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Intelligence**

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**Spain: Socialist
Foreign Policy** [Redacted]

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An Intelligence Assessment

[Redacted]
State Dept. review completed

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*EUR 83-10013
January 1983*

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Erratum

Notice to recipients of Spain: Socialist Foreign Policy, 25X1
January 1983.

Page 4, second paragraph, Luis Tance should read Luis 25X1
Yanez.

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Spain: Socialist Foreign Policy

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An Intelligence Assessment

This assessment was prepared by [redacted]
Office of European Analysis. Comments and queries
are welcome and may be addressed to the Chief,
West European Division, EURA, [redacted]

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This paper was coordinated with the Directorate of
Operations and the National Intelligence Council. [redacted]

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Spain: Socialist Foreign Policy



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Key Judgments

Information available as of 14 January 1983 was used in this report.

The Spanish Socialists are struggling to reconcile the ideals they brought to office with diplomatic realities and pressures from conservative interest groups at home. We believe that Felipe Gonzalez's foreign policy team, which generally accepts that Spain's place is in the Western camp, is prepared to ratify the bilateral agreement negotiated last year with the United States, but not without trying to establish the fact that the accord does not require participation in NATO's military structure. Whether the Socialists ultimately agree to Spain's full integration into the Alliance will depend in part on their success in negotiations to enter the European Community and to resolve the dispute with Britain over Gibraltar.

We believe the Socialists, while remaining basically pro-Western, will try to pursue a more independent foreign policy than their predecessors, restoring the emphasis on nationalism and ties to the Third World that characterized Spanish diplomacy before the strongly pro-Western tilt of the Calvo Sotelo government. Of special concern to the Socialists are Latin America and the Middle East, where a broad range of interests and concerns will lead them to champion human rights and national liberation movements. Some Socialists, in fact, believe a greater emphasis on relations with the Third World should constitute a second pole for Spanish diplomacy. This sentiment could spread if Socialist inexperience and impatience were to lead to rebuffs on the European Community or Gibraltar, or if friction developed with the United States on the bilateral agreement or with other NATO countries over Spain's role in the Alliance.

We believe, however, that overtures to the Third World will be the showiest but least substantive aspect of Socialist diplomacy. Geography, trade ties, and common political institutions provide Spain no practical alternative to close diplomatic cooperation with other Western countries, and we expect Prime Minister Gonzalez to keep Spain in harness with the United States and Western Europe. The harness, however, will sometimes be looser than Spain's allies would like.



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**Spain: Socialist
Foreign Policy** [redacted]

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The World Through Rose-Tinted Glasses

Opinion in Spain's Socialist Party on foreign policy ranges from neutralism to strong backing for the Western Alliance, but several common themes run through the public pronouncements of most party leaders.¹ With respect to the East-West issue, most prominent Socialists recognize that their commitment to democratic ideals and free economic institutions places them in the Western camp. At the same time, recent public statements suggest that they believe, in line with traditional Spanish foreign policy views, that geography and history give their country some unique interests. The writings and speeches of various leading Socialists cite in particular centuries-old ties to Latin America and the Arab countries, as well as Madrid's claim to Gibraltar and its concern about North African threats to the Canary Islands and the Spanish exclaves on the Moroccan coast. These party leaders believe that Prime Minister Calvo Sotelo's Union of the Democratic Center government supported the West in a manner detrimental to these traditional interests. It is an article of faith in the Socialist Party that previous governments failed to secure adequate progress on EC entry and Gibraltar repatriation in return for Spanish entry into NATO. Party leaders have been forthright in their criticism of what they see as Spain's low diplomatic profile in Latin America. [redacted]

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The Socialists, however, think of themselves as internationalists as well as nationalists, as both their public and private statements reveal. Their espousal of supranational themes—at least on issues where Spain has little immediately at stake—has to us the ring of sincerity. Nowhere is this strand in their thinking more apparent than on the East-West issue. To the Socialists the expenditure of energy and resources on the East-West conflict has been excessive and harmful. In this vein Emilio Menendez del Valle—a leading party spokesman—noted publicly soon after the election that the arms race is bringing the world close

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¹ This paper draws on numerous official Socialist policy statements and public pronouncements by party leaders [redacted]

to nuclear war and at the same time precluding the increased aid to the Third World that the Socialists consider essential for lasting peace and prosperity.

