PORTUGAL, SPAIN AND TRANSATLANTIC RELATIONS: A CONFERENCE REPORT

On the eve of the Spanish accession to the Atlantic Alliance, the Institute for Foreign Policy Analisys, together with the Institute for Strategic and International Studies of Lisbon, convened in Portugal a conference to examine a range of issues dealing with the roles, respectively, of Portugal and Spain in the Alliance and the transatlantic relationship. The Conference provided, for the first time, an excellent opportunity for unofficial discussions between Portuguese and Spanish specialists on political and defense issues of importance to both countries, with special focus upon NATO and broader international security issues. For the United States, the Conference furnished a forum not only to set forth American perspectives on security problems, but also to consider the role, present and perspective, of Portugal and Spain in the framework for Western security and their respective relations with the United States, with each other, and with the Atlantic Alliance.

Conference participants addressed not only the broader problems of the Atlantic Alliance, but also the specific security interests and perspectives of Portugal, Spain, and the United States, respectively, including the domestic-political constraints within which each formulates its national security policies. Subsequently, issues of potential divisiveness and areas of cooperation were explored with reference to NATO and Spanish membership in the Alliance. In a concluding session the Conference focused on the specific policy implications that ensued from the discussions of previous sessions.

The Soviet threat to Western interests, with particular emphasis on its global political, military and economic aspects, formed a major theme of the Conference. There was general agreement that, over the last decade, the Soviet threat had assumed principally two dimensions: first, a «direct» military threat against Western nations and, in particular, against NATO Europe; and, second, an «indirect» threat in which Western Europe (and U. S. allies in the Asian-Pacific area) is encircled and the security of U. S. allies is decoupled from

that of the United States. Both the «direct» military threat of Soviet/ Warsaw Pact forces poised against Western Europe and the «indirect» political-military-economic threat of the encirclement of Europe by Soviet-proxy states, especially in Africa, were described by one Portuguese participant as making necessary a unified Western response that should include political, economic and military means.

Referring to the respective roles of Portugal and Spain in the Atlantic Alliance, one Spanish participant suggested that both countries have important and complementary parts to play in NATO. Portugal, as was pointed out on numerous occasions during the Conference, is, by virtue of its history, geography and culture, a European nation with an Atlantic coastline. Portugal's island outposts guard the approaches to the European continent, Both Spain and Portugal seek closer ties with the rest of Europe. Spain has more numerous links with other European nations because of their geographic proximity and greater economic development than Portugal. As European nation turned to the Atlantic. Portugal has an interest in maintaining the safety of the vitally-important sea lines of communication (SLOCs) running from the North to the South Atlantic. As a founding member of the Atlantic Alliance, Portugal has been a vitally important asset of NATO's Iberlant Command. Portuguese participants stressed on numerous occasions during the Conference the willingness of Portugal to make a greater contribution to NATO, not only in the outlying areas, but also within Western Europe, including the Central Front. An enhanced SLOC-protection role for Portugal could be seen as crucial to the ability of the Alliance to carry out its defensive missions, especially if the United States increasingly is forced to divert a portion of its maritime capabilities to the protection of U.S. and Allied interests outside the NATO area. However, Portuguese participants emphasized, an enhanced role in NATO's task of maintaining the security of the Atlantic sea lanes increasingly implies the modernization of Portugal's defense forces.

With the Spanish membership in the Atlantic Alliance there has been considerable debate over the allocation of missions and responsibilities of both countries within the NATO framework. Like Portugal, Spain is situated on the Iberian Peninsula, astride the Strait of Gibraltar, with its strategic importance linking the Atlantic Ocean to the Mediterranean Sea and hence Western Europe and North Africa. Spain is also an Atlantic nation with coastlines along the Atlantic Ocean of some 758 miles and by virtue of her sovereignty over the Canary Islands. At the same time, she is a European nation located on that Continent having access to the Mediterranean Sea, and sharing a common frontier with France. Spain's Balearic Islands enhance the rationale for participation in NATO's Southern Flank/Mediterranean defenses; and, at the same time, provid the basis for Spanish role in the protection of the sea lanes linking North

Africa with Western Europe. Even prior to joining NATO, Spain, through its bilateral treaty with the United States, had contributed for some 29 years to Western security by allowing the United States, on a bilateral basis, access to bases and maritime facilities on Spanish territory. With NATO membership, Spain's contribution to the defense of the West will be greatly enhanced by the modernization of Spanish military forces — one of the advantages for Spain in entering the Alliance.

