

APPROVED FOR RELEASE: 2007/02/09: CIA-RDP82-00850R000100070001-2

5 JULY

1 OF 1

JPRS L/8556
5 July 1979
(FOUO 41/79)

West Europe Report

FBIS FOREIGN BROADCAST INFORMATION SERVICE

NOTE

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

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

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

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

For further information on report content call (703) 351-2811 or 351-2501 (Greece, Cyprus, Turkey).

COPYRIGHT LAWS AND REGULATIONS GOVERNING OWNERSHIP OF MATERIALS REPRODUCED HEREIN REQUIRE THAT DISSEMINATION OF THIS PUBLICATION BE RESTRICTED FOR OFFICIAL USE ONLY.

FOR OFFICIAL USE ONLY

JPRS L/8556

5 July 1979

WEST EUROPE REPORT

(FOUO 41/79)

CONTENTS	PAGE
COUNTRY SECTION	
INTERNATIONAL AFFAIRS	
Norway Assigns French Firms Portion of Oil Field (VECKANS AFFARER, 3 May 79)	1
FRANCE	
Presidential Adviser Henry Jean-Baptiste Gives Opinions (Henry Jean Baptiste Interview; JEUNE AFRIQUE, 2 May 79)	2
New Version Ariane, Mini-Space Lab Planned (Pierre Langereux; AIR & COSMOS, 26 May 79)	16
Ariane First Stage Launch Tested (AIR & COSMOS, 26 May 79)	21
Grenoble Military Hospital Operations Described (MEDECINE ET ARMEES, Feb 79)	22
Briefs	
Djibouti Military Modernization	25
SPAIN	
CNT: Marxists Opposed by Old Line Anarchists (CAMBIO 16, 27 May 79)	26
Basque President-in-Exile To Head Regional Government (CAMBIO 16, 20 May 79)	32
PCE-PSOE Agreement Subject of Commentary (Editorial, Juan Tomas de Salas; CAMBIO 16, 20 May 79)	35

- a -

[III - WE - 150 FOUO]

FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

CONTENTS (Continued)	Page
Economic Recovery Seen on the Horizon (CAMBIO 16, 20 May 79)	37
INI Investments Keep Holding Company in Red (CAMBIO 16, 27 May 79)	44
Briefs	
GRAPO Infiltration of Police	47
MPAIAC Leader in Ill Health	47
ETA, GRAPO Unity	47
 SWEDEN	
Robot-15 Missile Seen Operational by 1985 (Pierre Langereux; AIR & COSMOS, 9 Jun 79)	48
Brief Overview of Armed Forces Provided (Olof Dackenburg, Hans Berglund; ARMEES D'AUJOURD'HUI, May 79)	50
Economy Ministry Sees Continued Unemployment Drop in 1980 (VECKANS AFARER, 3 May 79)	56

- b -

FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

COUNTRY SECTION

INTERNATIONAL AFFAIRS

NORWAY ASSIGNS FRENCH FIRMS PORTION OF OIL FIELD

Stockholm VECKANS AFFARER in Swedish 3 May 79 p 53

[Article: "France and Norway in Joint Export Drive"]

[Text] It becomes more and more obvious that France is emerging as one of Norway's most important partners in the industrial and energy fields. The first tangible proof of this surfaced in the beginning of April when the Norwegian Government permitted two French oil companies to join the so-called "small gold block" 30/6, which was number 1 on Volvo's shopping list in the North Sea.

The French Elf and Total together acquired a 20 percent share as the only foreign corporations admitted.

The government's decision became known at the same time that a large French trade and industry delegation--headed by Citroen's and Renault's top executives--visited Oslo.

But the initial contacts at the government level for future cooperation in the fields of industry and energy were already taken at the end of October last year. Since then there have been several meetings at government level.

On 20 May the minister of industry, Olav Haukvik, travels to Paris to meet his French colleague, Henri Giraud. They will continue the discussions in regard to the agreement which is expected to be reached this fall when Giraud will make a return visit in Oslo. Up till now the French-Norwegian negotiations have resulted, among other things, in agreements between Kongsberg's Weapons Factory and Elf. The agreement grants Kongsberg access to Elf's know-how within the off-shore area.

According to what VECKANS AFFARER has learned, the agreements involve joint Norwegian-French export investments in regard to the equipment needed by the oil industry in the Middle East, Canada, Mexico and China. Further negotiations are also in progress in regard to Norwegian manufacture of components under license for the automotive industry.

COPYRIGHT: Ahlens & Akerlund tryckerier, Stockholm 1979

9349
CSO: 3109

1

FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

COUNTRY SECTION

FRANCE

PRESIDENTIAL ADVISER HENRY JEAN-BAPTISTE GIVES OPINIONS

Paris JEUNE AFRIQUE in French 2 May 79 pp 89-94

[Interview with presidential technical adviser Henry Jean-Baptiste by JEUNE AFRIQUE newsmen headed by Jean-Louis Buchet, in Paris, date not given]

[Text] What is the purpose of an adviser, then? These are "president's men" whose position in the hierarchy of responsibilities and decisions are difficult to assess. Are they deputy ministers or "Deus ex machina"? Are they grey eminences in the shadow of the great or hardly useful ornaments gratified with a title? Undoubtedly neither one or the other, but the adviser is a personality who is ill-defined. And when his official task is to take care of "matters relative to the North-South dialog and the study of developmental problems," fields whose scope, complexity, and lack of precision are gauged at the same time, one cannot help thinking that the duties of this adviser are not the easiest in the bunch.

Henry Jean-Baptiste knows all this. This native of Martinique, 46 years old, born in Fort-de-France, with a impressive height, with the calm demeanor of a well-meaning giant and the refined manners of a senior official emerged from the palace, is not naive enough to believe that the post of technical adviser to which he was appointed by President Valery Giscard d'Estaing on 8 January 1979--he is the first to hold such a position--will be a calm place. Everybody knows indeed that while the idea of the North-South dialog is particularly dear to the French president, so far it has consisted much more in speeches on official trips than of facts. The task of Henry Jean-Baptiste--who likes to think of himself as neither an ornament nor a gadget but willingly admits that he is a symbol, that of a resolve to open up--will first be to give a little credibility to an idea.

This individual, who from an intellectual viewpoint likes to situate himself at the confluence of two lines of Negro thinking--that of Leopold Sedar Senghor [of Senegal] whose adviser for economic and developmental affairs Jean-Baptiste used to be for a long time, and that of Aime Cesaire--unquestionably possesses the love of dialog. This is a passion

FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

which the acute awareness of past and present injustices vis-a-vis his brothers has only strengthened. It is a passion which his intellectual training--the traditional honors track of the French senior official--bachelor's degrees in law and in philosophy, diplomas from the School of Political Science and the National School of Administration--has never changed.

At the Elysee Palace [of the French president] Henry Jean-Baptiste will be a little and at the same time the president's "Mister Africa," "Mister Development," and "Mister North-South Dialog." These are uncomfortable privileges which will prompt him to tread only slightly in the jurisdiction of several ministries. It will undoubtedly be necessary that Henry Jean-Baptiste should be a bell hammer in order to have his passion shared in the political palace and also to do away with the yoke of routines and neocolonial habits which, in practice, still preside over the relations maintained by France with the Third World.

It is this new man, fresh from the experience of 8 years spent in Senegal at the side of Leopold Sedar Senghor whom we interviewed. Jean-Baptiste entrusted to us his hopes and his ambition: "I like men who succeed," he confided to us. There is no doubt that Henry Jean-Baptiste has the resolve to succeed, but will he have the means to do so? Will he be able to turn into something concrete the nebulous nature of the president's ideas on the North-South dialog and on development? Henry Jean-Baptiste will not be annoyed with us if we await the verdict of the facts on that score.

F. S.

"I Shall Not Be the Andrew Young of the Elysee Palace"

Question: As technical adviser at the Elysee Palace since January 1979 you are the first person from Martinique to serve with President Giscard d'Estaing. Earlier, you had spent several years as adviser to President Senghor. This is an unusual record.

Answer: The fact that I am from Martinique indeed explains many things that I feel and that I shall tell you about in a little while. As for my record, I recognize that it is both conventional and somewhat exceptional. It is conventional to the extent that I went to secondary school at home in Martinique and then did my advanced studies in Paris. I was a student at the ENA [National School of Administration]. I passed the competitive examination in 1958. Then, I went to the Court of Accounts and subsequently became involved in the [French] cooperation program. I wished to go abroad under this program for personal reasons rather than for the sake of my career.

It so happens that a position was vacant in Dakar which was offered to me and I went there. I expected to be away for a short while--that is how things were done--but I was in Senegal for nearly 9 years. This will

FOR OFFICIAL USE ONLY

suggest to you that I did not get bored, both because it was Senegal and because I was at the side of President Senghor.

Question: Ten years earlier, would the same kind of administrative career not have prompted you to attend the Colonial School rather than the ENA?

Answer: Indeed, many people from the [French] Antilles served in the colonial administration, often involving very famous personalities such as Governors Felix Eboue or Wiltord, for example. But when I arrived in Senegal I heard through Senegalese friends that the time spent by some officials hailing from the Antilles had been viewed in often ambiguous manner by the Africans.

Question: Did the fact that you were from the Antilles help you or hinder you in Senegal in the last analysis?

Answer: I believe that in the last analysis it served me well. It is an individual question and nearly one of generation. It is a question of attitude vis-a-vis people and knowledge--or of acknowledgment--of their own history. I am convinced that this attitude of opening up and humility is a good one. I had the feeling of finding part of myself ignored too often, scoffed at, and scorned in the Antilles. And I believe that the Senegalese have understood this. They considered me a little as one of their kind. I never felt an alien in Senegal. If, on the other hand, I would have had the feeling of being useless, I would have left.

Question: In what way were you useful?

Answer: As technical adviser to the Senegalese president I was there first of all so that he might consult me but also that I might advise the prime minister, too, on all questions of their choice, notably, on the problems of financing of development: Mobilization of domestic resources and foreign assistance. But, beyond technical questions, I was involved by President Senghor in an exceptional experience. I shall mention, by way of example, three specific and I believe important areas.

First, the construction of regional integration zones. These are the two experiments of the CEAO [West African Economic Community], limited to the Francophone countries only, and of the CEDEAO [West African States Economic Community] open to English-speaking countries as well. And that is where President Senghor's power of intuition and analysis resides. He thought for very long that the Africans must first organize among themselves. Perhaps he was led to that analysis by the special position of Senegal which used to be the capital of former French West Africa and which drew various advantages from this status. But I believe that it is a fear of the future more than nostalgia of the past which explains this constant striving of President Senghor.

4
FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

The second example is that of the reform of the BCEAO [Central Bank of the West African States]. It is an important task in which I took part in very exalting team work with Senegalese and French friends and of which I retain a vivid recollection directly drawn from experience. Furthermore, very symbolically, this collective work led to the transfer of the head office of the BCEAO from Paris to Dakar in 1978. Once more, you will note that this is a matter which involved all the countries of the UMOA [West African Monetary Union], roughly, the countries of the CEAO.

Contradictory Qualities Are Necessary

The third example is the Lome Convention. Senegal presided over the group of the ACP [African, Caribbean and Pacific Countries (associated with the European Economic Community)] which led to the signing of this convention, presently the instrument--I do not dare to say the most satisfying but the least unfavorable--to the dialog among unevenly developed countries.

And then there are many things in which the government of Senegal and the ministries with which I have worked have wished to involve me such as the preparation of the Dakar conference on raw materials or of the Arab-African summit meeting.

Question: Were you involved in domestic policy a little?

Answer: Naturally, even in the daily drama, the humble work of compiling files or of the study group which is dignified or phased out at the time of decision. However, I participated in a few more spectacular operations which stem from domestic policy: The creation of the Dakar fair, the opening of the Teranga Hotel, the initial stage of price stabilization at a time when "imported" inflation was getting out of hand, the establishment of the National Social Action Foundation, various financing agreements (French-Senegalese, Eurafrican, or Arab-African), and so on.

Question: In all these operations, you worked with various ministries. Relations cannot be easy between a technical cooperation personnel in the president's office and the Ministry of Finance, for example.

Answer: These relations are indispensable and, admittedly, at times tricky. They are indispensable because an adviser worthy of that name has to go and seek the information and not wait for it. They are tricky because it is first necessary to inspire trust without becoming complacent. Neither should one give the minister the impression that one has come to check up on him or spy on him for account of the president, especially when one is from outside. One must possess contradictory qualities--much curiosity as well as much discretion.

Question: What did you do for 8 years assisting Senghor?

5
FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

Answer: Without wishing to commend the merits of the Senegalese president--they are fairly well known--he is a very easy man to work with. First, because he has a feeling and taste for organization and method. You know that there are few speeches of President Senghor in which he does not call his fellow-citizens "to organization and method." Then, because he is a man of great courtesy, that is, that he knows how to listen to his adviser. He listens to you, allows you to speak. And then I recall all his gestures and which strike his interlocutors. For example, the Senegalese president makes a habit of seeing you to the door or he willingly and spontaneously autographs his writings to you--all these little things which make your relations.

When it comes now to basic things, unquestionably the president has a certain number of theses or rather analyses or goals that I have indeed seen verified and concretized in the pursuit of his policy and particularly three of his major ideas: The need to fight through regional groupings against the balkanization of Africa (witness the "concentric circles" of the CEAO and CEDEAO); Eurafrica, or the dialog between these two continents (witness the Lome Convention); and the deterioration of the terms of trade, one of the basic problems of the underprivileged countries.

Question: Did you work with Prime Minister Abdou Diouf?

Answer: I was the adviser of the prime minister as much as of the president. This means that I was entertaining a double dialog: With the president, the man of culture and reflection, and then with a younger person, a man of files with whom I had great affinity of language because our training was approximately the same.

