelskirchen Munitions Depot on Friday evening, cross-country running and the obstacle course were on the activity schedule as physical training. The next morning, it continued with the building of positions inside and outside a brickyard building, in preparation for the exercise "Hot Bricks" in the afternoon.

The men were exceptionally motivated. It didn't bother any of them when the trainers would make them repeat certain phases of the training over and over. Because the giving of orders must sink in just as well as the exercise with the traineers who will be sent out as trainers. The trainers themselves clearly proved that they deserved their trainer's certificates.

It did not matter that a reserve staff sergeant was to train a reserve lieutenant or captain and that they had to take orders from his as a leader of a small combat group, or that even a PFC would have to take this assignment. The 26 reservists had come to refreshen in current practice what they had learned in the past, and to expand on it. That is all that counted.

Lt Gen Heinz Kasch, Deputy General Inspector for Reservist Affairs, arrived before the exercise began and had his doubts that the temporary reversal of rank heirarchy would be possible in this case. Those doubts could be put aside.

Brig Gen Eberhard Fuhr, Commander of the Combat Soldier School 1, who arrived to be a critical observer, could confirm his conviction that the concept, which he supported, was the right way. Satisfied, he did not spare recognition, also for the trainers who had well prepared the training area down to the smallest detail. Likewise, Fuhr was periodically alongside the trainees with good advice for them.

This was no cops-and-robbers game; this was a realistic situation. They must learn that movement under protective fire brings danger for their own troops if the fire is incorrectly aimed, and they msut learn that the infantryman's war, fought from position to position, must be very carefully thought out. The soldiers showed they were learning something new, as some of them had never been deployed in a mobilization, and had had their last military exercise years ago. Despite this, they choose to train the reservists, so that they can be better integrated with the active troops.

After the third training segment in Dueren is also behind the soldiers, they only have to go to an abbreviated course in Hammelburg, at which they will have completed activities required to receive their own training and activity certifications. This course is also on a weekend. This is to preclude any problems with the civilian employers because of time off which would be required, problems which would lower morale.

With the conclusion of this course of instruction, the intended "snowball system" begins to take effect. Now these reservists are added to the first group of instructors from June (as much as their MOS's match) and together train additional comrades. That happens again in a sort of "pre-training" for the concluding short course in Hammelburg. Combat Soldier School 1 (KTS 1) and its active-duty cadre are thereby relieved of these training duties. And not only that. Three of the officers and NCOs who received their certification in June will go back to a short course in Hammelburg in the late fall, and will train in infantry combat with active-duty personnel.

One side effect must not be forgotten: even when a participant goes home without his MOS designation because of the high standards which must be set by the KTS 1, because he perhaps can not get his ideas across to others so well, the training is still a success. In an emergency, another commander has in him a well-trained infantryman in his troop or group.

13071/12947 CSO: 3620/70

MILITARY IMPLEMENTING STANDARDIZED COMPUTER NETWORK

Amsterdam COMPUTERWORLD in Dutch 16 Sep 86 pp 5, 15

[Article by Wim Amerongen: "Impressive Growth in Defense Ministry Automation. 1,000th ITT Terminal at Duyverman Computer Center"]

[Excerpts] Maasland--Last week the 1,000th ITT 9000 terminal was installed at the Ministry of Defense's central computer center. These terminals are part of one of the largest networks in the Netherlands, with more than 2,500 terminals, 600 printers, and several dozen computer systems. The hardware installed in the center is valued at about 100 million guilders.

When one considers that ITT only began to deliver the 9000 terminals at the start of 1986, it will come as no surprise that the installation of number 1,000 was accompanied by some ceremony. The Duyverman Computer Center (DCC) has been located in a former Royal Air Force bunker in Maasland since 1962. Originally it was known as the Defense Computer Center; since 1983 its name has been changed to the Duyverman Computer Center.

SNA Network

Construction began on the defense data communications network, based on SNA, about 7 years ago. Since then Siemens and DEC systems have been added to the network as well. Strict standardization has been the rule from the very beginning. Eng T. van der Plaat, chief of data communications at DCC, points out that this has made rapid growth possible. No fewer than 400 lines have been connected with the network from Den Helder, The Hague, Soestdijk, and the various military casernes.

