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# **The Spanish Popular Alliance: A New Contender for Power**

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**An Intelligence Assessment**

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# The Spanish Popular Alliance: A New Contender for Power

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An Intelligence Assessment

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**The Spanish Popular Alliance:  
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**Key Judgments**

*Information available  
as of 20 September 1982  
was used in this paper.*

Since the last national election in 1979, the Popular Alliance (AP), a democratic right-of-center party, has grown from a marginal to a significant factor in Spanish politics. The AP's increasingly firm embrace of the new constitutional order has made it a viable option for conservative and centrist voters disillusioned with the governing Union of the Democratic Center (UCD) party's policies and personality conflicts. Extensive financial support from the business community has also helped the AP. 25X1

The AP's strong performance in the recent Andalusian regional election, where both the AP and the Socialists outpolled the Center Democrats, has established the Popular Alliance as a contender for at least a share of national power. We believe that the Socialists are now in the front-runner position to take power after the next national election, which is scheduled for 28 October. In that event, the AP probably would be the mainstay of the opposition and the principal parliamentary spokesman for military, business, and clerical interests. The party would probably reinforce the Socialists' recently hardening positions against terrorism and greater regional autonomy. It would also keep close tabs on deficit spending and oppose Socialist proposals to liberalize the abortion laws and limit the role of parochial education. In foreign affairs the Popular Alliance would oppose any Socialist attempt to weaken links with NATO or the United States, but it would generally back a Socialist government's efforts to enter the European Community (EC), secure repatriation of Gibraltar, and press for more French help in combating Basque terrorists. 25X1

Should the Socialists falter badly between now and the 28th, however, the AP would be a key element in any conservative coalition that emerged as an alternative. A conservative coalition led by the Popular Alliance would probably be more sympathetic to the United States than previous post-Franco governments, particularly on Middle East questions and the issue of military overflights. Moreover, the AP would support continued strengthening of Spain's ties with Europe. At the same time, its links to the military could harden the government's position on Spain's dispute with


Secret

EUR 82-10104  
October 1982


Secret



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Great Britain over Gibraltar, and its ties to the business community could lead to a tougher negotiating stance on entry into the European Community. Domestically, the AP would follow probusiness policies and be receptive to foreign investment. 

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A conservative coalition would tend to polarize Spanish politics and would probably heighten political instability. The AP would be particularly likely to clash with its probable Catalan and Basque coalition partners over regional autonomy—the issue on which a right-of-center alliance would be most likely to founder. 

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### The Spanish Popular Alliance: A New Contender for Power

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Two possible outcomes of the election on 28 October dominate public speculation in Madrid: a Socialist-led government, or a broad conservative coalition that would keep the Socialists out. The latter possibility has thrust the rightist Popular Alliance (AP) into the spotlight. The party is led by, and almost entirely identified with, Manuel Fraga Iribarne, in our view perhaps Spain's brightest, most charismatic, and most controversial politician. Since the AP was founded in 1976 following Franco's death, it has been on the margin of national politics. But we believe that it would be a key element in the coalition that would be necessary to exclude the Socialists from office. If the Socialists form the next government, as we believe likely, we would expect the AP to emerge as the focal point of the parliamentary opposition.

found it impossible. Fraga's shrill rebuttals to harsh press attacks that he was an unreformed Francoist also hurt the party, as did his hedging during the campaign on the need for a more democratic constitution.

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The results of the 1977 election traced out a bell-shaped curve, commanded at the center and center right by the UCD. The AP was relegated to the periphery of the democratic right, winning only 8.2 percent of the vote and 16 seats in the lower house, compared with the UCD's 34 percent and 165 seats. Returns on the left of the spectrum showed the moderate Socialist and Popular Socialist parties—soon to merge—garnering 32.8 percent of the vote and 124 seats compared with the Communists' 9.2 percent and 20 seats. Moderate regionalist parties won most of the remaining 25 seats and approximately 16 percent of the vote.

