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INTELLIGENCE REPORT

COUNTRY **Spain**

DATE:

SUBJECT **Proceedings at the Last Meeting of the Llopiá Government**

INFO. **6 August 1947**

DIST. **17 September 1947**

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PAGES **5**

SUPPLEMENT

ORIGIN

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1. All the ministers attended the meeting except Vicente Uribe, the Communist minister. Llopiá reported on the Socialist-UGT meeting at Toulouse and on the resignation of Uribe. He also referred to resolutions adopted by the CNT which indicated that the CNT minister would resign from the Government. Llopiá devoted about an hour to a resume of the chief activities of the Government since he became Prime Minister. He reviewed the relations established with the monarchists for the purpose of arriving at an agreement following the line of the tripartite note of March 1946 and the resolutions of the UN. "Fourteen times," he said, "we held conferences with representative monarchists. Eight of the conferences resulted from the personal activity of Trifon Gomez. All attempts to get together ended when the monarchist agents realized that the Socialist Party, when it came to electing a regime, would vote for the Republic, and would not support a proclamation of the monarchy prior to the electoral consultation. The monarchists accept no alliance which does not start with the rest of us becoming monarchists or at least being disposed to support the monarchy. They seek submission rather than an understanding. They are taking advantage of the present world situation, which they believe would permit them to impose the monarchist solution on us as the only feasible one within the western democratic framework. All that is said to hide this stark reality is perversion of the facts. I have details proving all this, which will be at the disposition of my successor so that he can continue the work of the Government without letting himself be deceived by the lure of an understanding with the monarchists, for we know from our own repeated experience what that means in the view of all the monarchist agents without exception. The conversations were not definitely terminated. But the truth is that since the constitution of the Confederation of Monarchist Rightists, the monarchist movement has evidenced three tendencies: first, to establish the monarchy by agreement with Franco; second, to restore the monarchy with the aid of the generals; third - and least attractive to them - to restore the monarchy by prior agreement with the leftists, then proceeding to a free election. I imagine that the first tendency considered its hopes vanished with the adoption of the Law of Succession. The second still has

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Document No. NO CHANGE in Class.

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Class. CHANGED TO: TS S C

Auth: DDA Memo, 4 Apr 77

Date: DDA REG. 77/1763

Date: 1979 By: 019

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its advocates; recently Quelpo de Llano suggested the following three-stage plan to the Pretender: a) to restore the monarchy by cooperation with Franco; b) then to dispose of Franco; and c) to make an agreement with the leftists so that constituent elections might then take place, without bringing the nature of the regime into question. It is to the Pretender's credit that he did not accept. I know that he later received another visit and the same proposal, and that he gave the same reply. Monarchist activity is very intense at present. They know, as do we, that Franco is much weakened. I have a copy of a letter sent by the Secretary of the Pretender to a friend of mine, in which he appears to be very optimistic concerning Franco's early downfall, because of his difficulties in international affairs and because it is obvious that the domestic economic situation is chaotic. He says that Lopez Olivan, a man of ability and prestige, has gone to New York. Aznar is also at present in New York, working feverishly on behalf of Franco to arrange some loans. I have sufficient evidence of the financial catastrophe of the Franquist regime. Gil Robles is now in Rome, having arrived at the Vatican from England; his itinerary includes Paris, Switzerland, Italy. Recent rumors indicate that the Pretender is in Tangier. All this activity relates to the United Nations Assembly, the various factions vying for prestige. The Spanish problem is the 19th item on the agenda of the United Nations meeting which has been called for 16 September. As to the Security Council, my most recent information, which accords with Parodi's prophecy previously brought to the attention of the Ministers, is that the volume of more pressing business will prevent the discussion of the Spanish problem. This is not to be regretted, for at present we have few friends in the Council, and if the Spanish matter were brought up it would only be turned over to the Assembly.

2. "The preparations which I have undertaken with an eye to the Assembly have been made known by means of a circular distributed to our various constituencies. In furtherance of them, a conference took place in London on 26 July, to which I was invited but which I could not attend because of the meeting of the Socialist Party at Toulouse. I received a list of the persons who were to be called together in London for collaboration in action against Franco. I was asked to name the Spanish personalities who, in my judgment, ought to be invited to the meetings. One of our friends had succeeded in interesting three significant British persons in arranging a London meeting of the outstanding Spanish anti-Franquists to consider possible solutions of the Spanish question. This conference, sponsored by Labor deputies and leaders of the trade unions, agreed, in the name of their millions of affiliates, to exert pressure upon the British Government concerning Spain. Furthermore, I sent Noel-Baker a study on economic sanctions, with specific details as to terms and as to the products the withholding of which could bring about the collapse of the Franquist economy."
3. Llopis then referred to the outstanding non-Franquist groups other than the monarchists: the military men and the Christian Democrats. He said that contacts had existed with both groups, although not so frequent as the contacts with the monarchists. He said that the military men with commands and potentialities for the creation of a strong group are all with Franco, and that if they ever ceased to be obedient to Franco it would be to proclaim the monarchy. "This is the truth" he said, "as I can say from the experience born of overtures made to them. As to the Christian Democratic groups, I will say that they are still without form or organization. We approached the persons who could signify a political directorate of these groups. The principal one is Jimenez Fernandez, who is a great professor and a very fine person, but who lacks political flexibility. I think it will be very difficult for a solid, extensive and strong movement to be built up around him. Everything that might facilitate our joint action has been offered to Jimenez Fernandez, from a post in the Government to cooperative activity outside of the Government. The truth is that we have advanced very little in any of these efforts, and through no fault of the Government.