Socialism Without Violence

Question: Did you experience Senghor's socialism?

Answer: I did. It is a slow, difficult, undoubtedly perfectible process but one which is probably fairly well adapted to the existing state of Senegalese society. It is socialism Senegalese-style, without violence or prisons. And that is an increasingly rare feat in today's world. It is also a system where people practice sharing fairly widely. But I would like to stick to the facts: Senegal suffered a lot from the drought during 5 or 6 years with all the consequences that you know. The Senegalese have also experienced fully and at the same time the impacts of the oil crisis and worldwide inflation.

Now I remind you that in Senegal there was not even the slightest strike during this period, not the least social movement of any scope in a country that General de Gaulle used to qualify as "turbulent." And it is specifically at that time that President Senghor decided to encourage the experiment of multipartyism and an opposition. I merely state these facts, which are obviously susceptible of various interpretations.

6

FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

Question: You now assist President Giscard d'Estaing. Are you then the Andrew Young (U.S. ambassador to the United Nations) of the Elysee Palace?

Answer: These are cliches and I shun stereotypes. Experiences of this kind rarely overlap completely. It is true that the temptation to compare us is easy. It was written...

Question: Do you say that you are not because you are supposedly a man of files, a placid individual?

Answer: A placid man, did you say? I believe that this is not quite true. I can be a bell hammer and I am fairly fond of action, of realizations.

Question: Is there not a chance that you will be the "black on duty" at the Elysee Palace?

Answer: I don't believe that such a thing is in the mind of President Giscard d'Estaing. It is not in mine, at any rate. I am undoubtedly a symbol for the president--that of the Antilles which can assume more importance in France--as the majority in the Antilles would wish it--and represent a certain French diversity. My compatriots wish to grow collectively, no longer to be "assisted" individuals but participate as officials in the development of their island. Do you know Marius Tresor? Is he the "black on duty" because he plays in the French soccer team? In the same way I could cite for you eminent professors of medicine and law in France who hail from the Antilles but in no way consider themselves to be "Negroes on duty."

Question: Tresor is even the captain of the French soccer team, but in France there is a tradition of sportsmen from the Antilles.

Answer: That is not the only thing that we know how to do even though we are, indeed, highly talented in running, jumping, or kicking the ball.

Question: You are the first person from the Antilles who is an adviser at the Elysee Palace. How do you explain it?

Answer: That is unusual and President Giscard d'Estaing deserves credit for being the first one to have thought of it. But we live on a very old legacy of injustices. If I am a symbol it is indeed because my appointment is a first. I was told the same thing when I was head of my class at the ENA. No person from the Antilles had ever been head of his class at the ENA.

Question: Has there been another one?

Answer: No, but there will be others.

FOR OFFICIAL USE ONLY

Question: How did you come to work for President Giscard d'Estaing?

Answer: On my return to Dakar after my leave in 1978 President Senghor told me of the probability of my departure. He had heard it directly from President Giscard d'Estaing who, a short while later, invited me to go and see him in Paris. He told me approximately the following: "You have been working with President Senghor for a very long time. I imagine that you are attached to him as well as to Senegal. Would you consider, if I asked you, coming to Paris? I would like you to be something of a symbol, a promise, not an alibi. There is no reason why the people of the Antilles should be our poor relatives." I told him that I was very flattered by his choice and certain that my compatriots would understand and appreciate this promise of the collective upgrading of the French overseas departments. It seems to me that Giscard d'Estaing's attitudes reflect an analysis that I share, that of a world that is becoming more and more differentiated. There is a great degree of differentiation which is expressing itself, notably, in the regional movements in France. According to Giscard we from the Antilles must express our being French in a certain way.

Question: Yet, your new functions are not specially oriented to the French overseas departments and territories. There is a secretariat of state for that purpose.

Answer: That is true and in many respects I am gratified at the fact. I believe that initially it would be very difficult for a person from the Antilles to occupy that position. There are so many demands and frustrations that one man alone would not be enough. But in multiplying experiences like mine in all sectors in France and the Antilles, without complacency or demagogy, everything becomes possible, serenely and clearly.

Question: Do you expect a change in France's relations with the Antilles?

Answer: I believe that the inhabitants of the Antilles do not seek a change in status. On the other hand I believe that they wish to participate more in their development. The burden of development has become very onerous by virtue of the contradictions of our economy. Our products, which are essentially primary products, involve social costs of overdeveloped countries. That is the major contradiction. Our bananas are infinitely more expensive than those of Africa or Latin America. These are difficult problems. With President Giscard d'Estaing I believe that a new language is being used in the Antilles. For the first time the French are saying: "Those areas will not be developed without changing a number of attitudes and customs, without offering other prospects to satisfy the resolve of participation of the inhabitants of the Antilles and notably the young."

FOR OFFICIAL USE ONLY

The North-South Dialog Has Not Failed

Question: You do not seem to hold the same positions as Aime Cesaire. Don't you feel like competing with him at the elections in Martinique?

Answer: Competing with him? No, I don't believe so. He is a man for whom I have a lot of consideration, respect, and affection because I know him personally. His is a great voice which the entire world of blacks needs.

Question: Cesaire wishes autonomy.

Answer: He does, it seems to me, but with a number of qualifications. He is undoubtedly an autonomist but I don't believe that he is arguing for independence. Personally, I hope for a large degree of decentralization for Martinique so that we might be genuine overseas departments and so that the first word in the term might not be sacrificed for the second. If already at Biarritz or Arras [on mainland France] there is too much concentration in the decision-making power, well then at a distance of 7,000 kilometers such an arrangement is deadly.

Question: As a symbol for the Antilles, are you going to take care of economic relations between France and the Third World for, if one goes by the definition of your position, this is a post created for you.

Answer: It was created for me but in a way others have already exercised such functions. This is a field which has indeed been identified for me. You know that the North-South dialog is a personal initiative of the French president. He wishes that this position should no longer involve other tasks, that the position should exist in its own right.

Question: Is it not strange then that the North-South dialog is an initiative which has been a relative failure?

Answer: If it had failed there would not be a conference such as that of UNCTAD [United Nations Conference on Trade and Development] in the coming weeks, one which, in my opinion, should lead to the initial establishment of a common pool of raw materials. The agreement on rubber which will be signed and which should point the way to other commodity agreements would not have occurred. But I think especially that no one would like to assume the responsibility for a break in this dialog, difficult and incomplete as it may be. It is quite true, however, that things have occurred in a way very different from what one could hope for. Unquestionably, President Giscard d'Estaing first wished to avoid confrontation. That was after the oil crisis. What was involved was to avoid that the problems be settled through confrontation, to arrange things in such a way that a dialog should be established on the relations between the two major groups of countries. That has not failed. Only naive people could imagine that mechanisms which reflect relations of secular forces would lead in 3 years to satisfying proposals for everyone.

FOR OFFICIAL USE ONLY

Today it seems to me that to really have things advance it would be appropriate to distinguish between problems which must be solved in the international context and others. The reform of the international monetary system involves everyone, for example. But there are a certain number of questions which can be raised in exemplary fashion on the interregional or regional level where certain complementarities are best explained. This distinction among several levels should not appear as an attempt at division in the Third World. What is involved, then, is to determine on one hand which interlocutors are susceptible to use such language without being accused of divisionism by the Third World countries and, on the other, according to which criteria "to differentiate" the problems.

To Organize Interdependence

It seems to me that such an approach can lead to progress in the long run and under certain conditions. But it is in any case necessary to continue the dialog. That is the only way possible. Concern for realism and real generosity must go hand in hand and complement each other. For sacrifices will be necessary by the affluent countries. What is involved is a transfer of resources and a sharing of decision-making powers. Is a period like the one we are experiencing, which is already a difficult period, propitious for this kind of sacrifice?

Question: France cannot take the initiative of what you call sacrifices?

Answer: In this case you are asking a little too much from an official like myself. It is up to the president to take initiatives.

Question: Regarding the regional cadres, President Giscard d'Estaing has taken other initiatives, a little more restrained than the North-South dialog. At several French-African summit meetings he proposed the establishment of a solidarity fund with Africa, a special fund in which he wished specifically to invite several other industrial states to participate. That is another idea which has not made much progress.

Answer: Such an initiative does not depend on him alone. His idea was to invite all countries susceptible of supporting that project to make a special and supplementary effort on behalf of the African countries. But somewhat different ideas have appeared. For all that, the initiative has not been relinquished. The study will continue. In what form? It seems difficult for me to say. You will not have to wait long since the next summit will be held in Kigali, Rwanda, in May 1979. The fate earmarked to that initiative of President Giscard d'Estaing should rapidly be known. He once again expressed the idea, of which he is deeply convinced, of active solidarity with Africa. He reiterated it in Yaounde in a form which also seems important to me--that of "mutual interests." In his mind cooperation must no longer be a kind of by-product, of a somewhat shameful relic of a bygone age but rather a

FOR OFFICIAL USE ONLY

positive desire to organize interdependence. Once again, it is a general idea but, expressed in this form, it is of a nature to give some justification to cooperation and project new dimension in public opinion which is far from being convinced of it.

Question: These are still general ideas, for the only concrete thing is the aid to development. On this score it was announced that France would increase its aid. Yet, in 1978 such assistance was reduced and France continues to espouse a position of distrust regarding multilateral aid.

Answer: Distrust is too strong a word. It is not possible to do everything at the same time. I believe that the government is planning--and I believe that that is what is being decided--to increase French multilateral aid. Besides, the African countries especially seek sizable bilateral aid all the more so as they receive multilateral aid from existing international organizations: The World Bank, United Nations Development Program, and European Development Fund.

Question: The fact remains that France is one of the countries which has greatest reservations regarding multilateral aid. Accordingly, France nearly always adopts the same attitude as the United States, refusing to provide funds whenever the problem is raised. President Giscard d'Estaing has made three or four suggestions which are rather good, which have currency among all intellectuals and senior officials of international organizations. But then France does not take the necessary steps to implement them. This is the case in the North-South dialog. Or, that of the appeal of Yaounde which, incidentally, should have been launched in France since, as you stated, it is first addressed to French public opinion.

Answer: It has been heard in France all the same.

Question: Naturally, but one would have appreciated Giscard d'Estaing's defending this idea with persistence in his country. An effort has to be made as in the case of Sweden where the government does not have problems with its public opinion. This effort was lacking at the time of General de Gaulle, that of Georges Pompidou, and it is still lacking now.

Answer: There is a new element, there are new promises and arguments. This being said I imagine that, as yourself, the president regrets not to be able to make more rapid progress in the direction that he has chosen. But once again the time to do so is not right.

Question: The time always seems to be wrong.

Answer: That is particularly constraining and you are well aware of it.

FOR OFFICIAL USE ONLY

Question: There is no historic example of a government not achieving a goal which it thought was really important. In truth Western governments, including that of France, do not assign to their aid a sufficiently high priority and that is the reason why they do not manage.

Answer: Politics is the art of the possible. Incidentally, you mentioned the concrete and personal initiatives of the French president (North-South dialog, the African Development Fund). As far as the North-South dialog is concerned each one is in agreement in recognizing today that this initiative has helped greatly to reduce the risks--in no way imaginary in 1973 and 1974, you will recall--of conflicts and violent confrontations. What is involved, then, is a very concrete result.

As for the African Development Fund, the president proposed to all the interested countries and notably the Americans to earmark U.S. \$1 billion to special and supplementary aid to the African countries. In these times this is a rather concrete initiative which testifies to a political resolve which--I regret with you--is not sufficiently shared.

Question: Politics is the art of realizing what can be done. In your place, should you not be an advocate for these arguments rather than the defender of France's limits?

Answer: Believe me, I wish to be the advocate, even of modest rank, for these ideas in which I believe with the same intensity as you.

Question: One must assume this "symbolic" task.

Answer: It is one of the things that I strive to do but it is not by taking shelter in spectacular but unrealistic attitudes that progress will be possible. It will be necessary--"sufficient for the day is the evil thereof"--to advance things and not give up.

Question: In this sense, even if you do not like the comparison, one cannot help making an analogy between you and Andrew Young. You both have in common a symbolic value vis-a-vis a national community and its use with relation to Africa. But you don't have--or not yet--an electoral base.

Answer: As you say the comparison does not displease me but some distinctions are necessary. Andrew Young is a politician, which is not my case. I am a civil servant and as such I do not occupy center stage. French public opinion does not have to know me as such. It is different for my compatriots.

Question: What does "compatriot" mean?

Answer: That is a very flexible idea. There are my compatriots in the legal sense of the term: They are all French citizens. There are my

FOR OFFICIAL USE ONLY

compatriots by birth: Those people of "my" corners of the world--from Martinique, from Guadeloupe.

Question: Do you not wish to include a portion of the Third World?

Answer: I don't know what you wish to include. What I wish is that, for example, in my field North-South dialog should lead to results in the sense of meeting the demands of the Third World. I wish there were a common fund of raw materials. Also, that we should give aid equivalent to 0.70 percent of our Gross National Product; that the reform of the international monetary system, which will indeed occur one day, should take the interests of the Third World into account. In that connection I am a partisan of the Third World but I do not wish to stop being lucid. Furthermore, I am convinced that in the new emerging world the true interest of the industrial countries is to develop the Third World. I am working with that in mind.

Giscard Knows How To Speak to the Africans

Question: You told us how you used to do things with President Senghor. Is it different with Valery Giscard d'Estaing?

Answer: They are two very different men, first because of their training. President Senghor is a man who was trained in what once used to be called the "humanities." He is a man of classical culture, poised and pondered. On his part, President Giscard d'Estaing is a man of more technical education as well as one with more stress on economics and finance. Obviously, this difference has a bearing on their working methods, on their approach to problems.

