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# West Europe Report

(FOUO 60/81)



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ECONOMIC

FRANCE

WAYS TO END INFLATION, INCREASE PRODUCTION REVIEWED

Paris VALEURS ACTUELLES in French 5 Oct 81 pp 27-29

[Article by Raymond Bourguine]

[Text] For employment, against inflation, through solidarity! This, in a few words, sums up the intent of the 1982 budget submitted by Mr Fabius. What are its chances of success? Under what conditions? Important though the budget certainly is, it is but part of an entirety which is economic policy as a whole.

Let us begin by identifying the dimension of the problem of unemployment. First of all, it demands the creation, each year, of 250,000 new jobs (750,000 youths are reaching employment age as 500,000 older employees retire). In addition to this, the existing number of unemployed (1,800,000) must be reduced. Will this be possible? It is at all events necessary.

In the United States, between 1975 and 1981, 12 million jobs were created, which is an average of 2 million jobs a year and the figure actually reached last year.

Considering the ratio between the two populations, which is 4 to 1, this would mean the creation in France of 500,000 jobs.

Let us not hear made to this comment the silly response, "But France is not the United States; France, for example, does not have the energy resources!" Neither are we Japan, which has no raw materials in its own soil and very little tillable land. No! Economics is not a purely quantitative science. Its determinative factor is the human being, whose intelligence and will are variables.

On a requirement of 300,000-500,000 jobs annually, the effect of the state budget is negligible: For 1981 and 1982, the socialists themselves have not dared to project more than 65,000 a year. Thus, the solution depends essentially upon the industrial and commercial sector. Now, what are the requisites for the creation of jobs in private enterprise?

Their nature is twofold: Psychological and practical. Confidence must be reunited with means, factors which react upon each other.

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Let us state the key term: There must be profits. Without the prospect of profits there is no confidence; without profits there are no means.

Mr Laurent Fabius writes: "The recovery of productive investment depends upon the strengthening of the prospects for demand. Currently, it is moderate, inasmuch as the profit margin of business enterprises...is very much below its 1980 level." Mr Fabius expects the self-financing of business to improve substantially more rapidly.

In plain words, this means that the Socialist government is counting on the recovery of profit margins. One of the basic assumptions of the 1982 budget is that, volumewise, the investments of the productive branches, other than the GEN's [Large National Enterprises] will increase by 2.9 percent, even though in 1981 they decreased by 4.9 percent.

Actually, this recovery is necessary. It is an essential condition for a 3.3-percent volume increase in GDP [Gross Domestic Product], without which the budgetary deficit will greatly exceed the projected one of Fr 95.4 billion. The battle for employment and against inflation will then be lost.

How then can the confidence and the means of the business community be reactivated?

This question ran like a leitmotif through the president of the Republic's press conference:

--"Our industry must be reactivated (...). A major effort was launched at the start of Mr Pompidou's presidency, an effort that subsequently slowed and disintegrated (...). Our domestic market must be recaptured. I repeat that, I emphasize it! It shall be a basic objective of my policy throughout my seven-year term."

True! True! But Mr Francois Mitterrand and his ministers must face the fact realistically that in this respect they are laboring under a handicap.

What is a businessman? He is the central figure of a capitalist economy--the one who takes the initiative in organizing people and capital around an idea to form an enterprise the ultimate master of which is the customer. Now, what has been the central theme of the socialist doctrine? The "break with capitalism!" And this is still the intent of most of the new deputies, according to their own statements.

Therein lies a gap. Actions will be necessary to bridge it.

The proposed actions, as they are perceived by the businessmen, do not reassure them: nationalizations, their indemnizations, the wealth tax, "emergency" but regularly renewed supplementary allowances, etc.

In concrete terms, the businessmen know they are entirely exposed to international competition: They must export 40 percent of our industrial and agricultural production, while 32 percent of the industrial products being sold on our domestic

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market are of foreign origin. They have heard the prime minister, and then the president of the Republic, deplore the loss of 5 to 6 percent of the domestic market during the last 5 years--a loss with which they are thoroughly familiar, since it is they who have suffered it. It accounts for a loss of 300,000 jobs out of the approximately 6 million jobs in industry (construction industry excluded). But they also know it is not their fault.

Industrial policy is inseparable from monetary policy.

Why have Mr Raymond Barre and Mr Jacques Delors, one after the other, professed the fetishism of the strong--the artificially strong--franc?

Neither of them has been at the head of an enterprise whose competitors belong to a country with a lower inflation rate. Since 1978, French costs and prices have increased by 20 percent more than have those of the FRG. No amount of genius can surmount such a handicap. To save one's business, the only solution is to suspend one's own production and offer one's production network to his competitor as a channel for the marketing of the competitor's products.

There is undoubtedly also the fact that both Mr Barre and Mr Delors are dedicated Europeans: The EMS [European Monetary System] holds forth the hope of a future common European currency. But a single currency requires a single inflation rate.

The businessmen have heard Mr Mitterrand talk to them of their "just interest," which in truth is indistinguishable from the interest of the enterprise and its jobs. They have heard him say that the currency is the "reflection" of the economy. Which means there is just one way of "defending the franc," which is: Recognize the lessons of the past, align the currency exchange rate on a parity basis with its purchasing power; then, on this new basis, never again suffer an inflation rate higher than that of our neighbors.

Meanwhile, our monetary unrealism is inflicting upon our businessmen two sources of losses: A franc-mark exchange rate that is 20 percent too high for them, and interest rates which, at 18-23 percent levels, are unbearable.

Take the draft budget: It contains, for 1982, a subsidy of Fr 1 billion for Renault that did not exist last year. It is a reflection of the general situation.

In his submittal of the 1982 budget, Mr Laurent Fabius evokes the cause-and-effect relationship between monetary parities and commercial competitiveness. He points out that the drop in European currencies with respect to the dollar and the yen will favor "profits in parts of the EEC's marketing zone." That is entirely true. Unfortunately, within the EMS, we the French are being penalized by our inflation rate.

This monetary parities problem is the major problem in the competitiveness of our enterprises.

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It should have been resolved on 22 May. Recovery is delayed with the passing of each month.

On the wealth tax, it was Mr Mitterrand himself who reacted personally. As conceived by the experts, it was a machine designed to crush growth (see VALEURS ACTUELLES No 2338, 21 Sep: "A Question of Confidence in Mr Mauroy"). Mr Jacques Attali, special adviser to the president, stated to MATIN MAGAZINE:

--"We were about to commit an error. Public debate helped us avoid it."

Briefly, owners of enterprises whose personal capital increases by more than 1.5 percent annually and is invested will be exempt from the tax on this portion of their wealth. It is a success for realism.

As regards nationalizations, Mr Francois Mitterrand explained during his conference that their intent was to stave off "internationalizations." For most businessmen, this poses the question: Yesterday, we were prevented from allowing ourselves to be taken over by the multinationals; tomorrow, are we not going to be taken over by the nationalized groups?

This is a rule of the game that has yet to be laid down, in the form of a genuine antitrust legislation that includes the state as well.

Compensations? They must be fair, not only to the shareholders but also because world confidence will be measurable by this yardstick.

The sum being mentioned is between Fr 30 and 40 billion. Mr Rocard, minister of the plan, has stated to the American magazine FORTUNE that the nationalizations will increase the public sector's share in the French productive economy from 12 to 18 percent. A simple rule-of-three calculation brings out the absurdity of estimating a value of Fr 30 billion from this 6 percent: This would mean that the entire French industrial and banking apparatus is now not worth more than Fr 500 billion. This is untenable.