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Between the lines of their many statements on this issue is an unresolved ambivalence toward the Soviet Union. On the one hand, given their experiences during the Civil War and their rivalry with the Spanish Communists since then, we think the Socialists have a realistic view of Soviet totalitarianism. On the other hand, many Socialists appear to view East-West tensions more as the result of mutual and self-perpetuating misunderstandings than of aggressive Soviet actions. Instructive in this regard was Socialist Party insider Pedro Bofill's suggestion to a US official that, because the USSR's greatest needs are for economic advancement and greater material well-being for its population, the Soviets might respond positively to Western initiatives that would enable them to transfer more of their resources to the civilian economy. Even for those who are less sanguine, the Soviet threat is distant. Western efforts to counter it, such as INF deployment in Europe, are regarded as more immediate threats to peace. [redacted] 25X1

According to the writings of many key Socialist thinkers, Spain can play a special role in diverting more of the attention of developed countries to North-South issues. These writers argue that Spain, as a medium-sized country with a modern but not overpowering economy, has much in the way of technical expertise to offer many less developed countries. The Socialists envision Spanish-sponsored development projects that are potentially beneficial to Spain as well as to the LDCs. [redacted] 25X1

The Socialists believe they have some political lessons to teach, and this didactic urge may sometimes come to the fore in their dealings with the United States.

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Persecution under Franco convinced them of the importance of human rights and persuaded them that the United States and other Western nations can easily be seduced by a dictator's anti-Communist rhetoric. They are equally convinced that Washington miscalculates long-term political trends in many authoritarian countries in the developing world today, much as they think it did in Spain under Franco.

[Redacted]

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In reaching out to the Third World, the Socialists believe that Spain's lack of a significant colonial past in Africa, its close diplomatic ties with Arab states, and above all its bonds of blood and culture with Latin America give it advantages over the United States and other West European states. Socialist writers acknowledge that Spain cannot create a new international order by itself or even affect significantly the foreign policy thinking in most Western capitals. They do assert, however, that their policies can and, as a matter of principle, should set a positive international example—one that does not change the direction of Spanish diplomacy as much as give it a new tone.

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Domestic Political Influences

These general attitudes will be affected—reinforced in some cases, offset in others—by the need to respond to domestic influences. For example, Spain—long a marginal factor in international diplomacy and neutral in two world wars—was out of the West European mainstream until the late 1970s. Membership in international organizations is a relatively new idea for Spaniards, and one which the Spanish press makes clear they are still examining critically. Polls suggest that where the benefits seem reasonably clear—as with Spain's application to the European Community—a consensus is fairly easy to achieve; where the advantages seem more equivocal—as on NATO membership—a domestic constituency is hard to build. We believe Spaniards do not have the same sense of responsibility for collective security as many other Europeans, a judgment that is reinforced by opinion polls indicating that Spaniards worry that entry into NATO has increased the risk of war for their country. To the limited extent that the public

thinks about foreign affairs, it often looks away from Europe.² [Redacted]

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A more direct influence on the Socialists' foreign policy will be their relations with Spain's important conservative power centers: big business, the Catholic Church, and the military. Constituting a force the government cannot ignore, these power centers are likely to affect foreign policy issues in two very different ways. First, we believe the Socialists are likely to give priority to mollifying the rightists on domestic issues. This may mean that Gonzalez will be attracted by the notion of a showy foreign policy to sustain his government's standing with leftists disappointed with what the government is doing domestically. At the same time, even though foreign affairs are of secondary importance to most rightists, the Socialists must be careful not to produce anxiety in conservative bastions with diplomatic shifts that raise doubts about the party's moderate intentions.

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The Socialist Foreign Policy Team

Finding equilibrium among ideological predilections, domestic pressures, and diplomatic realities would be difficult for even an expert foreign policy team.

² Spurned by neighbors north of the Pyrenees; Franco became both a prickly nationalist and a self-proclaimed builder of bridges to Latin American and Arab countries. The data available to us indicate that many of his countrymen preserve these attitudes.