But what strikes me is their similarities nevertheless, their common taste for what is in the future. Their eyes are not riveted on the next electoral deadline. They often speak the same language. Here are their watchwords: "The third millennium" for Giscard d'Estaing and "the year 2001" for Senghor.

It is this need to perceive the signs, to interpret changes under way, to try to amortize "future shock" and perhaps to control it which seems to make them comparable in my mind. Hence this feeling of solidarity between Africa and Europe which they share. I shall add as far as Giscard d'Estaing is concerned that while many statesmen have known how to speak about Africa, President Giscard d'Estaing is one of those who also know how to speak to Africans.

Question: Senghor calls himself a socialist while Giscard d'Estaing characterizes himself as a liberal. Have you had no problem in making an ideological reconversion?

FOR OFFICIAL USE ONLY

Answer: My answer to you is unhesitatingly no. In its wisdom, the public administration mandates its officials to be reserved in the exercise of their functions and generally respects their intimate convictions. There is no choice to make in that respect, nor of necessary reconversion.

Question: But behind the senior official there is Henry Jean-Baptiste. Who are you? As President Senghor would say, which persuasion are your political convictions reminiscent of: Socialist? Liberal?

Answer: Rather socialist, let us say center-left, but I do not get lost in the clouds.

Question: Have you been an activist in a political party?

Answer: I have not been an activist. I have never had a party card.

Question: Were you more politically active in the past?

Answer: I don't believe so.

Question: At the time of decolonization, of France's colonial wars, did you have a position?

Answer: Yes, a clear one: I favored independence.

Question: Between Senghor and Cesaire, what does "Negritude" [Negrohood] represent for you?

Answer: "Negritude" means that one should feel comfortable with one's skin color.

Question: It is possible to be white and be comfortable with one's skin color.

Answer: Undoubtedly, but we are speaking of "Negritude." That means being black and feeling comfortable with one's black skin. As you know, many "blacks," notably in the Antilles, have for a long time denied their African roots. To sit well in one's skin is to admit that the other is also well in his skin and to clearly assume his "difference."

Question: Is it more difficult to be black from the Antilles than African black?

Answer: I don't believe that it is more difficult. One must be aware that we represent an original entity. The African does not raise this kind of question. He is as he is. On our part we are a biological and cultural mix. Hence a situation of cross-breeding which is always a half-way situation: Not good anywhere but well everywhere at the same time.

FOR OFFICIAL USE ONLY

Question: Are your children like you?

Answer: I raise them with this feeling.

Question: Does your son approve of you?

Answer: I believe or rather I hope so. In any case, when he sees my files he thinks that the North-South dialog is the business of a generation.

COPYRIGHT: Jeune Afrique GRUPJIA 1979

2662

CSO: 8119/1437-C

FOR OFFICIAL USE ONLY

COUNTRY SECTION

FRANCE

NEW VERSION ARIANE, MINI-SPACE LAB PLANNED

Paris AIR & COSMOS in French 26 May 79 pp 66-67

[Article by Pierre Langereux: "Space Research Center Preparing New Versions of 'Ariane' Rocket and Project for 'Hermes' Manned Mini-Space Lab"]

[Text] By the year 2000, France is preparing to carry out a very ambitious space program based primarily on the prospects of the development of the European "Ariane" rocket.

The latest version of the rocket--"Ariane 5"--as a matter of fact makes it possible to build the first French orbital station, particularly for the processing of materials in space, the so-called "Minos" project. This station will be serviced by a space capsule with automatic control which can then give rise to a manned and reusable "mini-space lab" (supersonic glider), as disclosed by AIR ET COSMOS several months ago (see AIR ET COSMOS no 757, p 41, 17 Mar, and no 760, p 43, 7 Apr). Supplementary details on these projects--particularly on the "Hermes" mini-space lab of CNES [National Space Research Center]--were released recently, on 16 May, during a dinner given by the CRPAE (Aeronautical and Space Public Relations Club), by Mr Hubert Curien, president of CNES, and Mr Frederic d'Allest, director of boosters at CNES and officer in charge of the "Ariane" program.

From "Ariane 1" to "Ariane 3"

In its current version, "Ariane 1," the "Ariane" rocket whose first launch is still scheduled for November 1979, should be able to put a payload of 1,700 kilograms into a geosynchronous transfer orbit (200-36,000 kilometers, inclined at 9.5 degrees) from Kourou; this payload corresponds to a weight of about 970 kilograms for the satellite placed in a geostationary orbit. This performance is almost equivalent to that of the American "Atlas-Centaur" rocket but it is less expensive; the cost of launching a geostationary satellite of the "Intelsat 5" class presently is roughly on the same order (\$22 million) for "Ariane" as it is for the "Shuttle" of NASA which however is much more powerful.

FOR OFFICIAL USE ONLY

France however has already drawn up a short-term improvement program for the "Ariane" rocket which will make it possible to increase the payload in a geosynchronous transfer orbit from 1.7 to 2.3 tons, in other words, a gain of 35 percent in terms of performances which will simultaneously be accompanied by a reduction of about 30 percent in the cost of the weight carried by the satellite as compared to "Ariane 1", F. d'Allest declared.

This new version, "Ariane 3," should be ready at the end of 1982 or the beginning of 1983, according to the CNES president. It will enable the European booster to place, in a geostationary orbit, simultaneously two satellites of the "Thor Delta 3910" class (2 x 800 kg) or two satellites of the "SYS/PAM-D" class (2 x 960 kg), such as "ECS, MARECS, TELESAT" or "Telecom 1" or just one big satellite weighing between 2,150 and 2,300 kilograms for direct television (satellite with five channels).

The "Ariane 3" version will be an improvement of the current rocket with more powerful engines for the first and second stages ("Viking" engines), as well as for the third stage ("HM7" engine) whose tanks will be made longer in order to carry 10 tons of cryogenic rocket fuel (instead of 8 tons). Besides, two powder-fuelled engines (7 tons, each), with a unit thrust of 60-65 tons, will be connected to the first stage to assist in the liftoff.

Another version, "Ariane 2," a less high-performance version--1.95 tons in a transfer orbit--could also be used for intermediate mission by eliminating the additional "boosters" of "Ariane 3."

Provisions have also been made to introduce substantial savings on the cost of turning out series-produced boosters by means of the recovery of the first stage which accounts for about half of the cost of producing the rocket (F 40 million). The feasibility study currently being conducted by CNES and ONERA [National Office of Aerospace Studies and Research] seems to have shown that the operation was feasible and profitable. It could be used operationally around 1983-1984, according to F. d'Allest.

This improvement program for the "Ariane" rocket has already been submitted to the program management committee of the European Space Agency. The green light was expected during the last meeting of the ESA which has just been held in Paris on 15 and 16 May. But two countries participating in the "Ariane" program--Germany and Holland--are still rather reluctant. The CNES president however hopes that the supplementary development program will be adopted during a coming meeting of the ESA board--in June or July--and at any rate prior to the end of the year. CNES secretary-general Roger Lesgards furthermore recalled that the French government decided to implement this program leading to the "Ariane 3" rocket. The operation will cost about F 360 million.

FOR OFFICIAL USE ONLY

The "Ariane" Family

But the development of the "Ariane 2" and "Ariane 3" versions in fact is part of a much more ambitious undertaking which is aimed at fully benefiting from the tremendous effort devoted to the development of the "Ariane" rocket (more than F 4 billion) so as to develop an "Ariane" family--such as there is, for example, a "Thor Delta" family in the United States.

According to Mr. F. d'Allest, the important thing is to improve the performance of the "Ariane" rocket up to the extreme limit. "As a matter of fact," he said, "this is not a question for France to undertake the development of a new concept of the 'Space Shuttle' type (a huge piloted, recoverable and reusable vehicle), such as the one currently being developed by NASA to replace all American rockets in the course of the next decade. That is not within our means," declared F. d'Allest.

"Ariane 4"

The purpose of the future "Ariane" development program, planned by the CNES, thus is to introduce successive modifications which will improve the performance of the rocket while preparing for the next stage, the last stage in the process, giving rise to the "Ariane 5" rocket--which could launch a recoverable and reusable mini-space lab.

By 1985-1990, the CNES is thus planning to perfect a new version "Ariane 4" of the European rocket whose payload in a geosynchronous transfer orbit would thus be increased from 2.3 tons ("Ariane 3") to 2.9 tons, whereas the unit cost would be reduced by 55-60 percent as compared to the current version ("Ariane 1"). This "Ariane 4" rocket would make it possible simultaneously to launch a heavy satellite of the "direct TV" class and a satellite of the "telecommunications" class.

According to CNES, the cost of the "Ariane 4" operation would be roughly equivalent to that of the preceding stage, or about F 300 million. This time the important thing would be to make the third cryogenic stage bigger and to increase the thrust of the "Viking" engines to a maximum for the first and second stages; the tanks for the first stage would also be made longer as much as possible so as to increase the stockable rocket fuel capacity (UDMH and N2O4) from 145 tons ("Ariane 1") to 190 tons. Four powder-fuelled boosters would be added to the first stage--instead of two on "Ariane 3".

But, considering the major modifications thus made in the launch vehicle--particularly the lengthening as such which would no longer make it possible to use the current gantry tower--and the anticipated increase in the number of launches, this "Ariane 4" stage would require the construction of a second launch pad at Kourou. The cost of this second launch pad can be estimated at several hundreds of billions of francs. That would make it possible for us to have more than four launches per year (this being the current launch limit).

FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

"Ariane 5"

The last stage in the development of the European rocket thus would be the completion, by 1990, of the "Ariane 5" version which would be a two-stage rocket capable of putting up to 10 tons of payload into a low earth orbit (200 kilometers altitude, inclined at 30 degrees) from Kourou, instead of 4.5 tons with the present rocket ("Ariane 1").

This time, the improvements would essentially involve the upper stage because the first stage of the rocket would have attained its maximum dimensions and performances with "Ariane 4". The "Ariane 5" rocket would thus have a single upper stage, but with cryogenic propulsion, with 40 tons of rocket fuels to feed a single turbopump engine with a thrust of 60 tons in a vacuum. The rocket would thus have a single diameter (3,8 meters) for the two stages, whereas the shroud, with a larger diameter (4.5 meters), would offer a useful volume of 170 cubic meters, making it possible to accommodate three big satellites.

A supplementary propulsion system could furthermore be added under the shroud for missions requiring great energy (geosynchronous transfer, planetary shots). This propulsion assembly would comprise the following: As the third stage, a cryogenic stage (derived from the current third stage), and as fourth stage (optional), a powder-fuelled stage or a stage with stockable rocket fuels, depending upon the mission.

This "Ariane 5" rocket would thus enable Europe to place about 2.7 tons into a geostationary orbit (or 4.75 tons into a transfer orbit), to send automatic probes through the solar system (2.5 tons toward Venus and 600 kilograms toward Jupiter), to place, into a low orbit, heavy payloads of the "Spacelab" type, or to put together "modular orbital stations" which might be manned or which could be visited [inspected] by astronauts.

"Minos" Project

"Ariane 5" for example would make it possible to place into a low orbit a station weighing several tons and consisting of a "power module" (10 kilowatts) which would be regularly serviced by an entirely automated "mini-space vehicle" without any crew (of the "Apollo" capsule type), recoverable in the ocean, off [French] Guyana or in the Gulf of Gascony. This is the "Minos" project of the CNES which calls for putting up an orbital station for the industrial production of new materials in space.

On this occasion, the CNES stated that the "Minos" study takes into consideration all of the techniques and technologies required for space travel tomorrow:

Power supply through a photovoltaic generator with an output of more than 10 kilowatts in orbit, with storage means during eclipses;

FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

Automatic and remote-control rendezvous techniques and procedures permitting the assembly of big structures, the reconfiguration of stations, and repairs of damage in orbit (to guarantee a lifetime of more than 7 years);

Recovery techniques and procedures making it possible to bring payloads (materials, fibers, miscellaneous instruments and equipment) back down to earth in good condition.

"Hermes" Project

The implementation of such an automatic system could be upgraded through manned flights for inspection or maintenance purposes, according to CNES.

Thus, the CNES is studying the "Hermes" project involving a manned and reusable space vehicle which resembles the mini-space vehicle project which the Soviets have been studying for more than a year. "Hermes" would be a supersonic glider with a delta wing; it would have a total weight of 10 tons and could carry five astronauts or only 2 "passengers" and 1.5 tons of cargo. "Hermes" would be launched by the two-stage "Ariane" rocket on which it would take the place of the shroud.

This vehicle, twice as big as an "Apollo" cabin, would thus be "manned." But it would be piloted in an entirely automatic fashion because the response time and the complexity of smooth [flat] reentry into the atmosphere are beyond the capabilities of manual piloting --which by the way is also true of the "Shuttle." Tests were conducted recently at ONERA to study the piloting conditions. At the end of its flight, the "Hermes" glider could be put down on a runway like an airplane (just like the "Shuttle"). Such a manned glider could stay in a low orbit for a week, it could handle transfer and assembly of modular assemblies and it could service orbital stations carried aloft by the "Ariane 5" rocket.

According to the CNES, the development of this kind of "multipurpose launch vehicle" ("Ariane 5" and "Hermes"), assuming certain technological points whose feasibility remains to be demonstrated, would take between 7 and 8 years.

COPYRIGHT: Air & Cosmos, Paris, 1979

5058
CSO: 3100

FOR OFFICIAL USE ONLY

COUNTRY SECTION

FRANCE

ARIANE FIRST STAGE LAUNCH TESTED

Paris AIR & COSMOS in French 26 May 79 p 69

[Text] The first qualification shot for the first stage of the European "Ariane" rocket was accomplished successfully on 17 May on the big PF 20 test bench of the SEP [European Propulsion Company] at Vernon (Eure). The test (Q1) lasted 139 seconds and ended when the fuel (UDMH) ran out. It demonstrated the good resistance of the new phenolic silica-resin nozzle necks (SEPHEN 301) developed by SEP.