In addition to NATO's geographical depth of operation, and therein enhancing the Alliance's logistical infrastructure, including areas for force dispersion in case of a Soviet/Warsaw Pact attack directed against NATO's Central Front, Spain's membership increases the number of NATO's conventional land forces and strengthens its strategic reserves. The armed forces of Spain today embody up to 350,000 personnel, equivalent in number to the Armed Forces of Britain and exceeded in Western Europe only by France, the Federal Republic of Germany, and Italy.* While the total number of the Spanish armed forces is likely to be reduced as qualitative improvements are introduced, their contribution to Alliance manpower will be substantial especially as their missions and roles are redirected to a broader NATO orientation. In the past, the role of Spain's armed forces, but particularly that of the Army, has been restricted, with their major military operations in the twentieth century having been confined to the Spanish Civil War of 1936-39, and subsequently to the requirements of domestic security. If anything, the entry of Spain into NATO highlights the need for the modernization and restruc-

^{*} The Spanish Army is composed of 267,000 men under the command of 17,885 non-commissioned officers, 12,804 officers and 1,021 generals, of whom 617 are in the active reserve. It possesses 950 assault tanks, the most modern of which are the AMX-30E that were built under license from France, 700 armored vehicles, and 150 self-propelled artillery pieces. On April 27, 1982, the Ministry of Defense announced the purchase by the Spanish Army of TOW antitank missiles and expressed the desire for procurement of a new generation surface to air missile system.

Spain's navy is manned by 44,800 men under the direction of 7,502 non-commissioned officers, 3,513 officers and 217 admirals, of whom 115 are in the active reserve. The Spanish navy is composed of two aircraft carriers, 12 destroyers, 16 frigates (and Corvettes), 8 submarines and 114 support and logistic replenishment vessels. By 1990, the Ministry of Defense has announced that the Spanish navy will deploy an additional 4 Agosta-class submarines, 8 Corvettes, 12 Harrier V/STOL aircraft with 7 additional frigates under construction.

The Spanish Air Force is composed of 38,000 men under 8,478 non-commissioned officers, 2,996 officers, and 90 general officers of whom 31 are part of the active reserve. Spain promises 208 fighter, 99 transport, 9 patrol, and 344 training aircraft with a complement of 222 helicopters. Its most modern airwing is composed of the French Mirage F-1 which is based at LOS Llanos.

turing of Spain's military establishment in support of contingencies sharply in contrast to the Spanish domestic experience of this century.

Even as the negotiations for Spain's entry into NATO were nearing completion, arrangements for her participation in the Alliance's integrated military command structure had not been resolved. Nevertheless. Conference participants offered several suggestions for the allocation of missions in NATO to Spain's armed forces. Most Spanish participants endorsed the use of Spanish forces as part of an Allied mobile capability that could be stationed in Spain, but operate in times of crisis on the Central Front in conjunction with other NATO units. Consideration was also given to the deployment of a small contingent of Spanish troops to Northern Europe, perhaps to strenghthen Allied Alpine units or those NATO capabilities facing the Kola peninsula. While, it was pointed out, Spain's air force would be oriented primarily toward the defense of Spanish territory, with its integration into NATO's air defense system, it, too, could contribute to the defense of the entire Iberian Peninsula as well as to the Southern Flank of NATO — a potentially important consideration in light of the continued dispute between Greece and Turkey. Spain's navy, it was said, could be tapped to support NATO's anti-submarine warfare tasks in the Atlantic and Mediterranean and, together with Portugal, enhance the flexibility of U. S. forces to operate outside NATO's geographic perimeters if necessary in safeguarding Alliance interests. However, it was pointed out by other participants that full integration into NATO of Spain's armed forces is not possible until the issue of the command structure is resolved.

