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MEMORANDUM

Politics and Social Change in the Last Days of Franco Spain

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CENTRAL INTELLIGENCE AGENCY

OFFICE OF NATIONAL ESTIMATES

16 November 1972

MEMORANDUM

SUBJECT: Politics and Social Change in the Last Days of Franco Spain*

NOTE

Franco will be 80 next month, and some of his associates do not expect him to last another year. Franco's regime has lasted three and a half decades, and he has tried hard to ensure that the political institutions he established and defended will be preserved after he has gone. Much has transpired in the interim. Important economic and social changes have occurred in Spain and its international relations, and even the character of Spanish politics has altered. Adherents of political liberalization no longer are confined to outright opponents of the regime, but increasingly include members of groups upon which his power has been based. Thus, the pressures for political change will be very strong after his demise, and it appears likely that some steps will be taken to liberalize the system from within. But the question is still open whether the proponents of reform will succeed or whether conservative forces, fearing that the process would get out of hand, would move to suppress both such changes and their advocates.

* This memorandum was prepared by the Office of National Estimates.

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I. THE MAINSTAYS OF FRANCOIST POWER

1. Thirty-six years have passed since Franco seized power in Spain. Although the harshness of his authoritarianism has been eased from time to time, Franco and his diminishing retinue of former comrades-in-arms continue to behave as if any real concessions to the political opposition would cause the fruits of victory in the Civil War to be lost to Communism or chaos. But Franco's comrades have been gradually dying out, and in the intervening years a new generation of Spaniards has emerged -- now comprising more than half of the population -- which has had no direct experience of the Spanish Civil War. Like its counterparts in other European countries, this generation feels no responsibility for the disputes of its elders and is anxious for Spain to shed outdated habits and to adjust to changes in the world's political and economic environment. Although Franco has struggled bravely to preserve the traditional trappings of his cause, this struggle is becoming more and more difficult, even for him, as the years go by.

2. The very basis of Franco's political power has changed. When he assumed power in Spain, his main pillars of support were the Church, the Falange, the monarchists, the industrialists, and

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the army. But the Church can no longer be considered a faithful supporter. Indeed, some of its leaders now challenge Franco on such key issues as human rights and the relationship between Church and State. The Falange, which was long ago stripped of any independent basis of power, has gradually fused into the broader regime bureaucracy known as the "National Movement" and has lost most of its political influence. Those of its leaders who are still alive are no longer politically important and a number of them have become disgruntled critics of Franco. Even some monarchists no longer support the *Caudillo*, blaming him not only for tolerating liberal economic practices in Spain, but also for choosing a successor as Head of State, Prince Juan Carlos, who does not, so far as they are concerned, even represent continuity with Spain's monarchical past. For their part, Spain's present industrial and business leaders have little in common with their pre-war counterparts.

3. Today, apart from the devout but pragmatic elitist group of Catholic lay leaders connected with the "Opus Dei" organization, who wield great influence in governing, economic, and intellectual circles, Franco's main bulwark of support is the military. No other organization or group has comparable power,

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and most military leaders still regard themselves as guardians of the political system which Franco has established. Yet even the military can no longer be taken for granted as an unquestioning supporter of the Franco regime -- some of its top leaders are known to favor some political change when Franco departs.

II. SOCIAL AND ECONOMIC CHANGE

4. One reason for the changes noted above is the passage of time; another is that the Spanish economy has been profoundly transformed during the past two decades. The key turning point was in 1959, when the decision was made to abandon autarchic economic policies and to welcome foreign investment. As a result, the development of domestic industry boomed during the sixties, and Spain changed itself from a relatively backward country into an industrial power of growing consequence.* The foreign investment boom was accompanied by substantial increases in imports, financed to a large extent by a mushrooming tourist trade and by remittances from Spanish migrant workers abroad. Tourism has continued to grow -- last year

* *The industries showing the greatest development included shipbuilding, steel, automobiles, electrical appliances, oil refineries and petrochemicals.*

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it earned Spain about \$2 billion in foreign exchange, while remittances from workers abroad netted an additional billion. As a result of this "economic miracle", the importance of the agricultural sector has declined. Between 1960 and 1971 agriculture's share of GDP declined from 24 to 15 percent and the agricultural labor force declined from 4.9 million to about 3.8 million.