The bench tests of the third stage of the European "Ariane" rocket with cryogenic propulsion will be resumed next June at the SEP test center at Vernon (Eure), according to Mr J. L. Dardare, director of the liquid propulsion and space sector of SEP. These tests had been suspended after the serious accident on 28 November 1978--explosion at the test bench--which caused considerable damage to the stage being tested on the bench and which resulted in a delay of 6 months in checking out the third stage. The latter thus cannot be completed prior to the first flight of "Ariane" scheduled for next November. In spite of that, J. L. Dardare declared that he had confidence in the proper operation of the third stage in flight.

Between June and September 1979, the SEP as a matter of fact will have conducted four tests on the entire propulsion assembly of the complete third stage (with in-flight tanks) and several tests of the propulsion bay (with heavy tanks). A new test of the propulsion bay has just been successfully accomplished on 8 May. This shot (B2-6) lasted 518 seconds (standard duration) and was completed when the liquid oxygen ran out. The servomotors were activated, as was the attitude and roll control system. That was the sixth test of the series and the eighth time this engine had been turned on, giving us a total of 2,900 seconds of operation on the bench.

J. L. Dardare also noted that the SEP had not encountered any major problems in the perfection of the propulsion assemblies or the third stage and that the difficulties were tied to the utilization of the engine as such as a result of its sensitivity to the explosion of hydrogen with air. For example, the 28 November incident would not have occurred in flight since the stage functions in a vacuum.

COPYRIGHT: Air & Cosmos, Paris, 1979

5058

21

CSO: 3100

FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

COUNTRY SECTION

FRANCE

GRENOBLE MILITARY HOSPITAL OPERATIONS DESCRIBED

Paris MEDECINE ET ARMEES in French Feb 79 pp 141-143

[Excerpts] Among the old army hospitals that of Grenoble, up to now never named, has a place of its own.

Born at the beginning of the century, in support of forces stationed in the Alps, it has had a vocation for tuberculosis until recent years. This unit, which enjoys an exceptional location, has remained, despite difficulties and threats to its very existence, the hospital of the 27th Alpine Division.

Its hospitalization potential avoids the inconvenience of the large units. The authorized effort toward humanization is exemplary. The discovery of well-ordered pavillions, separated by spacious walkways bordered by trees and flowers, behind a neat entrance is a pleasure to the eye and a cause of pride among the military. In the background vibrate the greens and blues of the mountains and the sky.

Built on the last slopes of the massif of Chartreuse, at an altitude of 227 meters, the hospital is dominated by Mount Rachais and Mount Saint-Eynard, which protect it from the north and west winds, a situation which explains a particularly mild and agreeable microclimate. One gets there via national route No. 90, Genoble-Chambery, which in this place takes the name of the avenue of the Maquis of the Gresivaudan. Facing the entrance of the hospital, moreover, stands the statue of Major Nal, hero and martyr of the resistance.

The general appearance of the unit has hardly been changed since its beginning. The area of the grounds is three hectares; the covered surface consists of 7,777 square meters, and the habitable developed surface is 18,767 square meters.

New Completions

The radiology unit, the operation suite, the dental offices and the laboratories have been recently renovated, along with the premises of the former tuberculosis service, where the medical services are now located.

FOR OFFICIAL USE ONLY

The new office of hospitalizations and outpatient care, entirely reconceived, has just been finished. Partitions have been knocked down in order to create a vast, well-illuminated space, decorated with pictures and green plants. While one section reserved for the hostess serves simultaneously as a waiting room, the remaining space is occupied, due to the gaps between the various points of work (admissions, discharges, out-patient care), by offices adapted to the purpose.

A clear system of signals enables the patients and the visitors to orient themselves quite naturally toward the admissions service, where contact may be made without any obstacle on the part of the personnel.

Efforts now under way will affect the reconstitution of the surgical service (the basis for the restoration of six beds is under way).

Television rooms, reserved for each of the three sectors will soon be placed at the disposal of the patients.

The personnel of the establishment have not been forgotten. The mess hall has just been newly redone and decorated. The apartments of the staff may henceforth be considered as a model of the type: the male nurses actually have carpeted rooms with two beds.

The heating equipment will be entirely renovated in 1979-1980

Finally the engineering service will continue the painting of the exterior woodwork and iron work begun two years ago to brighten the grey facades of the buildings.

Parallel with this material effort, an entire policy of human relations has been launched and pursued both with regard to the personnel and with the potential clientele.

The goal is to give the greatest reputation and the greatest efficiency possible to a hospital which deserves it, but the possibilities of which are perhaps not yet sufficiently known.

At present time there are 212 beds, of which 100 are medical; 76 in surgery; 26 in O.R.L. [Otozinolaryngology]; 10 in ophthalmology. This capacity can be raised to 300 beds in the event of mobilization, crisis, or catastrophe.

Clientele

The Alpine Hospital of Grenoble is, above all, the health support unit of the 27th alpine division, 10,000 strong, created on 1 August 1976 and heir of the 27th Alpine brigade, which comprised the troop corps of Grenoble and Savoy (CP at Grenoble) and the 17th alpine brigade located further south (CP at Gap).

FOR OFFICIAL USE ONLY

While the units based in the Grenoble urban area (6th B.C.A. [Bataillon de Chasseurs Alpine], [Regiment d'artillerie de Montagne] 27th R.C.S. [expansion unknown] the specialized branches military school, the school of air cadets) mostly use the facilities of the hospital, certain other units belonging to the 27th alpine division, scattered through the mountains and valleys quite willingly direct their sick to other larger health units of the army which are nearer or more easily accessible.

A recent study permits a calculation of the potential clientele of the Army Hospital of Grenoble at 15,000 and in a more realistic way at 12,000, figures which largely justify not only the maintenance of the hospital but also the efforts which now have been approved to renovate it.

Operation

The services of surgery and medicine are staffed by doctors on active service. In ophthalmology and in O.R.L. an intern and a contract physician provisionally occupy the positions of military specialists. This is an inconvenience for the unit and a major worry of the chief physician and the regional director.

If the hospital does not yet have all the desired personnel and desirable technical equipment, it still has the advantage of being located only 100 kilometers from the HIA [expansion unknown] of Desgenettes and of being in the immediate vicinity of the CHU [Centre Hospitalier Universitaire] of Grenoble, where there is a DZ [Drop Zone] which the army can easily use for certain evacuations.

Patients assignable to certain specialties (psychiatry, tuberculosis, dermatology, etc.) are mainly sent to the training hospital of Lyon, while the CHU receives certain patients in very serious condition who need intensive and urgent care.

In compensation, and by virtue of an agreement concluded with the CHU, patients coming from the civilian hospital are under certain circumstances admitted to the HA of Grenoble.

Conclusion

The Grenoble Army Hospital, situated in a privileged context of a touristic region, handles the mission entrusted to it very well. With some additional means it could become the prestige hospital of human dimensions which the elite troops of the 27th division deserve, at the same time that it would open, despite the heavy competition of the private sector, to the whole potential clientele of Grenoble and its surroundings.

COPYRIGHT: ADDIM

6108
CSO: 3100

FOR OFFICIAL USE ONLY

COUNTRY SECTION

FRANCE

BRIEFS

DJIBOUTI MILITARY MODERNIZATION--France is modernizing its air force materiel in Djibouti by virtue of the agreements signed by the two nations. A dozen or so Mirage III-C aircraft will be sent to Djibouti to replace the obsolete F-100 aircraft that are now nearing the end of their useful life. In addition, the French National Assembly has drafted a law authorizing the approval of cooperation agreements between the two countries. Included is a temporary protocol that establishes the conditions under which French forces may be stationed in Djibouti, and the principles of military cooperation. [Text] [Madrid DEFENSA in Spanish Apr 79 p 52]

CSO: 3110

25

FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

COUNTRY SECTION

SPAIN

CNT: MARXISTS OPPOSED BY OLD LINE ANARCHISTS

Madrid CAMBIO 16 in Spanish 27 May 79 pp 28, 29, 31, 32

[Text] The old and now almost eternal, yet young battle between the two most famous graybeards of the workers movement, Bakunin and Marx, has acquired new vigor in the CNT (National Confederation of Labor), but this time it is Bakunin who has kicked Marx in the pants.

History repeats itself. The anarchist union CNT has always been a tempting morsel for Marxist revolutionary politicians lacking mass support and especially for adherents of Marxist minority factions: Trotskyites, Bordighists, all kinds of council members.

"Parallel Organization"

Now in Barcelona the CNT has expelled the visible leaders of a self-designated "anarchist union affinity group," which the CNT calls a "parallel organization," and which it accuses of having plotted to set up a power structure within the CNT designed to turn it into a union "like the others, that is, a statist, a drive belt union."

This is what Center Federation leaders said to Xavier Dominco, while in Barcelona Mercedes Riva was busy corroborating this denunciation at the CNT Press and Propaganda Organization on the Plaza Real.

Because of this minipurge, which a Madrid newspaper exaggerated to the point of announcing that it would mean the end of the CNT and at a time when that organization is preparing for its Fifth Congress, CAMBIO 16 has become interested in the current anarchist union movement in Spain.

According to CNT sources, the CNT now has a total membership of 150,000. In comparison with the situation 2 years ago, the balance sheet shows a relatively sizable drop in the number of activists but it also notes signs of recovery in several unions.

The Center Federation, for example, which had a membership of 2,500 in 1977 that dropped to 1,500 in 1978, has again upped its membership to 2,500.

26

FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

According to CNT members themselves, there are today within the organization three currents of ideas on what the CNT should be. Thus what is at issue is an important debate in which the very future of anarchist unionism is at stake.

The press has defined these currents using the terms "pasotas" [translation not available], "purists" and "reformers," which CNT members unanimously and indignantly reject.

"To employ these terms is to admit that one knows nothing about the CNT or its history. It means only that one wants to run it down," say people in CNT circles.

The Three Currents

Nevertheless, they themselves do not seem to be very clear about the terms or affiliations that should be applied to these different currents and there is a very important reason for this: the word, the definition, the concept are all of fundamental importance in the anarchist world.

In any event, they all agree on the following clarification proposed by this review:

Let us take the key phrase in the debate, "anarchist unionism," which comprises the three currents.

One of these lays emphasis on the word "anarchist," another on the word "unionism" and the third preaches a harmonious synthesis of the two.

Those belonging to the first group are the ones the press refers to as "pasotas." Greatly influenced by the ideas set forth in May 1968 in France and their effects, they feel that under the present circumstances the CNT has to extend absolute priority to the so-called marginal battles: ecological and antinuclear campaigns, prisoner and gay movements, counterculture actions, etc. This faction's most well-known CNT public figure is Luis Andres Edo who is lavish with his statements in various publications and was the chief author of the famous Anarchist Conference of August 1977 (see CAMBIO 16, No 296).

On the other hand, the members of the second group, part of which consists of those excluded from Barcelona and Malaga, stress the purely unionist aspects of the situation and feel that the CNT should be much tougher with regard to membership qualifications and should not reject normal union practice, fighting in unity with other organizations, especially minority ones, and participating in major negotiations, agreements, etc.

The chief figures of this group come from the Marxist camp, but in fact this faction, under other names and disguises, has cropped up in the CNT repeatedly in the past ("those of the thirties," Pestana, Peiro, etc.).

FOR OFFICIAL USE ONLY

One of the best qualified leaders of the group is Sebastian Puigcevert, who was expelled a few days ago in Barcelona.

And lastly, there is the so-called "purist" current, or those anarchist unionists who want the CNT to stick to its apolitical traditions and readiness to take direct action, that is, strikes without warning and heavy pressures on employers.

At the same time, there are two "hardheads" in the CNT whose real importance has been particularly exaggerated: the FAI (Iberian Anarchist Federation) and those living in exile.

The Scala Fire

FAI members, who are also members of the CNT, are divided among themselves into various factions and shift from one to another with considerable versatility, depending on the union or federation in question. At the same time, other unions tend to accuse those in exile, still living in France in little waning groups, of all the evils of the CNT, which those in exile respond to patiently or virulently as the case may be.

At 1315 on Sunday 15 January 1978, several Molotov cocktails tossed by a group involving individuals carrying CNT membership cards burned and completely destroyed the Scala Music Hall in Barcelona, causing the deaths of four workers who perished in the flames (see CAMBIO 16, No 321).

Since the Scala

Today, Sebastian Puigcevert, whose opponents consider him to be the "brains" of the plot (and who has been expelled from the CNT), and Leandro Hernandez, who belongs to the "affinity group" and has not been expelled because in his union the "group" is in the majority, explain to this review: "We have begun to unite since the Scala incident. That was a very important Sunday for the CNT because we had achieved our first legal demonstration, attended, according to the police, by 10,000 people. But along with this good news, we were confronted with a brutal assault perpetrated by CNT activists, even though acting on their own behalf and at their own risk. But this assault resulted in a heavy loss of membership and, at the same time, the positions today opposing one another were already being determined. One thing is certain and that is the fact that some unions of the historical FAI began to attempt to change the very dynamics of the organization and that reasons for a confrontation had already been produced at the time of the celebrated meeting between Peirats and Montseny in Montjuich, clearly anti-Catalonian in character, and at the Anarchist Conference. Our first meeting was in March 1978, when we worked out a number of stands on the political situation of the time."

They added: "We have been accused of ignoring some things like the struggle on behalf of the prisoners, etc., but in reality the CNT is getting away

FOR OFFICIAL USE ONLY

from the class struggle in the factories and whether the assemblies are taken over through shutdowns or people in the factories is of no importance. The final straw was the discussion on the agreements when Construcion decided not to go along with them while we were in favor of negotiating, although in the end we did not sign and without which we may wind up on the losing side."