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#### Starting on the Wrong Foot

The Popular Alliance began as the wrong idea at the wrong time—too closely identified with the old order in the aftermath of General Franco. Admittedly, Fraga had developed a reputation as a liberal reformer while serving as a cabinet minister to Franco, and, after the dictator's death, he apparently saw a need to respond to European and domestic pressure for democracy. Nevertheless, we doubt he either sensed or shared the extent of his countrymen's desire for change. Along with other Franco-era notables who formed the AP, Fraga talked of a gradual evolution away from the old order.

#### Difficulties Persist

Pundits quickly wrote Fraga's political obituary. Fraga, nevertheless, took the popular verdict to heart, purging the AP of authoritarian sympathizers and joining it with some well-regarded conservatives in a new group called the Democratic Coalition. His efforts, however, were unavailing, for the party system had gelled with the election. The next election in 1979 only reinforced the verdict of 1977. Indeed, while UCD, Socialist, and Communist strength held nearly constant, Fraga's proportion of the vote fell by approximately 28 percent and the Democratic Coalition's number of seats dropped by nearly half. With the growth of regional sentiment, support for centralism hurt the party, especially in the Basque provinces and Catalonia. Many conservatives elsewhere no longer supported Fraga; in the parlance of the time, voting for him was no longer "useful." Many of his supporters either defected to the UCD, voted for the antisystemic ultraright, or simply stayed home.

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King Juan Carlos had charted a more ambitious course. He commissioned Prime Minister Adolfo Suarez to bring the left into the political system, to increase press freedom, and to preside over the first democratic election since the Civil War. As head of the Union of the Democratic Center (UCD), Suarez had the best of both worlds. As the agent of Franco's anointed successor, he represented traditional legitimacy and, indeed, was able to build his party organization around the state bureaucracy. At the same time, the UCD was committed to change, a change made safe by the party's roots in the old order. The left had difficulty competing with that appeal; the AP

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According to survey data, the Democratic Coalition had been most successful with well-heeled, well-educated conservatives in Madrid, Barcelona, and Valencia. It also attracted support in rural Galicia. But even though it was the farthest to the right of the four principal national parties, it generally failed to attract one of the most conservative blocs of Spanish voters—the small farmers in the North, who voted for the UCD as the party that represented continuity. Although Fraga received his strongest support from middle and upper level businessmen, professionals, and landowners, most members of these groups leaned toward the UCD, the regional parties, or even the Socialists. Even the Communists attracted more support from small businessmen and independent artisans than did the Democratic Coalition. [redacted]



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**Moving Out From Behind the Eight-Ball**

In the period since 1979, several factors have combined to enhance the standing and prospects of the Popular Alliance (the party reverted to its original name in July 1981). Chief among them has been growing public dissatisfaction with the UCD. After five years in office, the Center Democrats are shop-worn. They have not found an answer for stagflation. Internecine warfare over policies and personalities has left the UCD without a convincing message for the electorate. [redacted]

**Growing Pains**

This more moderate image, along with money and the UCD's decline, have contributed to the AP's growth. In the year prior to the AP's party congress in February 1982 press reports indicate that formal party membership expanded from 18,000 to 42,000. The same reports show that the AP attracted high-level defectors from the UCD—most notably Miguel Herrero Rodriguez de Minon, the centrists' former parliamentary spokesman, and former Minister of Culture Ricardo de la Cierva. [redacted]

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The 1982 congress showed the AP still split between a minority of rightist "true believers" at the grassroots and the more moderate majority led by Fraga. The moderates beat back an attempt to change the party's self-definition from center right to right as well as to delete liberal and to add Christian. They also refused to reverse the party's interdiction against dealing with anticonstitutional elements and turned back a proposed prohibition on preelectoral pacts with the UCD and regional parties. Fraga defended the moderate platform drawn up by executive committee member Felix Pastor Ridruejo as the best basis for entering the next election. That was not an easy commitment to maintain because Pastor had recently resigned from the committee to protest an alleged "lack of (party) democracy" and was musing publicly about bolting to the UCD. It was Fraga's iron grip over the proceedings, however, that guaranteed the AP's moderation and reaffirmation of support for Spanish democracy. [redacted]

