

Fraga's resignation creates danger of new absolutist regime in Spain

by Leonardo Servadio

A crowd of some 2,000 people gathered on Dec. 2 outside the central offices of Popular Alliance (AP) in Madrid to protest the resignation of Manuel Fraga from his position as chairman of that party. People in this spontaneous demonstration waved signs reading "Do not leave," "We don't want any other boss but you," "If Fraga goes we will all go," "Fraga yes, traitors no."

In his letter of resignation, Fraga explained that the "forces of the democratic right wing have to unite to win" and that he did not want, "now that incredible heights of insolidarity have been reached, for anybody to think that my person might be . . . an obstacle" to pursuing that goal.

Fraga has been, through the years of the still very young Spanish democracy, the undisputed chief of the conservative opposition. His party has consistently won about one-fourth of the votes and has led a coalition which included, until the political election last June, the Christian Democratic PDP and the liberal PL. These two small parties, had they not been part of the coalition with AP, would have had very little influence in Spanish political life, which since 1982 has been increasingly dominated by the Socialist Party (PSOE), which won an absolute majority in two consecutive elections.

Fraga's resignation was the result of a months-long campaign to get him out of the way, waged in various quarters, but in particular by the Spanish banking structure connected to the "Trilateral Commission" of U.S. moneybags David Rockefeller. This faction wanted Fraga out for reasons that have nothing to do with those presented in public (i.e., that the "right wing" would never win with him leading it, due to his past as information minister in the Franco dictatorship). They wanted Fraga out because his ideas on economic policy would be much different from the Trilateral Commission's, and because he is an "organic leader" of a mass-based party inclined to respond to real issues, and tough on terrorism and drugs. They wanted Fraga out, not to build an alternative which could win more votes than the PSOE, but to prevent the existence in the Spanish political spectrum of an "independent variable" not totally under control. In other words, to kick Fraga out means to try to eliminate any potential opposition to monetarist policy in the style of the "Chicago boys."

The occasion of the resignation came after the late-No-

vember elections in the Basque region for the local "autonomous" Basque parliament. AP was able to reelect only 2 of its 7 deputies, whereas the Socialist party won, for the first time in this region, a relative majority, with 18 deputies. The party which had previously dominated the Basque region, the Partido Nacional Vasco (PNV), led by former Jesuit Arzallus, elected only 17 deputies, after Garaicoechea, one of its leaders, left to form a new party, Eusko Alkartasuna (EA), which won 14 deputies. Now the only way to govern the region is to create a coalition led by the PSOE, which will further strengthen the domination of the Socialist party in Spain as a whole.

The role of the banks

An interesting angle on the poor showing of AP in the Basque election was that it had to wage the campaign without financing from the national banks. These banks refused to finance Fraga's election campaign with the excuse that AP has not yet paid back the loans from the June national election. The pretext was absurd, since AP is no worse at paying than any other party, but it gives a measure of the extent to which the Spanish banks directly and openly meddle in Spanish politics.

For the June balloting, the syndicate of the big national banks had concocted a political monstrosity, the synthetic PRD (Reformist Democratic Party), led by Spanish Trilateral Commission founder Garrigues Walker, and heavily supported by the heir to the infamous Nazi-communist financier Juan March, Carlos March Delgado. To this "party," the banks officially gave 800 million pesetas in election campaign credit (just for comparison—of the large parties, AP was allotted 1,400 million and the ruling PSOE received 1,700 million). That was the official figure. According to usually well-informed sources, in reality the synthetic PRD got twice as much money as the AP.

The PRD, whose economic program is the purest form of Milton Friedman-style liberalism, being a totally synthetic operation, turned out to be a resounding fiasco, and did not elect a single deputy. In the minds of those who planned the operation, the PRD's function was to take away the leadership of the conservative opposition from Fraga.