5. Spain's growing industrial development resulted in an expansion of foreign trade, much of it with Western Europe, encouraged by the conclusion in 1970 of a preferential trade agreement with the EC. Last year 42.1 percent of Spain's total imports and 47.3 percent of its total exports were with the countries of the enlarged EC. In addition, about 60 percent of all foreign investment in Spain now comes from the same area. Thus, although still blackballed for political reasons from official membership in EC, the Spanish economy is deeply affected by economic trends in Western Europe.

6. The economic changes in Spain have had some effect on the social structure. A substantial portion of the agricultural labor force has moved from the countryside, half of it abroad and half to the growing urban industrial centers. Many Spanish workers who migrated to Western Europe have gradually found

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their way back to Spain, having acquired new skills and experience. They have brought with them somewhat different political notions as a result of their exposure to Western Europe. Also, during the past decade or so, educational standards have been raised, and all sectors of Spanish society have been subjected to new political and cultural currents from outside the country, partly because of government encouragement of economic and technological aid from abroad, and partly as a result of the constant flow of tourists.

7. Spain's growing prosperity has also had social effects. Average per capita income grew between 1960 and 1972 from \$290 to over \$1,000 (equivalent to Italy's per capita income in 1964),* although the growth of real income has been slower because of inflation. Rising incomes have brought some former workers into the ranks of the middle classes, or at least have caused them to become more and more concerned with maintaining their material benefits and less and less with sustaining old class conflicts. Moreover, the expanding middle-class and business community have acquired a stake of their own in maintaining Spain's rising

* *The number of cars per 1,000 people grew from 9 to 70 between 1960 and 1970.*

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living standards. As a result of all these developments, xenophobic tendencies in Spain and some of the political and regional antagonisms stemming from the Civil War period have diminished somewhat, and even some of the traditional social divisions in Spain have lost their sharpness.

III. THE NEW POLITICS

8. In this environment the character of politics has changed. Politics are no longer simply black or red; it is no longer a simple question of being for Franco or against him. Out-and-out oppositionists remain, but within the system there are many who want changes in the way in which the system functions or who want to alter the system itself. More and more Spaniards, leaders and followers from all sectors of the society, are waiting quietly but anxiously for the old man to die.

A. Pressures within the System

9. This attitude is apparent even among those sectors of society which formerly were among the strongest supporters of Franco. Many members of the government bureaucracy, for example, now seem to believe that Spain's future will require political

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change, but that such change is out of the question as long as Franco lives. Even "Opus Dei" Cabinet ministers, despite the conservatism of their political and spiritual views, have come around to this view. Largely through their experience as architects of Spain's economic transformation, they have become convinced that the further economic and technical development of Spain will necessitate some relaxation of the political atmosphere, not only to make the system work in a modern environment, but also to alleviate foreign hostility toward Spain's political institutions.

10. Spain's business and professional classes are equally impatient for change. Much of the new Spanish business community, in contrast to its counterpart of Civil War days, has acquired a pro-European and relatively progressive outlook. Thus, most businessmen believe that Spain's economic ties with the outside world, not to mention Spain's economic power in Europe, will be greatly enhanced by a loosening of the domestic political reins. As technocrats they are essentially pragmatic, as shown, for example, by their tendency to bypass the system to deal directly with the illegal workers' commissions. Some Spanish lawyers are chafing for legal reform. A small but

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influential group of Madrid lawyers, for example, has been pressing for some time for the reform of government legal codes which it feels threaten the independence of the legal profession. Spanish teachers have long been at odds with the Franco regime over needed changes in the educational system, but have been especially outraged by recent government measures to impose greater discipline on the academic community. Artists, writers and journalists are also deeply discontented, especially because of the regime's imposition of harsh censorship policies after the unrest in December 1970. A particular sore point was the suspension from publication last year of the mildly liberal daily newspaper, *Madrid*.