There was a consensus among the Portuguese Conference participants that Spain's entry into NATO would make necessary and possible a greater sharing of the strategic responsibilities for defending the Iberian Peninsula. In the view of more than one Conference participant, Spain's entry into the Alliance offers NATO an unique opportunity to review and rationalize NATO deployments along the Southern Flank and with regard to SLOC protection. The view was expressed that differences between Spain and Portugal on issues such as the nature of their working relationships within NATO could be resolved with patient negotiation, although from the perspective of those Portuguese participants who could be identified with the Socialist Party of Mário Soares, the «mechanical» problems associated with the Spanish entry into NATO should be resolved only after such outstanding issues as Ceuta, Melilla, and Gibraltar were settled.

Thus, while Spanish accession has widely been viewed as a positive step toward strengthening the Atlantic Alliance and with it the cohesion of the West, there are problems attendant with Spain's entry into NATO, not the least of which relate to the issue of a command structure and the mission-orientation of Spanish and, by implication, Portuguese, armed forces. The idea of a unified Iberian Command

was recognized by Spanish participants to be unacceptable to Portugal and therefore an inadequate basis for fruitful discussion. One Portuquese formula for resolving the issue of Portugal and Spain's respective responsibilities in NATO emphasizes a dual command structure by which Portuguese armed forces and some of those of Spain would fall under NATO's Iberlant Command, while other Spanish ground and air forces would be embodied in a newly formed Western Mediterranean Command. There was a consensus among Conference participants that Spain's role in the Alliance has yet to be fully defined. However, fear was voiced that, with the entry of Spain into NATO, Portugal would be considered as «one piece in an Iberian checkerboard» and not as a state whose national security problems differ significantly from those of Spain. Some Portuguese participants were more explicit in expressing concern over the willingness of the NATO allies to support the modernization of Portuguese military forces based upon the assumption that Spain already possessed military capabilities that could perform an array of military missions for the security of the Iberian Peninsula.

Portugal, it was suggested, must be able to guarantee its own territorial security if she is to contribute positively to Alliance security. Toward that end Portugal, like Spain, with the full support of NATO members, must modernize its armed forces, especially maritime capabilities. Portugal has one Army Brigade earmarked for NATO which is poorly equipped and requires extensive modernization and additional «lift» capabilities if it is to contribute to the common defense. At present, the relatively low technological level of Portugal's naval forces limits their effective participation in NATO maneuvers and training exercises. In minesweeping, air defense and anti-air artillery, Portuguese maritime forces need to be upgraded. In this regard, Portuguese participants emphasized the need to support (and subsidize) Portugal's purchase of (at least) three new ASW Frigates and its request (to the United States) for 28 A-7 attack aircraft. Portugal seeks to transform what has largely been an operational guerrilla force into a European capability capable of participating with NATO in the defense of Portugal, the Iberian Peninsula and Western Europe, Portugal's desire to take part in the NATO defense of Western Europe is reflected in the Portuguese commitment to deploy its one air-mobile brigade to Italy in a European conflict and by its granting to the Federal Republic of Germany and the United States of air bases (respectively, Beja in the Southern Alentejo region, where an 18-aircraft Alpha Jet squadron is to be based; and Lajes in the Azores). However, as the financial obligations associated with Portugal's NATO orientation have increased, the willingness of the Allies to underwrite significant support for Portugal has been undercut by competing requests for economic aid from other NATO nations, including Spain and Turkey.

Portugal's loyal participation in the Alliance was emphasized by more than one Portuguese participant. Although Lisbon had never set strict conditions and limits for its Alliance membership, it had not received military assistance comparable to that made available to other NATO countries, and to outside states. The loyal member, it was suggested, was not given adequate consideration because it was loyal, while other countries that pose problems were «reimbursed» to secure their «loyalty.» Portugal sought to be treated as an equal partner.

