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JPRS L/9380

31 October 1980

# West Europe Report

(FOUO 44/80)



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WEST EUROPE REPORT

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THEATER NUCLEAR FORCES

PORTUGAL

DEFENSE MINISTER AMARO DA COSTA OUTLINES DEFENSE POLICY, OBJECTIVES

National Defense Policy

Madrid DEFENSA in Spanish Aug-Sep 80 pp 50-53

[Interview with Defense Minister Adelino Amaro da Costa, by Vicente Talon in Lisbon; date not given]

[Text] Adelino Amaro da Costa, the young Portuguese defense minister, is one of the most distinguished personages in political life in his country. An engineer and noted intellectual, and a political writer who at times has even appeared in the Spanish press, with a fluent, extensive command of Spanish, he is a member of the Social Democratic Center Party, regarded as very conservative, and is therefore also a member of the present Lisbon government group, the Democratic Alliance. His ideas, which are those of his group, are clearly reflected in the interview which we held with him in his official office, devoid of any protocol, late at night.

DEFENSA: What is the policy of the Portuguese Government insofar as defense is concerned?

Amaro da Costa: The Portuguese Government's policy on national defense, which was approved in Parliament early in the year, has seven fundamental objectives: 1. preparation for the end of the so-called "constitutional transition period," that is, the period during which there has existed in our country an organ of sovereignty, the Council of the Revolution, with powers granted by the Constitution of the Republic; 2. establishment of a new organic frame of reference on the political and strategic levels, for the administration, coordination and execution of national defense; 3. adoption of a new system of military service geared to the present historical, sociological and cultural realities of Portugal and to the needs for a graduated system of national alert; 4. dignifying and modernizing the Armed Forces, and carrying out the pertinent budgetary effort; 5. establishment of a national policy on goods and services of concern to national defense; 6. reinforcement of Portuguese cooperation within NATO; and 7. development of new systems for the coordination of civil protection.

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D: What are the main obstacles encountered thus far in the implementation of that policy, and in which areas?

AC: In all the areas of the government's immediate concern very great progress has been made which I shall not describe because it would take too long. However, it seems important to me to stress that, for the first time, an organic law on the main statutes of the Ministry of Defense has been passed in Portugal. Before the revolution of 25 April, there were Ministries of the Navy and Army, and the State Secretariat of the Air Force. The integrated view of defense required a minister without portfolio, called a minister of national defense. With the April revolution, the military ministries were eliminated from the government's structure, with only the Ministry of Defense remaining, but without an organized system. I would say that, from the standpoint of working tools, the lack of organized main statutes of the Defense Ministry has been the chief obstacle during these few months of activity. For that reason, I have attached priority, in the legislative endeavor, to the preparation of such structures. Of course, that endeavor is also related very particularly to the already cited objective of putting a final end to the "constitutional transition period."

D: You have talked about a Fourth Portuguese Republic. Does that plan affect Portugal's concepts of defense and, more especially, its military concepts?

AC: I have talked about a Fourth Portuguese Republic in the sense that, after the forthcoming constitutional revision, some fundamental aspects of the present juridical structure of the Portuguese state which are still associated with the revolutionary period will give way to a more authentic and complete democratic system. I do not think that this intensification of democracy can mean fundamental changes in our doctrine on national defense. Portugal's solidarity within the context of NATO, the strategic importance attached to the continent-Azores-Madeira triangle, and the significance of the issues brought up by the exercise of national sovereignty over a more extensive maritime area than the territorial one will continue along the same line. But from the standpoint of a better integration of the military strategy in the context of the overall strategy devised by the government, there will, indeed, be changes. They will be those resulting from the abolishment of the Council of the Revolution.

D: The Portuguese Constitution calls for the dissolution of the military blocs. How can this be reconciled with the obvious desires for making NATO powerful expressed by the government of which you are a member?

AC: It is true that the Constitution calls for the progressive, mutual and balanced dissolution of the military blocs. But what is the best method for dissolving the blocs? The military draining of NATO, for example, through a reduction in its internal solidarity and strength? I don't think so. Deterrence continues to be the great weapon for peace and security. Dialog concerning the subject of disarmament is possible, and we should

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proceed to hold dialog with the Warsaw Pact, but without yielding in our positions. Otherwise, we would not be contributing to the dissolution of the blocs, but rather provoking an attack from the Warsaw Pact against us in the West. In other words, in the end, instead of two blocs, we would have only one: theirs.

D: For many years, except for a slight hiatus, Portugal has been a loyal ally in NATO. In view of that fidelity, isn't the shortage and antiquated nature of the materiel available to the Portuguese Armed Forces disappointing?

AC: From 1961 to 1974, Portugal maintained three theaters of war in as many African territories. The entire logistical effort was made in that direction and for that purpose. During that period, the modernization of the Portuguese Armed Forces was geared completely toward the guerrilla war, and little else. Later, the revolution of 1974 broke out, and the Armed Forces had to expend a great effort, after the revolutionary upheaval in the barracks, to restore internal discipline and attain their readjustment to the new historical circumstances. Meanwhile, the country was experiencing a great economic crisis caused partly by external causes and partly by the internal revolutionary changes. Under these circumstances, it was not easy to achieve a more accelerated modernization of the Armed Forces. This modernization is essential for a great many reasons. I believe that, if all goes well, we shall be able to establish a long term plan which, with the proper mobilization of our own resources and possible external cooperation, will make it possible to change the current situation.

Hence, there is no contradiction between Portugal's presence in NATO since the founding of the Atlantic Alliance and the present materiel status of the Armed Forces. What did exist prior to 1974 was a real discrepancy between the traditional Portuguese loyalty to NATO in the political and global strategy context and the concrete military defense effort to which the nation's resources were directed. The former regime never succeeded in convincing our allies that the wars which Portugal waged in Africa had specific significance for NATO.

D: If I remember correctly, in October 1979 NATO's economic commission assigned the secretary general of that organization to create a task force to aid the weakened economy of Portugal. Has anything been done in that regard?

AC: I think that you are referring to Directive 22, approved at the 25th annual plenary session of the Atlantic Assembly, held in Ottawa from 22 to 27 October 1979. It was a decision among the parliamentarians representing the countries in the Alliance. Hence, the suggestion to create a task force to study economic aid to Portugal was not the work of the NATO secretary general, but rather of the secretary general of that assembly of parliamentarians. This means that it does not involve the governments of our allies nor NATO's international secretary.

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On the other hand, military aid to Portugal has, indeed, been studied by the "ad hoc" group formed by the allied governments to assist Portugal and Turkey. The efforts of that group led to the preparation of major reports and the making of important decisions. For example, in this respect technical work was done which allowed for the political approval by the defense ministers of the NATO member nations, last May, of our plan for naval modernization with three new frigates; a plan which was given, and this is the first time that anything of the sort has occurred in NATO since its founding, the status of a plan for multinational implementation. Nevertheless, the Portuguese financial and industrial share in that plan will be quite substantial, involving, in addition, something of enormous military and technological significance to our country.