Besides, the foreign shareholders, the Arabs in particular, are a safeguard of sorts for the French: For these could not be hurt without provoking damaging reactions.

Let not the Ministry's "financiers" raise their arms heavenwards, appealing for public funds! Let them simply look at one item of the 1982 budget: "Contributions to National Enterprises," which totals Fr 43 billion annually. The SNCF [French National Railroads] alone will receive over Fr 24 billion, consisting of Fr 14 billion of balancing subsidy and Fr 10 billion to cover its retirement pensions.

If the Nationalized Companies Shareholders Indemnization Fund were to be granted some Fr 8 billion annually, indexed, to cover the servicing of indemnizations over a period of 15 years, the sum would represent 1 percent of the general budget. It would represent a slight increase of 3 percent in Title IV, which brings together under one heading the entirety of economic and social interventions, an entirety

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that the government feels no constraints in increasing by 39 percent from one year to the next. Instead of totaling Fr 262 billion for 1982, Title IV would go to Fr 300 billion!

This increase is small, even with respect to the expected deficit, which, inclusive of this increase will go from Fr 95 to Fr 103 billion.

The restoration of confidence would be a real bargain at the price.

We will get back to the calculation of indemnizations. But at this point we wish to call the government's attention to two facts:

1. The net assets of the nationalized companies whose subsidiaries have undertaken intensive self-financing programs must be taken at their consolidated value. Otherwise, the more they have invested--that is, the more they have created or protected jobs--the more they will be penalized.
2. The present value of these assets will have to be calculated on the basis of the monetary erosion that has taken place. The state should not profit from its failing: Inflation.

The 1982 budget is first of all an intended Keynesian-based recovery through consumption. It is replete with generosity: For families, whose allowances are to be increased by 50 percent in 1 year; for the elderly, for whom the minimum benefit will go from Fr 1,400 per month to Fr 2,000 per month. It is full of "finishing touches" through economic interventions.

Mr Laurent Fabius makes a point of the fact that public aid to industry is to total Fr 34.4 billion, representing an increase of over 52.4 percent.

He himself must admit that this sum is minimal for an industry whose annual turnover exceeds Fr 1,500 billion. However, one is justified in questioning the very principle of such aid. A sound enterprise is financed by its customers. Subsidies distort the marketplace and enslave.

The only way for the state to truly aid industry is to provide a sound monetary base, efficient public services and a competitive fiscal policy.

Mr Mitterrand has ordered a review of the "detrimental" capital gains tax and a revision of the business tax, which penalizes production in France. That is all positive.

Mr Fabius has announced the tightening of the fight against tax fraud. Most businessmen will applaud this, since tax fraud distorts competition to their disadvantage and contributes to increasing their tax burden.

Everything centers on one figure: Will there or will there not be the 3.3 percent increase in volume of the GDP on which the balancing of the budget submitted is based?



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If not, tax losses and larger benefits payouts, particularly unemployment, will upset the terms of the budget.

What this budget needs in order to avoid drowning in inflation is a sound recovery of production, hence of investments.

The documented figures Mr Fabius has attached to his draft budget show clearly the evolution of our finances in space and time.

In 1973, the public and social levy on the GDP in France was 35.7 percent, hence lower than the FRG's, which was 36.3 percent. In 1979, they were 41.7 percent in France and 37.3 percent in the FRG. A differential of 4 points!

During the same period, the figures in Japan went from 22.5 percent to 24.8 percent, and in the United States from 30.3 percent to 31.4 percent.

In 1980 and 1981, we French reached 42.5 percent for each of the 2 years, and for 1982 the official allocation is to be 43.3 percent. During the electoral campaign, Mr Francois Mitterrand had indicated his intention to bring this figure down below 42 percent again. But how?

Everyone who has had the experience of putting an enterprise in good operating order again knows that there is only one way to do this: By increasing its revenues. The balancing of an economy must be dynamic.

It should be noted that the 4-percent differential between the French and German levies represents, for a GDP of Fr 3,600 billion projected for 1982, some Fr 144 billion. If we were being managed in the German manner, this would be the surplus available to our productive economy. This should suffice to explain the significance of the difference between the inflation rates of the two countries, inflation being nothing other than a hidden tax that automatically adjusts demand (by depriving it of its buying power) to supply.

There is just one way to combat it effectively: By increasing the latter. This is what is called the theory of "supply-side" economics, of recovery through production. It is the opposite of recovery through consumption ("demand-side" economics) advocated by Lord Keynes.

The irony of the Fabius budget is that it cannot be made good except through the anticipated increase in the GDP, which he hopes will reach 3.3 percent, by way of the supply side, hence by way of profits, assuming they can be made, which will depend upon monetary policy, and assuming they are reinvested, which will depend upon confidence.

When it is stated that the entitlements levies on the GDP will not total more than 43.3 percent, this is based on two basic assumptions:

1. That the GDP will definitely increase by 3.3 percent. If it does not, it will not total Fr 3,600 billion.

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2. That the financing of the deficit is not an entitlement levy on the GDP. The fact is that borrowings by the state are definitely a levy on the financial markets to the detriment of productive investments. And that inflation is definitely a hidden tax.

The 43.3 percent for 1982 has been calculated by the minister of finance based on levying Fr 1,570 billion of entitlement payouts against Fr 3,627 billion of GDP. But in case of failure, the GDP would rise by less than 3.3 percent and would not exceed Fr 3,520 billion. To the total payouts would have to be added the servicing of the deficit, which would then be greater than the planned Fr 95 billion. The levy would then rise to 50 percent. Our economy would be a spin.

The bankruptcy of the businessmen would result in loss of salaried jobs. What would happen in a situation involving 2 and 1/2 million to 3 million unemployed, consisting for the most part this time of young workers?

The communist party awaits only this moment; it would have its revolution.

What are the forces that could bring about this failure and, in that context, how?

There is absolute solidarity among the passengers of the ship "France." But errors of calculation are from all angles a possibility, especially when the "experts" are bound by a fetishist sentimentality.

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POLITICAL

SPAIN

RECENT TERRORIST REPRIEVE, NEW VIOLENCE ANALYZED

Recent Reprieve

Madrid CAMBIO 16 in Spanish 5 Oct 81 pp 26-32

[Article by Ander Landaburu: "The 100-Day Truce"]

[Text] Although the terrorist organization, ETA [Basque Fatherland and Liberty Group], is not giving an official explanation of its partial summer truce, it seems that there are many reasons why the ETA leaders were obliged to call a spectacular halt to their activist actions during the past 3 months.

It was enough time for Euskadi /Basque Country/ to recover, in whatever way necessary and devoid of the usual tension, most of its lost gaiety and tranquillity while, at the same time, observe how the massive return of tourists was invading its beaches. This ETA interval is now considered a positive development, although it does not preclude the fear throughout the entire Basque Country of a possible new terrorist offensive; in view of this possibility, the authorities and security forces have recently taken precautionary measures, particularly in Spain's capital, upon receiving information from the French authorities indicating that the commando unit, Madrid, had crossed over the border. A maximum alert operation in one of the downtown streets of Madrid resulted in the arrest of Juan Antonio Madariaga, member of an ETA information commando unit operating in that city.