11. *The Church.* Long a stronghold of conservatism and a strong supporter of Franco, the Catholic Church in Spain has gradually evolved into an irritant for the regime and a constant source of pressure for political liberalization. A key factor in this transformation was the influence of Vatican II, as a result of which liberal inclinations among the lower clergy found growing sympathy among Church leaders. Indeed, the power of the liberal bishops has steadily increased to the point that they were able to achieve majority control of the Spanish Episcopate

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at its meeting last March. With Vatican support, the liberal bishops have been pressing Franco for a revision of the 1955 Concordat to achieve full separation of Church and State. They have gone even further and have expressed the view that the human rights provisions of the Papal encyclical, *Pacem in Terris*, should prevail in Spain.

12. Franco, with the support of the conservative minority of bishops, has tried to prevent Vatican appointments of liberal auxiliary bishops, has resisted Vatican pressure to revise the Concordat, and has denounced the Episcopate's attempts to intervene in political matters. Moreover, despite the predominance of liberal influence in the Spanish Church hierarchy, conservative bishops still participate in parliament (the *Cortes*) and one, the Archbishop of Zaragoza, is even a member of Spain's top governmental body, the Council of the Realm. Although relations between Church and State are continually tense, neither the Episcopate nor the Government desires to allow this relationship to develop into a showdown -- the latter because of the great influence of the Church in Spain, and the former because of the Church's heavy financial dependence on the annual subsidy (approximately \$93 million) received from the State.

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13. *The Military.* Rightist influence remains strong in the Spanish military establishment, even among the younger officers, who seem firmly committed to the preservation of law and order. It is especially strong, of course, among those of Franco's former comrades from Civil War and "Blue Division" days -- now in their seventies or older -- who are still on active duty. Indeed, most of the Spanish officer corps, though trained to remain aloof from politics, is afraid that even limited political change might lead to serious disorders, and would favor military intervention at an early stage to suppress domestic disturbances, or even to stop the process of reform. Nevertheless, the changes in Spain's political and economic environment have also produced some new types among Spain's military professionals. A number of officers have become convinced, as a result of their contacts with their US and European counterparts, that technical progress is vital for a modern military establishment. Further, some have become infected by the "European" virus and believe that not only Spain's economic future, but its military future as well is tied to Europe. One such "European" is the present Chief of Staff, General Diez-Alegria, who believes in the firm enforcement of law and order but at the same time is convinced that Spain's future relationship with Europe will require some liberalization of political life.

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B. Pressures from outside the System

14. *Labor Groups.* Clandestine labor groups today are probably the primary form of political opposition in Spain. The formation of illegal groups, often on an ad hoc basis, was stimulated in part by the short-sighted policy of the government in permitting legal labor activity only within the government-controlled "Spanish Syndical Organization" (SSO). The ineffectiveness of this organization led to the formation of clandestine "workers' commissions" in which representatives of illegal political groups, both Communist and non-Communist, participate. Although Communists and fellow-Marxists are only a small minority, operating in an illegal situation has enabled them in a number of cases to dominate the commissions and to infiltrate the official syndical organization. (In 1971, between 10 and 20 percent of those elected as factory shop stewards were considered "undesirables" by the government, and about half of these "undesirables" were said to be Communists.)

15. Despite their illegality, these commissions have become the only really effective labor organizations in Spain. In plants where they are strong, management prefers to deal with them on

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most issues rather than with the official syndical organization. The commissions also have played an active organizing role in labor disturbances, and although strikes are illegal in Spain, were active in major strikes during 1971 in Madrid, Barcelona and Asturias. The fact that the regime is well aware of the existence and activity of the commissions and yet is reluctant or unable to suppress them outright suggests that it may to some degree have accepted them. It may feel that the commissions serve a needed function or that it can monitor them more effectively if they are allowed to function openly. In any case, wholesale suppression would probably cause large-scale labor unrest.