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4. "I am sure that none of you have taken seriously certain statements which have been attributed to me, to the effect that I have not been able to bring to fruition the actions which the Government proposed because of difficulties which you have imposed upon me. I am sure that I have no need to correct that unfounded lie, because you know, as I do, the trust you have confided in me, and the facilities which you have given me to work freely. I am particularly grateful to Varela for his kindness and generosity in the correction of those unfounded reports. I have nothing but gratitude to show toward the Cabinet, which in such an exemplary manner has helped me to carry out the plans made."
5. Llopis read Uribe's letter of resignation and called on the ministers in order of precedence to express frankly their opinions on the present political situation. He said that the Toulouse resolutions shaping the policy of the Socialist Party to the formula of the Tripartite Note and the resolution of the United Nations and requesting that the Government reduce itself to a symbol, had disrupted the ministerial program and weakened the authority of the Government and of the Prime Minister. "Such is my opinion," he said. "Not wishing to influence my colleagues, whose advice I solicit for comparison with my own views, I will not say now what my decision is."
6. After the Ministers had been invited to speak in the order of precedence, Llopis recognized Irujo, who stated: "After the sessions of the Socialist Assembly in Toulouse, Ministers Santalo, Just, Valera and I, together with representatives of their political groups and of the Partido Federal held several meetings, to consider the problem that might be created because of the action taken by the Assembly. The four ministers and the members of their party executive committees were informed of the incidents which President Llopis has just explained in a report using terms similar to those employed by the President. They agreed that, in case the impressions contained in that report were confirmed, Just, in the name of the four, would set forth to the Cabinet the terms under which the (straight) Republican ministers consider that the Government can continue in the exercise of its function. At the last of their meetings, at which the note setting forth those points of view was drawn up, Santalo was not present, and therefore he will announce his own view, but nevertheless we can affirm that in a general way we were all in agreement in our analysis of the situation and in the solution proposed. Just, then speaks for us all, at least for the three who participated in the editing of the note."
7. Valera, who followed Irujo, said that Irujo had expressed his feelings, and declined to speak further. Just read the note which the Republican Ministers had prepared (see SO-7674, paragraph 6), stating that its acceptance, in the opinion of the Republican ministers, would permit the continuance of the Government.
8. Santalo then spoke. He began by confirming the statements made by Irujo and Just about the meetings and about the drawing up of the note. He said that he did not oppose the adoption of the agreement proposed by the Republican ministers, although the formula had not been worked out with the Catalan representatives, who were not able to attend the meeting. He advocated that each group keep its post and fill its function. He then recalled a proposal formulated by Esquerra Republicana de Catalunya, anticipating the present moments, which was presented to the President of the Republic and which was not given the honor of being taken into consideration. Stressing the importance of continuing the life of the Government, he ended by asking everyone to seek a remedy for the situation.

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Comment: According to [redacted] the Esquerra Republicana de Catalunya, Santalo's party, was represented at the 31 July meeting when it was finally agreed to present the note at a cabinet meeting, but the party reserved decision on the note until its executive committee could be consulted.