"Everybody throughout the entire network has to adhere strictly to the architecture. The central organization gives technical recommendations to the armed forces." The MVS operating system was selected for the IEM equipment, with Cullinet's IDMS chosen for data base management. By linking up diverse systems, any isolated islands of automation have been eliminated. The equipment, software, and data bases have become so complicated that manageability and effectiveness are the watchwords now, more than ever. Consequently the formula for future information and automation policy will be "freedom in restraint."

80 MIPS

In the bunker stand three IEM and Siemens mainframes. The computing capacity of these plus the smaller IEM, Siemens, and DEC equipment is 80 MIPS. The background memories have a total capacity of 300 billion characters. A striking feature is the strict distinction made between computer capacity for the development of information systems and for production systems, plus the network management system. By the end of 1986 the number of terminals in the network will exceed 3,000.

1,000 PC's

By now thousands of people have come to depend on this network to get their jobs done. To make further growth possible, the selected concepts are strictly adhered to. "Foreign" products and solutions that are still sometimes suggested as special alternatives therefore have no chance to find a place in the network.

Nor has the microcomputer passed the Defense Ministry by. More than 1,000 PC's have been installed. Here too there is (IEM) standardization.

Security

The center makes data security a high priority. Van der Plaat: "Just choosing the SNA concept gave us a reasonable degree of security. The great advantage of SNA is that each terminal is uniquely identified. Therefore we're against using asynchronous terminals and protocol converters, because they eliminate the unique identification." Van der Plaat also points out that the price differential between synchronous and asynchronous terminals is constantly shrinking.

He will not say anything about specific security measures. "I don't want to see that in the newspaper. But it's actually like the telephone in many respects. With the telephone, too, you have unlisted numbers. And of course the one who picks up the telephone always decides for himself if he's going to answer." Van der Plaat expects that the center will continue to grow: "The Defense Ministry employs 143,000 people, so we have a way to go before they all have a terminal in their office."

12593 CSO: 3698/A124

INFANTRY PERFORMS WELL IN DUTCH/FRG COMBINED ARMS EXERCISE

The Hague LEGERKOERIER in Dutch Nov 86 pp 4-7

[Article by R. H. J. Bremer: "Netherlanders in 'Bold Guard.' Embarrassing Surprise for British Infantry"]

[Text] "Exercise 'Bold Guard' turned out better for us than we originally expected, after we were assigned to one of the flanks. We were good and busy, although not all the soldiers can vouch for that. It's instructive to be able to train at battalion strength, especially cooperating with the tank squadron. We in the battalion staff had to cope with more than one change in subordination: one time under a German brigade, then directly under the German division." The speaker is Lieutenant Colonel J. Rietveld, commander, 42nd Battalion, Limburg Jagers (BLJ) from Seedorf, toward the end of NATO exercise "Bold Guard."

Exercise "Bold Guard" is held once every 4 years in Schleswig Holstein in northern Germany. One of the main goals of this large NATO exercise is to give American, British, Danish, Netherlands, and German units a chance to train together. Most participating units by far were army units, but there were also air force and naval units from the various nations. A total of 4,700 Danes, 38,000 Germans, 700 Americans, 15,000 British, and 1,000 Netherlanders participated in the exercise, which took place in the last weeks of September.

The Netherlands army units came from the 42nd Battalion, Limburg Jagers (minus C Company and the reconnaissance platoon), reinforced by a squadron of Leopard 2 tanks from the 41st Tank Battalion in Hohne. A German communications unit was attached to the battalion staff during the exercise because the Netherlanders formed part of the German Bundeswehr's 11th Mechanized Infantry Division. The Netherlands units operated some 200 wheeled and tracked vehicles.

Participation in exercise Bold Guard had been planned a year in advance, but the first more specific information arrived about 4 months before the start of the exercise: a global command accompanied by a transparency.