16. *Students.* Even more than most other traditional "establishments" in Europe, the Franco regime has difficulty communicating with the student generation. Student unrest seems to cause the Franco regime special concern. Alarmed at the least sign of student dissidence, the government tends to react harshly. For example, in January 1969, in response to a series of student demonstrations for university reforms after the student disruptions in France of the previous year, the universities in Madrid and Barcelona were closed, over a thousand arrests were made, and

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a three-month state of emergency was declared. Even after the universities were reopened, the government stationed uniformed and plain-clothes police on the campuses, thus antagonizing the students further. In response to student demonstrations during the 1971-72 academic year, severe measures were taken to establish control over the universities. These measures were aimed not only at excluding student agitators, but also faculty members considered responsible for stimulating disorder by "subversive teaching". But these actions only provoked the rectors and top faculty administrators of universities in Madrid, Salamanca and Valencia into resigning in September. The universities have opened under new management and the police have been withdrawn, but the regime clearly is determined to take whatever measures are necessary to preserve order on the campuses, and the resentments of both students and faculty against the Franco regime are stronger than ever.

17. *The Traditional Opposition.* Most of the political groups which defended the Second Spanish Republic against Franco still exist within and outside the country, but their political importance has greatly declined. In addition to groups operating in exile, some leaders of the old political parties -- e.g.,

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Christian Democrats and Socialists -- are tolerated in Spain itself, but they are watched carefully and are enjoined from any "public" political activity. Thus, they have little opportunity to build up a popular following, and it is difficult to judge which, if any, of the parties would be likely to have significant support if allowed to function openly. At the same time, three decades of sustained propaganda by Franco on the theme that to restore the political parties would only mean to repeat the chaos of the pre-Civil War period has made an impact on the populace.

18. The two left-extremist political opponents of Franco -- the Anarchists and the Communists -- are legally banned but continue to engage in clandestine activity. Anarchism -- before World War II one of the most powerful political movements in Spain -- has lost most of its popular appeal, even in Catalonia. Small Anarchist groups still attempt occasional acts of violence, but neither their tactics nor their ideas inspire any significant support in contemporary Spain. The Communist Party of Spain (PCE), however, continues to maintain the only nationwide clandestine organization of any consequence -- its hard-core membership is estimated at about 5,000, most of them outside Spain.

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Despite continual harassment by Franco's security forces, it has had some success in infiltrating the labor syndicates, as well as youth and intellectual groups. Nevertheless, the party's efforts to improve its image are hindered by the strong popular fear of Communism, and its estrangement in recent years from Moscow (which has transferred its support to a rival splinter group) has made it more difficult for the party leaders to direct effective political activity from abroad.

19. The ancient traditions of separatism persist in Catalonia and the Basque provinces, and small extremist clandestine groups continue to operate in both areas, despite Franco's constant efforts to suppress them. In Catalonia, Catalan separatists have been able to hold clandestine meetings in Barcelona under the noses of the security services. The Basque extremist organization, the ETA (Basque Nation and Freedom), is the most ardent exponent of violence, but it has been weakened by splits, and its cross-border activities have been made more difficult recently by the outlawing of the organization by the French government. The violent tactics of the extremists do tend to keep the traditions of these movements alive, but violence is not a popular political method in post-Civil War Spain, even in these traditionally rebellious areas.