[Redacted]

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Compounding the Socialists' problems—at least in the short run—will be their striking lack of experience in foreign affairs. We believe this will give play on occasion to their strong streak of romantic moralism. [redacted]

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The Socialists' main defense against themselves in this regard will be Gonzalez himself. He has gained considerable foreign affairs experience in the Socialist International (SI), and his public and private comments indicate he harbors hope of becoming a statesman of international stature. We believe he will both lay down the general outlines for Spanish diplomacy and assume a highly visible role in its conduct. Gonzalez seems to approach problems from a leftist perspective but is more often than not receptive to alternative views. For example, as head of the SI's Committee to Save the Nicaraguan Revolution, Gonzalez, like many other West European socialists, originally looked at the Sandinistas as embattled freedom fighters. He nonetheless proved open to evidence of Nicaragua's authoritarian drift and has during the past year worked behind the scenes at home and in the SI to revise the Sandinistas' image in favor of greater realism. [redacted]

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Fastening on one of the few experienced foreign policy hands in the party, Gonzalez has named career diplomat Fernando Moran as Foreign Minister. In many ways Moran is the odd man out in the Cabinet. At 56 he is the oldest minister, nearly 15 years past his colleagues' average age. He also lacks significant rapport with Gonzalez. Indeed, in a Cabinet disproportionately staffed by moderate, social democratic technocrats, he has the dubious distinction of being the only minister who comes from the faction that challenged Gonzalez's removal of Marxism from the Socialist Party's self-definition in 1979. Gonzalez may view Moran's appointment in part as a sop to the party's left wing.

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[redacted]

Moran has a special interest in the Third World and has long flirted with neutralism in his writing on foreign policy. High foreign ministry officials of the previous government have warned US officials that Moran will be "troublesome." Embassy reporting indicates, however, that Gonzalez will make Moran

responsible more for the tone of Spanish diplomacy than for its substance. [redacted] 25X1

An expanded presidential staff will help Gonzalez guide Spanish diplomacy. According to press reports, Gonzalez intends to develop seven presidential directorates to supervise the Cabinet, and [redacted] 25X1
[redacted] one will function rather like the US 25X1 National Security Council. In early December Juan Antonio Yanez was named to manage this directorate. He has combined legal, academic, and diplomatic careers, and he has been especially active in UN matters, particularly the Law of the Sea negotiations. In the year before the election he played a major role in shaping Socialist foreign policy views and advised Gonzalez during the election campaign and transition period. [redacted] 25X1

Elena Flores also is likely to assume a major role in the foreign policy directorate. A professor of international relations at the Complutense University of Madrid, she has long been a Gonzalez confidant and has frequently accompanied him on foreign trips. US Embassy officials place her in the mainstream of the Socialist Party, but some leading Socialists—including Alfonso Guerra, the government's number-two man—have accused her in the past of being too moderate. That charge may owe as much to resentment over her close rapport with Gonzalez as to any policies she may have advocated. [redacted] 25X1

Rounding out the team will be:

- Jose Luis Dicenta, a career diplomat and a close Gonzalez adviser during the transition period. Dicenta's record as a champion of human rights suggests to us that he will carry this cause into his new position as Chief of the Technical Cabinet of the Foreign Minister.
- Manuel Marin Gonzalez, Secretary of State for Relations with the European Community. He will take the lead in Spain's difficult negotiations to enter the Common Market. An early supporter of Gonzalez's bid to take over the party in the early 1970s, Marin has a special rapport with the Prime Minister.

