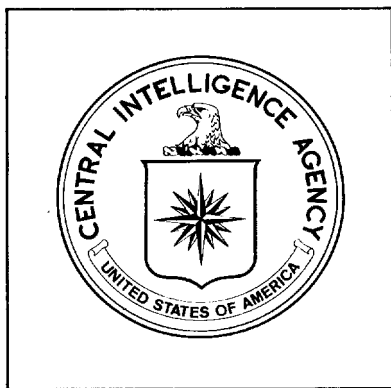


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STAFF NOTES:

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WESTERN EUROPE -- CANADA -- INTERNATIONAL ORGANIZATIONS

This publication is prepared for regional specialists in the Washington community by the Western Europe Division, Office of Current Intelligence, with occasional contributions from other offices within the Directorate of Intelligence. Comments and queries are welcome. They should be directed to the authors of the individual articles.

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Demirel Faces Confidence Vote in Turkish Parliament

Prime Minister-designate Suleyman Demirel will present his program to parliament next Sunday for debate and a confidence vote. The opposition, led by former prime minister Ecevit, is waging an intense campaign to defeat him, but Demirel still appears to hold a narrow majority.

Ecevit's Republican People's Party, fearing that its popularity has peaked, is apparently pulling out all the stops in an effort to move Turkey toward early elections. A proposal in the national assembly that provides for elections within 60 days was defeated in committee on Monday, but Ecevit is still trying to bring it to the floor for a vote.

Ecevit's party is also trying to exploit perceived weaknesses in Demirel's coalition. The defection of even three or four deputies would probably be sufficient to deprive Demirel of a majority. Ecevit apparently believes that if he is defeated it would probably lead to parliamentary moves for early elections. The four independent deputies who earlier appeared to be wavering in their support for Demirel now appear to have fallen back into line, but Ecevit's party still thinks it might be able to pry some votes loose from coalition members who are unhappy with the cabinet's composition.

Significant outbreaks of violence in opposition to the formation of the right-of-center government could also work to Ecevit's advantage by prompting some of Demirel's more lukewarm supporters to reconsider. A number of demonstrations have already been held on university campuses and a student boycott is reported to be under consideration.

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The armed forces are reported to have moved up the date for field exercises from September to the first week of April to keep troops occupied during this critical time. [REDACTED] that unrest, particularly among junior officers, has increased as a result of Demirel's appointment and parliament's rejection of a request for martial law in the eastern provinces where Kurdish refugees might try to cross into Turkey from Iraq. The exercises might also be intended as a show of force to the Greeks. (Secret No Foreign Dissem/No Dissem Abroad/Controlled Dissem)

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Agricultural Protectionism Feared in EC

There is concern in the EC that the French decision to place a temporary ban on imports of Italian wine may encourage protectionist measures by other EC members.

The ban, like the various national aid measures that provoked Bonn last September to call for a showdown on EC agricultural policy, would establish a precedent for dealing with regional agricultural problems outside the EC framework and in contravention of the common agricultural policy. Officials in Brussels fear that if they do not stop the French action other members will be encouraged to protect not only their agricultural interests but their industrial sectors as well. Growing farm and labor unrest, balance of payments difficulties, and a slump in the steel sector create pressures for protectionist measures.

Excess wine production in both France and Italy and the political strength of the French farmer prompted Paris to suspend wine imports. The ban was designed to remain in effect until April 28. Although the French agriculture minister announced the move, Paris informed Brussels that domestic wine importers had imposed the embargo and that the French government was not a party to it. Paris evidently hopes that a solution to the surplus can be found before the French bluff is called.

Italy has called for an early meeting of EC

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agricultural ministers, and the cabinet recently agreed that trade reprisals would be implemented if the French embargo is not soon ended.

Among the solutions that might be considered are a massive distillation program to convert surplus wine to industrial alcohol. This solution probably would be more expensive than the French proposal to subsidize wine exports to the Soviet Union and other East Bloc countries. The French company "Interagra" reportedly has already contracted with the Soviet Union to sell 10.5 million gallons of wine. The wine remains in France, however, with sale apparently contingent on EC subsidies. The EC previously used subsidies to deal with its butter and meat surpluses but public reaction in member states has been adverse.

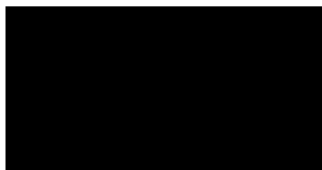
EC officials fear that if the extraordinary council on agriculture--set for April 15--takes place, members may raise other issues besides wine and that one of the destructive EC free-for-alls over agricultural policy may ensue. (Confidential No Foreign Dissem)

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Shelepin's Visit to Britain Ends Early

The visit to Britain by Alexander Shelepin, former chief of the Soviet secret police (KGB) and now head of the Soviet trade union council, ended abruptly yesterday amid angry demonstrations and hostile press coverage. Shelepin was clearly an embarrassment to his hosts, the British Trades Union Congress, and the visit failed to achieve its objective of improving relations between eastern and western labor organizations.

The trip, which had been scheduled from April 2-6, was moved up to March 31--probably for security reasons. These concerns apparently also required that Shelepin's schedule be very limited. He is known to have attended talks at the headquarters of the Congress and went to a dinner at the Soviet embassy for British trade union leaders. He also may have toured a factory in Scotland. He apparently did not meet with British government leaders, although there had been earlier speculation that Prime Minister Wilson, who is trying to improve relations with the Soviets, might decide to meet Shelepin.