Marxists, Out!

The traditional faction of the CNT is not particularly easy on the "affinity group," which it accuses of being "a parallel organization made up of people trying to seize power," as an oldtime CNT member put it at a round table session held with CAMBIO 16 at CNT headquarters on the Plaza Real in Barcelona.

There they said that, when the CNT reorganized itself in 1976, "various groups with other similar leanings and ideologies turned to it. There were Trotskyites, progressives, Marxists and even leftist Catholics... in a word, there were all kinds, and everyone wanted to join the CNT."

"Among them," added those attending the meeting, who refused to give their names or allow themselves to be photographed, "there were those who called themselves communist-anarchists. At any rate, during a plenary session it was firmly agreed that the CNT was an anarchist union organization and it was decided that either this communist-anarchist group should dissolve itself or leave the organization."

These activists were accused of having pretended to disperse but in reality of having more or less secretly organized themselves in order to influence the organization and win new activists over to their cause.

"Many of those belonging to this parallel faction come from other union organizations like the General Union of Workers (UGT), including the Commissions where they were exposed as Trotskyites or Marxist-Leninists and expelled. We knew that they were organizing throughout the country and holding meetings in various parts of Spain," they went on, and the press secretary indignantly said: "They have damaged the reputation of all anarchist union motives."

Federica's Voice

They went on to explain: "Typical of these people is their political opportunism, also typical of Marxism.

They made use of speeches like the one Peirats made at the 1977 meeting in Montjuich to attack those of us who agreed with him and subsequent political events show that he was right. They said they were disciples of Peiro but their main aim was to seize power and infiltrate the CNT press, which they achieved with the SOLIDARIDAD OBRERA."

FOR OFFICIAL USE ONLY

On the phone, speaking from her apartment in Toulouse (France), Federica Montseny still has a clear, firm voice. For her, the discussion over the expulsions in Barcelona, the unions and the SOLIDARIDAD OBRERA has been exaggerated.

"From here, I am unaware of the hidden motives in the affair, but what is apparently at issue is the exposure and expulsion of a Marxist elitist group that wanted to seize influential posts in the organization and manipulate the congress announced for October in its favor," she told CAMBIO 16.

Toward the Fifth Congress

As a matter of fact, in a document divulged by the excluded "affinity group" right after its expulsion, it severely accuses "the exile group and other secret, almost Mafia-like organizations" (read the FAI) of violating the principles of federalism.

The exile group responded with another document addressed to "these youths who are reacting against their elders" in which it reminds them "what the CNT exile group has been and has accomplished," rendering homage to those CNT members who have been shot or "assassinated," from Amador Franco to Joaquin Delgado and Guillermo Granados with the Sabate brothers between them.

From France, they also pointed out to this review another reason for the "exile group's" irritation with the "group." The SOLIDARIDAD OBRERA had published an article by the expelled CNT member, Mikel Orrandia, who had participated in the last municipal elections in the Basque Country in the Herri Batasuna nationalist leftist coalition.

CNT sources in France said that this political position of the expelled SOLIDARIDAD OBRERA managing editorship was one of the most influential factors in deciding to expel them.

This May the CNT started to prepare for its Fifth Congress.

Site to Be Decided

The last one was held in Zaragoza in 1936 and represented a victory for the ideas advanced by the then FAI in the CNT. It was of considerable political importance and, in fact, profoundly marked an entire generation of workers.

Today things are different. The CNT is not what it was and many of its members doubt whether this is really the right time to call a congress. At the moment, they doubt that it can be held in October as planned. On the other hand, the site of the congress has not yet been decided on but, as of now, it will be held neither in Madrid nor in Barcelona. In CNT circles, there is talk of Seville, Valencia or Zaragoza.

Nothing in the CNT is like it is in other organizations. When any other ordinary union or party plans to hold a congress, the 3 or 4 days are

FOR OFFICIAL USE ONLY

perfectly programmed and prepared for.

But while we know when a CNT congress is to begin, we never know when it will end. The last one, held in Zaragoza, lasted 18 days. Considering the number of questions the CNT at present plans to discuss, in CNT circles they say that the Fifth Congress could last almost a month.

Despite this, Luis Andres Edo, the leading figure in the so-called "pasota movement," feels that the congress will be "a congress of little importance."

And this precisely because of the "group," some of whose leaders have been exposed and excluded, Edo says: "It will be a congress in name only. This is due to the fact that the convocation to a congress was manipulated and this was done precisely in order to be able to manipulate the congress."

And in an interview published by EL VIEJO TOPO, he pessimistically adds that not just a few CNT activists, whether "pasotas" or not, are together going through "a period during which not only are the member unions not functioning but even less so the company sections and committees. At a time when neither the local nor border federations, nor the regional committees are functioning, when not even the National Committee is functioning, it is insane to have a CNT congress."

National Committee, Badly Damaged

Actually, the crisis is not over. Edo has in veiled fashion said what many CNT members from Barcelona do not conceal: The National Committee's prestige is still very badly damaged. Two of its members were in fact closely linked with the "group." Many doubt that the committee will make it to the congress in its present form.

Edo, a "pasota," shares the fear of traditional anarchist union organizations which still feel themselves bound by the old Zaragoza congress.

The CNT unions — and this includes the Marxist "group" — which maintain links with USO [Workers Trade Union], CCOO [Workers Commissions] and UGT minorities and with people from the CSUT [Confederation of Unitary Trade Unions of Workers] or the SOC [Workers Solidarity of Catalonia] as well as with Andalusian farmers, want to establish the CNT on a new basis into which these groups can be integrated.

He adds that a congress manipulated by them would rid the CNT of its anarchist content and would set the dogs loose on CNT anarchists.

Before this could happen, Bakunin has given Marx a kick in the pants.

COPYRIGHT: 1979, CAMBIO 16, INFORMACION Y PUBLICACIONES, S.A.

11,466
GSO: 3110

31
FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

COUNTRY SECTION

SPAIN

BASQUE PRESIDENT-IN-EXILE TO HEAD REGIONAL GOVERNMENT

Madrid CAMBIO 16 in Spanish 20 May 79 p 33

[Unattributed article: "Leizaola Prepares Luggage"]

[Text] The veteran Basque nationalist leader Jesus Maria de Leizaola, President of the government in exile, is ready to leave behind his 42 years of forced absence from Spain. His luggage is ready to be closed in his office of Rue Singer in Paris to return to Euskadi. The "lendakari" [President], with his 82 years of age, the last politician of the republic in exile, could become in the next few weeks the first Basque President of the post-Franco era. Although spokesmen of the Euskadi government in Paris do not give a definite date for the historic return, it is taken for granted that Leizaola will cross the Bidasoa River and the Irun border this summer.

"I anxiously await the moment," he was explaining to CAMBIO 16, "but will not do so until the time that the Autonomy Statute is signed. I believe, however, that I will return soon."

The old nationalist leader, surrounded by a small group of collaborators in the Paris office since his inseparable friend and colleague, Manuel de Irujo, returned to Spain 2 years ago, could become the chief political figure of the Basque country. This depends on the success of the efforts of a sector of the government to restore the 1936 Statute with the support of the Basque Nationalist Party (PNV).

The operation of rapprochement with the PNV launched some weeks ago by collaborators of the government and even some minister has found a very favorable response in PNV circles. The acceptance of the 1936 Statute on the part of Madrid, which at first would not pose too many technical difficulties for its approval, could serve as a short-term propitious measure to find a definitive solution.

In this sense the nationalist leaders, still somewhat cautious about this proposal, however viewed the project as favorable... "We demand only that the study of the definitive statute approved by the parliamentary parties in Guernica and currently introduced into Parliament be not delayed indefinitely," a leader of the Euskadi Buru Batzar, the top organization of the PNV, stated.

32

FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

In a like manner several officials of this party consulted by CAMBIO 16 acknowledged that contacts were still taking place at high levels and, should an agreement be reached, the acceptance of the 1936 Statute would enable the Basque nationalists to obtain recognition of a historical legitimacy that they have never placed in doubt. In turn, the sources consulted consider that the return of Leizaola could help to expedite the pacification of Euskadi.

The urgent approval of one statute or another is at this time the main concern of the majority of the Basque political forces.

Socialists for Guernica

"I believe," Leizaola adds, "that both can serve for the pacification of Euskadi and for my peaceful return as President of a new government acceptable to all parties."

Some of these parties, however, considering that this negotiation could favor only the PNV and UCD [Democratic Center Union], criticized this sudden solution to the Basque question.

Sources of the PSE-PSOE [Spanish Socialist Party-Spanish Socialist Workers Party] (Basque socialists) said: "We cannot be against any solution to the Basque problem, but in the first place it seems to us that the procedure is not the correct one. The restoration of the 'spirit of the 1936 Statute' cannot come solely from a bilateral negotiation between the UCD and the PNV. We believe that the basis for the normalization of the Basque problem should be the approval of the Guernica Statute without delay, although we reiterate that we are open to any solution that will restore coexistence among our people."

On the other hand these views were criticized by the nationalists, who accused the socialists of having abandoned the Basque Government at an inopportune moment (2 months ago), after forming part of it for more than 40 years.

These same nationalist sources viewed with favor that Vice-President Fernando Abril, who played "such a nefarious role" in the constitutional negotiations with the Basques, is out of the current negotiations, and that the top representative of the centrist government party in the Basque country, Jesus Maria Viana, is eliminated from the current negotiation plans.

During the past few days, and despite the denial of the minister of regions, Mr Fontan, about the matter, the nationalist leaders appeared to be optimistic about a quick agreement. "This time we expect that it will not be a new maneuver of the Suarez Government, which apparently has finally decided to face our problem," a Basque member of Parliament said.

The swift restoration of the 1936 Statute would not be viewed with disfavor by even the radical nationalist sectors, which could accept this provisional solution despite the fact that they support the Guernica project, or their own project as in the case of Herri Batasuna.

FOR OFFICIAL USE ONLY

Thus the members of the Basque Nationalist Action (ANV), belonging to the Herri Batasuna coalition, were going to summon representatives of the PNV and the Republican Left to discuss the subject and to replace its current member in the Basque government in exile. This desire of the ANV to continue to form part of the aforementioned historic entity could, on the other hand, produce serious confrontations in the current coalition of the abertzale left.

COPYRIGHT: 1979, CAMBIO 16, Informacion y Publicaciones, S.A.

8414
CSO: 3110

FOR OFFICIAL USE ONLY

COUNTRY SECTION

SPAIN

PCE-PSOE AGREEMENT SUBJECT OF COMMENTARY

Madrid CAMBIO 16 in Spanish 20 May 79 p 3

[Editorial by Juan Tomas de Salas: "PSUE"]

[Text] Don Santiago has already pulled a fast one from the outset. In the heroic celebrations of last May Day a catchword was chanted, and imposed, by communist militants in all the demonstrations throughout the country: "PSOE, PCE [Spanish Socialist Workers Party, Spanish Communist Party], united onto power." The socialist leaders received this new communist embrace as if it were from a tiger, but the naive socialist grassroots soon enough chorused the catchword created by Don Carrillo for the greater glory of the PCE.

To aggravate matters the euphoric communists cheered Tierno in the presence of Felipe in the Madrid demonstrations, thus creating passive irritation among the socialist leaders to whom the new mayor, Tierno Galvan, is not as irreproachable as he should be. The communist strategy is increasingly clear: to convert the tactical municipal pact into a strategic death embrace. Don Carrillo always said it: "Ah, I would have done things differently if I were the secretary general of the PSOE instead of the PCE."

And, moreover, the congress is looming over the socialists. The Marxist wing and the infiltrators of all hues will try to hit hard the moderate line followed by the executive committee to date, and they will try to banish into obscurity the figures who in the midst of the party have defended modern socialism in the face of a socialism that already stinks up the State. Friend Mugica and friend Guerra, they are coming after you with hammers and sickles.

The current socialist executive committee undoubtedly needs a thorough transformation. As a group they have not risen up to the occasion in the past 2 years, which have been full of unprecedented possibilities and happenings. They were given a large measure of hope in the first free elections of 2 years ago, which they managed to preserve despite everything until 1 March, but they profited very little from it. They almost never acted independently, almost always were caught in the pincers of

FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

the UCD [Democratic Center Union] or the PCE, adopted the opposite views, vacillated between governing in coalition with the UCD and accepting the municipal embrace of Don Carrillo, protested and yelled a lot but accomplished little. And the argument that "the bad ones of the UCD" are to blame is not valid. A party that represents such a high number of voters is never ineffective because of the government, but because of its own shortcomings. No serious opposition can be offered when many of its leaders mentally continue to flee ahead of the policemen.

But if the socialist executive committee has to come out of the congress transformed, the danger is that it be transformed retrogressively. If it is transformed toward Marxism and the outdated concepts, it will betray the great hope that millions of Spaniards have placed on a modern party that will pick up the socialist trends without bogging down in the past. If Marxism-Leninism is ratified at the congress and the new executive committee emerges more antiquated than the current one, the scant autonomy that the PSOE has shown up to now could vanish altogether. And do not forget that Don Carrillo is watching. He swallowed the socialist youth in the 'Thirties, and it would be very sad if he culminated his career in the 'Eighties with another big unified socialist party at the national level, that is to say, the PSUE [Unified Socialist Party of Spain]. The Spanish socialists must find themselves, but it is not going to be easy at all.

COPYRIGHT: 1979, CAMBIO 16, Informacion y Publicaciones, S.A.

8414
CSO: 3110

FOR OFFICIAL USE ONLY

COUNTRY SECTION

SPAIN

ECONOMIC RECOVERY SEEN ON THE HORIZON

Madrid CAMBIO 16 in Spanish 20 May 79 pp 56, 57, 59, 61

[Text]"The situation of the economy is like the beginning of a race where the starting signal has been given. Now it has to run since the worst part of the crisis is over," Javier del Moral, undersecretary of the Ministry of Economy, told CAMBIO 16.