The Causes

Both the Basque authorities, those of Madrid, and political sources consulted by this publication agree that there are various causes of this partial lull, among which the following should be stressed: a loss of substantial support by an Abertzal [patriotic] sector of the population, a weakening of ETA's infrastructure due to police operations in the spring, the new French posture regarding refugees coming to the other side of the Pyrenees, a deep-rooted internal squabble in which the "milis" [militants] are presently engaged in forcing this "technical truce," the attitude of the "polimilis" [polymilitants] in abandoning the armed conflict, the replanning of ETA's activist strategy for more selective goals and coups and, finally, ongoing speculative negotiations with authorities on either the state or Basque level.

All these causes do not make it possible to forget the cold hard facts of the figures involved. In fact, from information released by the Ministry of Interior less than

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a month ago, it was learned that in the first 6 months of 1981 there were 30 deaths from terrorist activities compared with 57 for the same period of 1980. With regard to division of responsibility by terrorist groups, according to the report, the ETA-military committed more assassinations between January and June 1980 than in the same period of 1981. A total of 24 persons died from assaults by the "milis" this year compared with 44 last year.

However, this violence has decreased considerably since July. For example, the last assault against individuals carried out in the Basque country occurred on 25 July. On that day, Felix Galindez Llano, apartment salesman, was murdered by the ETA in the Alava locality of Amurrio. After a peaceful August during which the Basque Country experienced the most tranquil summer for many years, with gay and jubilant celebrations, the ETA organization again attacked in the middle of September. On 12 September, the explosion of two booby traps placed near the substation of Iberduero in Usurbil (Guipuzcoa) seriously wounded two rural policemen. But, practically speaking, it can be said that the ETA had almost 100 days of truce in its schedule of assassinations.

Among these macabre statistics of ETA violence, it should also be pointed out that the date of the ETA's latest murder of a member of state security was 10 July. This assault was committed near Bilbao, in Basauri, against a retired rural policeman named Joaquin Forjon.

Resignedly accustomed to living in successive waves of violence, the Basques have recently recovered a measure of tranquillity which, to be sure, was disturbed only by numerous attacks against the installations of Iberduero up and down the country but without the frightening string of deaths of last year.

This change in social atmosphere, noted particularly in Euskadi this summer, and the people's desire to have a peaceful life have resulted in a general rejection of ETA's tenets. Continuous attempts at street demonstrations, promoted by groups affiliated with the ETA, have met with an increasingly weaker echo. Of the 3,000 or 4,000 persons who managed to demonstrate a few years ago, even including last year, in favor of stands taken by the ETA or its principles, now only a few hundred, in most instances, manage to regroup, except, at times, on the matter of the nuclear power plant of Lemoniz.

What Has Happened in the Past 3 Months?

"Whereas street demonstrations are continuing, we shall not side with those who, with their cries, are justifying the ETA's actions more than they are supporting the prisoners," commented a well-known restorer, a militant of the PNV [Basque Nationalist Party], from the old section of San Sebastian.

In the opinion of Valentin Solagaistua, statutory deputy and former director of the Herri Batasuna coalition, the ETA should revise its posture in view of the present situation: "Demonstrations are achieving very weak results, even in the case of the prisoners or in that of Lemoniz. The people are tired of so much squabbling, and those who support the ETA should realize that they have isolated themselves from most of their fellow countrymen. For example, it is counterproductive to hold demonstrations such as that on regatta day in San Sebastian. People go to

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the boat races and do not want to be disturbed. The use of a celebration to complain, justified or not, is now counterproductive." And that was the attitude of the people who attended the inauguration of the International Movie Festival of Donosti when they openly reproved the attempt made by certain groups of demonstrators to boycott the affair by insulting and throwing eggs at the city's mayor, J. M. Alkain.

This lack of support for the harsher expressions of the political struggle is also due to the rational attitude of the Basque people who want to return to a normal situation, according to a comment made by Guipuzcoa Civilian Governor Pedro de Aristegui: "The splendid summer we had this year," the governor added, "has confirmed the people's deep desire for peace. We now hear the expression, 'I want peace,' and since, in the past few weeks, peace has become almost a habit, it will be difficult to break that habit again, unless there is a general upheaval among the people."

Although with another shade of meaning, this behavior by the people has also rubbed off on old ETA militants or on that former prisoner who said: "Previously, in the Franco era, people fought to the death, took risks, hid militants and the like. Nowadays, the motivation for possible assistance does not appear so clearcut for many people. Acts such as the death of Engineer Ryan and similar events, in addition to being unanimously denounced, have made many people change their attitude, people who turned their back (on the ETA adherents) and no longer want to take risks as in the past."

These days, democratic principles, the possibility of conducting the political struggle through established institutions and, especially, the violent methods of the ETA and its allies have turned most of the people away from those "old patriots." In the general opinion, blackmail, assault and fear are not the means for struggle in a democracy, no matter how incipient and fragile it may be.

#### The Prisoners

On 25 August, at the penitentiary of El Puerto de Santamaria, Cadiz, about 100 ETA-military prisoners had begun a hunger strike of indefinite duration. However, even the announcement of this strike did not help Herri Batasuna [Popular Unity] and his allies to stir up the people on behalf of the prisoners while, on the other hand, a greater number of people were induced to take part in the demonstrations against the Lemoniz power plant, as occurred this week in Bilbao.

From what CAMBIO 16 was able to learn from a reliable Basque source, the ETA-military prisoners reproached and criticized the party's directorate harshly. Generally speaking, upon being transferred to the south, the prisoners encountered only indifference and, while they are in prison, there are others in France living in a certain amount of comfort and with fairly favorable economic means. The prisoners also emphasize the special and more favorable treatment which, according to them, the imprisoned members of the ETA-pm [polymilitary] are enjoying as a reward for their organization's having abandoned the armed conflict. There are even rumors of early and staggered pardons or gratuitous measures for the polymilitants.

Relations between the "milis" prisoners and part of the ETA directorate, both in France and our country, have stepped up and "poisoned" the internal crisis even

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more. It is certain that these difficult relations have also been an important factor in the recent truce by the ETA-military.

With the central administration's promise of improved conditions and a general transfer of the prisoners to the prisons of Naclares de la Oca (Alava) and Soria-- presently being remodeled--before the end of the year, the prisoners on a hunger strike since August changed their attitude and gave up the strike last week without having received any substantial support for their cause.

To the loss of popular support, strongly resented in the past few months, we must add new police action which, with increasing effectiveness, has very seriously damaged the organization's information infrastructure and resulted in the arrest of certain important operative commandos. For example, with the recent removal from circulation of commando Donibane, who was active only since February, it was possible to avoid attacks against two police vehicles, an attack against a Civil Guard barracks and the bombing of various Iberduero facilities. Among the important material seized were 65 kg of gum-w taken during last year's robbery at the powder warehouse of Soto de la Marina, in Santander. These police operations, like those reported in Navarra and Alava last spring against the ETA apparatus, have also seriously weakened the adherents of that organization. In this regard and according to police sources, in a document found in an apartment in Zarauz from which Miguel Antonio Goikoetxea Elorriaga, "Txapela," managed to escape after an exchange of gunfire in which young inspector Maria Jose Sanchez died under strange circumstances not revealed by the authorities, Txapela complained about a lack of popular and logistic support as well as an inadequate information structure at his disposal.