Press coverage prior to and during the visit was extensive, with virtually all the papers opposed to Shelepin's inclusion in the delegation. One leading political commentator began his column with "There are murderers among us." Only the communist press carried favorable articles.

The visit was particularly embarrassing to the Congress which had hoped that it would serve to underscore the labor organization's

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stake in supporting detente--specifically closer ties to labor organizations in the communist states. Instead, the visit may encourage serious questioning by the union rank and file about the advisability of the Congress's efforts to move closer to the unions of eastern Europe, particularly now that, from their viewpoint, communist trade unionism has been personified by Shelepin.

In its reporting on the Shelepin visit Moscow has chosen to ignore the humiliation of his surreptitious arrival and premature departure and has confined its comment on the demonstrations to Shelepin's own characterization of them as a "noisy campaign" by "a part of the British press, Zionists and reactionaries of every stripe" to undermine detente and discredit the results of the Wilson-Brezhnev meeting. Expressing "full satisfaction" with his talks with the British TUC, Shelepin looked forward to greater cooperation both in bilateral relations and in the European trade union movement.

Despite the favorable gloss put on the visit by the Soviets, the hostile public reception accorded Shelepin in the United Kingdom, following on the heels of the cool welcome given him in West Germany, has no doubt devalued his worth as a representative of the USSR in the West and further weakened his prospects in the succession sweepstakes. (Confidential No Foreign Dissem)

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Icelandic Workers Reach Temporary Agreement

The Icelandic Federation of Labor's agreement to a temporary wage settlement averted a general strike set for April 7 and ended the first phase of the general contract negotiations.

The new agreement provides assistance to low-income workers in the form of monthly salary hikes. Overtime and holiday pay will be increased. In addition, the government is expected to do some quick maneuvering to allow the agreement to go into effect despite the current wage freeze.

The IFL threatened to call a general strike prior to the temporary agreement because negotiations were making little progress. Labor was also disappointed with an economic package announced by the government which they felt did not provide enough assistance to low-income workers.

The temporary pact is only valid until June 1, 1975. In the meantime, negotiations to reach a long term contract will continue. Labor's demand for restoration of the wage-index link which the government severed last fall is still at issue. (Confidential)

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Greek Center-Left Parties Demonstrate Strength
in Municipal Elections

Nearly complete returns from Greece's major cities in last weekend's municipal elections indicate that the urban electorate may lean more strongly toward the center-left parties than parliamentary elections last November suggested. In the first local elections in a decade, candidates in the larger cities backed by the opposition significantly outpolled those with a conservative or nonpartisan image. This occurred despite the fact that the opposition did not work particularly hard to get out the vote or identify the issues.

Although there are many aspects of the election results that are ambiguous, the urban voter apparently rejected Prime Minister Karamanlis' tactic of trying to make the local elections non-partisan. Supporters of Karamanlis' New Democracy party appear to have voted without instructions whereas the leftists voted as a solid bloc.

In Athens, Volos and Patras, candidates backed by a coalition of the Center Union/New Forces, Andreas Papandreou's leftist PASOK and the communists won handily. In Athens, the coalition's candidate won 53 percent of the vote, taking two third's of the Athens' city council for his left-of-center ticket. The opposition failed to win a majority in Greece's second and third largest cities, Thessaloniki and Piraeus, where there will be a runoff election next Sunday. In both these cities the communist or moderate left candidate is leading.

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The opposition has been making political capital out of the results in an attempt to challenge the government's overwhelming majority in parliament. Center Union leader George Mavros has described the results of last November's elections, in which Karamanlis won a top heavy majority, as "circumstantial."

Although the opposition's success in the municipal elections may be equally circumstantial, it can take heart from the fact that many of its supporters now have jobs and the imbalance against it in parliament is corrected somewhat by the failure of conservatives to do well in the polls at the local level.

The new collaboration between extreme-leftist and centrist forces will be tested again in parliamentary by-elections on April 20 when common front candidates of the Center Union/New Forces and Papandreou's PASOK will contest New Democracy for seats in Corfu and Kozani. (Confidential)

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Speculation Mounts Over Possibility of Franco's
Stepping Down in Spain

The extensive press coverage being given to Prince Juan Carlos and his role as future monarch suggests that a growing body of opinion in Spain wishes to encourage Franco to consider stepping down soon. The press stories have reinforced recent rumors that Franco may indeed be considering relinquishing power wholly or partially during 1975. Possible dates mentioned are July--the anniversary of the Nationalist uprising that began the Civil War--and early fall--when a new legislature will have been seated and a new political year begun. The latest report alleges that the changeover "will be a fact by June."

The argument advanced by those favoring a changeover is that the monarchy should be given an opportunity to function while Franco is still alive and in a position to ensure a smooth transfer of power.

Two regime figures have thrown cold water on immediate succession possibilities. Second Deputy Prime Minister Cabello de Alba, in an interview last weekend, reportedly said that there was no need to speed up the succession process because Franco is in excellent health. Even more pointed was columnist Emilio Romero, director of the National Movement's daily Arriba, who in the April 1 issue quoted "a crystal clear source at the top" to the effect that no early transfer of power is contemplated. (Confidential No Foreign Dissem)

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