That ploy having failed new operations were put in place

after the election. First the small PDP split from the coalition with Fraga's Popular Alliance, and its representatives in Parliament, being too few to create their own parliamentary group, joined the "grupo mixto," a sort of parking area for those whose political representation is not big enough to have their own group. People started to say that if Fraga remained as the head of AP, the "right wing" would crumble. Shortly thereafter, Fraga denounced a plot within the party to oust him from leadership, and demoted Gorge Verstrynge from the position of secretary-general of AP. Verstrynge was soon followed by four more AP parliamentarians, who abandoned the party and joined the "grupo mixto" in protest against Fraga's leadership.

Meanwhile, AP representatives, such as Abel Matutes, working in the European Community Commission started to signal their "availability" to return to Madrid to help the party if necessary, which, in that context meant, to replace Fraga. In the Galicia region's party structure, an actual revolt broke out against the local party and its regional president, Fernandez Albor, a man described as very close to Fraga. The loss in the Basque elections was simply the last straw.

Industrialists versus monetarists

It would be impossible to formulate a correct judgment on what went on in Spain without considering as the primary factor, not the question of Fraga per se, but the debate which is going on in the country, partly in public and partly behind the scenes, over what kind of economic policy to follow. It is a textbook debate of industrialists versus monetarists.

At the beginning of November, José María Cuevas, the president of the industrialists' association CEOE, took a public stand in Fraga's favor and openly criticized the Spanish financial establishment for having launched the ridiculous fiasco of the PRD. The Trilateral Commission-run paper *El País* reported that, according to sources of the industrialists' association, the financial circles which had launched the PRD were the same ones that in 1977, when an emotional upsurge appeared possible in Spain which could have played into the Communists' hands, started to transfer funds out of the country—while the industrialists got to work, trying to define a strategy of economic development for the nation which was just emerging out of Franco's dictatorship.

This is the real debate: whether the country shall be subdued by the puppets of the Trilateral Commission into a financial dictatorship, or whether the real economy of the country will be able to develop itself in a more independent way. The Trilateral Commission issue is a very prominent one. It was in Madrid that the Trilateraloids held their most recent international meeting last spring, where they openly announced the necessity of a "global economy management" for the world.

It is interesting to see how the only political leader who attacked the Trilateral Commission in Spain in an open way has been the fundamentalist Blas Pinar. Pinar is a religious integrist in the tradition of the schismatic "bishop" Lefebvre,

who agitates to go back to the good old times of the Franco dictatorship. The fact that he would attack the Trilateral Commission creates the best ideological conditions for defending the it, by associating anybody who dares attack it with Pinar.

The real debate in Spain is not over Fraga, but over economic policy—a textbook debate of industrial growth versus monetarism. The president of the industrialists' association came out publicly in Fraga's favor in November, and criticized the Spanish financial establishment for having launched the ridiculous fiasco of the PRD.

At the end of October, Pinar relaunched his old political outfit, once called "Fuerza Nueva," now called "Frente Nacional," in the style and with the support of the French ultra-right Le Pen. The purpose of Pinar and his cohort of "nostalgics" was merely to create problems for Fraga, by keeping Fraga and the industrialists' faction from moving against the Trilateral monetarists.

A new dictatorship?

A few months ago, thanks to its absolute majority, the Socialist government passed a law mandating that the supreme council of the magistracy, previously elected by the magistracy itself, will now be elected, in its totality, by Parliament. This practically took away the constitutionally necessary distinction between the political and judicial branches, subjecting the judiciary more and more to the political branch. From the constitutional standpoint this means coming closer and closer to a new form of dictatorship, whose aim is to let the "Socialist" financial mafia tighten its grip on the country.

The destruction of Fraga as potential opposition, is nothing but one more step in this direction.

The questions which remain open are two: With the wave of popular support which his resignation has provoked, is Fraga really destroyed? How long will the "financial mafia" be able to deceive the Socialist electorate and its very party structure, which have chosen the Socialist Party to guarantee a freer and more democratic society, after 40 years of dictatorship, and do not want to fall now into a new dictatorship?