The Portuguese proposal for a dual-structure Command for the Iberian Peninsula was not acceptable to the Spanish government which offered its own formula for resolving the dispute. Spain favors the creation of a Fourth Command in addition to the three existing commands (Atlantic, or SACLANT; European or SACEUR; and the Channel, or CINCCHAN). As a member of the Alliance, Spain participates in the NATO Military Committee and the Defense Planning Committee, in which France does not hold membership because it is outside the integrated command structure. The fourth command, which would come directly under the NATO Military Committee, would consist of Spanish territory in the Iberian Peninsula, as well as the Balearic Islands, the Canary Islands, Ceuta, Melilla and Gibraltar. In the Spanish view, this Command would comprise the strategic arc that extends from the Balearic Islands through Gibraltar to the Canary Islands, in the maritime region that is now a part of the existing Iberian Command (IBERLANT), a subunit of SECEUR. Yet, it was recognized by Spanish participants that in the development of a satisfactory command structure, Spain and her NATO partners confront the need to devise an arrangement that is responsive to deeply rooted Portuguese sensitivities about Madrid's possible domination of the Iberian Peninsula including the surrounding seas.

Clearly, no peninsula-wide NATO security scheme can work unless and until divisive issues between Portugal and Spain are resolved. These include the questions of nuclear power and fisheries rights between the two countries. As members, Portugal and Spain can contribute usefully to the North Atlantic Treaty Organization only if the specific problems between the two countries and their respective, individual perspectives are recognized. The method of organization that is devised by NATO for the integration of Spanish forces in the Alliance must stress the individual interests of the two Iberian countries, without prejudice to one over the other.

In the context of this discussion, it was pointed out by several of the Spanish Conference participants that Spain's integration into NATO would be facilitated by its entry into the European Economic Community. Spain's application for EEC membership has been stalled by objections from France and Italy (both of which presumably anti-

cipate problems with Spain over the Community's Common Agricultural Policy an Regional Development Fund) and by negotiations

with Portugal and Turkey for membership.

While Spain's entry into the EEC is judged in Madrid to be crucial to improving Spanish domestic political and economic conditions as well as to the development of a new national identity for Spain; it is the Portuguese view that Spain cannot be allowed to enter the European Community before Portugal is admitted. Whereas Portugal, in terms of its production capacity and diversity, does not present as great a problem to some Community members as Spain, she, nevertheless, is highly competitive in textiles and agricultural products. Textiles represent forty-two percent of Portugal's industrial output and it is a Portuguese fear that because the British and French textile industries are in economic difficulty, these countries will insist on a post-accession transition period of two to three years during which time quotas would be enforced. Such a precedent exists with the seven-year transition period on unskilled worker migration that was forced on Greece upon her accession to the Community. As with Greece, Portugal also has a large work force that has freely circulated throughout Europe, settling in countries such as the Federal Republic of Germany which suffers from its own unemployment problem. It was feared in Portugal that the FRG would press for transitional restrictions on worker migration upon Portugal's accession to the EEC. Portugal's bargaining leverage on these issues, virtually nonexistent, has been eroded by the lack of preparation on the development of a dossier on key issues of regional concern, including agriculture and fishing rights. As a result, there is some question as to whether the Portuguese government may meet the 1982 Community deadline which would provide for Portugal's entry into the EEC on January 1, 1984. Moreover, even without these problems, it is likely that members of the Community will seek to make Portugal's accession to the EEC hostage to the resolution of Spanish/EEC differences. It now appears that Spanish membership in the EEC will not come about before 1985 at the earliest, and will probably provide for a gradual integration into the Community over a period of several years.

Just as Spain's membership into the EEC is tied to a desire «to join Europe,» Spanish accession into NATO is regarded as politically important, both in terms of Spain's domestic and foreign policies. The transition to democracy, since the death of General Francisco Franco in 1976, has been impressive; but yet it has not come about without confrontation. An armed seizure, in February 1980, of the Spanish Parliament (Cortes) represented a challenge to civilian rule in Spain. In addition, the possibility of widespread civil disobedience has increased with the rise in terrorist activity of the Basque Separatist Movement.