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- Luis Yanez, who will advise Gonzalez primarily on Latin America. He heads both the Institute of Ibero-American Cooperation and the National Commission for the Celebration of the Fifth Centenary of the Discovery of America. Yanez was the Socialists' main foreign policy spokesman for a brief time in the late 1970s; he resigned in part because of disputes with Elena Flora. He is the brother of Juan Antonio Yanez.
- Carlos Miranda, an aristocratic leftist nicknamed the "red count." As Deputy Director of International Organizations in the foreign ministry, he had particular responsibility for Spanish diplomacy in the United Nations. In his new position as Director General for Ibero-American Affairs in the Foreign Ministry, he will be working closely with Luis Tance. [redacted]

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What They Will Do

NATO. Membership in the Atlantic Alliance is the most controversial foreign policy issue in Spain. At best the Socialists are cool toward membership. US officials in Madrid report that many party members—including Gonzalez—remain angry over what they regard as Calvo Sotelo's defiance of public opinion in joining the Alliance. Some believe they could have acquiesced—grudgingly—in joining NATO as part of an overall process of integration with Western Europe that included entry into the European Community and solution of the dispute with Britain over Gibraltar. In any event, Gonzalez has publicly said that his predecessor acted rashly, implying that Western Europe should have agreed to a full economic and political partnership with Spain before Spain agreed to participate in collective defense. [redacted]

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The Socialists have avoided precipitate action—an indication they think withdrawal from NATO at this point would both jeopardize Spain's diplomatic objectives in Europe and anger conservative domestic interest groups, particularly the military. They still say they will call a referendum on the issue after drafting a report to the nation on the benefits and liabilities of continued membership. They imply, however, that they would not ask for such a vote until the middle or latter part of their 1982-86 term. In the meantime they have put a freeze on further integration into the

military structure of the Alliance while retaining full political membership. This approach buys time and gives them an opportunity to reduce the potential for diplomatic and domestic fallout, no matter what they ultimately decide. [redacted]

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The Socialists have pointedly tied further steps toward full NATO membership to the repatriation of Gibraltar. Progress in negotiations with the United Kingdom, particularly if coupled with a breakthrough on EC accession, would make it easier for Madrid to forget the referendum or to engineer its terms to ensure continued Spanish participation in the Alliance. British rebuffs would weaken the hand of those Socialists—few in number but well represented in Gonzalez's inner circle—who favor NATO membership as a means of expediting EC entry, assuring Spain security, and diverting the military's attention from domestic politics. Rebuffs might also anger Spanish rightists and could make them less inclined to restrain a Socialist government if it decided to pull Spain out of the Alliance. On balance, because the diplomatic and domestic price of leaving NATO is much greater than the cost of remaining in it, we believe Gonzalez is likely to continue to try to keep at least a foot in the Alliance. [redacted]

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The new government declined to sign the communique following the meetings of the Defense Planning Committee and North Atlantic Council in December. Moran declared that these refusals were based on Madrid's need to study at length all aspects of Spanish participation in the Alliance before committing itself to broad policy statements, but he acknowledged that Madrid did not agree with NATO policy on INF and other matters. [redacted]

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Spanish representatives already are participating in a number of NATO military committees, and both the Socialists and the NATO Allies will have to decide soon on the desirability and feasibility of allowing this to continue in the absence of full Spanish integration into the military command structure. This issue will probably be most acute in the case of the Nuclear Planning Group. The issues before that body are, in our view, the most problematic for the Socialists and

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at the same time the most sensitive—from the standpoint of security—for the allies. NATO Secretary General Luns might be inclined to raise the NPG question early in 1983. [redacted]

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Moran has publicly hinted that the Socialists might eventually opt for a “French” style membership in NATO, leaving Spain officially out of the Alliance’s military structure. We believe, however, that the Allies would be reluctant to accept a highly conditional Spanish membership. [redacted]

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Bilateral Relations With the United States. The Socialists have moved more quickly on the US-Spanish base agreement negotiated by the Calvo Sotelo government. On 23 December the foreign ministry proposed a protocol stipulating that Spanish participation in the NATO military structure would not be required for implementation of the accord. [redacted]

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There are good reasons for them to try to resolve this issue soon. They have already acknowledged publicly that the agreement is more advantageous to Spain than previous pacts. We suspect the Socialists must know, too, that the longer they delay on securing parliamentary approval for the agreement, the more the accord will be seen as their own and not Calvo Sotelo’s—something that could fuel public expectations for extracting additional concessions from the United States. [redacted]