"Enemy"

Saturday, 2 days before the start of the exercise, the actual orders were handed out at the divisional staff in the field. Lieutenant Colonel Rietveld: "We went there with the section heads, the support company commander, the artillery liaison officer, and the German communications officer. They hand out orders the same way we do. It was great that the British officers spoke German too, so the entire process could be carried out in German. We try to get as much as we can out of an exercise, so besides the expanded procedure for bringing up troops, we're also holding our own exercise, "Standard," where the battalion aid post uses pretend wounded to practice the whole procedure for removing the wounded."

Lieutenant Colonel Rietveld was very enthusiastic about the efficient coordination with the German units on his flanks. Seconding liaison officers to the German units and vice versa was a highly satisfactory solution. Thus, it was possible for one company to use a sector on its flank to carry out an attack on the enemy flank.

Friendly Civilians

The terrain in Schleswig Holstein is different than Netherlands soldiers have gotten used to in the North German Plain. It looks rather like England, hilly with winding roads and many hills and small woods. Not easy terrain for the mechanized infantry's weapons systems. The troops were bound by many detailed commands about what they could and could not do. Naturally sources of water were taboo, but it was striking that they were forbidden to approach closer than 200 meters to the Autobahn. On the other hand, they were permitted to dig foxholes in many places.

German civilians were strikingly friendly to the Netherlanders; they were interested both in the people and in the materiel.

Battalion adjutant, Sergeant Th. Biezeman, discovered this every time the battalion command post had to be set up. That was particularly large this time: 68 vehicles, including 10 tanks and several German 10-tonners. The three teams were formed from the mechanized infantry companies and the tank squadron. One team consisted of two mechanized infantry platoons, a tank platoon, and an antitank platoon; the second team included two mechanized infantry platoons and a tank platoon; and the third team consisted of two mechanized infantry platoons and two tank platoons, while the second antitank platoon was kept under battalion control as a reserve.

The larger the exercise, the busier the staff is and the longer the average soldier has to wait. In a village under an ancient oak tree stood an armored tracked vehicle with a double TOW launch setup (YPR-PRAT). In it sat Lieutenant G. G. Hiemstra, platoon commander, and the driver, Private C. Hanegraaf. At the last moment the gunner had gotten sick and could not come. They found it very interesting to work with the Germans but said with some regret that they still had not had any contact with the "enemy." It was the first large exercise for both of them, and also the first time they had had to go into action with the "tankers." "That's something else that's different from platoon-strength exercises."

Small Mess Kit a Big Success

The only diversion in 24 hours was the visit by the mess sergeant with the food. Sergeant H. Aarts and his assistants, Privates M. Kreeft and M. Verhoef, were convinced that the experiment with the small mess kits was a 100 percent success. The 10-liter mess kits turned out to be satisfactory for a platoon and the food did not cool off nearly as fast. At the end of an over-2-hour round, the last platoon still got a hot meal. These extremely favorable opinions of the small mess kits were heard everywhere in the battalion.

Professional

Captain P. B. van Campen, B Team commander, and his men had extensive contact with the "enemy." Their experiences on their nocturnal escapades were an inspiration for one and all. In an attack on a village they had captured some British soldiers with their vehicles, to the annoyance of the British. They were unable to resist the heavily armored Netherlands infantrymen. The British professional soldiers hesitatingly admitted that they had never expected such professional conduct from the Netherlands conscripts. The Netherlanders made no effort to hide their pride and made it clear that they did not have a very high opinion of these British foot infantrymen. But, well, that's what you get when nine men bunch up and stare into space, while not 100 meters away a YPR 765 observes every movement. (When we asked, it turned out that these British soldiers were on an exercise for the first time.)

Boom!

Halfway through the week the men of C Team still had not seen much action. Although this was the first time the cavalrymen of the 41st Tank Battalion from Hohne had driven their Leopard 2 tanks through villages and towns on an exercise, they were in danger of getting bored. Later in the week, though, they were to come into their own.