Leal and his team are slightly optimistic for the first time. They stated: "It can be said that at the end of 1978, after an intensive process of adjustment and correction, the Spanish economy is in a good position to substantially accelerate its rate of expansion in 1979 and thus create the necessary jobs."

Nevertheless, the banks and businessmen do not agree and feel the situation is much worse. "Given the decline of the Spanish economy at the end of 1978 and the beginning of 1979, it does not seem likely that we will reach important quotas in national economic growth, according to the Bank of Bilbao."

The CEOE [Spanish Confederation of Business Organizations] indicated that the results obtained in the fight against inflation are still "very fragile. There are great risks not only of continuation of the present price levels but even of a relapse." It also felt that the "objective conditions" that lead businessmen to invest still do not exist.

Another bank, the Bank of Vizcaya, has just revealed its latest survey on business prospects in the industrial sector which shows "no clear indications of industrial revitalization." Jose Ramon Lasuen, economist and former presidential adviser, had no doubt a few days ago that "the economic results of 1979 will be worse than those of 1978."

A top official of the Ministry of Economy told this magazine: "There is a defeatist attitude spreading throughout the country that I do

FOR OFFICIAL USE ONLY

not think has a concrete basis; it can be dangerous." In his opinion, "all the indices lead us to expect a situation of moderate expansion in the next few months that will improve the recessive situation inherited from 1978."

To those responsible for the economic policy, "the inflationist expectations will have to keep going down" after a year of major decline and persistence of the rate of price increase. In the meantime, the objective continues to be to reach a price index in December 1979 of 12.5 percent or less after inflation in the first quarter of 1979 has already reached 3.3 percent.

"We believe that this can be achieved if the price increase does not surpass 6.5 percent in the first half," Javier del Moral stated after the package of measures was passed last 26 April to combat inflation better, among other things. If this is not achieved--which is the businessmen's fear--contracts would have to be revised which could result in more conflict and greater costs for businesses.

Even considering that an important reduction in the price level can be achieved compared to 1978 (December to December showed an increase of 16.5 percent), the Bank of Bilbao believes that the index will be about 14 percent at the end of 1979. The OECD estimates for Spain are slightly higher than the official ones--13 percent.

As to price policy, the CEOE sent a memorandum to the government stating that "the present control of a number of industrial prices and trade margins is a deceptive anti-inflationary system." According to big business, it only masks inflation temporarily at the cost of decapitalization of businesses and the disappearance of some of them.

Price Freedom

"It is necessary to work hard on price control and liberalization because what many businesses do not receive in prices, they receive in subsidies or import tariffs," a high official of the administration told CAMBIO 16. The philosophy of the economic team seems to lean toward progressive price liberalization except in monopolistic sectors while it favors competition and limits tariffs. "If businessmen want price freedom, fine, but they must not ask for subsidies or protectionism," he commented. "They must be consistently for a market economy."

If inflation is the major obsession of the government, unemployment is the main national problem for almost everyone since officially there are more than 1 million unemployed; the unions say 1.5 million. The government, after saying that "an employment policy cannot be undertaken on a temporary basis of 1 year," indicated that its objective is to create between 100,000 and 150,000 jobs in industry,

FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

construction and services in 1979. Since the active population can grow between 50,000 and 60,000 this year, unemployment would decrease, according to the estimates of the Leal team, by about 100,000 people, being placed officially at under 1 million again.

Nevertheless, there are also much more pessimistic estimates. According to the Bank of Bilbao, unemployment will grow by some 200,000 people in 1979, about the same increase as in 1978 (initially set by the Moncloa pact at only 100,000 new unemployed). The largest unions, the CCOO [Workers Commissions] and the UGT [General Union of Workers], agree with this estimate.

In spite of these varying statistics, everyone seems to agree that there is only one way to create jobs: encourage investment. To the CEOE, the best and least inflationary way to achieve this is to encourage private investment which makes up 75 percent of the total national investment.

Nevertheless, private initiative plays down the role of this investment. "The present employment crisis cannot be considered exclusively the result of an investment crisis," Manuel Martin, secretary general of the Popular Bank, indicated. "The creation of jobs is mainly based on profit expectations."

Investment, According to Expectations

The CEOE explained the conditions that must exist so that businessmen will invest: political and economic expectations as to the type of society and medium and long-term economic policy; expectations of social climate and peace; and expectations of reasonable profits.

In addition, businessmen speak of one basic condition for investment: a financial framework so that businesses have adequate financing and do not receive limited credit as in 1978. Javier del Moral, under-secretary of economy, feels that investment faces two structural problems: one, as indicated by businessmen, financing problems; and the other, often forgotten by management, the need for an industrial reconversion process. However, businessmen, particularly the CEOE, include one more condition: an adequate labor framework.

The topic then jumps to personnel flexibility. According to an expert consulted by this magazine, "the subject of flexibility concerns businessmen much less now than it did in the middle of 1977 because productivity is improving, slowly but surely." Nevertheless, the subject of personnel mobility continues to be important, according to other observers, because the businessmen want to use it as a way to recover lost authority. Apparently the government is studying some type of regulation on this although reliable sources told CAMBIO 16 that this could only be done after negotiations with the unions.

FOR OFFICIAL USE ONLY

The economic team is optimistic that the private businessman will re-invest in the second half of the year after public investment bears the burden in the first half. "The special characteristic of the businessman is that he invests; the Spanish businessman has spent 4 years without acting like a businessman, without investing. I believe that as expectations improve slightly--as in this case--he will decide to invest. It might be in July, being optimistic, or in October, being pessimistic, but I believe that he will invest," Javier del Moral indicated.

Government plans estimate that gross investment in 1979 will increase 8.4 percent compared to the previous year. Again the Bank of Bilbao is much more pessimistic; it estimates a level of investment demand very similar to 1978, actually a decrease of 1.1 percent. "We do not understand this prediction which has nothing to do with our estimates," the Ministry of Economy told this magazine. "Even assuming there is no increase in private investment--which would end the present trend --there would be overall growth of about 4 percent because of public investment and 'stocks.'"

The foreign sector, one of the classic imbalances in the Spanish economy, has functioned marvelously in 1978 with records in exports, reserves, tourism, current account balance and trade balance. According to the economic team, the current account balance will continue showing a substantial surplus in 1979, maintaining an elevated rate of exports which they think will grow 7.2 percent.

Challenge of Growth

In its economic report, the Bank of Bilbao again disagrees and is more pessimistic than the government. After indicating that the foreign sector as a whole "will act neutrally in the 1979 macroeconomic plan," it predicts only a 5.5-percent increase in exports while it also believes that there will only be a 5-percent growth in imports; the government believes that imports will increase 8.4 percent. In other words, it feels that there is going to be a slight revitalization through the foreign sector without forgetting tourism.

Inflation, unemployment, investment, exports and the foreign sector are only parts of one great challenge: growth. Fuentes Quintana said: "This country has to do three things in the coming years: first, grow; second, grow; and third, grow." If the Spanish economy does not grow at twice the rate of the European countries during the next 30 years, we cannot be Europeans by the 21st century.

"In 1978, we grew 3 percent," Crisanto Plaza, general director of economic policy, said. "For 1981-82, we will have to grow between 5 and 6 percent." Jose Luis Leal, minister of economy, said for

FOR OFFICIAL USE ONLY

this year, 1979, that "the most reasonable hypotheses indicate a growth of 5 percent." Although initially an increase of 4.8 percent in the GNP has been estimated for 1979, Jose Luis Leal prefers to speak of an approximate growth without decimals "because any small deviation can be used to attack the government."

The businessmen in general and the CBOE in particular feel that these estimates are unrealistic and believe that the growth will be similar to that of 1978 because of elevated prices, the structure of domestic demand, the problems of investment and the difficult competition in the foreign sector.

International Context

In the international context, the maneuvering possibilities of the Spanish economy are heavily conditioned. This year there will not be any foreign stimuli to growth as there was in 1971. To the Ministry of Economy, the correct way is to continue efforts to reduce the rate of inflation, to decrease even more the difference from the prices of developed countries and to support any effort to increase growth based on increased domestic demand and especially on investment since exports cannot surpass the rate of expansion recorded in 1978.

Investment Dilemma

Since March 1978 investment expectations in the industry showed a slight improvement with a relapse at the end of the year; this has been surpassed in the first quarter of 1979. The March 1979 monthly survey of the Ministry of Industry seems to point toward the consolidation of a weak recovery of business expectations while it also points to an improvement for the second quarter of 1979.

On the other hand, predictions of investment as well as use of productive capacity indicate a recovery in the second quarter. The ministry's predictions on the next quarter's orders show a slight decline while the "stock" of finished products increases. The indicators of consumption show increased vehicle registration, gasoline consumption and sales in large stores.

Also, according to the survey of business expectations that the Bank of Vizcaya made in March, a lack of initiative is noted in private investment which does not show clear signs of recovery in spite of the fact that the results of the survey reveal, for the third consecutive month, an improvement in the expectations of business development.

This unclear situation is caused by the present balance between the factors that favor investment and those that discourage it. On the

FOR OFFICIAL USE ONLY

pessimistic side, the principal stimuli for investments--according to the Ministry of Industry magazine ECONOMIA INDUSTRIAL--have been the need to increase production capacity, the need to replace old installations, the reduction of manufacturing costs, the need to improve production quality and to manufacture new products.

The principal obstacles are: weakness of domestic demand, difficulties of foreign financing, lack of local funds, increase of domestic costs, fear of credit reductions and export difficulties because of revaluations and internal inflation.

Foreign Investment Again in Spain

While Spanish investment has been remiss in working in Spain, foreign investment has reveled in the country and broken all records. In 1978, foreign investments were double 1977 investments, reaching 56,887,000,000 pesetas (about \$1.3 billion).

By country, the United States continues to be the leader with one-fourth of the total foreign investment, followed by Switzerland, the United Kingdom and the Federal Republic of Germany.

The tendency of foreign investment in recent years has been toward the purchase of majority shares of Spanish businesses that, in the end, take control. According to the Ministry of Commerce, investments of majority foreign capital increased to 156,268,000,000 pesetas between 1960 and 1976, 80 percent of the direct total investment during that period.

Construction Does Not Pull Its Weight

The economic plan for this year prepared by Abril Martorell at the end of 1978 was based on encouraging public investment during the first half so that it would attract private investment in the second half. In this plan the construction sector played the role of target sector for public investments, responsible for pulling the weight of investment until private businessmen could see the future more clearly.

According to almost all the sources consulted by CAMBIO 16, the construction sector has not been able to play this role in the first 4 months of 1979. "The construction sector has not been able to stimulate investment," Francisco Garcia Valdecasas, manager of ANCPE [National Association of Building Constructors and Promoters], told this magazine "because it continues to lack long-term financing and also because the delay in the approval of the state budgets has prevented the realization of some programs."

To the Bank of Bilbao, the construction sector is one of the great unknowns in the 1979 economic situation; it can take a negative or

FOR OFFICIAL USE ONLY

positive position. According to this bank's report, the "lateness in the approval of the budget will make revitalization of the housing sector which is the great hope for the construction sector very difficult."

The construction sector is a basic sector in any attempt to revitalize the economy, principally because of the great number of jobs and investment that it generates. Also the sector has about 300,000 unemployed and is now facing a major crisis; if it does not solve it, only half as many houses will be started in 1979 as in 1973.

According to Garcia Valdecasas, the measures taken by the government last 26 April to increase the amount of credit are inadequate for solving the serious problem of financing the sector. "Some 84 billion will be released from the banks and another 3.5 billion from the credit agencies but it does not state that one part of these credits goes to housing." The manager of ANCPE explained: "The financial institutions prefer to make short-term and high-interest loans instead of loans for 12 and 15 years with an interest that the borrower and promoter can pay."

Finally, the sector continues without measures to modify the expectations and there is a large "stock" of unsold houses. According to the CEOE, the government must adopt four important measures:

1. Priority use of public investments for works of infrastructure and mass housing;
2. A housing policy of official protection without fluctuations, accompanied by financing which benefits the borrower;
3. A national plan of territorial arrangement that focuses on the problem of land; and
4. Reconsideration of the legislation on state contracts as well as its system of price revision.

Housing Collapse

Year	Houses Started
1973	444,000
1974	416,000
1975	382,000
1976	324,000
1977	305,000
1978	225,000
1979	208,000

Source: National Association of Building Constructors and Promoters
COPYRIGHT: CAMBIO 16, INFORMACION Y PUBLICACIONES, S.A., 1979

7717
CSO: 3110

43
FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

COUNTRY SECTION

SPAIN

INI INVESTMENTS KEEP HOLDING COMPANY IN RED

Madrid CAMBIO 16 in Spanish 27 May 79 pp 46, 47

[Text] At the end of 1 year as president of the INI [National Institute of Industry], Jose Miguel de la Rica has presented the balance for 1978. Of the 71 businesses in which the INI participates directly, 30 had losses. The total deficit of this group of businesses reached 57.3 billion pesetas. "It has been a bad year," De la Rica commented, referring to losses that are almost four times those of 1977 (16.1 billion). Based on INI control over these businesses, the losses imputable to the INI total only 29.3 billion.

Most of the losses are from eight businesses and two sectors: steel (Ensidesa, Altos Hornos del Mediterraneo) and ship construction (Astilleros Espanoles, Astano, J. Barreras and Astican). Two businesses in Asturias--Hunosa and Ensidesa--account for almost half of the losses of the INI (27,402,000,000). Concerning the losses of Altos Hornos del Mediterraneo, it must be pointed out that these have little to do with the INI since that business joined the state "holding" company at the end of 1978.