At present, Miguel Antonio Goikoetxea, or Txapela, is one of the men most wanted by the police, who believe he is forming a commando unit in Madrid.

In this connection, some political observers of the Basque Country are venturing the theory that the organization, appreciably "affected" by increasingly effective police action, has centered its activist framework around the fight against Lemoniz, having to abandon other objectives. Numerous assaults against Iberduero's electrical system confirm that this was ETA's primary objective during the summer and that, through the strategy of a "technical truce" and a period of replanning masked by an internal crisis or resulting from a lack of operative capacity, it directed its coups against the company which is building the Lemoniz plant.

Despite the relative success achieved by the security forces against ETA resistance, the authorities are being cautious. In a recent trip to Euskadi, Interior Minister Juan Jose Roson, referring to ETA's pause in its activity, retained certain misgivings in stating the following: "Despite ETA's truce in recent months, we cannot speak of victory. I believe we have made substantial progress, but we cannot preclude the possibility of new terrorist activity, for a number of commandos are capable of putting that activity into practice, and I think we shall see such activity in the not too distant future."

In its eagerness and desire to get close to the people, the National Police organization recently launched a campaign in Euskadi. As an illustration of the people's change of attitude toward the ETA, there were two events which, although isolated

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in principle, could, in its symbolism, signify a new phase in the Basque Country. In fact, for the first time and in keeping with this campaign, members of the National Police were applauded in towns like Renteria or Bilbao which, up to now, were in a state of conflict. If we add to this a speedup in the establishment of independent police foreseen for the spring, we have reason to believe that ETA members will have an increasingly difficult time.

However, Minister Roson's fears were justified: a few days later, in view of a possible resumption of terrorist acts and, in particular, the discovery of two commando units in Madrid, the state security leaders took serious measures to keep an eye on the Spanish capital as well as on Euskadi where highway control was resumed.

A severe attack against military leaders or officials of the security forces caused the government to increase these special measures. In turn, as part of the plan for controlling and combating the ETA, 80 inspectors--officers of the Central Information Brigade, subordinate to the MUA (Unified Antiterrorist Command) were urgently sent to the Basque Country that same week.

French Change

On the other side of the border life goes on peacefully and, due to good weather, the summer season extended until the end of September. Commotion in the downtown streets of Bayona or San Juan de Luz continues at all hours of the day. However, in traditional and historic meeting places, refugees are not seen as in past years. According to sources close to those refugees, exiles do not appear so easily as "Mingo" or "Etxabe-Enea." They have pushed security regulations to the limit and most of them go from their jobs--those who have jobs--to their homes or leave their homes only for organization engagements.

Not only has the fear of possible attacks from the extreme right resulted in an increase in precautionary measures but also the French authorities are now exercising more direct control of ETA refugees.

The leadership of the Basque organization, in turn, is greatly concerned about the new relations which recently evolved between France and Spain. These relations were made concrete on the technical level through the recent visit to Paris of Francisco Laina, director general of security, who was accompanied by Gen Aramburu Topete, Fernandez Dopico and Manuel Ballesteros.

These initial control measures were confirmed within a few days in the French Basque country where the French administration required the Basques to pass through the border control to validate their papers just like the Arabs, Iranians, South Americans or Vietnamese. From now on there will be strict control, and the only ones who can manage to escape that control will be those who decide to live in France illegally, or in Spain, so long as they are not arrested by the police. This "passage through a small opening" has caused the present French authorities to revamp their entire file of exiles and, in the immediate future, they will be carrying out their police activities with more zeal and efficiency.

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To Guadeloupe

CAMBIO 16 received verification from official French sources of this new attitude by France which, until now, and especially with Giscard, wanted to see Spain continue the way the writer, Prosper Merimee, envisioned it. Thus, after the visit to Madrid of French Interior Minister Gaston Deferre, who made a commitment to both the government and the first opposition party, the PSOE [Spanish Socialist Workers Party], an official spokesman and director of that ministry summoned a few representative refugees of the ETA-military to advise them of the firm decision of his government to prevent any terrorist activity in or from its territory.

According to the same sources, the French warning was expressed in that interview in the following terms: "We are doing you a favor regularizing your situation while we are negotiating with Spain. This regularization must be the same as the accorded to the refugees of other countries. But now that has ended. Cease all [terrorist] activity. In principle, we are not in favor of extraditions; but if even one engages in such activity we shall send all of you to the Isle of Yeu, if not to Guadeloupe."

In this change of French attitude an aspect should also be pointed out which has perhaps gone unnoticed in the neighboring country at the public level but which can illustrate the new thinking of President Mitterrand's regime. Urged for reasons of domestic policy not to create a "dangerous atmosphere," a well-known Paris weekly refused last week to publish a lengthy report with ETA photos of an exclusive interview with two leaders of that organization, alleging that "space should not be given to those people." According to the French journalist, in that interview ETA likewise gave no clarification concerning its respite, and the only reference to the subject was the remark: "Action is prepared in 3 hours or in 6 months." In the opinion of another Gallic colleague, an expert in this area and the editor of a major Paris daily, "the ETA youth have become the spokesmen of a new fascism mixed with postures of Torquemada."

Strange Document

For most of the professionals in the news media, contact with the "milis" continues to be almost impossible. Nevertheless, mention can be made of one meeting in which, repeating their refusal to make statements, they agreed to give the reporter a copy of their latest text or communique, without adding a word.

In their latest public memorandum, entitled "Communique to the Basque People," the ETA leaders, as if to show that the truce did not exist and that this impression was due to "tendentious and manipulative connivings," call attention to their last two assaults. However, what for the first time in months is astonishing in this type of writing is its moderate tone and terminology. For example, after denouncing the situation of the prisoners and repression of mobilizations in favor of amnesty and against Lemoniz, they speak of "the laws which are acting contrary to the aspirations of democracy and self-government by the Basque people and other nationalities of the state," which could represent an implied recognition of the Constitution. Terms such as "absence of progressive and liberal will" or "dialogue and peaceful" in referring to the authorities clash with their usual aggressive revolutionary jargon. In turn, there are also no references to Euskadi's independence or to the continuance of armed conflict with the publicizing of planned action or possible "reprisals."

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The communique, considered by some experts as surprising and conciliating and by others as a symptom of the internal evolution or "crisis" within the apparatus between the "hardliners" and the "negotiators," ends up calling a meeting for 27 October, coinciding with the anniversary of the execution of Txiki and Otaegui and three other anti-Franco militants, without calling it "combat day," as customary, but, rather, "reaffirmation day" for the sector of the people which supports them.

From all of the above, it is clear that at present the ETA-military is going through a process of intense reflection, also influenced by the fact that the "poli-milis" have abandoned the struggle. In this regard, Mario Onaindia, secretary general of the EIA [Basque Revolutionary Party] recently made the statement: "The 6 months of truce have been more positive than 10 years of killing. I trust that the truce will be definite."

Making Up for Lost Time?

An extended truce could favor that indirect dialogue, previously mentioned, between the two sides, according to the opinion of many PNV nationalists.

For now the truce is continuing, and, either because the ETA has concentrated on its struggle against Lemoniz or on spectacular selective action against top military or political commands despite the people's reaction or police action, the most widespread opinion in the political circles we consulted is that the ETA has begun to make up for lost time and is about to put an end to the broad summer truce. Although it is in weakened position, the ETA will not give up weapons, unless its crisis is more serious than it appears and its internal squabble leads to an attitude similar to that of the "poli-milis." Euskadi, which has partially recovered its tranquillity and peace for the moment, is tensely waiting.