D: Your government has come out in favor of the installation of Euromissiles. Would it accept them, if NATO were to request it, in Portugal itself? In such an event, would conditions be imposed?

AC: I do not think that it makes sense to put the question abstractly, particularly after the Schmidt-Brezhnev meeting and the resultant positions assumed by President Carter. We are not, nor shall we be candidates for the installation of Euromissiles or nuclear arms in our territory. But it is also a fact that, for us, Atlantic solidarity is not an empty word nor a rhetorical symbol. We have been clearly demonstrating this through our foreign policy positions. Therefore, we shall have to study, at each moment, what in our view is in the best interest of the Alliance, so as subsequently to determine the types of our cooperation in the common effort.

D: Do you believe that Spain should join NATO?

AC: That is a question which is up to the people and government of Spain. If, some day, the Spaniards should opt for integration into the Atlantic Alliance, Portugal would hail that new and highly important element for reinforcing NATO with great joy.

D: In 1983, the agreements on the North American military presence in the Azores will be renewed. Will the present statute be changed in any way?

AC: The foreseeable change in the international situation, Atlantic solidarity and Portugal's interests will be determining factors for the judgment that will have to be made at any time concerning our agreements with the United States, both with respect to the Azores and concerning all matters of bilateral concern, within the context of NATO. This holds true as much for 1983 as it does for today.

D: I understand that a law for national defense is being prepared. If so, what would be the content of that law, along general lines, and what course of action is being pursued to develop it?

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AC: On 30 May of this year, the Portuguese Council of Ministers approved the general lines of a bill on national defense. The bill has four headings: general principles, organic structure of national defense, special systems (martial law, states of emergency, states of national alert and war situations), and mobilization. Insofar as the organic structure of defense is concerned, it calls for: organs of leadership; supreme political leadership, the president of the republic; political and strategic leadership, the Council of Ministers; strategic military leadership, the Council of Chiefs of Staff; organs of coordination: political and strategic coordination, the Superior Council of National Defense, comprised of the president of the republic, all the ministers and the chiefs of staff; strategic coordination, the Strategic Coordination Commission, comprised of the prime and vice prime ministers, the ministers of foreign affairs, defense, finance and internal administration and the chiefs of staff; executive organs: the Armed Forces, the military and militarized corps, and the civil agencies subordinate to the ministries and of the Autonomous Regions of the Azores and Madeira.

The bill is due to be submitted to Parliament as soon as the general elections take place. At the moment, it has been sent, for study, to all the parties, those of the majority and those of the opposition with parliamentary representation. I consider it fitting that an extensive, open, national debate be held on the subject, which should precede the parliamentary discussion in November.

D: Finally, what is your opinion of the Conference on European Security and Cooperation to be held soon in Madrid?

AC: I am afraid that it will be nothing more than the funeral for the Final Act of Helsinki unless, in the meantime, there is disregard for what has happened in Afghanistan. If that should happen, it would be an even greater disaster.

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Military-Civilian Government Relationship  
Madrid DEFENSA in Spanish May 80 pp 52-53

[Interview with Defense Minister Adelino Amaro da Costa, by Alberto Miguez\*; date and place not given]

\* Alberto Miguez was born in La Coruna in October 1940. Degree in philosophy, Philosophy Section, University of Madrid; graduated in journalism from the Official School, also in Madrid; took sociology courses in Paris. He began his professional career in provincial newspapers, and in 1966 was named chief of the international section of the evening paper MADRID. When that paper closed, he became permanent correspondent for the newspaper LA VANGUARDIA in Barcelona, where he served as special correspondent in Latin America and Asia, as well as correspondent in Rabat and Lisbon. In 1976, he returned to Spain to found, with another professional group, the morning paper EL PAIS, serving as foreign information chief for a year and a half. He is author of several books and monographs, including "Castelao's Political Thought," "The Philosophical Thought of Besteiro," "Galicia: Exodus and Development," "Galicia, the Aesthetics of Underdevelopment," "Morocco at the Crossroads," etc.

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[Text] Engineer Adelino Amaro da Costa, aged 38, is the third civilian to hold the defense portfolio in Portugal since 1926. His predecessors (Oliveira Salazar during the 1930's, and Silva e Cunha during the dictatorship of Marcelo Caetano) left a controversial memory.

But, in this case, the controversy has arisen without an assessment of the administration, after the appointment itself. Amaro da Costa was one of the builders of the Democratic Alliance, the conservative-type electoral coalition that won the majority in the early elections of last December (1979). As a result of those elections, the president of the republic, Gen Ramalho Eanes, called upon the Social Democratic leader, Francisco Sa Carneiro, to form a government. Two personages from the Social Democratic Center (Christian Democratic) Party, its president Diogo Freitas do Amaral, and its vice president, Adelino Amaro da Costa, were appointed, the former as minister of foreign affairs, and the latter as minister of defense.

The very special features of the Portuguese political system (which, it should be remembered, came into existence as a result of a military coup), known popularly as the "revolution of the carnations," had made it impossible thus far for a civilian to head the Defense Ministry. After 25 April 1974, the Portuguese Armed Forces experienced various vicissitudes, some of them dramatic, which, rather than open them to the civilian world, closed them in a professional-political ghetto, the last vestige of which is, without doubt, the Council of the Revolution, a consultative organ of sovereignty to which the constitutionality of the laws is subject. The Council is due to go out of existence this year, when the chief executorship is renewed. But some of its members are seeking its survival through some kind of legal ruse.

The conversation with the Portuguese defense minister took place pleasantly and easily. Amaro da Costa who, before becoming a politician, was a journalist (for a time, he even held the position of Lisbon correspondent for the newspaper MADRID which became defunct during the Franco era), exudes cordiality and enthusiasm. It is difficult to withdraw from his contagious congeniality.

#### The Interview

During a respite in the parliamentary sessions, the Portuguese defense minister answered all our questions without evading the most touchy or difficult ones.

[Question] Why a civilian in the Defense Ministry? What significance does such an appointment have in Portugal today?

[Answer] Of course, it was a deliberate option, and it served to demonstrate several things: First, that there exists a consensus among the Portuguese military to defend the civilian authority and democracy. Second, that a qualitative change has taken place in the relations between the government and the Armed Forces. And, third, that this change is reflected in the

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fact that, for the first time in the contemporary history of Portugal, there is a government without military participation.

[Question] Did not such an event cause distrust, more or less muffled protests and even a certain amount of rebellion among some military sectors?

[Answer] To date, I have not noticed any type of unrest or coolness among the officers. Since I took over the ministry, I have visited barracks and instruction centers, as well as institutions associated with the Armed Forces; and of course the reaction that I could gauge was positive, if not clearly favorable toward my appointment, which is guided by the line of "democratic normalization" advocated by the government.

[Question] This "normalization" was perhaps not well explained by the government itself on the basis of its Constitution...

[Answer] The government and Parliament are in a position to contribute to a proper defense of the professional, moral and economic interests of the military, as is the case, moreover, in the entire Western world. My appointment as defense minister was a harbinger of the Armed Forces' proper and necessary integration into the democratic regime.