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[redacted] the business community, for its part, was dissatisfied by what it saw as the UCD's irresponsible fiscal policy and excessive generosity to labor. We believe that the free-spending Employers Confederation initially increased its support for the AP in order to put pressure on the Center Democrats. As the UCD failed to change its ways and its popularity declined further, the business community, in our view, came to rely increasingly on the AP as a vehicle for its views. [redacted]

**Overtaking the UCD**

The regional election in Andalusia on 23 May reflected both the UCD's troubles and the Popular Alliance's new strength. While the Socialists' 52 percent of the vote outstripped the field in this leftist stronghold, the AP overcame an almost complete lack of

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That support would not have mattered much, however, had the AP not made a successful effort to convince the public of its commitment to democratic constitutionalism. Fraga even won praise on that score from formerly suspicious critics such as the influential, left-leaning Madrid daily *El Pais*. [redacted]

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organizational infrastructure to finish second with 17 percent—a fourfold improvement over its share there in 1979. The UCD sank to third with 13 percent. [redacted]

That setback raised the UCD's factional strife to a critical level. From late May until mid-July, the party was locked in a bitter and public leadership battle. The principal loser, former Prime Minister Suarez, then bolted to form the populist Social Democratic Center Party. Christian democratic defectors from the UCD formed the Popular Democratic Party (PDP), which has agreed to run as junior partner on AP election lists. Opinion polls indicate that the AP-PDP coalition might win over 100 seats. [redacted]

#### Electoral Prospects

Popular Alliance leaders now hope that a strong campaign will bring them within reach of forming a multiparty center-right coalition government. [redacted]

[redacted]

Polls show that many of those voters are currently undecided, and the AP's success in stemming the Socialist tide will depend in part on its ability to get them to the polls; this will be particularly true in the traditionally conservative north central provinces, which have disproportionately strong representation. We believe that the AP's prospects also will depend on the degree to which regional parties cut into Socialist vote totals in industrial Catalonia and the Basque provinces and on the ability of former Prime Minister Suarez's new party to do the same in Madrid, Spain's largest electoral district. [redacted]

The odds, however, continue to favor the Socialists. They have solid backing on the left and will probably attract support from at least some centrist voters disillusioned with the UCD but nonetheless worried that Fraga still stands too far to the right. The failure of the AP to entice the UCD into a united electoral front means that the Socialists are almost certain, in our view, to receive the extra representation that Spanish electoral law gives front-running slates of candidates. [redacted]

#### The AP in Opposition

In the event that the Popular Alliance does not win entry into the government, it probably will emerge as the mainstay of the parliamentary opposition. 25X1 Conservative sectors of society would expect Fraga to champion their interests, and his natural talent as a critic—not always an advantage in government—would stand him in good stead. Just as the Socialists and the AP have profited in recent years from UCD troubles, the AP might thrive on Socialist misfortunes and be in a strong position for the following election. We believe that the AP's role in opposition would depend in large measure on the extent to which conservative groups saw themselves threatened by Socialist programs and the extent to which at least 25X1 grudging acquiescence from those groups was needed by the Socialists. Press reports indicate, for example, that the Socialists want to avoid a confrontation with big business, which has the power to undermine a leftist government. At least initially, the Socialists 25X1 would probably tailor their economic policies accordingly 25X1 in an effort to take the edge off of business aversion to them. Fraga would continue to speak out strongly on business issues, but the development of an accommodation between the business community and a leftist government would remove much of the force from his arguments. [redacted] 25X1

The military would be quite sensitive about its prerogatives under a Socialist-led government. The AP's rapport with the military means that Fraga's words would carry weight even though he might not speak loudly or often on sensitive matters of civil-military relations.<sup>1</sup> Fraga, however, would come down hard against regional autonomy and terrorism—matters of particular importance to the military. We believe 25X1 tough stands by Fraga would reinforce the Socialists' recently hardening line on these issues. [redacted] 25X1