The seven men under Sergeant H. L. Janssen formed a team of their own. With two Landrovers and a couple of light machine guns they were guarding a bridge. At first glance they seemed to occupy a very vulnerable location, the enemy in front and a swamp in back. They kept looking into all the possibilities and discovered a narrow path through the swamp that they could use to escape with their Landrovers if they needed to. Thus they behaved like experienced soldiers; without being ordered to, one of them was cleaning his gun" [sic]. "This exercise is great" and "very instructive" said the men of the "team."

The men of Second Lieutenant M. de Groot's mortar platoon were having a fine time. They carried out the mortar positioning drill smartly, but after the command to "fire," they shouted "boom" in chorus and a grin spread across their faces.

Reserve Captain H. J. Kosten was very pleased to be able to participate in this exercise as a helper/judge. As part of his on-the-job training, he has taken part in international exercises for the last 3 years. He says there is no better way to prepare for his job as liaison officer on the staff of the 41st Armored Brigade.

Fire

Thursday afternoon the enemy pressure on the Netherlands battalion increased considerably. Two complete tank battalions and other units were approaching on two larger roads. The first attack was flawlessly repelled, but when enemy superiority became too great, a quick retreat had to be made. A large curtain of smoke was laid down, and when the smoke rose, there was nothing more to be seen of the Netherlanders, and the chief editor and photographer of LEGERKOERIER could go put out the fire the smoke curtain had started.

Successful Demonstration

There was great interest in the demonstration which the 1st Battalion, "The Duke of Wellington" (part of the United Kingdom Mobile Force) gave of the socalled position defense during exercise "Bold Guard." The international news media, military attaches accredited to the Federal Republic, and many military and civilian guests watched demonstrations of how an attack could occur and how this unit would receive it. With a great deal of colorful "fireworks" and the arrival of several low-flying combat aircraft at just the right moment, the British demonstrated how and when the various weapons systems and hand firearms are used. There was also a demonstration of what a modern foxhole--which uses small pieces of corrugated metal--looks like. (It takes a good 24 to 36 hours to construct it.) The clear and easily understandable explanations were perfect, the viewers were very impressed by this spectacle, and the press got just what it wanted.

When asked, Major General Gilissen, 4th Division commander, was very enthusiastic about this kind of demonstration. Those interested can be sure of seeing some action, while the units on exercise do not have to be bothered by visitors. "We'll have to do something like that during our major exercises too."

12593 CSO: 3614/21

DEFENSE MINISTER HOLST ON NATO MANEUVERS, 'FOOTNOTES', FUNDS

Oslo AFTENPOSTEN in Norwegian 8 Jan 87 p 3

[Article by Liv Hegna: "Defense Minister About Allied Exercises: Strengthen NATO's Willingness To Come To Norway's Aid"]

[Text] "Allied exercise activity in Norway is visible proof of NATO's ability and willingness to come to the aid of our country. Defense Minister Johan Jorgen Holst emphasized this yesterday in a speech in Oslo in which he also stated that Norway has a natural responsibility to keep this activity within a framework which would reinforce low tension in the Nordic regions.

Cabinet minister Holst saw the presence of Western naval forces in the Norwegian Sea in such a context as well: "It's a case of doing what we can so we avoid Mediterranean Sea conditions in this area," the defense minister stated, as he spoke at the opening of a course for commanding officers at the Armed Forces College.

Chemical Weapons

Holst touched upon the situation in which chemical weapons are concerned and said, among other things, "The importance the big powers place on these indicates that we must put a higher priority on equiring protective equipment for Norwegian forces than heretofore. The same is true of the development of equipment which is more appropriate than what is available."

He noted that chemical weapons have a random effect and are responsible for major suffering and destruction among the civilian population.

The defense minister did not address the prospect for better protection against nuclear weapons, either for military forces or the civilian population. Norwegian authorities have deliberately failed to carry out those measures which would be necessary in order rapidly to abolish nuclear arms policy in an emergency situation, the minister suggested. Holst went on to say that the Norwegian authorities have not taken any precautions as far as the validity of NATO's strategy for the defense of Norway is concerned.

"On the contrary, Norway is working towards lowering the alliance's dependency on nuclear weapons," the defense minister said, and he continued by saying that

NORWAY

this presupposes something close to parity in conventional forces in Europe.