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9. Montoliu stated that the Government ought to continue, and guaranteed the cooperation of the CNT. He said that the circumstances were difficult and that the Congress of the CNT had been inclined to revise fundamentally the present set-up. Llopis, visibly annoyed, read a document attributed to the National Council of the CNT, in which the resignation of its minister from the Government was approved, and asked Montoliu if what he had just read meant what it said. Montoliu, surprised by the reading of that text, asked who had authorized it. Llopis read the whole document which proved to be the official text of the resolutions adopted at the last Congress of the CNT, the text also communicated officially to the Government and made public in the press. Montoliu attacked the policy of the Government because it had not accepted the general line of conduct approved by the ANFD and because that organization had not been accorded the financial assistance essential to its development. At this point, he said that he would resign but would not resign, that he would withdraw but would not withdraw, ending by declaring that for him the true government was the ANFD. To this attack Llopis replied: "I do not wish to disturb the atmosphere of cordiality in which this meeting has been held. But I must clarify Montoliu's insinuations in regard to the Interior and to the ANFD, in what amounts to a reproach to us that it was not able to function for lack of financial assistance on our part. I am still waiting for its representatives to answer a proposal for a budget which I asked of them the day following the setting up of the Government. On 27 June a new request was made to them, and a proposal was made whose aim and basis for action were the affirmation of the principle of defense of the Republic, and they have not replied to that either."
10. Trifon Gomez then spoke at some length. The first part of his speech was devoted to an outline of the present situation. "After what occurred in Toulouse, and in view of the resignations of the two ministers," he said, "the Government cannot continue. The crisis is necessary. It would have been so even without the resignations. The resolutions of Toulouse and the sentiment of that Assembly would in any case have obliged the head of the Government to ask for a vote of confidence." He then went on to consider the position adopted by the Republicans. He characterized their proposal as made by Just as a formula of conciliation, generous and indicative of a great sense of responsibility and political discretion. He said that he greatly regretted that the situation created in the Government by the circumstances to which he had referred did not permit this proposal to be converted into an agreement. He said, however, that the ministers were not responsible for these circumstances, nor were the Republican parties, national or regional, which on their part had done everything in their power to come to a cordial, generous and positive solution of this matter. "The attitude taken by the Republicans in this difficult moment gives assurance of the continuity of the republican institutions," he said. "We, in leaving the Government, do not go over to the opposition. We cannot consider ourselves in opposition to a Government composed of you," he said, addressing the Republicans. "We shall then be friends, partners and loyal collaborators of the Government, although we may not form part of it. Our absence will be transitory and will last a short time, months or perhaps weeks. We shall return here to collaborate with you. And when we return, we shall not leave the opposition, because we shall never have entered it. The correct and united attitude of the Republicans leaves us with an obligation. If I concealed these sentiments I consider that I would not fully comply with my duty in the present moment, a difficult moment, but capable of solution because you will form a republican government which will permit the continuity of the Institutions and will preserve them for all, so that in the not too distant future all of us can form part of the same government, as we do today." Trifon Gomez referred to the resolutions endorsing the Republic adopted unanimously at Toulouse by the Socialist Party as well

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as by the UGT. In referring to the latter group, he said that it was the first time in its history that the UGT had declared itself officially republican, adopting this agreement unanimously and by acclamation. Addressing the Republican ministers, he told them not to forget that they were thus assured that behind them was the whole mass of the UGT, which loved, believed in and wanted the Republic.

11. Speaking harshly, he characterized the statements of Montoliu as inconsistent, trivial and unjust. "Who but you," he said, "could quarrel with the attitude of the Government toward the ANFD?" He said that the latter was an organization whose actions were stupid and equivocal. The attempts which it had made to align itself with the monarchists had failed, because they could do nothing else but fail, since they were not intelligently directed, but with a naivete unbecoming to those who considered themselves leaders of the resistance. They were rejected with scorn and without any sort of consideration. He went on to speak of the monarchists and of his relations with them. He repeated the statements which Llopiis had made regarding the fourteen different approaches and the eight in which he personally had participated. "The monarchists," he said, "are mounted on their burro and I do not grieve about it. They want the aid of the republicans, but they want them to cease to be republicans and support the monarchy. If they say anything else in public, they are lying. We are in a position to prove their sophistry. They know that they cannot go into a plebiscite, in which their loss is a foregone conclusion. Therefore they want the monarchist institution to continue to be by divine right, untouchable and indisputable, and they want us all to accept it a priori, without any reserve except as regards later agreement on the administrative and organic formulas of the Constitution of the State. To the Government of the Republic, and solely to the Government of the Republic, can the circumstance be attributed that the monarchy is not already installed in Spain as successor to Franco and to Falangism. The plain duty of the Republican Government and likewise of the republican parties, is to maintain the spirit of the note read by Just, in order to impede the proclamation of the monarchy in Spain, a thing which might well bring on the disappearance of the republican institutions. It is no secret to anybody that in spite of the differences between Franco and Don Juan, the monarchy is a solution which would be much more agreeable to Franco than the Republic. If the economic strangulation of the Franco regime which we are trying to obtain from the UN produces results, we run serious danger that Franco will call the monarchy to succeed him. This should be prevented at all costs, because it would mean permanent civil war. I say to the Republican Ministers who will succeed us that it is essential to maintain the republican institutions with the greatest dignity possible." He then made allusion to the circumstances which had terminated in the current situation. He discussed divisions of the parties, from which, he said, only the Basques escaped. He ended on the same cordial note on which he had begun, telling the Republicans that the Socialists were leaving the Government still feeling indebted to the spirit of understanding, generosity and conciliation which the Republicans had shown which spirit was sufficient guarantee that they all continued to share the common desire to maintain and strengthen the republican institutions, and eventually to take them to Spain, after the overthrow of Franco was achieved and a suitable atmosphere created for the Republic again to constitute itself in the place to which it was entitled.
12. There were various additional remarks by Valera, Just, Santalo, Montoliu and Trifon Gomez, all made in terms of great cordiality. Llopiis ended the session with a long speech in which he summed up the situation. He then left to present his resignation to Martinez Barrio, and returned a short time later with the dismissal of the whole Government. He recounted the conversation he had had with the President and announced the beginning of consultations the following day, adding that he would advise the formation of a homogeneous Republican government, as the best and most feasible solution for the present time.

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