<sup>1</sup> The 27,000 officers in the Army—the largest and most politically assertive service—amount to far less than 1 percent of Spain's more than 36 million total population. Career officers, however, have a strong sense of mission as the ultimate guardians of the nation's well-being. Their historic willingness to act on that belief gives them far greater political influence than their votes alone command. [redacted] 25X1

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Fraga has avoided identifying the AP as a clerical party, but probably would take up the cudgels on behalf of the Catholic Church in various controversies likely to develop under a Spanish Socialist Workers Party (PSOE)-led government. For example, he probably would champion continued state support for private education—which is an important issue to many affluent, secularly minded voters as well as more devout, less wealthy Catholics. On the more controversial abortion question, we believe he would seek a lower, but still pro-Church profile. [redacted]

The AP's positions on the foreign policy of a Socialist government would also parallel those of elite interests. While the PSOE is more enthusiastic over joining the European Community than continuing Spain's NATO and US ties, the AP's emphasis would probably be the reverse. Similarly, we believe the AP would oppose Socialist flirtations with Third World radicalism. But the AP's strong nationalism would probably lead it to support a hard line on Gibraltar and defense of the North African enclaves of Ceuta and Melilla. The AP, no doubt, would second the Socialists in protesting the French policy of refuge for Basque terrorists. [redacted]

In general, the AP would be a counterweight, pulling a Socialist government toward the center by holding it vigorously to account and by voicing the concerns of elite groups and institutions that have far more significance in Spain than the limited votes they command. Less constructively, Fraga's caustic aggressiveness as principal opposition spokesman would tend to transform many normal policy differences into personal animosities. That would be particularly the case if, as we believe likely, the similarly sharp-tongued Alfonso Guerra became one of the Socialists' principal parliamentary spokesmen. [redacted]

#### Foreign and Domestic Policies of an AP-Led Government

In the somewhat unlikely event that the Socialists do not win enough seats to form a government, an AP-led coalition would not have an easy time governing. The Socialists will almost certainly be the largest single party in Parliament, and we believe that exclusion from the government would leave many of them

feeling cheated. With the moderate policies of Felipe Gonzalez discredited by a third disappointment in six years, the party would probably turn more radical. [redacted] 25X1

The greatest problem facing a conservative coalition, however, would not be its parliamentary opposition but its own internal divisions. An AP-led coalition would cover at least as broad a section of the political spectrum as did the UCD and would incorporate many of the same conflicts that split that party, including the particularly intractable issue of regional autonomy. Fraga's domineering personality would place its own strains on such a partnership. [redacted] 25X1

Should Fraga nonetheless succeed in stitching together a government, the AP would play a central role. Fraga himself would probably become premier. The party's close ties with the military and the business community would be likely to lead it to take the defense portfolio and key economic ministries as well. The prestigious Foreign Ministry, on the other hand, might be a suitable plum for one of Fraga's more important partners. We believe the AP also would be likely to give direct responsibility for regional affairs—an issue that we believe Fraga knows would cause his party and government particular problems—to another party. [redacted] 25X1

We believe that Fraga and the AP would strongly influence foreign policy even if they formally conceded the foreign affairs portfolio to a coalition partner. Fraga has spoken out strongly in favor of Spanish membership in NATO, and his party has championed close ties with the United States. Last winter he requested a high-level meeting with US officials in Washington—in part in our view to convey the idea back home that he draws support from that quarter. [redacted] 25X1

Alone among Spanish parties, the AP advocates recognition of Israel, and in power it would work to remove the traditional pro-Arab bias from Spanish policy. In particular, we believe an AP-led government might favor somewhat greater latitude for overflights by US military aircraft moving to and from the

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Middle East. On the other hand, the AP has been consistently more nationalist than the UCD and we think it would probably tend toward a harder line on Gibraltar than the UCD has pursued. [redacted]

