

## EIR Feature

# NATO's exposed Northern Flank: the debate begins

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In this issue of *EIR*, we reprint some of the recent speeches by leading military leaders of Scandinavian countries, testifying to a fact of which regular readers of the *Northern Flank* column in *EIR* are well aware: The extremely exposed military situation of Europe's Northern Flank. In the Scandinavian countries themselves, this has now become a matter of urgent concern and debate.

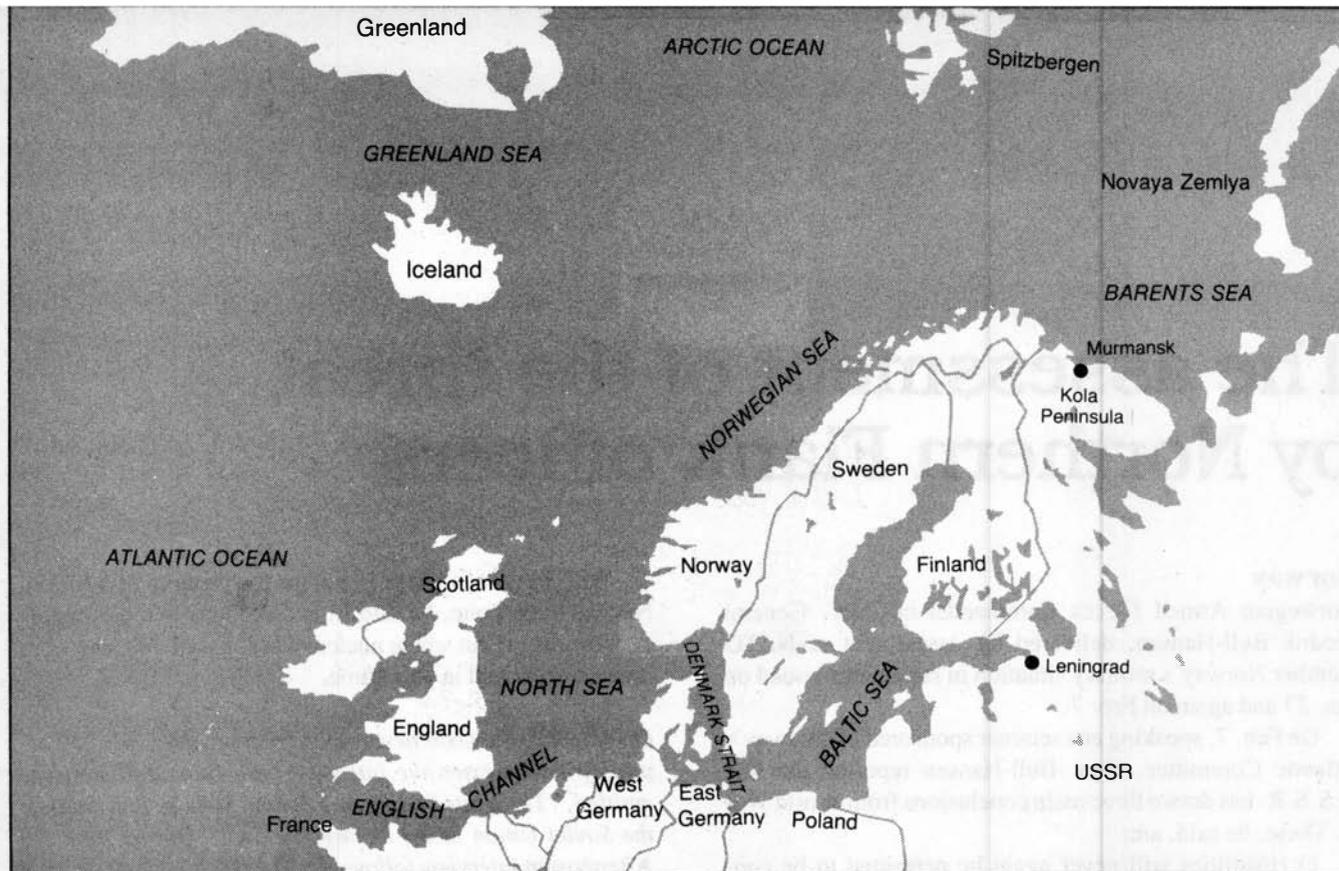
Thus far, the political leadership in these countries has repudiated the well documented demands from their military experts for increased defense spending, if any measure of security is to be reestablished in Europe's northern region.

