

The World

In Summary

Spinola Found Things Moving Too Rapidly

The revolution that ended decades of rigid dictatorship in Portugal, bringing dancing to the streets, roses to the Army's rifles and the choices of a free society, is now floundering. The man who led the changeover, Gen. António de Spínola, has resigned, fearful that those choices are producing chaos.

In leaving, General Spínola made explicit what had appeared to be the case: that he disagreed with both the foreign and domestic policies of the government he nominally headed. He believes the regime has been precipitate in granting independence to Guinea-Bissau and Mozambique and that, in its haste to undo the half-century of authoritarian rule at home, it has taken measures that have only added to the country's economic and political instability. General Spínola said: "Laws of the old regime are being annulled before new laws are made to regulate the political, social and economic life of the country, and even some laws that have been made are scoffed at."

Replacing the 64-year-old General Spínola as President will be his long-time comrade-in-arms, Gen. Francisco da Costa Gomes, 60. The real power will remain where it has been from the start, with a group of younger officers headed by the Premier, Brig. Gen. Vasco dos Santos Gonçalves; They are the leaders of the Armed Forces Movement that staged the April coup with General Spínola, their titular leader. The military men must, like him, deal with the ambitions of Socialist and Communist politicians.

The Communist Power

Because of their underground activities during the Salazar and Caetano regimes, the Communists are the most cohesive political force in Portugal. Since the revolution, the Socialists and more conservative parties have tried to make up for lost time, but given the uncertainty over how far left the military leadership itself intends to move, the likely complexion of any government formed following elections scheduled for next March is difficult to predict.

One of the major tasks of both military and civilian politicians will be to complete the withdrawal from Africa.

Angola, larger and richer than either Mozambique or Guinea-Bissau, is still at least nominally Portuguese. Although bitter divisions among black nationalists in Angola are a problem, it is expected that Angola will also get independence—sooner, with General Spínola gone, rather than later.

But the greatest challenge for the young officers is an economy where inflation is running at 25 per cent annually and workers are demanding 100 per cent wage increases.

With the rest of Europe facing recession, Portugal had feared that one of its prime sources of foreign revenue, the remittances sent home by workers employed in France and West Germany, would decline. These payments, which are equivalent to 10 per cent of Portugal's gross national product, did turn down early in the summer but rose to a new record in July. Coupled with healthy reserves of gold and foreign currency—about \$2.3-billion, or more than a normal year's import bill—these remittances remain a bright spot in Portugal's otherwise hazy economic and political outlook.