Minister Holst also said that NATO's function in Norwegian security policy makes it possible for Norway to borrow military power and that Norway is attempting to make demands on American power via NATO membership.

Soviet Shadows

"Europeans need the Americans to stem Soviet military power which would otherwise have cast paralyzing shadows over Western Europe," said the defense minister, who believed the Nordic countries have converging interests in a security policy perspective which opens up opportunities for coordination and common solutions: These opportunities will now be investigated in connection with the future establishment of a nuclear-free zone in the Nordic region as one step in a wider arrangement containing the dismantling of nuclear weapons in Europe.

Footnotes

The defense minister gave a detailed account of why and how the Norwegian footnote in NATO came to be and why the next time around he would not find it necessary to request one. "We got the formulation changed, even if from the Norwegian point of view the result was far from ideal," Holst said, but he then added: "Norway is in on the putting together of the alliance's position on space weapons. The communique does not adequately express the Norwegian point of view, but we will work to achieve this," he said, as he reminded his listeners that the Norwegian position had also been expressed in direct talks.

Minister Holst said that there are no longer technical reasons to prevent the nuclear powers from reaching an agreement to halt testing:

"It's now a question of political willingness," he said.

Concerning East-West arms verification negotiations, Holst said that it is not realistic to expect any breakthrough in 1987.

Reducing Diet

Limited resources place great demands on the process of setting priorities where the acquisition of defense materiel is concerned, Holst believed, but he said that this als offered the opportunity to shape the Armed Forces' structure:

"Personnel expenses are the biggest line in the budget. It is unavoidably necessary to bring Armed Force activities within realistic budgetary limits. We have to be willing to examine aspects in the infrastructure of the Armed Forces' organization," the defense minister stated. Concerning the coming debate on compulsory military service, Holst said that the lines for exemptions have to be clear, offer the opportunity for equitable application and lead to similiarity of the obligation for all young men and rights for young people of both sexes regardless of persuation. The defense minister did not, however, make ny mention of the introduction of compulsory military service for women, but he added that Norwegian defense is a popular defense and that compulsory military service is an important part of democracy in Norway.

Defense Minister Johan Jorgen Holst said furthermore that there is absolutely no question of the needs of war having to affect daily activity in the peacetime defense. The Armed Forces should be a good workplace in contact and harmony with the civilian society it is to defend: "A good Norwegian defense helps ensure peace in our region. For this reason, defense policy is peace policy as well," Minister Holst suggested.

12789 CSO: 3639/10

NORWAY

ARMED FORCES ORDER SIX ADDITIONAL BELL 412 SP HELICOPTERS

Oslo AFTENPOSTEN in Norwegian 8 Jan 87 p 7

[Article by Cato Guhnfeldt: "Air Force Gets Six New Bell Helicopters"]

[Text] The Armed Forces have ordered six more Bell 412 SP helicopters for the Air Force in addition to the 12 which were ordered last autumn. With the additional purchase, worth 180 million kroner, including spare parts, the total contract with the American firm of Bell Helicopter/Textron in Texas comes to about 540 million kroner.

All the helicopters with the exception of the first one will be assembled by Helikopter Service in Sola under the terms of a contract worth 21 million kroner. The Air Force will receive its first Bell 412 helicopters in the US in April, while helicopter number 18 will be delivered in the autumn of 1989.

The Bell 412 SP, which can transport a team of eight soldiers equipped for winter duty, will replace the Armed Forces' Bell UH-1B model helicopters, which are more than 20 years old. Like its predecessor, the new model helicopter will be used principally by the Army's units for troop transport, even if, in operational terms, the helicopters fall under the responsibility of the Air Force. The 339th Squadron at Bardufoss will get 12 helicopters, while the 720th Squadron at Rygge will get six.

For the time being, it has not been decided whether the helicopters will be equipped with emergency hoists, but there are strong indications that this requirement will assert itself. The type of emergency hoist currently in use is also American-made, and will cost a good one million kroner per helicopter to install.