Up until now, this has been correctly understood by nearly everyone, with the exception of certain members of an organ of sovereignty, who seem to want the phase of democratic transition that the country has experienced during recent years to be perpetuated.

[Question] Are you referring to the Council of the Revolution?

[Answer] I am referring to some members of the Council of the Revolution, a minority, who do not want to give up the role of arbiter granted temporarily by the Constitution to that organ, the abolishment of which is also called for by the Constitution itself.

[Question] Is such an attitude impeding the dialog between the Armed Forces and the government?

[Answer] I don't think so, because individual, isolated attitudes are involved. The government is greatly concerned with learning the needs, hopes and limitations of the Armed Forces which, in turn, must be informed of the principles which guide the government's action, so as thereby to facilitate a productive dialog. The Ministry of Defense is concerned with protecting the Armed Forces from the attacks that it may receive, unfairly, at a time when they should be concerned with the material matters that affect them.

The Political Parties and the Army

[Question] Do the Portuguese political parties advocate the return of the military to the barracks?

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[Answer] The democratic parties, yes, without any doubt whatsoever. They all accept the subordination of the Armed Forces to the civil authority. On the other hand, the Portuguese Communist Party (PCP) is still demanding the presence of the military in political activity, and is opposed to a constitutional revision that would impede their presence. Just a few weeks ago (January 1980), the PCP's Central Committee requested that the presence of the military in the executive branch be guaranteed, with a future replacement of the Council of the Revolution with a civilian-military entity having similar features and endowed with the same powers.

[Question] In reality, who controls the Council of the Revolution?

[Answer] We cannot talk about control per se, because the trends of thought that coexist therein are plural. A noteworthy change has occurred within the Council, from a political component to an increasingly more professional attitude. Moreover, it would appear that the initiative has moved from the representatives of the three branches of the military (12 in all) to the representatives of the General Staff and of the three Staffs. The president is clearly acting as an arbitrary and moderating element. Added to all this is the fact that the Council of Chiefs of Staff is gaining increasing importance, both in the strictly professional realm and in its public projection.

[Question] Then can it be claimed that, from 1976 to the present, the Portuguese Armed Forces have been brought back to their military status?

[Answer] Of course. There is a great desire for institutional normality among the Portuguese military, who want more each day, with greater force and insistence, to become a part of the strictly military structures, without interfering in the political governing or in the partisan struggle. There is a deep-seated feeling of professional dignification, a logical reaction to the confusion of other times wherein the military were, for the most part, used. Professional training and responsibility have replaced the political ambitions. The contrast with other Western Armed Forces (especially those of NATO, an organization with which Portugal is affiliated) has served as a spur for that change.

[Question] Is it possible to talk about an integrated Spanish-Portuguese defense system?

[Answer] No. The Portuguese Staffs operate within the framework of NATO, an organization of which Spain is not a member. Therefore, there are no joint defense plans, although the Soviet threat may be the same for Spain and Portugal. In the event that Spanish integration should be achieved in the Atlantic Alliance (and that is a problem that the Spaniards must resolve themselves, without external intervention or foreign pressure), there would unquestionably be devised a peninsular strategy which does not exist now, among other reasons, because the organic structures of the two peninsular Armed Forces are different.

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[Question] Does such peninsular cooperation appear to you to be inevitable in the future?

[Answer] If the two countries maintain the present political systems, such cooperation will inevitably have to occur; but not only in the area of defense, in all areas....

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COUNTRY SECTION

FRANCE

ANTITERRORIST POLICE GROUP MAKES FIRST APPEARANCE

Paris LE NOUVEL OBSERVATEUR in French 20-26 Sep 80 p 47

[Article by Georges Marion: "When the RG Takes Action"]

[Excerpts] In France there is an antiterrorist supersquad. Up until 13 September, this was a secret...

To crack a big case and beat colleagues from the other services to the punch is a dream cherished by all national police bigwigs. As of last Saturday, Raymond Cham, director general of the General Information Service (RG), is satisfied. This was, in fact, one of the services which arrested Jean-Marc Rouillan and Nathalie Menigon, the alleged leaders of the Direct Action Organization (OAD), in Paris last 13 September.

This affair, however, marks the public appearance of a very discreet service, specialized in antiterrorist action: the Investigation Department of the Central Administration of the RG, which is under the watchful authority of its director, Raymond Cham. This service is, however, not entirely unknown. Under the designation Central Operational Squad (BOC), then headed by division commissioner Jacques Harstrich, during the hectic times that preceded and followed May 1968, it was the mainspring for all the "distorted attempts" born of Raymond Marcellin's imagination: "bugging" of political meeting places, "burglarization" of members' apartments, compromising photos, provocations during demonstrations. It also took part in some arrests, like those of Gerard Nicoud or Alain Geismar. When Marcellin left the Place Beauvau, Commissioner Harstrich was discharged and the BOC, which was soon to become the Investigation Department, slowly entered a period of lethargy.

Precious Incognito Status

But in September 1979 the service was revived. Cham imposed on it his concept of a specialized RG group which could be immediately set on the trail of the OAD. Composed of some 20 young and highly motivated inspectors, benefiting from the RG's voluminous archives and provided with large operational sums, the Investigation Department is not subject to a logic based on how much it can produce. Just one case, but thoroughly handled. In March 1980, information

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acquired by the new squad enabled them to question 28 individuals suspected of being OAD members. But in every case it is the Criminal Squad that is responsible for arrests.

Now last Saturday, RG inspectors themselves "went into action." Were they forced to? That is their story. Warned of a meeting between two unidentified OAD members and foreign terrorists, RG agents had supposedly planned to simply tail them. Recognizing Rouilland and Nathalie Menigon, whom they had unsuccessfully been looking for for several months, they decided to go ahead and arrest them themselves at the risk of losing their precious incognito status. On the contrary, according to other sources, the two terrorists were deliberately lured to the rue Pergolese where, suitably intoxicated, they expected to find weapons.

For that as it may, we now know that there is an effective group working against terrorism in France. The murderers of Henri Curriel and of Pierre Goldman as well as all extreme-right bombplanters should know what they are up against.

With the understanding that they too constitute a target for Raymond Cham and his investigation group.

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COUNTRY SECTION

FRANCE

RENAULT DIRECTOR SPEAKS ON AUTO'S PROBLEMS, FUTURE

Milan CORRIERE DELLA SERA in Italian 11 Oct 80 p 13

[Interview with Bernard Vernier-Palliez in Paris, by Paolo Glisenti]

[Text] "The European automobile industry is not in trouble. The only people hurting are the ones who guessed wrong." The troubles are in the United States. "FIAT will be giving us serious competition again." Not true that the French automobile industry got a government handout: "Chickenfeed." How to beat the Japanese.

"To call what is happening in the automobile industry these days a crisis is altogether misleading." Rising from the table after 3 straight hours of answering questions -- interspersed with a splendid poached salmon and the inevitable raspberry cordial -- put to him by the select group of reporters invited to lunch on the 8th floor of the Renault building on the Champs Elysees, Bernard Vernier-Palliez (at 63 president and general manager of the company he joined right after the war, rising to its top spot in 1975) was clearly a happy man. Looking up at the grey skies, whose first winds of winter were already chilling Paris, he remarked: "You have a marvelous view of the Arc de Triomphe from here. I think it's a fitting landmark for my company's ambitions."