The same applies to Spain's capital where the authorities have set operation "Scorpion 1" in motion and provided strong security measures around the military centers and active military chain of command.

New Violence

Madrid CAMBIO 16 in Spanish 12 Oct 81 p 45

[Text] With the bombing of the Spanish fleet's destroyer, "Marques de la Ensenada," the Basque terrorist organization, ETA-military, gave its first notice last week of what will be its future objective: the armed forces, government and even the crown.

This is the conclusion reached by the top officials of the Forces of Public Order after discovering that several meetings had been held by the terrorist organization's staff in the south of France during the first part of September and intercepting some of the organization's internal communications.

According to sources close to the directorate of state security, the ETA decided in these meetings to break the cease-fire it had maintained during the past 3 months and come up with a new terrorist strategy to be followed by all armed commandos in the future.

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In the opinion of the Spanish police, the new strategy is centered along three basic lines: a return to "selective attacks," such as that launched in 1973 against Adm Luis Carrero Blanco; continuous harassment of the army, government and even the king; and amplification of the "armed conflict" in places located outside the borders of the Basque Country, preferably with the use of explosives to facilitate the commandos' escape.

According to this new strategy, the terrorist organization has decided to base its activities on "illegal commandos," made up of the organization's most seasoned men, most of whom have received military training in socialist countries and have established their official residence in the departments of France's Atlantic Pyrenees.

The presence of "commando Madrid" in Spain's capital and the attempt made on 2 October by ETA-military against the navy destroyer, "Marques de la Ensenada," in Santander Province, give reason to believe that the state security officials are correct in their theories.

The destroyer, "Marques de la Ensenada," a vessel 119 meters long, with 3,370 tons displacement, six 38-mm guns and eight torpedo-launching tubes, was struck at 0500 hours on 2 October by a powerful explosive charge which left it with a 3-meter diameter hole and could have caused the Spanish Navy to have its most serious catastrophe since the civil war: when attacked, the vessel was carrying 318 sailors, 600 tons of fuel and more than 2,000 rounds of ammunition.

According to initial investigations made by navy authorities, the explosion was made by means of a magnetic mine attached to the vessel's hull and not at the dock as first thought.

Therefore, the state security officials immediately thought in terms of a terrorist attack. So that there would be no doubt, the ETA-military made it a point to claim responsibility a few hours later in communiqués sent to various Basque newspapers.

The choice of the time to explode the bomb--shortly after the changing of the watch--and the location of the mine--as far away as possible from the crew's cabins--gave the navy officials reason to think that the Basque terrorist organization had the ship's layout in its possession and this, in turn, makes it obvious that ETA members spent their military service on the Marques de la Ensenada or a similar unit.

Some of these terrorists might even have taken part in this action which, according to police information, was carried out by two terrorist commandos probably led by ETA member, Isidro Maria Garalde Bedialauneta, alias "Mamarru."

Mamarru, 1.65 meters tall and 30 years old, is the ETA-military terrorist organization's top man in the field of explosives and was the one who bombed a convoy made up of 120 rural policemen, for which the Basque terrorist organization claimed responsibility on 7 July, 1980 in Logrono Province.

Together with Mamarru, six other dangerous Basque terrorists are being sought these days in Madrid in a full-scale police operation known as "Scorpion 1," 1 month after their presence was discovered in the Spanish capital.

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Two of these terrorists, Jose Maria Izaguirre Gogorza and Jose Maria Berericiatua Echarri, are the top leaders of ETA-military's Madrid commando unit and, according to the police, it is probable that other dangerous activists have been added to their group, such as Miquel Antonio Goicoechea Elorriaga, alias "Txapela"; Miguel Angel Apalategui, "Apala"; Juan Otegui Elicegui, "Txato"; and Angel Maria de Lete Echaniz, "Patas," with the aim of pulling off some heavy terrorist act in Spain's capital.

These suppositions by the state security officials, who are offering 5 million pesetas for information leading to the capture of the commando, Madrid," gained strength on 25 September with the capture in Madrid of Jose Antonio Madariaga Erezuma, head of ETA-military's information network in the central area.

At the apartment which Madariaga Erezuma occupied at 57 Madera Street, the police found 30 sheets containing the ETA's plans to assassinate six army generals and a map of Madrid with red circles indicating the residences of the officers and the routes they took every day to go to work.

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POLITICAL

SPAIN

SARTORIUS DISCUSSES INTERNAL ISSUES OF PCE

Madrid CAMBIO 16 in Spanish 28 Sep 81 pp 35, 37

[Interview with Nicolas Sartorius, assistant secretary of the PCE (Spanish Communist Party) by correspondent Jose Manuel Arija: "Czar Nicolas"; date and place not given.]

[Text ]Wanted: A person of average age, acceptable to both young and old militants; with a reputation as a Eurocommunist, but not anti-Soviet; with broad experience among the working base, and at the same time accepted by the intellectuals; having no problems with the communist parties of the nationalities, but loyal to Santiago Carrillo; someone who would give the leadership a dynamic image without rejecting the past.

If this advertisement that Santiago Carrillo had in mind in selecting his right hand man had been put into a computer, the result would have been the same. The circuits and information in the computer would in the end have come up with the same name which the secretary general of the PCE chose for his crown prince: Nicolas Sartorius.

There was no one else among the leaders of the Communist Party who could fulfill those contradictory requirements; and so this is what happened. He was taken away from his responsibilities in the CC.00. [Workers' Committees] far enough in advance, and was given the seat of Marcelino Camacho in the Congress of Deputies, so that he could warm up and get to know the political class. At the same time, in his capacity as representative of the PCE leadership, he travelled to regional congresses and abroad so that his name, with long surnames from the ancient nobility, and his face, with his glasses like an English intellectual's and his red hair, could become known. The final phase, some days ago, was to formally elect him first general assistant secretary of the PCE.

Nicolas Sartorius Alvarez de las Asturias y Bohorquez, married and with two children, 42 years old, a lawyer and journalist, began his political career in 1959. First he was in the now extinct FLP [People's Liberation Front] and later in the Communist Party. Secrecy, prison, and false names and passports accompanied his progress through these two organizations and throughout the whole Franco era. Now he is the heir of Santiago Carrillo.

[Nicolas Sartorius speaks] The matter of the assistant secretariats has been planned with two assistant secretaries just so as to avoid the appearance of having a "successor" or crown prince, as the newspapers call it. It is approached from the operative point of view. In a modern party it is difficult for one person alone to coordinate the top political leadership.

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Previous experience points out the advisability of having a secretary-general, who must look after everything from parliamentary questions to the movements of the masses, make use of two persons to help him in the work of coordinating large areas. It is a functional arrangement, and also a guarantee of continuity.

CAMBIO 16: What does your position as assistant secretary involve?

N.S.: Substituting for the secretary-general when he is absent; guaranteeing reliable information for the central committee; presiding over a committee on workers' problems. Not union-related ones, but all those questions which can affect them; and it will be made up of union, party and technical leaders. My work will also involve keeping track of other movements of the masses, youth, women, etc. Then, I will follow and look after the economic commission of the Central Committee, and later, other leadership tasks which require coordination. Jaime Ballesteros, on his part, will be in charge of everything having to do with organization.