The first Bell 412 SP will be delivered fully assembled from the factor in April, but will be used for training purposes by Norwegian military personnel in the US before it is shipped to Norway in July for the official presentation ceremony at the Bardufoss air base. The remaining 17 helicopters, on the other hand, will be sent to Norway in parts for final assembly by Helikopter Service. This contract means approximately 21 million kroner for the company, and will provide employment for 15 men from April of this year through September 1989. The first Bell 412 helicopter to be assembled by Helikopter Service will be ready for delivery this October.

In addition to the assembly contract, Helikopter Service is also responsible for training mechanics and fliers on this type of helicopter above and beyond the training some staff members will have received in the US. The company has also offered more extensive maintenance of the helicopters to the Armed Forces after they have been put into service, though this issue has not yet been decided.

As a part of industrial compensation to Norwegian firms in connection with the Norwegian helicopter purchase, both the Raufoss Ammunition Factory and the Kongsberg Arms Factory will supply parts to Bell Helicopter/Textron. Development duties for Norsk Data are also being worked on in connection with the helicopter purchase.

12789 CSO: 3639/10

NORWAY

BRIEFS

SUBMARINE SEARCH IN FJORD--"No doubt about it, it was a submarine periscope!" Einar Ove Stensaker from Breim, near Sandane, is 100 percent certain that yesterday at about 1500 he saw a submarine periscope moving slowly across the narrow, deep Hyefjord off the Nordfjord. The Coast Guard vessel "Nordsjobas" searched the area yesterday evening but made no contact with any foreign submarine. Stensaker says he saw the periscope 200-300 meters away from the shoreline near the fish factory at Hyen. After approximately five minutes the periscope disappeared, and the waves subsided. Several persons from the Nordfjord area claim to have seen noticeable waves and green foam bubbles in the fjord in the past few days. Recently the captain of the cargo ship "Mettenes" had a foreign object on his radar which quickly disappeared from view. [Text] [Oslo AFTENPOSTEN in Norwegian 31 Dec 86 p 8] 12789

CSO: 3639/8

DEFENSE MINISTRY ANNOUNCES 10-YEAR SPENDING PLAN

Barcelona LA VANGUARDIA in Spanish 5 Dec 86 p 47

[Article by Albert Bassols]

[Text] The ministry of defense is to invest approximately 3.5 trillion pesetas over a 10-year period, the minister of defense, Eduardo Serra, announced in Barcelona yesterday. This defense spending will be channeled into two major categories of projects: infrastructure and changes in facilities--about 2.5 trillion; and weapons modernization programs-1 trillion pesetas.

The projects which Spain's defense ministry needs to undertake in order to maintain an adequate technological and security level will cost about 3.5 trillion pesetas spread over the next 10 years. Because of their technical, financial, and management magnitude, the defense minister described these projects as macroengineering projects. Serra spoke yesterday at the IESE during the convention of the Spanish Macroengineering Association.

The first of the major projects announced is the territorial relocation of military bases and facilities; its cost has been estimated at approximately 2.5 trillion pesetas.

Bases Outside Cities

The complexity of this renovation and relocation can be seen from the fact that the Spanish armed forces now have 3,000 sites covering an area of 1,324 square kilometers, including 20 billion meters located inside urban areas. These facilities will be converted, and army installations will be moved outside cities. Serra added that this urban reconversion will entail obtaining new sites and buildings and selling former facilities. This makes proper management essential for this program.

In the second major area, the weapons modernization program, Serra noted that at present, given the technological level and high cost of defense systems, it is imperative to develop new equipment in cooperation with other countries. Serra pointed out that for air force equipment, Spain will take part in the development of the European Eighter Aircraft. Spain is to pay 13 percent-roughly 400 billion of its total cost of approximately 4 trillion pesetas. The other participants in this program are: the Federal Republic of Germany (33 percent), Great Britain (33 percent), and Italy (21 percent).

The frigate for the 1990s is a NATO project in which Spain is taking part. According to currentplans, Spain will develop four frigates at a cost of about 200 billion pesetas. Another major project is the future combat tank, which is already being designed; it will cost 300 billion, and will be completed in 1995.