Credit Drain

Jose Miguel de la Rica indicated: "The serious problem is the financial structure of the INI businesses--the enormous imbalance that exists between resources and direct investments--so the businesses are obliged to invest with credit and not with their own funds or state contributions."

The high cost of these resources means a high cost for the INI businesses, according to De la Rica. In 1978, the INI estimated that this deficit finance structure imposed an additional cost of 25 to 30 billion pesetas. In other words, if the INI businesses had another financing structure, half of the total losses could have been avoided.

FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

"Financial expenses are a catastrophe for the INI businesses," repeated its president. According to the data in the presentation, these expenses are almost twice those of large Spanish businesses. If it was 4.5 percent over sales in these large businesses, it was 7.7 percent for INI businesses last year.

Another justification for such large losses, according to De la Rica, was having to confront the crisis of the basic sectors, fundamentally the steel and shipbuilding sectors. According to INI estimates, the crisis cost the INI 29.4 million pesetas.

Nevertheless, the losses in these two sectors must be compared to those suffered by other countries. If Ensidesa lost some 2,500 pesetas per ton of steel produced in 1978, private business lost more (2,800 pesetas per metric ton at Altos Hornos of Vizcaya) and the average losses in Europe were much higher (3,500 pesetas per metric ton was the average loss in the BEC).

As to the shipbuilding sector, it must be remembered that the increased losses, in many cases, were to maintain employment: only 5,000 workers were affected by the restructuring. In Japan, 25,000 were affected, 8,000 in Sweden, 9,500 in Norway and 45,000 in the nine countries of the BEC.

Investing Alone

The third official justification of the losses refers to the investor effort that the INI made in 1978. While private initiative in the industrial sector invested 5.6 percent less than in 1977, the INI group increased its investments about 23 percent to a total of 141.9 billion pesetas. Altogether, INI investments made up 33.4 percent of the total industrial investments in 1978.

In other words, they equaled 1 out of every 3 pesetas invested in 1978.

The fact that the INI invested 1 out of every 3 pesetas invested in industry meant, according to its directors, an additional cost of 4 to 5 million pesetas which explains one-tenth of the total losses. However, this effort does not seem to have been in vain: jobs in the INI have increased 2.4 percent (it employed 244,400 people in 1978) while they decreased 0.6 percent in industry.

In 1979, INI investments will increase to 187 billion pesetas which means 45 billion more than in 1978. "It is necessary to see that the INI investments, at the cost of its financial structure, insure the industrial base of Spain in the 1980's. They also are a counter-balance to decreased productive investment," De la Rica indicated in his presentation.

FOR OFFICIAL USE ONLY

On the credit side of the INI is also the exporting effort realized by its businesses in 1978, increasing its sales abroad by 17.1 percent compared to the previous year. According to the estimates of the institute, its businesses have generated one-eighth of the foreign currency obtained by the country (exactly 127.2 billion).

Also the different activities of the INI businesses, especially in the energy sector which received two-thirds of the total investment, saved a total of 29.3 billion in foreign currency in 1978 through the production of national fuels, aluminum and freight.

"For this year and the coming years," Jose Miguel de la Rica indicated, "we have two basic objectives: to select the plans of the sectors and to select directors for our businesses." Special emphasis will be given to this second point because 71 enterprises of direct participation depend on it, 240 of indirect participation and 240,000 workers and because traditionally the losses of the INI are attributed to bad business management.

Also work will be directed toward curing what seems to be the cancer of the INI businesses: its financial structure, which might be even more deteriorated now after the government regulations, making foreign indebtedness, the traditional source of resources for the INI, difficult.

The INI of Tomorrow

Lastly, De la Rica outlined in his recent visit to New York what the strategic plan of the INI will be for the coming years, based on these six points:

1. Generation of foreign currency through the encouragement of exports as well as replacement of imports;
2. Supply of raw materials in order to guarantee low-cost supplies;
3. Contribution to national technological development;
4. Contribution to regional development through the exploitation of local resources in depressed regions and through management;
5. Maintenance and generation of direct and indirect jobs; and
6. Development of other activities of great national interest at the request of the government (defense matters, for example).

COPYRIGHT: CAMBIO 16, INFORMACION Y PUBLICACIONES, S.A., 1979

7717
CSO: 3110

FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

COUNTRY SECTION

SPAIN

BRIEFS

GRAPO INFILTRATION OF POLICE--High-ranking officers of the National Police (PN) suspect that there could be members of the GRAPO [First of October Armed Revolutionary Group] infiltrated in the law enforcement forces, following the discovery of the names and addresses of 93 policemen in possession of the terrorist organization. Last week, however, an internal memorandum of the PN denied that four policemen had been arrested under accusation of belonging to the terrorist organization, a rumor that has been going around the police stations. [Text] [Madrid CAMBIO 16 in Spanish 20 May 79 p 5] 8414

MPAIAC LEADER IN ILL HEALTH--Antonio Cubillo, the lawyer who heads the Sovereignty and Independence Movement of the Canary Islands (MPAIC) sponsored by Algeria, has been given no hope by the doctors who treat him in Algiers following the attempt on his life on 5 April 1978. It appears that the impairment of the health of Cubillo is the result of his failure to follow the medical treatment and recommendations for his recovery. [Text] [Madrid CAMBIO 16 in Spanish 27 May 79 p 5] 8414

ETA, GRAPO UNITY--The Basque ETA [Basque Fatherland and Liberty Group] and the GRAPO [First of October Anti-Fascist Resistance Groups] reportedly decided to coordinate their terrorist actions at a meeting held in Port Vendres around 8 April. The meeting was attended by an emissary from Romania. The GRAPO, operating in Castile and Catalonia, could harass the tourists staying along the Mediterranean coast. [Text] [Paris VALEURS ACTUELLES in French 18-24 Jun 79 p 30]

CSO: 3100

FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

COUNTRY SECTION

SWEDEN

ROBOT-15 MISSILE SEFN OPERATIONAL BY 1985

Paris AIR & COSMOS in French 9 Jun 79 p 148

[Article by Pierre Langereux: "The Swedish 'ROBOT 15' Missile Will Be Operational in 1985"]

[Text] The big new Swedish item in the military area is the ROBOT-15 anti-ship missile, otherwise known as "Rb 15" or "RBS 15," development of which has just been authorized by the Swedish government (see AIR & COSMOS, No 764).

On 26 April 1979 the defense equipment department made a contract for 1.3 billion kroner (about \$295 million) with the SAAB Bofors Missile Corporation for development and mass production of the new "Rb 15" antiship missile in its sea-to-sea version. Manufacture of 100 missiles is provided for in this contract, to equip in 1985 the 12 Swedish "Spica 2"-class patrol boats, each of which will be armed with 8 "Rb 15" missiles and with torpedoes. The missile is also intended, in its air-to-sea version, for the Air Force, to equip the future Swedish attack plane; but the decision on development of this version will be made in 1981.

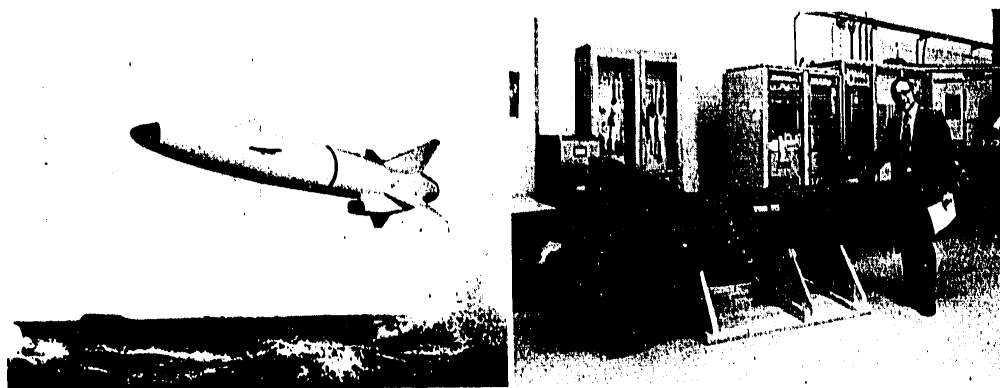
The Swedish government's decision, which does not meet with unanimous approval in the country's military circles, has given the preference to development of a national missile rather than to purchase of an existing foreign missile, partly to cope with the serious unemployment problems that the Swedish aeronautical industry has experienced since the abandonment of several projects for new airplanes and missiles. The French EXOCET missile, from Aerospatiale, and the American HARPOON missile, from McDonnell Douglas, were in competition to equip the patrol boats of the Swedish Navy. The Pentagon had proposed delivering to Sweden, starting in 1981, 100 HARPOON missiles for \$100 million.

This is the first missile order received by the new company SAAB Bofors Missile Corporation (SBMC), formed at the end of 1978 by SSAB-Scania and Bofors AG for the purpose of joint development, production and marketing of the new Swedish missiles. Several other Swedish firms, including Philips (Sweden), will participate in the construction of the "Rb 15." The ROBOT-15, previously known by the designation "RB 04 Turbo," is derived directly from the SAAB 04E

48

FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY



At left: an artist's conception of the new "Rb 15" antiship missile in low-altitude flight configuration over the sea. At right: full-size mockup of SAAB Bofors Missile Corporation's new "Rb 15" antiship missile, with the project director, Hans Ahlinder, standing by it.

air-to-ground missile, alias "Rb 04E," mass-produced by SAAB-Scania for the Viggen airplanes of the Swedish Air Force; the "Rb 04E" is a heavy missile (600 kg), 4.5 meters long and 0.5 meter in diameter.

The "Rb 15" greatly resembles it, since it measures 4.35 meters long by 0.5 meter diameter and 0.85 meter in airfoil span (with airfoils folded back). It weighs 560 kg, without the two big powder-fuel boosters attached to the missile for takeoff from a ship. The "Rb 15" is an aerobic missile, propelled in cruising flight by a turbojet fed air by a large ventral air intake. This general configuration of the "Rb 15," with external boosters and turbojet, somewhat recalls that of the Franco-Italian OTOMAT antiship missile. The "Rb 15" is a long-range missile--about 100 km--which adopts the low-altitude flight trajectory (sea-skimmer) of all modern antiship missiles. It is equipped with a big explosive payload and with ECM [expansion unknown] protection. Fire control is automatic, with a computer that also does the checks on the missile before firing. Once the missile is launched, it is entirely autonomous, which implies a guidance system combining an inertial platform and a self-guider for final target search.

COPYRIGHT: Air & Cosmos, Paris, 1979

11267
CSO: 3100

FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

COUNTRY SECTION

SWEDEN

BRIEF OVERVIEW OF ARMED FORCES PROVIDED

Paris ARMEES D'AUJOURD'HUI in French May 79 pp 37-39, 80

[Article by Col Olof Dackenburg and Col Hans Berglund: "The Swedish Armed Forces"]

[Text] Sweden has been spared war for more than a century and a half. The last time we were at war was in 1814, under the leadership of Marshall of France Jean-Baptiste Bernadotte, who was to become King Karl XIV Johan, the founder of our royal dynasty. It was in that year that peace was concluded with France and other countries.

When the NATO and Warsaw pacts were born, and the attempt, made on Sweden's initiative, to form a "Nordic defense bloc" failed, Sweden chose the line of independence, the foundation of which is nonparticipation in alliances in peacetime, tending toward neutrality in case of war in Europe.

Defense of Independence

Our defense has been organized in such a way as to be able to pursue this policy, and there has never been any question of modifying this orientation. The Swedish people are unanimous on this point. But this necessitates a strong defense, a total defense, which calls on the entire nation. Thus, military defense is complemented by an important civil defense effort, and in parallel, an economic and psychological defense. Sweden puts a larger proportion of its gross national product into defense than most of the states of Western Europe.

Military defense is built on the conscription system--every Swedish man from 18 to 47 is under obligation to do military service and receives a war duty assignment--advanced technology, a system of rapid mobilization, and a state of permanent full alert.

Military Geography

Our Nordic neighbors to the south as well as to the west are members of NATO. To the east lies neutral Finland, linked to the Soviet Union by a sort of

FOR OFFICIAL USE ONLY

nact, and on the other side of the Baltic are states that have rallied to the Warsaw Pact. Sweden thus occupies a position of equilibrium between these pacts on the northern flank, the importance of which, from the point of view of security policy, has increased a great deal in recent years (building of a system of sea bases, oil deposits, etc.). The polar cap and the accesses to the Baltic, along with the western Norwegian coast, are zones of great strategic importance. We believe that Sweden counts above all as a zone of passage and of bases for operations directed against objectives outside our country.

"The entire country must be defended." This established principle naturally creates some big problems. Sweden has a surface area about 80 percent that of France, whereas its population, a little more than 8 million, comes to roughly 80 percent of that of metropolitan Paris. We add that Sweden's length stretches from north to south. If one slides the map of Sweden down to where the northern tip is in the position of the southern tip, the latter covers the south of Corsica, opposite Naples. But Sweden also has some geographical advantages. In the east, the south and the southwest is a coast more than 2,000 km long, part of it easily defensible because of an archipelago which is difficult to navigate. The western border is constituted by the Scandinavian alpine chain. And in the far north, the border area with Finland consists of 500 km of desert, most of it north of the polar circle. Furthermore, the country is laced by a large number of rivers, and a vast lacustrine system facilitates defense measures. For a great part of the year, the climate is at least rough, which requires special equipment and makes invasion difficult, whether it comes from the borders, the sea or the air.

The Army "in its Homes"

The Army, based on general military service, is "in its homes." There are many who think that our Army is composed only of the roughly 50,000 conscripts who receive basic training in our units each year. But those are not enough--far from it--to defend a country so vast and so sparsely populated.

To defend the entire country, it is necessary to have all the men ready to bear arms. Our Army is therefore composed of combat units who stay in their homes in peacetime but are ready to be mobilized in a few hours or a few days. Mobilized, this Army has more than 500,000 men in its war organization. To these are added the more than 100,000 volunteers of the local guard.