Cl6: That is, there will be a "troika" which will share all the political decisions of the PCE?

N.S.: I don't think it will be exactly that way. What there will be is a collective decision of the secretariat, because these duties are not over and above the functions of the members of the secretariat. There is no "troika," because I will coordinate what others will do. To put it simply, the functions of the general secretariat will now have two supports in making decisions, so that what one person did previously, now three will do.

Cl6: Are you going to give up your responsibilities in the Workers Committees?

N.S.: On the 16th of this month, in the plenum of the Executive Committee on the CC.00., I resigned my post on the Executive board and on the Federal Committee. Not because of political incompatibility, which does not exist, but rather because of physical and functional incompatibility. I do not believe that it is good for either side for an assistant secretary of the party to be on a union's governing body.

Cl6: Will one of your new missions be to smooth out some of the tensions with the "renovators"?

N.S.: I think the matter is obvious. The Tenth Congress is over; and a party should debate and contend about what is needed until the congress takes place. Then, what is approved there should be carried out whether or not they agree with it. I will always be in favor of smoothing over rough places, but that does not mean making political concessions or harming the group as a whole. A member does not leave his party because the idea of whether there should or should not be internal factions has not won out in a congress. It has not happened in the PSOE [Spanish Socialist Party] and the UCD [Democratic Center Union], and even less in the PCE. Today things inside the PCE are substantially better than before the Tenth Congress.

Cl6: What can be done to overcome the decline in understanding with the SPUC [Unified Socialist Party of Catalonia]?

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N.S.: The PSUC's problems are basically those of the Catalan communists, and it is up to them to overcome them. There is no dispute, they only have to finish the process which they are carrying out, to make it clear to Catalan society and to everyone what the line has been, and the identification of the PSUC with Eurocommunism. Let there not be the slightest doubt that the PSUC is in every way a Eurocommunist party.

C16: How do you interpret the present tension with the Basque communists?

N.S.: We think the idea of seeking convergence, and later unification of the Basque Communist Party and the EIA [Basque Revolutionary Party] is a positive step, and we support it, because it would strengthen the workers' movement. Now, the process of real convergence is one thing--where the bases participate and come up with a clarification of ideological principles, of programs and positions on such questions as the unions and parliament, which would seem very good to us--and a superficial process is another thing, where not all these matters are touched on because of haste; to the point where it becomes something imaginary, and ends in nothing, even raising the fear of self-liquidation.

C16: Would you now be prepared to accept the dissolution of the Basque Communist Party?

N.S.: Certainly not. Either it is done in a serious way, calmly and tranquilly, discussing everything in depth and leaving matters clear, or with rapid self-liquidation by the Basque communists, breaking links with the PCE, etc. Because what they are doing is not serious, when it is a question of two parties with different traditions, and even with different social bases.

C16: Do you believe that an integrated strategy between the PCE and the PSOE would be possible?

N.S.: I don't think so because the socialists would not want it, although it would be a good thing. False illusions cannot be created when there are unquestionable differences which show that we are two distinct parties; that we share and uphold different concepts.

C16: Wouldn't there also be a generational factor which separates you, with the PSOE younger and more renovated, and the PCE in which the old guard dominates?

N.S.: No, that does not affect the political positions. Furthermore, from the point of view of ideological and political renewal, the PCE has undergone the strongest process of renewal in the country. The Spanish right resembles more and more the one of the past, and the PSOE now resembles the one before the war more than the PCE today resembles the party then. We have made an important break with the past. There are much fewer pro-Soviets in the PCE than there are socialdemocrats in the PSOE. If what we communists have to overcome is the concept of dogma, Stalinism, etc., the PCE has made much greater advances than the PSOE in the social democratic concept.

C16: Couldn't it be that the PSOE had less to overcome and jettison in adapting to today's reality than did Stalinist communism, where change was a matter of survival?

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N.S.: If Stalinism did enter a crisis, as did the concept of a narrow party, isn't classic social democracy also completely bankrupt? Because in Europe social democracy is not able to overcome the crisis, or to present alternatives to the situation. All renewal involves keeping up to date, and we have made great efforts, under very difficult conditions, in clandestinity, and we have admitted our errors of dogmatism and of sectarianism, with extensive self-criticism. It would not be fair to say that the leadership of the PCE put off the renewal because they were along in years, or because of their past. The elderly leadership of the PCE has earned its place in history precisely because under conditions of Franco repression--in 1968, and even before with the national reconciliation, the agreement on liberty and all those political events--they overcame sectarian Stalinist positions, and put themselves in opposition to the Soviet Union. That is extraordinarily significant.

Cl6: Are there no pro-Soviets or sectarians in the PCE leadership?

N.S.: There is no pro-Sovietism at all in the leadership of the PCE. I do not say that there is none in other circles of the party, or that a lingering sentimental feeling does not exist toward the USSR; it evidently does. A distinction must be made between political pro-Sovietism, which says and does what the Soviet Union may say, and those people who feel sympathetic toward the Soviet Union because of what it has meant historically. I include myself among the latter. My sympathy is made by humanity, and because of their struggle against Fascism and Hitler. The errors came later, Stalinism and all those things which are unsound and can be criticized.

Cl6: From the outside you give the impression that Eurocommunism is in a state of stagnation. Do you believe that it can evolve?

N.S.: Eurocommunism has been banalized, has been presented as the fad of a particular given moment. But Eurocommunism is a strategy which not only includes the communist parties, but the socialist ones as well. It is a concept of progress toward a different society, which is only possible through programs which are different from the traditional ones, which are based on an increasingly greater convergence of communists and socialists, who are capable of gathering about them a social and political alternative, who consider that the turn toward socialism in Europe is now not national, but European.

Eurocommunism is based on the negation of bloc politics; and thus when the cold war and the blocs gain strength, Eurocommunism is in difficulty. But events are proving that it is a just theory, because it means peace as opposed to war, and because it is set in a historical framework which originates with the Greeks, and thinks of Europe as an independent concept. That is the historical perspective: An involvement of all the left with a European autonomy.

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POLITICAL

SPAIN

UCD CAN NO LONGER ASSUME SUPPORT OF BUSINESS SECTOR

Madrid CAMBIO 16 in Spanish 19 Oct 81 pp 60-62

[Text] The organization which is spending the most millions in going into the next elections for the Galician parliament is not a political party but the Confederation of Businessmen of Galicia, an affiliate of the big Spanish manufacturers' association, the CEOE. The campaign has an initial budget of 110 million pesetas (300 millions more than the UCD [Democratic Center Union]) and is aimed at fighting abstention, first of all, and to disclose the viewpoints of business and industry to the electorate.

There are no elections going on in Madrid but the business and industry community in Madrid is already laying the foundations for what may come. CEIM, a member of the CEOE, has just approved a series of action lines indicating that the manufacturers must present the political reality of electoral options to the voters. And there is a very specific objective behind this: "The voters must be really familiarized with the philosophy of the various parties and, if they choose a Marxist alternative, they must know all of the political consequences deriving from their vote," they explained. To make sure that their option is perfectly clear, they say further: "The Madrid businessmen are determined, with the force of our reasons, to support the liberal-conservative options which spell out free enterprise and private initiative."

The watchword has also reached Asturias. "The businessman is not a militant politician but must take sides when it comes to political decisions," said Arturo Corte Mier, president of the Asturian Manufacturers' Federation, a member of the CEOE.