Serra reported that the ministry's objectives include a policy of decreasing reliance on imports, and producing 80 percent of the equipment used here in Spain. To do this, the defense ministry has boosted its research and development budget. In 1982 this budget was 500 million a year; in 1985 it will be 15 billion.

7679 CSO: 3548/30

SPAIN

MILITARY TO PURCHASE 106 NEW COMBAT TANKS BY 1994

Barcelona LA VANGUARDIA in Spanish 21 Dec 86 p 25

[Article by Fermin Gallego]

[Excerpts] Both the army and navy use combat tanks for troop deployments. Nevertheless, budget problems are gradually extending the periods scheduled for replacing this equipment, and the modernization program is already running more than 2 years behind schedule. Even so, the defense ministry intends to carry out its objectives.

Doubts about design concepts and probably the budget freezes in 1986 are keeping the program over 2 years behind schedule. Among the information on new weapons for the army, released recently by the ministry of defense, is the figure of 106 new model combat tanks--this is known as the "Lince" project. These tanks are scheduled to be in service in 1994.

These figures seems to correspond to the so-called Joint Force Objective, related to the earlier PEC [Joint Strategic Plan], which is once again being redrafted during the current legislative session. Incidentally, this might explain the leak of data, most of which were supposed to be secret.

At the same time, a highly-placed source in the DGAM, responsible for acquisitions and payments, has provided additional data on the bids that have been submitted: seven instead of the five known bids, with the possibility that a totally Spanish option may be included.

From well informed sources we have learned that at least two of the proposals, the American bid and a British bid, seem at a disadvantage compared with the bids from Germany, France, and Italy. This was not so much because of the quality of the projects in themselves, but rather because the defense ministry wants to move ahead toward future developments, avoiding technological slippages. The two bids mentioned apparently did not provide sufficient guarantees of continuity for projects for the year 2000: the next generation of armored vehicles.

7679 CSO: 3548/30

NATURAL GAS TO BE STORED UNDERGROUND IN SALT DOMES

The Hague HAAGSCHE COURANT in Dutch 3 Dec 86 p 9

[Article: "Gas Union Wants To Store Natural Gas in Salt Domes"]

[Text] Groningen--Netherlands Gas Union is going to store natural gas in salt domes deep underground in Groningen Province or Drenthe Province. This supply will be necessary in 10 years to ensure an uninterrupted supply of gas during severe winters up through and beyond the year 2020.

Yesterday the company requested a mining concession for test bores in Onstwedde and Hoogezand in Groningen and near Drouwen in Drenthe. In addition, Gas Union is interested in Veendam, where AKZO mines salt, and in Nuttermoor in Ostfriesland, where a West German energy firm already possesses storage facilities in salt domes.

The falling pressure in the Slochteren gas field and the resulting fall in capacity make it necessary for Gas Union to take steps that will guarantee the gas supply over long cold periods until long after the turn of the century.

The supply of liquified natural gas that Gas Union has in storage in the Maas River Plain for peak periods of extreme cold is adequate for only 3 days. The gas reserves stored under high pressure in salt domes should tide the company over during much longer periods.

Ten

Gas Union's plan provides for the construction of 10 caverns-250 meters high and 50 meters wide--in salt domes, the tops of which are about 1.5 kilometers under the earth's surface.

When filled with natural gas, these storage spaces, with a volume of 5 million cubic meters, can supply 60 million cubic meters of natural gas a day, about 10 percent of the total demand on a cold winter day. The construction of these storage spaces will call for an investment of 300-500 million guilders.

Gas Union assumes that after completion in 1995-96 it will need to draw from the supply in the salt domes as soon as the temperature falls to minus 3 degrees Celsius. The liquified natural gas supply in the Maas Plain will be used at temperatures of below minus 12 degrees, as it is today.

Technically, the construction of the caverns is relatively simple. Fresh water is carried down to the salt stratum via a bore hole and dissolves the salt. The salt water is then pumped up to the surface and out to sea. In this way, immense underground storage spaces will be created in 4 years' time, and no sign of them will be visible above ground.