For economic reasons, not all units of the Army can be of the same quality. Thus we have brigade units and territory defense units, as well as the local guard.

In case of war, our brigades, of some 5,000 men each, will have to cope with the most difficult missions. Therefore the brigades have the most highly qualified personnel and equipment. In view of the differences of terrain and climate in the different parts of our country throughout its length, we have

FOR OFFICIAL USE ONLY

three types of brigade: the infantry brigades, the Norrland brigades, and the armored brigades. All the brigades are composite, and are generally organized into division units.

The infantry brigade has heavy firepower and great combat endurance. It can fight on all terrains. The antitank arm has very high power: in principle, each man has a "recoilless antitank weapon," and a company, for example, has 72 single-shot antitank weapons. At the present time, the number of infantry brigades is 20.

The Norrland brigade is an infantry brigade equipped with far more tracked vehicles. By means of them, it can make far longer movements in the snow and on bare ground. The Norrland brigade is thoroughly prepared for all combat in terrain with few or no roads, such as the desert zones in the north of Sweden. At present, we have four brigades of this type.

The armored brigade is intended mainly for combat in the open terrains of the southern and central parts of Sweden. Our principal assault tank is the turretless S tank. Certain units also have Centurion tanks.

In addition to the defense-of-territory (DOT) units, which are mobilized throughout the country, we use strong local guard units for country-wide defense. These units protect the mobilization, and man the fixed defense installations located on the borders, along the coasts and at the airports until other units have been mobilized. The local guard is ready to go into action in 1 or 2 hours. Their weapons and other equipment are kept in their homes or in the immediate proximity. The local guard, recruited everywhere, is a basic source of information; it is always first on the spot, and often sustains the first shock. Is it something like the French national gendarmerie, with its military organization?

The Navy

The Swedish Navy has a long coastline to defend and great expanses to patrol. As in most small countries, it is "retrogressing" toward smaller surface attack vessels, fast, armed mainly with torpedoes and missiles. For shelter, it uses the structure of the Swedish archipelago, where it has bases for rapid offensives. The vessels can enter directly into the shelters hollowed out in rock, for refuge, maintenance, etc. The emphasis is on the torpedo boats of the "Spica" type, patrol boats, and submarines. But there are still some 10 destroyers/frigates. There are about 20 modern torpedo boats, some 15 patrol boats, and as many submarines. A certain priority is given to mine-laying and protection against mines. Part of the fishing fleet is ready, in case of mobilization, to do duty as auxiliary mine-sweepers, alongside the specialized mine-layers and mine-sweepers. Certain civilian craft--the ferry boats, for example--can also lay mines.

In Sweden, the coastal artillery is an integral part of the Navy. Using heavy artillery, missiles and mines, it ensures the defense of the strategic points

FOR OFFICIAL USE ONLY

on our long coastline. The installations are usually cut into rock. In peacetime, we already have fixed mine barriers laid in the narrows of vital waters. They are worked from coastal stations. The coastal artillery also has mobile units, which intervene in different zones.

There is no special naval air force, apart from a number of helicopters which have mainly antisubmarine missions.

The Air Force

The Swedish Air Force enjoys a good reputation for effectiveness, high technical level, and great vigilance. The combat planes are the SAAB Drakens and Viggens, both of top international class and made in Sweden. The number of these planes today is about 500--thus a little more than the combined strength of the CAFDA [Air Defense Forces Air Command] and the FATAC [Tactical Air Forces]. Their missions are of the same nature, but are perhaps concentrated more on air defense. On the other hand, there is no strategic aviation, and transport aviation is weak by comparison with the French force. In order to ensure transport capacity in case of mobilization, the resources of the civilian companies will be made ready to parallel those of the military. The training plane, the SAAB 105, can be armed, and a certain number of units are created if the state of alert is raised, especially for close collaboration with the Army. For surveillance and air defense, we have a highly automated system based on modern radar systems--the French "Palmier" system, among others. The radars, designed for maritime and low-altitude surveillance, are placed atop high pylons. In addition, we have an optical air surveillance system which covers the entire surface of the country, and the data from which are automatically entered into central units. All the surveillance central units and the command posts are sheltered in rock. This system, called "Stril 60," is as modern as "Strida II, but perhaps more extensive.

In addition to the shelters in rock, dispersal is used for protection. The bases are numerous, and the fundamental principle is a maximum of one squadron per base, even when the greater part has to be concentrated in one direction.

In these bases, the aircraft are spread out along roads on land which are several kilometers apart from one another. If the runway is cut off, the nearby roads can serve as reserve bases. All the pilots train frequently at taking off and landing on roads, and the planes are built with this use in mind.

State of Alert and Mobilization

Certain sections of Swedish defense are always operational, especially in the Air Force and the Navy. The surrounding seas and air space are patrolled 24 hours a day, and units ready to go into action are in a state of permanent alert. There is considerable international movement in our latitudes, especially on and over the Baltic. For example, we fly an average of 35 sorties per month to identify unknown airplanes.

FOR OFFICIAL USE ONLY

On the whole, our state of alert is based on our rapid mobilization system. We have, scattered throughout our entire territory, more than 2,000 equipment depots constantly in service, where all the equipment of the combat units is ready at hand. The units train frequently to mobilize in the shortest possible time. It can be said that in a military territorial division (we have some 20 of them, as in France), 4,000 local guard men are ready to do battle a few hours after the order has been given, 10,000 defense-of-territory men are ready 1 day later, and the brigades are ready 1 or 2 days after that.

An essential rule is that all of society's resources must be called on to contribute. In case of mobilization, the units are thus complemented by civilian vehicles, airplanes, vessels, etc., which in peacetime already have their assignments to these tasks. Contracts have been made with construction firms to set up construction or repair units which are at the disposal of civilian or military defense.

Training System

The primary idea of our military training system is that the combat units--the "soldiers in their homes"--must, in all branches of defense, be operational once mobilization has started.

We also have basic training and periods of refresher training.

Basic training, which is differentiated, is aimed at wartime assignment to a given post and at coordination in the units. The duration of this training is short by international standards: from 7 and 1/2 to 10-11 months, depending on the wartime assignment. About 50,000 men are trained each year. After his basic training, the conscript receives a wartime assignment and remains in the combat organization until the age of 47.

As a general rule, the combat units are recalled every 4 years, for periods of refresher training. At such time, they are called to their regular mobilization points in the field, equipped, instructed in the handling of new weapons, etc., and finish the period with an extended maneuver in a combat unit, a brigade for example, and under conditions as close as possible to those of war.

Each of these periods generally lasts from 2 to 4 weeks. Every man must do five of these periods at 4-year intervals--the first three usually in a brigade unit, and the others in a defense-of-territory unit.

In addition, the noncommissioned officers of our combat units must do three special periods of just 15 days, falling between the normal periods; their purpose is to train them to determine the combat missions of the units.

Some 100,000 men are thus instructed each year in the refresher-training periods--nearly twice the number that receive basic training. It is hoped--and believed--that our "army in the homes" will thus be operational upon mobilization.

FOR OFFICIAL USE ONLY

We have no women's military service. Nor can the Swedish woman choose a career of arms. But the question of a change is being disputed bitterly, and next year, the first women will begin their training as Air Force officers. On the other hand, we have a large number of women volunteers, about 35,000, who in case of war will serve in offices, as nurse's aides, vehicle drivers, in the telecommunications services, in the air defense central units, etc.

Much more could be said about Swedish defense--about civil defense, for example, with shelters for 50 percent of the population, about the organization of evacuation for the other half and the special rescue units. Or on the subject of the Swedish war materiel industry, which supplies defense with more than 90 percent of its materiel, thanks to well-known firms such as SAAB, FFV [expansion unknown], LM Ericsson, Hagglunds, Karlskronavarvet, and many others. The space available for this article does not permit more detailed analysis.

The Swedish people are unanimously behind this policy of nonalliance, which requires a strong defense in order to be credible. As in any democratic country, debate on the question of defense is intense, and inquiries show that the desire for defense is strong. Of course, the economy remains for us a problem which, with the rapid rise in technological costs, is leading to a quantitative weakening of the technically most highly qualified branches. But for some time to come, Swedish defense should remain strong enough for an aggressor to think twice about the "profitability" of an attack. And defense thereby greatly supports our policy of nonalliance, the aim of which is to keep Sweden out of any eventual conflict in our region.

Col Olof Dackenberg, Swedish military attache in Paris, was commissioned as an officer in 1946. Among other things, he has been a professor in the Infantry Application School, the Royal Military School, and the Higher School of War. He has commanded a mountain regiment as well as Sweden's most northerly military territorial division.

Col Hans Berglund, Swedish naval and air attache in Paris, entered the Swedish Air School in 1945. He was commissioned as an officer and licensed as a fighter pilot in 1948. He has more than 4,000 hours of flying time. Among other things, he has commanded the reconnaissance squadron and has been chief of the operations section of an integrated military region as well as assistant chief in the operations section of the general staff of the armed forces.

COPYRIGHT: 1979 - Revue des forces armees francaises "Armees d'Aujourd'hui"

11267
CSO: 3100

FOR OFFICIAL USE ONLY

COUNTRY SECTION

SWEDEN

ECONOMY MINISTRY SEES CONTINUED UNEMPLOYMENT DROP IN 1980

Stockholm VECKANS AFFARER in Swedish 3 May 79 p 5

[Article: "1979 Will Be a Record Year--But Sweden Must Exercise Restraint"]

[Text] All signs point to that 1979 will be a top year in the current Swedish business-cycle if one looks at the total economic growth rate. But the utilization of capacity could continue to improve and unemployment continue to decrease next year as well.

The great problem will be to hold down consumption by municipalities and households so that the deficit balance on current accounts does not increase further.

The Ministry of Economics in its national budget calculates that the GNP will increase by 5.1 percent this year. But after that the pace will slow down to a growth rate of 4.2 and 3 percent respectively in 1980 and 1981.

If that estimate turns out to be correct, Swedish economic activity will continue to increase, at least during 1980, with further utilization of capacity and declining unemployment as a result.

But the ministry has already adjusted its GNP-estimate downward from its 5.4 percent in the preliminary national budget in January. The main reason for this is the lower estimate of inventories. This year's inventories are expected to be 1 billion kronor less (in 1975 prices) than estimated in the January prognosis.

On some points the rate of increase has been reassessed upward. The most positive change concerns the industrial volume of investment. Last winter it was estimated that there would be a moderate increase of 3 percent. The latest inquiry of corporate investment has increased that figure to 7 percent.

The Ministry of Economy counts on further improvements in industry's investment figures for the next few years. As shown in the table, it is estimated that there will be increases in volume of 9 percent, both in 1980 and 1981. These are completely reasonable figures.

FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

But there is still a way to go in order to reach the level of the early 1970's.

The column at the table's farthest right indicates how far the recovery in the economic upswing has brought us. It shows the total change in volume from the first year of the recession in 1975, and includes the Department of Economy's own favorable estimate up to, and including, 1981.

Even in 1981 industry's volume of investment will be less than 90 percent of what it was in 1974. Only this year does industrial output reach the 1974 level (see also next page). And the expected rate of increase for 1980 and 1981 are not spectacular.

The reason for this is, of course, our weakened competitive strength and export difficulties. Nevertheless, a yearly increase to between 7-8 percent in the volume of exports is expected for the 4 years 1978-1981. But the average yearly increase for all the 7 years from 1975 will be less than 4 percent.

That figure is exceeded by the municipalities which--since the oil crisis--have been the most expansive sector of the Swedish economy. Municipalities increased their investments and consumption between 1975-1978 by more than 18 percent. By 1981 the total increase is estimated to be almost 30 percent.

During the immediate years following the oil crisis, it seemed natural to invest in the expansion of the municipal sector. This provided opportunities to maintain employment while waiting for the international recovery. But this picture has now changed.

The government has entered into agreements with municipalities and with the Association of Swedish Counties to limit growth of local consumption. But this has not stopped the growth in the municipal sector. Instead the Department of Economy has had to make an upward revision of its estimate for both municipal consumption and municipal investments for 1979. The prognoses in the table for 1980 and 1981 can be said to reflect mostly wishful thinking.

The same can be said in regard to the calculation for the growth of private consumption. The national budget also stresses these problems: Given the current climate of economic upswing how to hold down the private as well as the public trend of consumption within the economic long-range framework. The continued economic upswing and rising corporate profits may make it difficult for individuals and municipalities to exercise restraint.

This involves considerable risks for both inflation and the balance of current payments. The department does not figure on a continued decrease in the rate of inflation after last year's improvement. And the deficit in the balance of current payments again increases this year and next year as well. With higher domestic demand the situation could deteriorate rapidly.

FOR OFFICIAL USE ONLY

Changes in volume in percent	1978	1979	1980	1981	1975-81
GNP	2.8	5.1	4.2	3.0	15.6
Of which Private consumption	- 0.9	2.8	2.2	2.0	12.8
Industrial investment	-18.2	6.9	9.0	9.0	-12.6
Housing construction	18.3	5.0	6.4	2.0	15.7
Government	3.4	1.7	0.9	0.9	9.7
Municipalities	4.0	4.2	2.8	2.4	29.8
Export trade	7.8	8.0	7.6	7.0	29.3
Import trade	- 7.0	9.5	7.7	6.0	15.7
<hr/>					
Balance of trade in billion kronor	5,600	4,700	5,200	7,100	
Balance of current payments in billion kronor	3,900	-6,300	-7,500	-6,700	
Consumer prices	10	6	6	5	
Industrial production	1.2	6.6	5.5	5	9.8

COPYRIGHT: Ahlens & Akerlund tryckerier, Stockholm 1979

9349
CSO: 3109

END