Businessmen are plunging into active politics with determination. Their top leader took the first step; he is Carlos Ferrer and he did that when he was reelected early in September as president of the CEOE. "We businessmen have a responsibility which we cannot shirk. We have something to say and we have solutions to contribute. Politics is something that is too important to leave only in the hands of professional politicians or bureaucrats."

The strongmen of the CEOE have always been close to the corridors of power and to the political and economic decisions. But during these past 4 years there were two main concerns which took up their time and their efforts, above and beyond direct politics.



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On the one hand, they wanted to put together a powerful manufacturers' association, structured and coordinated after 40 years of vertical control. Ferrer traveled from province to province and, with a small initial team, he put together a provincial and territorial setup which is quite strong.

He managed to appear as the top leader who would rally all of the Spanish businessmen, above all through the integration of the CEPYME (the association of small and medium business operators) in April 1980. He has already created a homogeneous "manufacturers' government," where he has become the unchallenged leader who alone decided to run for reelection although it was necessary to amend the charter for that purpose.

On the other hand, the CEOE top leader has already become specifically "the chief of personnel of Spanish businessmen." After 40 years of labor union asphyxiation, the first few years of democracy were full of labor conflicts and clashes. The men who built the CEOE were the men who drafted the first rules of the game, both written and unwritten, concerning the negotiation of agreements, the handling of strikes, relations with labor unions and contacts with the administration. Just 4 years later labor relations had ceased to be "dramatic"; the CEOE has signed two key agreements with the UGT [General Union of Workers], the ANE (National Accord on Employment) has been worked out, and businessmen have a much clearer view of the labor policy to be implemented.

Consequently, the manufacturers' association is in place and no longer needs to devote as much time to "first-line" tasks. Carlos Ferrer, like the top leaders of the CEOE, rejects the road of coming to power in government. But they do want to influence the government within the parties and within society. "Our promise of action during the first 3 years," said Ferrer in his address, "will be directed at promoting, supporting, and collaborating with those political and social organizations which, in their specific programs and actions, advocate free enterprise within a political and social system of peaceful coexistence that will guarantee freedom for each and every one of us and that will protect the individual's efforts and the fruits of those efforts, as well as the values of our humanist, Christian, and Western culture and civilization.

This certainly is a program declaration, not in abstract terms, but to be defended day after day and above all before the next election. "The CEOE [Spanish Confederation of Businessmen's Organizations] will participate more in the next elections," the leaders of the big employers' organization agree in asserting. They are guided by the example of France where the socialists have come to power and where the cold wind of nationalization is blowing.

This strong desire to "orient" the voting is the moving force behind the campaign of the Galician businessmen's association prior to the elections on 20 October. But there is already a past experience where the businessmen's association intervened directly in an election: This is the case of National Labor Development, a member of the CEOE, which openly attacked the left-wing parties during the elections to the Catalan parliament. Its president and the man behind that attitude --going even further to the right of Jordi Pujol--was Alfredo Molinas who is now "moving up" to the position of CEOE vice president.

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Another significant promotion involves Jose Antonio Segurado to the position of vice president; he is a man who has distinguished himself through his direct attacks (he is called the "hawk" of the CEOE)--rather undiplomatic attacks by the way--against the politicians, the government, and primarily its social-democratic wing. As president of the Madrid Employers' Association, he is the father of the latest CEIM policy statements. "Businessmen must divest themselves of this kind of virginity in dealing with politics. This does not mean that they must get into politics directly but they must actively defend the interests in which we believe," said Segurado.

Direct intervention by businessmen in politics however is not ruled out. "Businessmen, as a group, have the obligation to defend the interests of the business community against the political establishment. It seems entirely legitimate to me that the CEOE should conduct a campaign in connection with the elections. Businessmen, persons who are going to defend the interests and ideas of the business community, are showing up on the election slates," commented Javier Gonzalez Estefani, vice president of CEOE and president of CEPYME, to CAMBIO16.

While some business leaders are thinking of joining right-wing parties in order better to defend their interests, the CEOE prefers to exert pressure from the outside upon the party in power so that it will not deviate from the defense of its interests and will follow up on the vote which the businessmen cast at the time. The first call to attention was given by Carlos Ferrer during the speech he delivered after his reelection: "The current situation of the ruling party and its future are a matter of concern. If its leaders and the undoubted responsibility of the prime minister do not manage to overcome the illogical concept of the center as a mixture of diverse and sometimes opposing ideologies, then we can anticipate an inevitable election defeat right around the corner."

In two places in his speech, Ferrer presented two quotations from Oscar Alzaga, a Christian Democrat and leader of the moderate platform of the UCD. And he openly criticized the political record of Suarez and the social-democratic wing.

There was only one alert called. The first skirmish of the CEOE with the administration came one month later when the administration presented its budget for 1982. One day, Ferrer decided unilaterally to resign from the follow up commission for the ANE as a way of exerting pressure against the administration and public opinion over some budgets which should not be approved. Initially, the "excuse" for his resignation was that an item of 800 millions was included for the labor unions at the expense of the union's assets; that looks like a secret pact, behind the association's back, with some obviously responsible individuals, such as the social democrats of the UCD headed by Garcia Diez, minister of economy and commerce.

Although the ANE is too important to Spain's social, economic, and political stability to allow the employers' association the luxury of ruining it--"we want the ANE to be successful," Ferrer said--the CEOE has already launched its first political battle by taking this step, according to the majority of observers. This is true even though the employers' association does not come up with that interpretation.

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The problem facing the employers' association--a political matter--is that the party it voted for and the party that theoretically should have defended its positions is adopting an economic policy which the employers do not like. And this is what they have begun to denounce in connection with the budget which in turn is a consequence of the administration's economic policy.

"This is not a problem, in my opinion, that is connected with the fact that economic policy is made by the social democrats and that this supposedly is the reason why we do not like it. For me, Garcia Diez is pursuing a policy of a liberal style. This is a problem of another kind. This is a situation where they are governing as a response to multiple pressures which in the end boil down to waste. These are internal pressures springing from the fact that the UCD is a conglomerate of families without a uniform ideology. There are also external pressures since they are governing with an eye to the PSOE [Spanish Socialist Workers Party]," Gonzalez Estefani commented to CAMBIO 16.

Coherence with their program when the time to govern comes--that might be the summary of what the businessmen ask. "Here the administration has the majority in parliament and is not pushing its projects; instead it is promoting ambiguous proposals which are the result of pacts and understandings. Like Mitterrand in France, it is stepping up public spending. This cannot go on."

"The UCD, as it is today, is going to find it difficult to respond to the problems that worry the businessmen," Javier Gonzalez Estefani, CEOE vice president, told CAMBIO 16. This is the feeling one can detect in almost all employer circles. They like the idea of the "big right" but they are worried about the opposing and inflexible posture of Prime Minister Calvo Sotelo whom all businessmen and employer association leaders, interviewed by this magazine, believe today to be "untouchable."

If the UCD does not do the job, such as it is now, and if Calvo Sotelo does not bring it under control, it will be necessary to start attacking Calvo Sotelo himself. But businessmen have no replacement. This is why perhaps the only possible way out for the next several months will be to remind the prime minister that they have the power of money while the extreme right wing of the UCD grows stronger. Perhaps, if the risk of a possible socialist victory increases, it will be easier to come to an agreement. Anything--so long as the story of France is not repeated in Spain."