Conservative Catholic members of the UCD are advocating an «alliance» with the right-wing Popular Alliance Party of Manuel Fraga, while the more liberal and social-democratic elements of the Party believe that such a move would destroy the image of the UCD as a «centrist» party. Led by former Justice Minister Fernandez Ordoñez, the desertion of the UCD by most of its social democrats eroded significantly its Parliamentry majority in 1982. A «rightist» coalition of the UCD and Popular Alliance parties, however, does not have the support of either Prime Minister and UCD leader Calvo Sotelo and former Prime Minister and UCD leader Adolfo Suarez on the basis that the Popular Alliance is too intemperate in its positions. Early in July 1982, Calvo Sotelo submitted his resignation as leader of the UCD (but not as Spain's Prime Minister) whereupon the Party's political committee approved for nomination as its new leader Landelino Lavilla, the speaker of the Parliament. Yet, there was little optimism within the Central Democratic Union that the change in leadership would prevent further desertions from the Party. Adolfo Suarez, the former Prime Minister, even indicated that instead of supporting the UCD, he would form a new «centrist» party, increasing further the likelihood of further electoral losses for the UCD.

The assumption to power of a Socialist government in Spain carries with it implications for NATO. Although the opposition Spanish Socialist Party (PSOE), headed by Felipe Gonzalez, was originally against Spain's application to join NATO, its position appeared to be moderated somewhat with the actual accession of Spain into the Alliance. While the Socialists would like to have called a referendum on the NATO issue, since Spain's entry has already taken place the Socialist Party has stated that it would not withdraw Spain from membership in the Alliance. Instead, in seeking to make Spain's membership in the Alliance politically acceptable to a majority of the Spanish electorate, the Socialists seemed likely to attempt to place restrictions on Spain's obligations to NATO. These would probably include: a negotiated settlement of the issue of Gibraltar which would deny its use as a logistical facility for British nuclear submarines; tighter restrictions on the use by the United States (and other NATO allies) of Spanish military facilities and installations, including Rota, especially for contingencies outside the NATO region; and, acceptance of Spain's position against the deployment of nuclear weapons on Spanish territory.

NATO provides a framework within which the Spanish government will press for negotiations on the future of Gibraltar both in Brussels and on a bilateral basis with Britain, the latter scheduled to begin originally in Sintra, Portugal, in the Spring of this year but now to be postponed. Britain seeks the immediate reopening of the frontier which since 1969 has been closed between Gibraltar and the Spanish mainland, and which, like the talks between Britain and

Spain, was to have taken place this Spring, but now has been postponed as a result of the Falklands crisis. Although avowedly rejecting the use of force and expressing opposition to its employment
by Argentina against the Falklands, Spain nevertheless has supported
Argentina's claim to sovereignty, and has publicly compared the
legitimacy of Buenos Aires' position with that of Spain with respect
to Gibraltar. In the Spanish view, Gibraltar would become a NATO
base under Spain's command, responsible to the NATO Military
Committee. The full integration of Gibraltar into a broadened alliance
defense context will depend upon the outcome of Anglo-Spanish
talks on its future, especially resolution of the thorny problem of
the status of the more than 25,000 inhabitants of «the Rock.»

Just as sensitive in Spain is the issue of NATO nuclear weapons, especially because of the bilateral U.S.-Spanish Treaty governing American access to, and use of, Spanish military installations. The 1976 Treaty, providing for U.S. use of facilities at Zaragoza, Torrejon and Moron and the U.S. Sixth Fleet's support base at Rota, expired in September 1981, but was extended until May 1982 with renegotiation underway. By July 1982, a Spanish-American bilateral Treaty of Defense Cooperation and Friendship had been negotiated for continued U. S. access to Spanish facilities in a NATO contingency.