Certainly unique in the industry, Renault has been unscathed by the crisis and -- we are assured -- its immunity will hold. The figures bear out the claim: in the first 8 months of this year it has increased its share of the market in every one of the western countries (in France that share has leapt from 34 to 42 percent, matching the Japanese), despite raising its list prices more sharply than its competitors. In Italy it trounced Alfa Romeo in the race for second place (after FIAT) with an incredible

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32-percent surge in sales that put its R5 in fifth place among newly licensed automobiles, the R4 in 13th place, and the R14 in 15th. A miracle? Is Renault really "Europe's Japanese?"

[Answer] No. The fact is that there is indeed a market crisis in the United States, and it is due to the impact of the credit restrictions imposed by the American government. In Europe we are seeing a slight slowdown in sales, coming on the heels of 4 years of comfortable growth. In any case, it is something recent which we were all expecting, and which did not put in its appearance until April, far later than our predictions had called for it. So it would be an exaggeration to call it a crisis. It is true, on the other hand, that some makers are paying dearly for the bad image of some of their products, and that they have a lot less time now to correct past errors. Any maker these days who, in the view of his potential customers, puts out cars of shoddy quality and poor reliability, who cannot rely on high levels of energy and enthusiasm in his sales organization, who lets it be seen that he has no strategy for international growth is going to be a loser. Product image can also be hurt by sour labor relations in the plant.

[Question] Would you by any chance be diagnosing the trouble at FIAT?

[Answer] I remember back in 1970 when we all looked at FIAT with admiration. Those were the days when we used to tell each other, "Some day maybe we'll manage to do better than Citroen..." and look how things stand now. No, no. We built our success on our own strength, our own means: not on other people's troubles. FIAT? It still has the finest model line in Europe. It may well become a major competitor to us. We shall have to keep an eye on FIAT.

The Research Card

[Question] In France, though, the automobile industry gets a lot of help from the government when the going gets rough, in expanding research, in achieving greater economies of scale. You have to take that into account.

[Answer] There has been no political eagerness in France to help the automobile industry, and as of now we have had no financing. To cite just one example: the thing that motivated us to play the research card in developing fuel-efficient engines was solely the high gasoline tax. We have aimed all our efforts at that one goal since 1975. We succeeded in cutting the R5's fuel use by 20 percent between 1974 and 1980, even though it was economical when it first came out. The French government has decided to step in now to back our plan for an experimental car that will be 25

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percent more fuel-efficient than current models; it is putting up 14 million francs -- around 3 billion lire -- to be split between us and Peugeot. That's chickenfeed, when you remember that it costs 500 billion to design a new engine.

[Question] You cannot deny, though, that the French automobile industry has enjoyed some remarkably friendly treatment, beginning with tax policy...

[Answer] That's not true. Just to give you one example, the value added tax (VAT) on an automobile in France runs around 33 percent, on the average. So you see we have no edge on the competition. I can understand your astonishment. There has been a lot of talk in Italy about alleged handouts to the French industry. But it is in Italy, not here, that they are considering state assistance to the troubled automobile industry, only they are calling it financing for research. In France, state money has gone only to the electronics, aerospace, and steel industries.

[Question] What is Renault's winning strategy, then?

[Answer] Our policy, generally speaking, is to offer the broadest possible model choice for each type of car, being very careful to adjust the price-performance ratio to consumer tastes. We offer no less than 14 model choices on the R18!

[Question] Isn't that bucking the trend? FIAT, for one, is trying to cut down its range of model choices these days.

[Answer] That may well be, but our decision is paying off.

[Question] The problem, though, is to achieve enough economy of scale while at the same time you aim at so widely varied a range of product choices.

[Answer] Let's take some practical examples. We build the engine that goes into the R5 at the rate of 5,500 per day in two plants in France and one in Spain. We believe that with this volume of production our costs are quickly amortized. For the engines that power the R14, the Visa, and the Peugeot 104, though, the rate of production is substantially lower (2,200 units per day), and so we decided it would not be a good idea to commit a plant to every model. These figures will give you an idea of what we believe to be our production efficiency threshold. For the future, our goal is to turn out 2.5 million components by 1985, as against our present 2 million. Mark you, though, I am not talking about 2.5 million Renault cars, but 2.5 million components (engines, chassis, bodies, etc.) to go into our own cars or into those of possible partners.

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[Question] In other words, Renault plans to expand as a builder of components as well as of complete automobiles. Here again your strategy differs from those of a lot of other manufacturers...

[Answer] Not altogether. Take the FIAT-Peugeot agreement. It calls for joint production of engines for a range of cars for which no large volume of production is planned. As for us, we are out to improve our positions in the United States, in Canada, and in Mexico, and to sell components to Volvo. If we succeed, that goal of 2.5 million components is not unrealistic. In Latin America we are already in good shape, with 26.5 percent of the Argentine market, 65 percent of the Colombian, and 15 percent of the Chilean. In Venezuela we are improving our position. In Brazil we are doing nothing at all, and that's a stroke of luck for us, considering the way things are going down there. Getting back to the production questions, though, we intend to deal with them in the future as we have done in the past. We design a lot more new cars than we will actually decide to build. We've got a lot of designs in the files. It's a good policy. You have to be able to pick the right time to bring out a new model, and when that right time comes you have to be ready.

#### Manpower Cutbacks

[Question] They tell me Renault's wage costs are 17 percent higher on the average than Peugeots. How can you carry that kind of handicap?

[Answer] Simply with a good, steady rise in productivity, with a drop in absenteeism, and with modest profit margins. If all three of those conditions are met, it is only fair that the workers get their share of the profits. We give bonuses for attendance and for quality of output, based on actual hours on the job, and our wage scales are in fact pegged to the performance of corporate management. In the past we have made wide use of internal and external job mobility to restructure our industrial vehicle division. We have cut our work force by more than 5,000 by means of retirement, retraining courses, and incentives to employees who want to set up for themselves in small commercial and industrial enterprises. All this has cost us a lot of money, but the success of the policy has been tremendous. This year we signed a labor contract without a single day of strikes, and even the communist union organization, which at other negotiations had taken a very hard-nosed position, went along with it. This is another explanation for Renault's success.

[Question] Now for the mandatory question: Is there a "yellow peril?" And if there is, how should it be dealt with?

[Answer] Look: international trade has to work both ways with some semblance of balance. True, there are certain specialized

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areas in which some products are more sought-after than others, but when it comes to automobiles the gap between the number of cars the Japanese export and the number they import is wildly out of line: for every 100 cars they sell abroad they buy just one from the United States or from Europe. The entire Japanese economy is orchestrated to keep foreign products out. Distribution is controlled by a handful of Japanese companies, and it so happens that marketing of foreign cars is controlled by companies owned by the Japanese automobile makers. If the Japanese themselves do not take steps to rectify this sort of trade imbalance, it will be politically impossible for the European countries and for the United States to refrain from taking protectionist measures. We have reached the point where the situation has become intolerable. We could agree on the Japanese' coming in and building some cars here, through joint venture arrangements, but only on condition that their share of production be at least 50 or 60 percent. In this way they would be operating under the same conditions we do, and coming to terms with European productivity.