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GENERAL

FRANCE

CREWS OF FIRST FRANCO-SOVIET FLIGHT TO BE TRAINED BEFORE END OF 1981

Paris AIR ET COSMOS in French 12 Sep 81 pp 44-45

[Article by Pierre Langereux]

[Text] The Franco-Soviet crews for the flight of the first French spaceman scheduled for 1982 aboard the new Soviet orbital station Salyut 7 will be named before the end of this year. The CNES [National Center for Space Studies] made this announcement on 4 September, the eve of the return to the City of the Stars, near Moscow (USSR), of the two French spacemen, who will now begin the practical phase of the space training program they began 10 months ago.

Patrick Baudry and Jean-Loup Chretien were on their way back after having spent their summer vacation in France and made some training flights aboard Mirage 3's and Mirage F1's at the Bretigny CEV [In-Flight Testing Center] and at the Air Force's Orange base to which they were attached. Actually, the French spacemen are compelled to come to France to fly in order to maintain their pilot rating, as, contrary to what had been planned, Soviet officials have not permitted them to fly aboard Mig 21's as all the Soviet cosmonauts do regularly while in training, and as the cosmonauts of the Intercosmos program do.

The French spacemen did not even attend a spaceship launching at Baikonour, although it had been planned that they would for the departure of the Soviet-Romanian crew. However, in principle, they are to attend the next Soviet launching, which should be that of the principal crew of the new Salyut 7 station, which, it has been announced, will be put into orbit about the beginning of 1982 (see AIR ET COSMOS, No 870).

The first flight involving a French spaceman is still scheduled to take place during the second quarter of 1982, tentatively about May-June, for a period of 1 week aboard this new Salyut 7 station, designed as the successor to the present Salyut 6 station, which has been in orbit 4 years and which it is not intended to use again.

A Three-Man Crew

On Wednesday 9 September, the CNES decided who, between Jean-Loup Chretien and Patrick Baudry, will be the astronaut of the regular crew (designated as the first

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choice to make the flight) and the astronaut of the reserve crew that replaces the regular crew in case that becomes necessary but that unfortunately will remain on the ground if all goes well! (See box on facing page).

Soviet officials will designate later, around October-November, their cosmonauts for the regular crew and the reserve crew, who will from then on train together with the French astronauts to prepare this flight.

Each crew will consist of three men, since the Franco-Soviet flight will be aboard the new three-place Soyuz T space capsule, which will then replace the Soyuz of the 1970's to take men into space. The last flight of the Soyuz series was in principle made with Soyuz 40 in May.

The new Soyuz T spaceship resembles the old Soyuz externally but is in fact very different from the standpoint of its equipment (on-board computer, unified propulsion system, etc). It has already served successfully on four flights--three of which were piloted--toward Salyut 6 last year. The French spacemen will train along with their Soviet colleagues in the piloting of the new spaceship on the Soyuz T simulator in City of the Stars. Tentatively planned are 30 training sessions of 4 hours each in the Soyuz T simulator for training in normal flight procedures and 15 sessions of 4 hours each to become familiar with emergency procedures (in case of flight accidents). The spacemen will also undergo tests in centrifuge and training in survival techniques for use in extreme cold land conditions and in the Black Sea, in preparation for their return to earth.

The Franco-Soviet crews will also train, in the mock-up of the Salyut station at City of the Stars, on the carrying out of the French and Soviet scientific and technical experiments they will have to effect during the flight aboard Salyut 7.

#### Ten French Experiments

There has been no change in the French experiments, although their weight has been continually reduced since the start of the program: From 600 kg initially to 350 kg at present. Part of the scientific and technical apparatus will be loaded directly on to the station prior to its launching; the rest of it will be ferried up to the station by a cargo spaceship, Progress, that will be launched before the Franco-Soviet crew. The testing and calibration of the station's equipment is currently in progress at the CNES Toulouse Space Center, and the flight equipment is scheduled for delivery before the end of this year. The training models are already installed at the City of the Stars /Yuri Gagarin Star City Military Air Academy/.

The 10 French experiments will include:

Three medical experiments in sensory and cardiovascular physiology:

--"Posture" for the study of the fundamental mechanisms involved in equilibrium in a weightless environment, and in adaptation to flights of long duration. More particularly, it will enable the study of postural changes in response to visual stimulation by the projection of motion scenes inside a special hood;

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[Box]:

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Assignment of Functions to French Spacemen  
for Franco-Soviet Manned Flight

During the first quarter of 1982, a French spaceman will participate in a scientific mission aboard a Soviet space station as an experimental engineer.

Two candidates were selected on 11 June 1980 for this manned flight: Mr Patrick Baudry and Mr Jean-Loup Chretien (who have already been introduced to our readers). Since September 1980, they have been undergoing training at the Yuri Gagarine Center near Moscow. The CNES has just assigned the function of regular on-board spaceman-engineer No 1 to Jean-Loup Chretien and that of regular on-board spaceman-engineer No 2 to Patrick Baudry.

Two Franco-Soviet crews will be designated, whose preparation for the flight and for the carrying out of the experiments must be absolutely identical, so that the crew designated as the No 2 crew will at all times be able to carry out the mission should it become necessary for it to do so.

We remind our readers that this first manned space flight involving French participation will include experiments in the fields of medicine, manufacture of materials, and astronomy, designed by research teams at Grenoble, Marseille, Paris, Toulouse, Tours and Verrieres-le-Buisson.

The manned flight program is part of the cooperation between the CNES and the Intercosmos Council of the USSR Academy of Sciences. The operations manager for the French part of this program is the Toulouse Space Center.

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--"DS 1" for the measurement, by means of supersonic velocimetry, of the velocity of circulation of the blood in the carotid, to determine the rate of irrigation of the brain in weightless conditions, a determinative factor in the ability of humans to function in space.;

--"DS 2" for the observation in real time, by supersonic echography, the image of the heart of the cosmonauts, particularly at the instant of redistribution of the blood volume.

Two space biology experiments:

--"Biobloc 5" for the study of the biological effects of the low-energy component of cosmic radiation on the development of biological specimens (tobacco seed, shrimp eggs and DNA molecules) in space;

--"Cytos 2" for the study of the action of antibiotics on different germs of the intestinal microflora in weightlessness.

Two experiments in space metallurgy in microgravity using the new Magma temperature-gradient furnace:

--"ELMA 2" will deal simultaneously with the production of an immiscible aluminum-indium composition and with the measurement of coefficients of interdiffusion of the liquid phase of an alloying in the course of fusion.

These experiments will be preceded by the precise calibration of furnace temperatures, the testing of the data recording system, and the measurement of residual accelerations (parasites) inside the station, particularly during activity of the crew.

Three experiments in astronomy and aeronomy, using a highly sensitive but low-angular-resolution telescope to photograph certain astronomic phenomena (zodiacal light, antisolar gleam, accumulation, if any, of dust at terrestrial-lunar Lagrangian points), and atmospheric phenomena (aurorae boreales, ionospheric emissions, nocturnal glares, etc). These three experiments are:

--"Piramig" for the observation of the earth's atmosphere in the near infrared;

--"PCN" for the photographing of the nocturnal sky;

--"Sirene" for the observation of the galaxy.

The aeronomy experiments will be conducted during the Franco-Soviet flight, whereas the astronomy one will be carried out later since it requires opening of the forward chamber of the station.

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