The accord which was signed by the United States and Spain on July 2, 1982, establishes that «there will be no stockpiling or stationing of nuclear weapons on Spanish territory.» It was further stated that only upon the initiative of the Spanish government could this policy be changed, although Spanish Conference participants maintained that anti-nuclear sentiments are strongly held by a majority of the Spanish people. While there is no ambiguity with regard to the Spanish position against the deployment in Spain of (NATO) nuclear weapons, there is a question as to the U. S. deployment of nuclear weapons aboard submarines operating in Spanish territorial waters and with regard to American strategic aircraft overflying Spanish airspace. Resolution of this issue presumably has been made and precise restrictions incorporated in the U.S.-Spanish Bilateral Agreement, although the specific terms have not yet been made public.

Less certain, however, is the future availability of Spanish bases and military facilities in an «out-of-NATO area» contingency. According to the new Spanish-American Agreement, Madrid has the right to decide, on a case-by-case basis, whether or not the United States may utilize Spanish facilities in an «extra-NATO» crisis. Over the last decade Spain's historic and cultural ties to the Arab world have been reinforced by pragmatic political and economic considerations. Energy-resource scarcities and the need to import natural gas and oil supplies from OPEC states have strengthened the Spanish government's determination not to alienate the Arab countries. With the

decidedly pro-Arab orientation of Spain, the U. S. use, for example, of Spanish bases in a Middle East/Persian Gulf contingency may not be possible. Thus far, it has been the Spanish position that use of its facilities for «extra-NATO» contingencies will be decided upon a case-by-case basis. This position is somewhat at odds with that of the Spanish government on Spain's two North African enclaves. Together with its participation in NATO, the Spanish government has been pressing the Alliance into accepting responsibility for the security of Ceuta and Melilla. Thus far, however, Alliance members have been reluctant to discuss the issue of extending NATO's defense perimeter to include these two North African enclaves. It is the fear of some in NATO that to do so would likely involve NATO members in the war in Morocco, a country of particular interest to Spain.

Portuguese participants criticized the decision of the Spanish Cortes to submit to its approval any deployment of nuclear weapons on Spanish territory. This was viewed as unacceptable because Spain was placing stringent conditions upon the terms of its accession to the Alliance. A Spanish participant contended that, according to his estimates, Spain already had twelve probable targets for Soviet nuclear missiles and did not want more. A Portuguese participant responded that, according to the logic of deterrence, the deployment of NATO nuclear weapons in Spain would not in itself enhance the likelihood of a Soviet nuclear attack against Spanish territory. The mistaken view that deployment of nuclear weapons in Europe increases the prospect for Soviet attack seems only to fuel anti-nuclear and pacifist sentiment to the detriment of NATO cohesion and

Western security.

In Portugal, too, the issue of the U.S. use of Portuguese bases for contingencies outside the NATO area has become quite controversial. In large part this is due to what is perceived in Portugal to be the lack of support by NATO allies for the modernization of Portuguese defense capabilities. According to some Portuguese participants, Portugal's needs within NATO must be reassessed by the Alliance before the renewal of the bilateral agreement over the U.S. use of Portuguese military facilities. Laies, the site of a U.S. Military Airlift Command in the Azores, has emerged as a vital refueling and trans-shipment point for U. S. forces enroute to the Middle East as well as to Central and Southern Europe. It also plays an important role in U. S. Atlantic ASW and reconnaissance operations. The U. S.-Portuguese Bilateral Treaty governing the use by the United States of Laies was signed in 1979 and will expire in January 1983, unless renewed.

To underscore the linkage by Portugal between the modernization of Portuguese forces and the bilateral base negotiations, Foreign Minister Gonçalves Pereira recently confirmed a ban by Portugal on the landing at Lajes in early may of U. S. F-16 aircraft bound for Egypt. In this view, Portugal is not prepared to be an «aircraft carrier or airport» for foreign, even friendly, forces. It is the position of the Portuguese government that the ban on landing of the F-16's falls within the government's right to assess the U. S. request for the use of Lajes on a «case-by-case» basis, and that Portugal had decided to refuse the request «owing to reasons understood by all sides.» It was further noted that if NATO is unwilling to support Portugal's military modernization effort, then the government may be forced «to sell» access to those facilities which, in the past have been freely available to the United States and the other NATO allies. In a broader sense, Portugal wishes to contribute to NATO not only facilities, but also capabilities.

