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Special Report

Current Internal Problems of the Spanish Government

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CURRENT INTERNAL PROBLEMS OF THE SPANISH GOVERNMENT

A sense of unease among informed Spaniards has been evident over the past several months. The usual speculation on impending cabinet changes and other political maneuvering has taken on urgency with rumors of possible pre-emptive action by senior military officers to counter what they consider to be drift at the top. It is widely believed that the 75-year-old Chief of State Franco's health is in a condition of decline which can only hasten his death or result in incapacitation. Without his personal rule, many fear that the regime will no longer be able to face the challenge from mounting economic and social problems. The government, captive of its abhorrence of any change that might weaken its control, has been rigid in the face of demonstrations for reform by student and labor groups. Vice President Carrero Blanco has issued a stern warning that the armed forces would be used, if necessary, to put down any attempt to alter the political system. By such means the regime so far has been able to keep the lid on, but it has not solved its basic problems.

Coup Rumors

Rumors are circulating among informed Spaniards about possible military coups. By some accounts, certain military commanders supporting the regime may launch a preventive coup to assure the maintenance of the status quo after the death of Franco. There are other reports that monarchist generals are thinking of a coup. There is no convincing evidence that such plans are afoot, however, and it is unlikely that any senior military official would move against Franco as long as he maintains order in the country.

The coup rumors may well derive from political conversations looking toward the post-Franco period. Speculation about the role of the military is causing tension, however, [redacted] 25X1 a 25X1 delegation of senior military officers called on Franco in early April to explain that the coup reports were only rumors, to point out the concern of the military about the dangers of certain current problems, and to reaffirm their unconditional and irrevocable support for Franco.

Rigidity of the Regime

The problem underlying all others in Spain is the rigidity of the Franco regime's policies. Although the new constitutional law

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promulgated in January 1967 affords some possibilities for a cautious relaxation of the authoritarian controls of the present system, the regime has not permitted any steps toward liberalization. Franco has failed to appoint a chief of government as the new law permits, and no political dialogue is likely in the National Movement, which still takes the place of political parties. Furthermore, the law to reform the labor syndicates and permit separate organizations for workers and management has been delayed so long that the workers have little hope they will be permitted an official organization to represent their interests with the government. 25X1

Labor and Student Protests

In the face of the regime's failure to reorganize the official labor syndicates, the workers have formed "workers' commissions" to promote their interests. These ad hoc groups include workers, Catholic labor group members, and Communists organized in individual factories and are associated in a loose confederation on both local and national levels. The Communist members play a large but not necessarily dominant role in the commissions. Although these groups are illegal, they have succeeded in functioning as agents for the workers in presenting grievances to management and in organizing demonstrations. The regime's failure to listen to legitimate grievances of the workers has led to demonstrations, most notably on 27 October 1967 and 30 April - 1 May of this year.

Another protest group is the university students. Their demonstrations began as an effort to gain recognition for student-sponsored organizations in place of the government-controlled student syndicate and to promote university reforms. As the public protests continued they drew more supporters and were prolonged by the brutal tactics of the police in suppressing them. The demonstrations became so violent that the government was forced to close the University of Madrid several times during the current term. It reopened after almost six weeks' closure on 6 May after the appointment of a new education minister and a new rector.

[redacted], some 200 students appear to be the nucleus of the troublemakers at the University of Madrid. Few of these are Communist Party members, but some may be paid party agents. The new rector has warned that if the university has to be closed again, no make-up examinations will be allowed and students will have to repeat the academic year. In the past, such warning has been effective. In the future, however, the example of successful pressure by students in other countries may tend to stiffen the Spanish students' resolve. In any case, the regime is far from any basic solution of its student problems. 25X1

The Political Opposition

The illegal Spanish Communist Party, although still comparatively weak and divided into

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Moscow and Peking factions, has shown some ability recently to take advantage of labor and student unrest by infiltrating worker and student groups, but police penetration of the party keeps it under control.

The non-Communist opposition groups, which are also illegal, remain disorganized and divided, and serve more as intellectual debating societies than cores of effective political action. The monarchists appear most active in their efforts to round up support for the restoration of the monarchy in the person of Don Juan de Borbon, son of the last king.

Rivalry Among Regime Groups

Another problem for the present regime is the rivalry among the groups in the cabinet. Each faction tries to dominate, and there is some doubt that Franco can provide necessary decisive leadership. Leaders of the National Movement and some military officers in the cabinet are trying to upset the power of the economic ministers who are linked with the Catholic lay society Opus Dei. These ministers are responsible for the present economic program, and their enemies cite present economic difficulties in urging Franco to fire them. The officers especially object to recent criticism by Opus Dei - controlled newspapers of the regime's refusal to permit liberalization. To date, however, Franco has stood behind his economic ministers, who represent the Opus Dei planners who brought Spain out of its economic difficulties of the late 1950s.

The Franco regime continues to receive support from the hierarchy of the Catholic Church, but many lesser church officials, parish priests, and lay workers who feel that the church has responsibility for economic and social problems (including labor) are working to divorce the church from its close identification with the Franco regime and support of Franco's policies. Some Catholic university residencies and churches open their doors for opposition meetings and lectures. Some priests have signed protests about police actions in student-labor arrests and have even joined labor-student demonstrations and been arrested. Thus the church can no longer be considered a monolithic pillar of support of the Franco regime.

Economic Problems

The outlook for the Spanish economh is troubled following a year of severe problems brought on in part by the general economic slowdown in Western Europe. Spain devalued the peseta and adopted a long-delayed austerity program last November, but neither of these moves has thus far restored economic confidence or sparked the hoped-for resurgence of economic expansion. Inflation, a serious decline in the rate of investment, continued balance of payments disequilibrium, and unemployment are likely to continue to menace the economy. This situation adds to the unrest in the country.

Prospects

Against all the protests and efforts to bring about some

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liberalization of the system, the Franco regime has maintained a hard line and created an image of a government unwilling to plan for or accept change. By arrests of labor leaders in advance of planned demonstrations, by warnings to workers of penalties likely to be inflicted against demonstrators, and by massive use of security forces during demonstrations, the regime has succeeded in controlling the situation. Nevertheless, the workers and students have accomplished something in making their views known through demonstrations and are likely to continue this form of pressure. (SECRET NO FOREIGN DISSEM)

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