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COUNTRY SECTION

FRANCE

COMPOSITE MATERIALS PRODUCTION SALES FIGURES

Paris AIR & COSMOS in French 13 Sep 80 pp 35-38

[Text] The first three charts accompanying this article were presented during the course of the ICCM [probably International Conference on Composite Materials] by Mr S. Antonioli, office head at the Ministry of Industry, in connection with his expose entitled: "Results of the Development of Composite Materials With Plastic Matrices on the National Economy."

They call for several words of comment. In the first chart, one is struck by the relatively high annual rate (25 percent) of growth of the French market in fibers and the so-called "noble" composites (aramide and carbon) which can only be done at the expense of the conventional materials and by virtue of the automobile, aeronautics, sports, and leisure sectors. In the two following charts one will note: the surplus production capacity of glass fiber, the only real industrial fiber presently in Europe; that the United States is the sole supplier of aramide fiber; our production, almost artisanal, of carbon fibers in which Japan dominates the market, both in quantity and in quality; the take-off of new fibers, of resins, aluminum oxides, and whiskers; finally, in thermoplastic resins, the poor French position, compensated for on the European scale, by the FRG, and, with respect to thermal-hardening epoxy resins, the domination in quantity of Ciba-Geigy.

The fourth chart was also issued during the ICCM, this one by Courtaulds.

It will be noted that the aeronautics and space share falls from 40 percent in 1979 to 7 percent in 1990, the automobile going from 4 percent to 40 percent in the same time!

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Chart 1. French Market Figures (in tons)

Material		1979	1985	1990	Δ90-79	Annual Growth Rate
	Glass	45,000	60,000	80,000	35,000	5.3%
Fiber	Aramid	< 100	500	1,000	≈ 1,000	≈25 %
	Carbon	< 100	500	1,000	≈ 1,000	≈25 %
	Glass	135,000	185,000	240,000	105,000	5.3%
Composite	Aramid	< 200	1,500	3,000	≈ 3,000	≈28 %
	Carbon	< 200	1,500	3,000	≈ 3,000	≈28 %

Chart 2. Production of Resins in 1980

	Materials	Number of Producers		Position in World Market	French Dependence	
		France	Europe			
Technoplastics	PET-PBT	1	> 5	Oligopoly-Dupont, USA -Hoechst, FRG	Moderate	Considerable; overall
	Polyamide PA	2	> 5		Moderate	
	Polyacetal POM	-	2		Great	
	Polycarbonate PC	-	2		Great	
	Polycarbonate PPO	-	1		Very Great	
	Polyptenylene PPS	-	-		Great	
Heat Hardened	Polyester	≈ 10	> 20	Controlled by CIBA (Switzerland)	Slight	Slight or Moderate
	Epoxide	2	> 5		Moderate	
	Phenolic	≈ 4	> 10		Slight	

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Chart No 3. Production and Consumption of Fibers in 1980

Material	1980 price Francs per kg	Fiber Production	Consumption in 1980 (in tons)		French World- Depen- dence
			France	Europe wide	
E Glass	15	Surplus production capacity in Europe	45,000	180,000	Moderate
R Glass	50 to 60				
Aramid: low modulus of elasticity	90 to 110	USA - Dupont de Nemours' Kevlar only	50	100,000	Very Great
Aramid: high modulus of elasticity			< 50	100 to 2,000	
HR Carbon	300 to 500	Japan - USA			
HM Carbon	800 to 1300	Great Britain 12 tons in France	>100	< 200	500 Great
Boron	2,500	USA - FRG - France	Slight		< 100
Resins	50 to 150?	USA			
Alumina	?				
Whiskers	20,000				

Chart No 4. CFRP [French Petroleum Refining Company?] Market in the Western World (in metric tons per year)

	1979	1980	1981	1982	1983	1984	1985	1990		
Aeronautics & space	225	325	450	600	750	900	1,100	3,500		
Sports	225	300	450	600	800	1,000	1,250	4,000		
Industries	Automobile	Motors	3	7	13	30	70	125	190	7,500
		Transmission	7	12	20	30	75	125	175	3,500
		Suspension	8	15	25	75	150	225	350	10,000
		Chassis/framework	5	10	15	30	50	75	100	2,000
	Home appliances	6	10	15	30	60	100	200	2,500	
	Textile machinery	14	20	30	50	75	95	125	250	
	Chemical plants	17	12	20	30	50	70	125	1,000	
	Misc factories	5	8	20	30	50	75	125	1,000	
	Mines	9	15	25	40	75	125	200	750	
	Civil Engineering	4	8	15	30	50	75	150	2,000	
Electrical engineering	5	8	15	30	50	75	125	1,000		
Rail transport	6	10	20	30	50	75	125	750		
Naval	5	8	15	30	60	80	150	1,000		
Medical	2	5	10	15	20	30	40	250		
Armed forces	7	12	20	30	80	135	250	4,000		
Musical instruments	1	2	4	10	25	40	80	3,000		
Miscellaneous	6	13	18	30	50	75	140	2,000		
TOTAL	550	800	1,200	1,750	2,500	3,500	5,000	50,000		

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COUNTRY SECTION

PORTUGAL

ROLE OF ARMED FORCES IN DEFENSE OF PORTUGUESE DEMOCRACY

Madrid DEFENSA in Spanish Aug-Sep 80 pp 6-9

[Article by Revolutionary Council member Maj Vasco Lourenco: "The Armed Forces and Democracy in Portugal"]

[Text] If we observe the history of Portugal over the past 2 centuries, we shall readily discover how important the action of the military has been. Sometimes holding the reins of power themselves, and at other times backing those who held those same reins, and on still other occasions strongly influencing the direction of political affairs, the fact is that, since 1820, the military, sometimes as authors or coparticipants in the attempts to liberalize or democratize the society, and at other times as authors or instruments of the establishment of autocratic regimes, have had a decisive influence on the course of Portuguese history.

In 1974, there still existed in Portugal the oldest and most enduring of the fascist regimes in Europe, established about 48 years earlier. It is a fact that the Armed Forces were never the executing branch for its policy, because for that purpose there was the PIDE [International and State Defense Police]-DGS [Security Directorate General] (political police), and the Portuguese Legion, as well as the judicial system. But it is also a fact that it was mainly with the support of the Armed Forces as such, and the action of certain corrupt members of the military, that the regime managed to survive for so many years.

Victory and Difficulties

The situation in our country worsened rapidly to an intolerable point when there was imposed on the Armed Forces, by both the political leaders and the top-ranking military commanders, a colonial war which was to end up spreading to three combat fronts, last 13 years and eventually prove futile. Once again, the Armed Forces were used by a few for the defense of the latter's interests and not for the defense of the interests of the nation as a whole. What is incredible is that all this occurred without the military in general, including the career personnel, enjoying any type of personal benefits from

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this situation. Salazar and Caetano knew how to make use of the military, even while paying them very poorly.