Test Bores

In 1987 Gas Union hopes to start the test bores in Onstwedde. If this location meets all the requirements, the "leaching" can begin soon thereafter. It is possible that test bores will also be necessary elsewhere--Hoogezand, Drouwen--but even then it will be possible to fill the first of the 10 caverns with natural gas in 1995. Gas Union is keeping Nuttermoor, just across the border near Nieuweschans, in reserve in case it cannot acquire underground storage facilities in the Netherlands in time.

The Gas Union experts were assisted in the preparatory studies by colleagues from the Netherlands Petroleum Company (NAM) and by a German engineering firm specializing in the construction of salt caverns to store petroleum or gas.

The salt deposits in the northern provinces and in the northern part of West Germany have been found in practice to be outstandingly suited for natural gas storage. Energy firms in West Germany have been using them for years. The salt strata, which extend in fantastic shapes as far as Poland, are as large as the entire Alpine Region.

The chief director of Gas Union, Dr Cand A. H. P. Grotens, does not expect protests from environmental groups against storing gas in salt domes. "All we're doing is making holes, and that won't bother anybody. The amount of fresh water required is relatively small, and we release the salt water into the sea, and that's already salt," he says soberly.

Without some technical arrangements, Gas Union will no longer be able to meet the entire demand for natural gas during severe cold in the mid-1990's. To be sure, the supply of gas in Groningen will still be large enough, but decreased pressure will make it impossible to produce it as fast and easily as today. The gas reserves in the caverns, which will be filled in the summer months, will make it possible for Gas Union to maintain the required capacity.

Only after constructing the caverns does Gas Union plan to store gas in pumped-out fields. That space will necessary when the company's own reserves have been exhausted and foreign imports are providing its gas supply. According to current prognoses, that will not happen for decades yet.

12593 CSO: 3614/24

OCEAN-POLAR ISSUES

GROUP TO CARRY OUT RESEARCH ON PETER I ISLAND OFF ANTARCTICA

Oslo AFTENPOSTEN in Norwegian 7 Jan 87 p 4

[Article by Torill Nordeng: "Peter I Island To Be Mapped: Norwegian Group En Route"]

[Text] Norway's most inaccessible spot, Peter I Island, 15,000 km as the crow flies away from Norway, will have visitors. Today seven Norwegians are traveling southwards. On 24 January they will be at the island off the West Antarctic coast. The island will be mapped, photographed and studied. Ham radio enthusiasts will establish connections with the rest of the world, and the fauna will be studied.

"We do not have a 100 percent guarantee that we will land on Peter I Island," said Knut Svendsen of the Norwegian Polar Institute, who is the leader of the expedition. "The ice and weather conditions can be extreme."

The Norwegian Polar Institute's expedition to Peter I Island was made possible by an agreement to rent the expedition vessel from Monica Kristensen. She has left the MS "Aurora" to ski to the South Pole, and while that is happening, the vessel can be used by others. Kristensen was given 1.9 million kroner so the Norwegian Polar Institute could make use of the "Aurora."

On only three previous occasions have Norwegians landed on this southern Norwegian outpost. Norwegian possession of the island occurred in 1929. In 1948 a Norwegian expedition had to leave the island after a three-day stay owing to the ice masses which had become packed close together in the surrounding ocean.

It is now time to try again, says Jan A. Holtet, a researcher at the Norwegian Polar Institute. First and foremost, the island's exact location will be determined, next the little ice-clad 10 by 20 kilometer large speck in the ocean will be mapped. The fauna will be studied, and Svein E. Fevolden, a marine biologist from the University of Oslo, will study the krill stock in the surrounding ocean. This has never been done before.

Another thing that has never been done before is that two Norwegian ham radio enthusiasts, Kare Pedersen and Einar Enderud, will establish radio connections with ham operators throughout the world. They hope to be able to set up 15,000 "conservations" in the course of five days.

· · · · · · · · ·

.....

An automatic weather station will also be left behind on Peter I Island. Via the Argos satellite system, this station will send back pressure and temperature readings every three hours for upwards of three years.

12789 CSO: 3639/8

A state of the sta

END