In Sweden, for instance, Commander-in-Chief General Lennart Ljung has called for defense expenditure of Skr125 billion (\$5.5 billion) for the 1987-92 period. This would be Skr8 billion more than anything the government has so far proposed or is willing to spend.

In the case of Norway, Commander-in-Chief Gen. Fredrik Bull-Hansen has repeatedly pointed out that the government's present defense budget will mean, among other cuts, that "almost half the Army will lose its dynamic operational function."

The military exposure of the Northern Flank has in fact become so acute, that leading military personnel such as the Swedish Naval Commander Hans von Hofsten, recently went so far as to broach in public the question of neutral Sweden's entry into the North Atlantic Treaty Organization (NATO)—entirely without precedent in the postwar history of the nation, until recently, when the European Labor Party (EAP) in Sweden began to campaign on just that point. Von Hofsten raised the subject at a public meeting in Stockholm on Feb. 6, positing NATO membership as one extreme possible measure that could stave off the increasing likelihood of either a Soviet attack, or Soviet political blackmail based on the Warsaw Pact's overwhelming superiority in the region.

One could perhaps attempt to argue, particularly in the case of Sweden, that the political leadership is unresponsive to the military experts' warnings because of a different political orientation. Certainly, in the case of Swedish Prime Minister Olof Palme, Europe has one of the most notorious Soviet appeasers currently in



power. Palme is highly suspect in a number of ways: His family, for example, is part Russian, and Russian nobility at that, and the family estate is still there inside the Soviet Union—Palme has visited it. An uncle, R. Palme Dutt, was a founder of the British Communist Party. The so-called Palme Commission on East-West issues which he chairs, and which includes the Soviets' chief "American-handler," Georgii Arbatov, and GRU (military intelligence) Gen. Mikhail Mil'shtein, an "active measures" specialist, is essentially under Soviet control and a "back-channel" for Soviet policies into the West.

Yet, this sort of explanation of the block to Scandinavian rearmament misses the point. It certainly cannot explain the case of Norway, where Defense Minister Anders Sjaastad has stated his full agreement with General Bull-Hansen's assessments. But political agreement with the Norwegian military has not led Norway's government to plan an increase of its defense budget.

In short, what the military experts have failed completely to address is the economic reality of their respective countries, and of the northern region as a whole. The ongoing, rapid destruction of Scandinavia's economy—which it shares with the rest of the advanced sector—means *necessary cuts in all categories of the budget*, unless the collapse itself is addressed and reversed.

In Norway, for example, manufacturing output in 1985 was the same as it was 10 years ago. The collapse of Norway's industry has been temporarily papered over by North Sea oil revenues. Oil and gas currently account for a full one-fifth of the country's Gross National Product, and half of its

export earnings. Oil taxes bring in 20% of the government's revenue. This pseudo-boom, which dates from the time that real economic activity in the manufacturing sector began its downswing, is now coming to a close, aided by the chaos of the international oil markets.

In Sweden, monetarist deindustrialization has virtually destroyed the country's famous steel and shipbuilding industries. In 1973, the Swedish docks produced over 10 million tons of the total world tonnage output of 240 million tons. Sweden then was the second shipbuilding nation in the world. By 1985, Sweden had fallen to the 19th position.

Then, on Feb. 2, the government announced that the last remaining major shipyard would be closed by 1988. The Kockum shipyard in Malmö has been the industrial mainstay of southwest Sweden. The picture for the steel industry is almost as grim. In 1975, the industry employed 52,000 people—now down to 32,000. Swedish steel output today is 30% below 1975 levels. Government programs to hide real unemployment by providing make-work jobs—in which at least one-half million Swedes now work—is merely another form of welfare, and does not change the reality of the country's destroyed industrial infrastructure.

Even this thumbnail sketch makes the point that the dramatic military situation of Scandinavia cannot be addressed effectively without taking into account the economic underpinnings of any attempt at military mobilization. The shutting down of Sweden's dockyards and steel industry is the underlying reality behind the inadequacies of Sweden's Navy, inadequacies which Commander von Hofsten has otherwise so correctly denounced.