On 25 April 1974, after a process of conscientization resulting chiefly from the Portuguese people's struggle against the tyranny and experience in colonial wars in which the military became convinced of the uselessness of such wars and of the inability of the rulers to achieve a political solution for those conflicts, once again the military, particularly the younger members, decided to try to put an end to the authoritarian regime and to open the doors for the establishment of a freer, more just and more egalitarian democratic society.

Taking advantage of the state of genuine corruption that the fascists had reached, the Armed Forces Movement (MFA) easily attained its goals, and overthrew the usurpers and enslavers of the people.

It was with great difficulties, some of which were major, that the MFA succeeded in implementing the essence of its program, which the Portuguese people had accepted and were to adopt with enormous enthusiasm and joy. Meanwhile, decolonization took place and new independent countries became part of the community of nations. After 50 years, there was success in holding free elections in Portugal and in having those elected approve, by an overwhelming majority of over 93 percent, a Constitution for the Portuguese Republic. Finally, success was achieved with the organs of sovereignty called for in that Constitution coming into existence democratically, and directing the destiny of the Portuguese people in accordance with their constitutional powers and missions.

The members of the constituent entity wanted, and I think quite fortunately, to take into account the specific situation that the Portuguese society was experiencing, approving a transitional period wherein the Armed Forces would play a specific role in the organs of authority as a whole; and approved for this purpose the existence of an organ of sovereignty that is unusual in Western democracies, which would have particular powers and would insure the transition from revolutionary legitimacy to democratic legitimacy. With the inclusion of the Council of the Revolution in the Constitution of the Portuguese Republic, the democratic authority resulting from the elections for the Constituent Assembly attempted to turn over some of its power to the creators of the situation that had enabled it to assume that power; while at the same time receiving from the latter the benefits of the promises of 25 April 1974 which they were continuing to keep.

The members of the constituent body also bore in mind the nature of the Portuguese society and of its Armed Forces, and hence the distribution of specific missions among the latter. In fact, if we note the constitutional functions of the Armed Forces, we shall find that they are not confined merely to defense and the guarantee of national independence, unity of the state and integrity of the territory. There are others, with special significance: to insure the continuance of the revolution of 25 April 1974; to guarantee

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the normal operation of the democratic institutions and fulfillment of the Constitution; to insure the conditions that would allow for the peaceful, pluralistic transition of the Portuguese society to democracy and socialism; and to cooperate in the tasks of national reconstruction.

Black Clouds

The end of the transition period is approaching, a period which we could discuss, analyze and dissect at length, as we could the results accrued from the option taken in 1976. Although I am somewhat dissatisfied, I myself consider the results of the experiment that was carried out to be positive; because the fact is that today democracy is far more viable than it was in 1976.

However, some black clouds are appearing on our horizon. Once again, we in Portugal will be put to the test insofar as the nature of our Armed Forces is concerned. The military of April wanted, and always strove to restore sovereignty itself to the people, and to become included in their society as citizens with complete entitlement; that is all. They are still willing to fight for this but, in order to succeed, the old principles cannot be imposed again, nor can the old customs be superimposed on democratic concepts.

We must accept a total democratic practice and not attempt, as military, to influence the choice that the Portuguese people want to make freely. We must never again see a military commander, as such, try to impose his own position on the people's representatives when the democratic result is not to his liking. (It is symptomatic that this occurs only when the people's representatives assume leftist positions...)

Obviously, all this is far easier to say than to do; and it will be possible only if, in the first place, the political forces that come to power manage to contribute to the real inclusion of the Armed Forces in the nation as a whole, and do not, on the contrary, try to use them as a tool for conserving that power. On the other hand, the Armed Forces must become totally subordinate to the democratic power, becoming a guarantee of the latter, and not proclaim their desire for subordination and later disregard it entirely if the democratic power does not have its ideological colors.

As for the organization and functioning of the Armed Forces, it is essential that the influence of a democratic society of law be reflected in its content, and that violations of human rights or the country's laws not continue within it. It is impossible to attempt to achieve a democratic society and to retain in the Armed Forces activity that is germane to autocratic systems.

There may be a question about the reasons for these comments of mine regarding a country like Portugal, wherein there is still under way a period of transition from the Revolution of the Carnations carried out by the military to a democratic society. And, strange as it may seem, it is by comparing

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the situation which existed within the Portuguese Armed Forces before 25 April 1974 and the one which exists today that we shall readily reach the conclusion that it was in this atmosphere that the least progress occurred. It is strange and paradoxical, but it is an irrefutable fact the explanation for which would require as much space as we have already used for this article.

I shall only say that I consider as a principal cause of this situation the fact that the military of April were incapable of assuming command of the Armed Forces from the day on which they overthrew the fascist-colonialist regime. From the beginning, they allowed others who had had nothing to do with that heroic, historic feat to gradually take possession of the reins of leadership of the Armed Forces. As the old story relates: "After they had conquered the city, they did not know what to do with it, and they returned it again to the deposed king". There are contradictions which existed and which are understood only by those who experienced or who are quite cognizant of all the events that occurred in the Portuguese process. But, as I say, we shall have to deal with that at another time.

I deem it essential that, in a country such as Portugal, its own features should always be borne in mind, and that its Armed Forces should not be viewed as one might view today the Armed Forces of nations with a long democratic practice. If one attempts to see in the Armed Forces only a military instrument in the service of any allied power, in a subordinate, unpatriotic manner, as some politicians have been attempting of late, or if one attempts to use the Armed Forces as an instrument of national security, on truly policing missions in the defense of sectorial positions, a real crime is committed and instability is produced within them, precluding their ability to perform their constitutional, patriotic missions.

This is a real challenge that the Portuguese democrats, both civilian and military, must and will have to win so that democracy may be consolidated in Portugal. Rather than question, as has been done, or put an end to the Council of the Revolution (an issue concerning which there is a spurious argument, demagogically nurtured, because this is a quite well-defined problem), we shall have to find the means of including the Armed Forces in the Portuguese democratic society, so that they may become subject to the democratic political power and be guarantors of its full operation; so that the democratic rules are complied with at all times and the momentary conquest of power is not used to establish a new autocratic power.

For my part, I trust that we shall be able to attain that goal, so that dictatorship, whether disguised or not, may never again make the Portuguese people one of its victims. The democratic tradition of Europe will surmount the authoritarian tendency of large movements in the Portuguese society, and will end by creating solutions geared to the specific conditions of the Portuguese socioeconomic situation.

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COUNTRY SECTION

SPAIN

EXPLOSIVES THEFT POINTS TO REAPPEARANCE OF ETA TERRORIST 'APALA'

Madrid CAMBIO 16 in Spanish 10 Aug 80 pp 18-20

[Text] "Apala" and Juan Lasa Michelena, the ETA's [Basque Fatherland and Liberty Group] most bloodthirsty terrorists, have taken up arms again. During the past 2 weeks they attempted to assassinate 60 policemen and stole 7,000 kilograms of "gum-2." If that were not enough, the strange GRAPO [First of October Armed Revolutionary Group] has been revived.

