

The real scandal on Spain's economic scene

by Katherine Kanter in Paris

When Spanish Finance Minister Miguel Boyer announced Feb. 23, that due to non-cooperation on the part of the country's largest private enterprise Rumasa S.A. (1.5 percent of the GNP, 400 companies, 350,000 employees, 18 banks), the government would probably have to send in auditors from the central bank, the Bank of Spain, he provoked an immediate run on the Rumasa group's banks and a stir in the international financial press demanding that Spain should be blacklisted on the credit markets. Two days later, after a six-hour debate in the cabinet, Boyer announced the expropriation of the group. What went on behind the scenes?

José Maria Ruiz Mateus, ex-president of the nationalized group, quite publicly owns to being a member of the Opus Dei, though to which faction of this highly factionalized secret society is not yet clear. It does, however, seem likely that parts of the group were involved in the attempt to bail out the Vatican-linked Banco Ambrosiano of Milan, which was victimized by the Propaganda 2 Freemasonic lodge, and which may account for the black holes Miguel Boyer referred to in the books, black holes for which no reliable figures are available and on which estimates vary between 100 and 300 billion pesetas.

The ostensible reason for the nationalization, according to Boyer, was the risk of the group collapsing and throwing almost half-a-million people onto the street in a country with over 17 percent unemployment, taking down with it most of the national banking sector. Unfortunately, there is no overall report on the Rumasa group as a whole, and the minister did not present figures conclusive either way, though some of the truth may come out in the March 1 parliamentary debate.

Curiously, no one has alleged that the banks of the group were at risk, particularly not the Banco Atlantico, nor were there signs of impending suspension of payments in any sector of the group. The minister said that he had decided to act preventively, provoked by the fact that when, in 1982, the Bank of Spain ordered Rumasa to present an audit of its banks, within the impossibly short time of four months, the Chicago firm of Arthur Anderson naturally proved unable to complete the task on schedule. To jump from there to an act as spectacular as nationalization in the highly charged polit-

ical environment of Spain today would appear to have other motivations than economic ones.

A key to the apparent mystery may be the unusual serenity of the private banks. Indeed, it is now suspected that the entire operation against Rumasa was cooked up between the top private banks, in particular Banesto, Bilbao, Central, and Hispanoamericano, and Mariano Rubio, deputy governor of the Bank of Spain since 1965 and architect of the monetarist takeover of the country's finances. The profile of these top banks is highly interesting.

Investments abroad—otherwise known as capital flight—doubled in 1982 relative to 1981. Ninety-five percent of all overseas investment by banks was carried out by the top 10, and after the United States—Miami, to be precise—Chile, Portugal, and Puerto Rico were the major recipients of Spanish bankers' money. Investments increased most into Chile, Puerto Rico, and Uruguay, and decreased in those countries struggling to industrialize in spite of their debt burden: Argentina, Mexico, Brazil, and Peru.

Now, whatever one may think of the "ride 'em cowboy" entrepreneurial approach of Ruiz Mateus, the unescapable fact is that the Rumasa empire he controlled was the only major economic and financial power in the country with some independence from the monetarists running the Bank of Spain, and the landed oligarchy running the top private banks. The last significant obstacle to the Friedmanite nexus encrusted into the economics and finance ministries and most of the private financial institutions has just been smashed.

If the Spanish government is serious about preventing a Pinochet-style fascist-austerity coup, it had better wake up to the fact that the Bank of Spain is totally out of control and must be renationalized. Since the reign of Mariano Rubio Ximenez began in 1965, spearheading a war against the industrial growth policies of Juan Antonio Suances and their pursuit by the co-thinkers of the late Prime Minister Carrero Blanco, a group of people has been trained in the Servicio de Estudios of the Bank of Spain, and launched on careers by the trilateraloid propaganda machines like the Cambio 16 press group, which has virtually destroyed economic thinking in Spain.

Those who have passed through the Bank of Spain's monetarist hotbed include Socialist Finance Minister Miguel Boyer, who told the French newspaper *Le Monde* that he had been elected to impose austerity. In this interview, dated Feb. 28, Boyer lays out an entire Friedmanite plan for the destruction of the Spanish economy: slashing steel and shipbuilding and investing in the technetronic post-industrial society—all premised on the mythical U.S. upswing of 1984.

More dangerous still, working under direct IMF orders—neither Boyer nor the governor of the Bank of Spain, who demanded a 100 percent increase in International Monetary Fund quotas at the recent Washington meeting, hides his admiration for the fund—Boyer is carefully running up the presently manageable foreign debt of Spain from about \$27 million to a planned \$30 billion by the end of 1983.