As a member of the Alliance for more than thirty years, Portugal's participation was said to have need of domestic support. This has been based upon the perception of a Soviet threat to the West. It was suggested, furthermore, that Portuguese domestic policies, in some cases, have been a consequence of NATO membership rather than a reason for joining the Alliance. The reverse was said to be true for Spain. Whereas Portuguese participants noted the Soviet/ Warsaw Pact direct military threat to NATO's Central Front Region, their immediate concern was the indirect Soviet strategy for the encirclement of Western Europe by a variety of military and politicaleconomic means. In particular, they expressed anxiety over the Soviet, East German and Cuban penetration into Africa, a continent of historic, political, economic and cultural interest to Portugal. As Portugal's colonial legacy fades, the suspicion and mistrust between Portugal and her former colonies in Africa has given way to a rapprochement in which Portugal hopes to wean Angola, Mozambique, and Guinea-Bissau away from the influence of Soviet and Soviet-proxy forces. Aspiring to the role of mediator between Europe and the Third World, Portugal sees itself as a constructive force in the development of a European/North-South dialogue, Portugal seeks closer ties with its former overseas territories (not the Third World in general) not only as a means of enhancing its own economic development, but also in order to strengthen its position and residual influence and thereby to diminish Soviet influence in the new African states that emerged after Portuguese withdrawal in the mid-1970s.

Portugal's defense modernization program has been slowed by the painstaking task of Constitution reform. The fragile democratic political system that emerged in the aftermath of the Revolution of 1974 and the rapid withdrawal from overseas possessions in the middle of the decade of the 1970s has confronted formidable political, economic and social problems that place constraints on Portuguese defense spending and which cloud the prospects for economic growth. Furthermore, in the midst of an evolution toward multiparty civilian rule, Portugal is faced with public dissatisfaction with the

pace of economic reform. Even though there has been a decline in the popular appeal of the Stalinist Portuguese Communist Party which came close to seizing power less than a decade ago, it has, nevertheless, organized and exploited public protests against civilian rule and sponsored widespread general strikes and civil disobedience.

Seven years after the «Revolution of Flowers,» Portuguese leaders are developing a Constitution that minimizes the military role in the formulation of national policies. The Council of the Revolution, by which the military had exercised a major role in the decision making process since 1974, was dissolved in August 1982 after the Constitution had been adopted by two thirds of the Portuguese Parliament. Even after the difficult process of Constitutional Reform has been completed, Portugal will need the full support of its allies as it works both to strengthen its political system and to build the foundations for a modern economy, while contributing in accordance with its means to the common defense of the West as a NATO member.

In joining NATO, Spain, like Portugal and the other NATO allies. will have to grapple with a range of issues that go beyond problems unique to their respective interests and those of the Iberian Peninsula more generally. Fundamental questions about the Alliance Strategy of Flexible Response will have to be addressed in conjunction with specific issues relating to the appropriate balance between NATO's nuclear and conventional force deployments and between levels of capabilities on the Central Front and the NATO flanks. In addition, there is the question of threats to Western Europe arising beyond the NATO perimeter and the need, perceived at least by some in the United States, for a coherent Western response and allocation of resources for contingencies in addition to those associated directly with Western Europe. Because of a limit on American resources. there are constraints on the U.S. availability of forces for NATO. For this reason, it was suggested that the European allies will have to consider means of compensating for the allocation of U.S. resources to «extra-European» contingencies which also have the potential to affect Europe's well-being. The accession of Spain into NATO comes at a critical time in the history of the Alliance. It was the hope of Conference participants that this event might provide the catalyst for the further strengthening and revitalization of NATO.