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IV. POLITICS IN POST-FRANCO SPAIN

20. Spain's changing domestic and international environment, together with the altered attitudes of the political forces in Spain, will make it difficult for Franco's successors to resist pressures for liberalization of the political system. At the same time, thirty years of authoritarian rule and the widespread fear among Spaniards of the dangers of restoring Western-style parliamentary democracy argue strongly that liberalization will be achieved, not by throwing out the political system set up by Franco, but by modifying it. The military will continue to occupy a key position but, especially after the powerful influence of Franco's personality has been removed, even the military may consider it more prudent to concede to liberal pressures than to hold out against them, judging that to take the latter course might well cause another general political convulsion in Spain.

21. Because of the careful preparations already made by General Franco, the immediate succession process is likely to be orderly. Juan Carlos will become Chief of State, and Franco's powers will be divided between him and the designated President

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of the Government (Prime Minister), Admiral Carrero Blanco.* In the past, Prince Juan Carlos has been regarded as a political lightweight, but he is now taken more seriously within leadership circles in Spain. He has made it clear more than once that he favors liberal political change but feels that sufficient leeway for such change already exists in Spain's present political system. Admiral Carrero Blanco appears to have extremely conservative political views and believes that no concessions should be made to the political left. He appears to have been responsible for the severe repressive measures taken this year against the universities, and for increasing secret police powers against "subversives". Whether his views would remain conservative without Franco there to support him remains to be seen.

22. If the views of those favoring controlled liberal change should prevail, it is possible that sufficient changes could be made within the present political system to disarm the chief critics of the Franco regime in Spain and abroad. For example, the labor syndicates could be made more representative

* *Juan Carlos apparently will inherit Franco's post as Commander in Chief of the Armed Forces, but the Premier will control the "National Movement" and probably the police forces.*

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and more responsive to workers' needs. Eventually the workers' commissions could be legally recognized and allowed to operate openly within the system. Parliament (the *Cortes*) could be made more representative than it now is, and freer parliamentary debates could be permitted. In general, a more relaxed political atmosphere permitting greater freedom of assembly, worship and the press, could be tolerated. Indeed, much of the latter could be achieved simply by a more liberal interpretation than in the past of the fundamental liberties already constitutionally guaranteed by the *Code of the Spaniards* decreed by Franco in 1945.*

23. Although moderate change seems the more likely course, violence on a major scale is still possible if liberalization should release long pent-up popular emotions and if certain long-repressed groups should be encouraged to press hard and fast for radical change. In such circumstances, conservative

* During the sixties, Franco actually considered certain liberal political changes which included a draft law permitting "political associations" in lieu of political parties, within a framework of Franco-style "organic democracy". Such plans were gradually abandoned after the Burgos Trials of Basque separatists in December 1970, but it may well indicate one avenue political reform could take in post-Franco Spain.

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forces, particularly those in the military establishment, probably would become sufficiently concerned about the implications of liberal change to try to suppress it. Clearly, much continues to depend on how the military responds to such a situation, and whether Juan Carlos as the new Chief of State will be strong enough to exert at least a mediating role. Meanwhile, the more Spain's economy continues to be developed and modernized, and the more Spain's ties are developed with the outside world, the more difficult it will become for conservative forces in Spain to turn the clock backward and reimpose an isolationist, traditionalist, and xenophobic course.

24. The course of political developments after Franco will, of course, have an important bearing on the US relationship with Spain. Spanish ruling circles seem generally in favor of a continued cordial and even intimate relationship with the United States, especially in the military and economic spheres. This support is unlikely to be affected significantly by attempts to liberalize the political system, although in a more permissive political atmosphere the radical left may attempt to demonstrate against the US military presence.

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25. But as Spain develops closer ties with Western Europe, and alternative sources of military and economic support thereby become available, US economic and military relations with Spain could come under attack. Some would favor moving away from a close military relationship with the US and toward closer relations with West European countries. Indeed, some steps are already underway to improve military cooperation with some of these countries, especially France. As Spain becomes more deeply involved with Western Europe, Spain's national interests -- like those of other West European countries -- probably will conflict more frequently than in the past with those of the US. This would be particularly true, for example, if progress were to be made on schemes for a closer relationship among Mediterranean riparian powers.

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