Fraga is on record as sharing the national consensus in favor of accession to the European Community, which would be prized as a European endorsement for Spanish democracy. Doubts about the economic trade-offs, however, have recently begun to surface in the press among segments of the business community. If those misgivings become widespread, Fraga would probably adopt a tougher negotiating posture with the Ten, a move that could be fatal to Madrid's entry in light of the increasingly evident reservations within the European Community concerning Spanish membership. [redacted]

The AP, with Abel Matutes likely to hold one of the principal economic portfolios, would promote probusiness policies. The AP has publicly argued that Spain's economic sluggishness has resulted from efforts to redistribute rather than increase income and wealth. In power, we believe that the party would seek to encourage private investment by reducing corporate taxes, particularly employers' contributions to the financially strapped social welfare system, and by using the state's considerable role in labor-management negotiations to hold down wage increases. The AP would be sympathetic to foreign investment, but sensitivity to domestic producers would probably preclude significant new concessions, especially in banking and finance. A rightist coalition, we believe, probably would abandon much of the UCD's already faltering commitment to create new jobs through public-sector spending. [redacted]

On other social issues, the AP's past record leads us to conclude that it would continue its strong law-and-order stand, including a call for restoration of the death penalty and vigorous pursuit and punishment of terrorists. The party's close links with the military suggest to us that it would also continue its rhetorical support of the armed services, but fiscal constraints probably would prevent expenditures on the armed forces from increasing much beyond current projections. Nor do we believe that the AP, despite mutterings about the need for greater journalistic responsibility, would brave the political storm that would

ensue from any effort to rein in the free-wheeling press. The party's platform indicates, however, that it would take up the Church's cause on abortion and controversial education questions. [redacted] 25X1

The AP might press for a new electoral law that would end proportional representation. With considerable logic, but somewhat incongruously for the head of a small party, Fraga has argued repeatedly against the system of proportional representation based on separate provincial lists of candidates. Fraga recognizes that the present scheme is biased toward larger parties, but he nonetheless contends that—like all proportional systems—it still encourages the proliferation of minor fringe parties and works against formation of the broad parties conducive to strong, stable government. Fraga would probably push single-member districts and plurality voting in earnest if, as expected, the AP became the largest party on the right. [redacted] 25X1

Regional autonomy would, we believe, be the hardest issue of all for a center-right alliance. Home rule is not merely important, it is the *raison d'être* of the Catalan and Basque parties. A center-right coalition requiring the support of even one moderate regional party would have difficulty following up on the recently enacted law that makes possible a partial rollback of the regional autonomy achieved under Suarez. But among Spain's principal parties, the AP is the most committed to a traditionally centralized state; Fraga's followers have more of an emotional stake in this issue than any other. Moreover, regional autonomy is an issue on which the military would insist a conservative government make a stand. The probable way for a center-right coalition to ~~part~~ <sup>over</sup> its differences would be for the regional parties to accept the new legislation in principle in exchange for a pledge from the AP and its partners not to reduce local autonomy significantly in practice. Even if a coalition could be brought together on that basis, the regional issue would be a constant threat to its unity. [redacted] 25X1

In sum, not only does Fraga face formidable obstacles in his efforts to bring a center-right coalition to power but, in our view, he would have even greater difficulty

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keeping it in office. As long as it was part of the government, the AP would have an opportunity to strengthen its credibility as a governing party and to make itself attractive as the core of a broad, new, unified party of the right. To accomplish this, however, we think Fraga would have to achieve three things:

- He would have to produce greater unity on the post-Franco right than it has ever achieved.
- He would have to overcome the polarization that almost certainly would accompany a conservative victory and contain the regional tensions that would undermine a rightist government.
- He would have to check his own volatile temperament.

In the final analysis, we do not think Fraga can achieve these goals. Failure to do so, we believe, would quickly set the stage for the accession to power of a Spanish left less moderate than the present Socialist party and would sharply increase the likelihood of a prolonged period of political instability.

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