One of them is tall and slender, with an acute, penetrating look; the other is short and heavy-set, ostensibly harmless.

They are two individuals who appear to be different from one another; but they are not so much so. The tall, slender man and the short, heavy-set one have one thing in common: both are the ETA-Military's top-ranking "executioners."

If that were not enough, they are now working together. Juan Lorenzo Santiago Lasa Michelena, alias "Txikierdi," aged 25, and Miguel Angel Apalategui, alias "Apala," aged 25, born in Ataun (Guipuzcoa), have joined their forces (according to the police) in order to assassinate police and members of the military behind their backs and to put an end to democracy with a clear bomb explosion.

They will not lack "gum-2." "Txikierdi" and "Apala," together with Andres Izaguirre Gogorza and Francisco Javier Pie de Hierro Hormaechea, are, according to the same sources, the main individuals responsible for the incredible, spectacular theft of 7,000 kilograms of this explosive last week in Soto de la Marina (Santander), and for keeping the entire country unstable during the past few days.

A few days earlier, on 22 July, the same terrorists had tried to blow up a convoy in which 60 policemen were traveling in the province of Logrono.

Terrorists With a 'Pedigree'

After that explosion which, quite fortunately, only caused one death and 32 wounded among the forces of public order, "Apala" and Juan Lasa Michelena

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wrote the note in which ETA-M took credit for the attack in the eyes of the public.

In that note, one of the harshest released to date by the terrorists, the ETA-M organization announced that if the minister of interior, Juan Jose Roson, did not leave the terrorists in peace, "the organization will resort to methods of combat hitherto unknown."

According to police sources, this would mean that the Basque terrorist organization would proceed to a more advanced phase of its struggle for the independence of the Basque provinces.

CAMBIO 16 was told: "It would be the beginning of total war, because ETA is planning the blowing up of barracks of the civil police and national police, the setting of bombs in military establishments and the destruction of installations of the central authority in Euskadi."

The terrorists do not lack the "gum-2" and "pedigree" to do so. For example, Juan Lorenzo Santiago Lasa Michelena is the chief of the ETA-M special commandos and the right-hand man of Domingo Iturbe Abasolo, alias "Txomin," the ETA's minister of war.

The police sources note: "Every time ETA needed to deal a spectacular blow, to lend the organization prestige, the mark of Michelena has been behind it."

In addition, according to the same sources, "Txikiardi" is the ETA-M's coldest, most unmerciful and most bloodthirsty assassin. A police chief told CAMBIO-16, "He never spends less than 40 bullets in an 'action.'" And if, after spending so many bullets, there is any sign of life among his victims, Lasa Michelena personally dispatches them with a shot in the neck."

This terrorist was the first member of ETA-M to end the ban in the Army's generalship on 21 July 1978, when he assassinated Gen Manuel Sanchez Ramos, in an attack carried out in Madrid. A half a year later, his commandos brought bloodshed again to the capital: Constantino Ortin Gil, military governor general, was on that occasion felled by bullets from his machine-gun. Five months later, "Txikiardi" repeated the operation, assassinating Lt Gen Luis Gomez Hortiguela and Cols Jesus Avalos Jimenez and Agustin Lasso Corral.

And he did not stop there. According to the police, Juan Lasa Michelena is also the assassin of Judge Francisco Mateo Canoves and the head of the Guipuzcoa Chamber of Deputies, Juan Maria Araluce, and his entire guard force; attacks which were made in the latter part of 1978. His only abortive blow insofar as is known was the attempt to kidnap the former mayor of Bilbao, Pilar Careaga.

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#### The Reappearance of 'Apala'

The "biography" of "Apala" is no less brilliant. From 14 December 1975, when Miguel Angel Apalategui shot a policeman for the first time, until the present, the police have credited him with about a dozen assassinations.

His stay in the Algiers Police Academy in 1975, where he received military training, converted him into one of the ETA's "hard" members. Upon his return to Euskadi, "Apala" took control of the special commandos of ETA-PM, who were integrated into ETA-M years later.

During that period, Miguel Angel Apalategui was accused of the kidnappings of Javier Ybarra, Angel Berazadi and Jose Luis Arrasate. The first two were assassinated.

Although his outward appearance is that of a good-natured, harmless person, according to the police "Apala" is one of the ETA's members most difficult to subject to force. When arrested in France in July 1977, he withstood a 31-day hunger strike to avoid being turned over to the Spanish authorities.

On 14 October, when he was about to be tried in Aix-en-Provence, Miguel Angel Apalategui disappeared without leaving a trace. To many individuals, including sources close to the Basque exiles, his whereabouts was a mystery for the past 3 years. On one occasion, there was even speculation that he had died.

#### Total War

According to the police, the proof that he was not dead is that his presence was detected a month ago within the country. It is known, specifically, that "Apala" was one of the terrorists who fired at three police cars on 12 July of this year in the Guipuzcoan locality of Orio, an attack in which two policemen were killed.

On that occasion, "Apala" was with Ignacio Maria Gabirondo, who was killed in the operation, and Jose Andres Izaguirre Gogorza. The latter, who also took part in the "gum-2" theft from Santander, is another of the most dangerous terrorists in the country. In the opinion of the police, "It was not for nothing that he received guerrilla training in South Yemen at the beginning of the year."

To be sure, the French seem to ignore him. On 6 May of this year, upon his return from "vacation" in South Yemen, the French State Council's Commission of Refugee Appeals granted Izaguirre Gogorza a political refugee card.

Counting on this refuge in France, the terrorist only had to cross the Pyrenees on 22 July to approach the Rioja locality of Villamediana where, with "Apala" and "Txikierdi", he placed 45 kilograms of "gum-2" under a bridge which a police convoy was going to cross a few hours later.

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Fortunately, the "gum-2" was in poor condition. As a result, only a quarter of the charges exploded, enough to kill the corps lieutenant, Francisco Lopez Besos, and to send 32 policemen to the hospital.

A few moments later, one of the wounded policemen told this magazine, "This is total war. If the explosive had been at its maximum power, and all the charges had exploded, this would have been a catastrophe, a slaughter."

The Robbery of the Century

Of course, so few deaths must have made the ETA madmen feel bad. And "for big ills, big remedies" must have been what the ETA members were thinking on 25 July, 3 days after the abortive slaughter of the policemen in Logrono.

On that day, ETA-M was to commit, in Soto de la Marina, a little town in Santander Province, located less than 200 kilometers from Bilbao, the biggest robbery of explosive material in history.

At 2330 hours at night, Juan Lasa Michelena, Miguel Angel Apalategui, Andres Izaguirre Gogorza and Francisco Javier Pie de Hierro approached the gate of the powder magazine, dressed as policemen and riding in a Simca 1200, with the institution's mobile fleet license plates.

At the time, in the powder magazine surrounded by corn, potato and sugar beet gardens, there were only two guards under oath charged with guarding the entire premises. According to the explosives regulation of 2 March 1978, they were supposed to be separated, each at his station, in constant communication by radio, and in touch with the outside and the alarm system, which they were supposed to have within arm's reach. The regulation notes: "Explosives have become dangerous per se socially as well, particularly because of their possible use by terrorists."

However, this regulation must not have been heeded by the guards because, according to the Ministry of Interior, "at the time of the robbery, they were both together, outside of the stations and beyond the reach of the alarms. Also, their duty was not to open up for anyone, but first ascertain the identity and purpose of visitors; making prior telephone calls that might be necessary, and with one of the guards at all times in the station, to sound the alarm if necessary."

According to the Ministry, all that was disobeyed. And ETA-Military, 20 minutes after penetrating the powder magazine without the slightest resistance, had loaded 7,000 kilograms of explosives on a truck previously stolen from the old district of Bilbao, and was calmly bound for the Basque Country taking the guards under oath and the driver, tied and gagged in the trunk of the vehicle.

During the journey, the truck did not stop until it reached Bilbao, 2 and a half hours after the robbery had been committed. So, the terrorists had another 6 and a half hours more to conceal the stolen explosives.



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According to the police, the "gum-2" was in the Greater Bilbao area, where the terrorist commandos unloaded the truck between 0230 and 0300 hours in the morning, before abandoning it in the Bilbao section of Bolueta.

Up in the Air

According to police sources, this conclusion was reached after it was found that the amount of fuel used and the kilometers covered by the vehicle were only enough to travel from downtown Bilbao to the Santander powder magazine and return.

Obviously, between 0300 hours in the morning and 0900 hours the next morning, the time when the theft was discovered, ETA-M had enough time to change the location of the explosives and even to distribute them in small portions throughout the Basque Country.

In any event, the biggest robbery of explosives in the century had the entire Spanish political sector up in the air during the latest "bridge" from Santiago. The president of the government, Adolfo Suarez, as soon as he heard the news while preparing for his recent trip to Peru, called an urgent meeting with Vice President Manuel Gutierrez Mellado, Defense Minister Agustin Rodriguez Sahagun and Interior Minister Juan Jose Roson.

During the meeting, the country's top-ranking authorities agreed that all possible police facilities must be used to detect the hiding place for the explosives.

Immediately, several helicopters and all the available supplies of police dogs trained to search for explosives were sent to Euskadi. Nevertheless, no suspicious vehicles unloading goods in isolated settlements were detected, from the air, nor did the dogs get the scent of the "gum-2."

Six days later, with exasperating and ineffective checks in Madrid and all the Basque provinces, the extensive police operation to detect the "gum-2" had not brought any positive results.

What Can Be Blown Up?

With the 7,000 kilograms of "gum-2" stolen in Santander, approximately the following number of attacks could be committed: seven buildings of the telephone company type could be destroyed; 140 attacks similar to that on Correo Street could be made; 230 attacks like that on Carrero Blanco could be made; 1,170 attacks similar to those in Barajas, Chamartin and Atocha could be made; 1,400 attacks like that at 47 California could be made; 7,000 cars could be blown up; and 70,000 letter-bombs could be made.

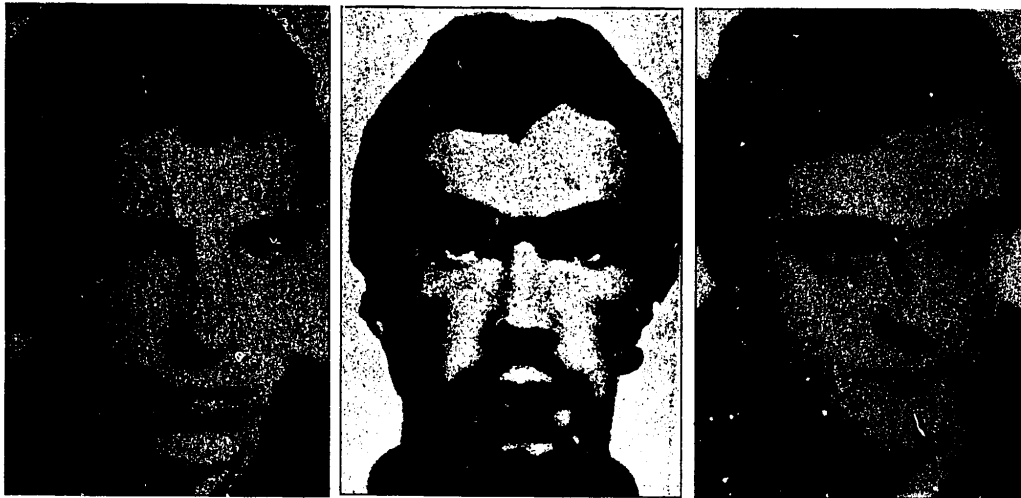
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Miguel Angel Apalategui, alias "Apala", strikes again

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Lasa Michelena, Izaguirre Gogorza and Pie de Hierro: the commandó group which stole the "gum-2"

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COUNTRY SECTION

SPAIN

WEAPONS EVIDENCE LINKED TO REAPPEARANCE OF GRAPO TERRORISTS

Madrid CAMBIO 16 in Spanish 10 Aug 80 pp 18-20

[Excerpt] GRAPO [First of October Armed Revolutionary Group] Has Revived

But the misfortunes were not to occur alone. On Tuesday, 29 July, in a Madrid virtually taken over by the police, four individuals carried out an attack against the general for health of the Land Army, Arturo Criado.

At 0930 hours in the morning, two youths dressed in sports attire took advantage of a "yield" signal located at the intersection of Alvarez Mendizabal and Luisa Fernanda Streets to fire 22 machinegun bullets and two from a pistol at the military man's car.

Upon realizing that he was being attacked, General Criado fell to the floor of the vehicle and managed to escape unharmed. However, Private Florentino Garcia Siller, who was acting as his guard, lost his life in the incident.

Two hours later, the police were in a position to state that the perpetrator of the attack was the mysterious GRAPO, which has once again survived its dismemberment after the escape of five prisoners from the Zamora jail on 17 December 1979.

There were several pieces of evidence which made it possible to reach this conclusion, including the type of car used in the attack, an R-12 typical of GRAPO, and the theft by one of the terrorists of the machine gun from the murdered soldier.

The definitive evidence arrived when a ballistic analysis was made of the shells that were found. According to the police, they could only have been fired by an SV submachinegun of Czech manufacture, which only the GRAPO members have; and the same held true for the Capua make bullets, of Finnish manufacture, which only that organization uses.

Finally, there is the testimony from Gen Arturo Criado who, at the police headquarters, identified GRAPO member Enrique Cerdan Calixto as one of the

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perpetrators of his attempted murder. The police, on the other hand, claim that the identification is not very certain, and that any of the other escapees from Zamora (Abelardo Gollazo Araujo, Francisco Brotons Beneito and Juan Martin Luna) could have been implicated in the attack, as could Rafael Alvarez, who is currently considered to be the secretary general of the PCE (r) [Spanish Communist Party/Reformed].

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