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Even if the Socialists approve the agreement largely intact, we expect they will be more prickly in bilateral matters than their predecessors. A review of public and private statements by prominent Socialists leads us to believe that points of friction might include US use of the base at Torrejon, nuclear ship visits to Spanish ports, the refueling of nuclear-capable aircraft by tankers based in Spain, and transit and overflight to the Middle East. The new government might also seek greater US diplomatic support for Spain’s North African exclaves—a matter of special concern to Moran [redacted]

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The Socialists have an ambivalence toward foreign investment that could cause problems in the bilateral relationship. They are cool toward multinational companies and have privately considered ways to enhance

the monetary and technological contribution such companies make to the Spanish economy. In general, though, we believe that their concern about creating jobs will force them to stop short of measures that would discourage foreign investment [redacted] 25X1

USSR. We believe Spain’s relations with the Soviet Union are likely to remain cool under the Socialists. The Socialists will be reluctant to be seen building bridges to Moscow at the same time they are pursuing a more independent policy vis-a-vis Washington. To do so would alarm conservative elites at home and might also damage Spain’s chances of joining the European Community. Overtures to the Soviet Union could also increase impatience within NATO over Spain’s current ambiguous status within the Alliance. That, in turn, could generate Allied pressure for a quick decision on Spanish membership—something Gonzalez has been trying to avoid. As part of their general push for increased diplomatic independence, however, the Socialists could expand ties with other Communist states, including Yugoslavia and Cuba. [redacted]

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Western Europe. Domestic and diplomatic obstacles will impede efforts to intensify the previous government’s drive to enter the European Community. An admittedly unscientific review of public opinion leads us to conclude that Spaniards—influenced by a critical press—have grown impatient with what they regard as foot-dragging on their country’s application by EC countries, especially France. Doubts among Spanish businessmen about their ability to meet EC competition have also increased recently, according to the press. With unemployment at 16 percent and still rising, the consensus for joining the Community that was revealed in earlier polls could begin to fade if negotiations do not soon take a productive turn—and we believe that the tough French line on Spanish agricultural exports makes such progress uncertain at best. The European Community may be reluctant to accept preferential trade arrangements that the new government might negotiate with LDCs. These circumstances have contributed to tough Socialist rhetoric recently, insisting on substantial progress during

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the next six months on Spain's application. The Socialists have begun talking about entry into the Community as a "right"—a statement of principle that will do as little for their flexibility as it does to engender compromise in Brussels. [redacted]

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We believe, however, that the Socialists would have trouble fulfilling their veiled threat to withdraw Spain's application for EC membership if they do not achieve a negotiating breakthrough during the first part of their term. We think they recognize, among other things, that a reversal of the trend of the past decade toward growing trade links with the Community would unacceptably lessen the pressure on Spanish industry to increase its efficiency. Furthermore, public statements indicate that Spanish politicians across the spectrum view membership in the European Community as much in a political as in an economic context. They are seeking final, full European endorsement of Spanish democracy. [redacted]

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The dispute over Gibraltar further strains Spain's relations with Western Europe. We see Gonzalez's opening of the border with Gibraltar to foot traffic on 15 December as his first gambit in a drive to put pressure on the British to resume negotiations. During Secretary Shultz's visit to Madrid, the Prime Minister requested US intercession with London. Gonzalez's linkage of the Gibraltar dispute to Spain's membership in NATO probably is an attempt to get other states to weigh in as well. [redacted]

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By raising the stakes on the Gibraltar issue, Gonzalez may believe that he maximizes his prospects for success. He may see potential dividends even in failure, possibly believing that merely tackling this nettlesome matter will create enough capital with the rightists to free him to pursue the more independent foreign policy that would please leftists disappointed by his moderation on domestic policy. We believe the danger remains, however, that, if the talks with Britain this spring are unsatisfactory, this "no lose" strategy could become a "no win" proposition, making it harder domestically to remain in NATO and pursue an unambiguously pro-Western policy at a critical moment for Spain's bid to enter the European Community. [redacted]

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Third World. Overtures to the Third World, and especially to Latin America, probably will be the showiest but least substantive part of Socialist diplomacy. In our view, apart from believing that Spain can be a bridge between North and South, many Socialists hope that forging links with the Third World will pay domestic political rewards. The theme of a "greater Hispanic commonwealth" has long appealed to rightists in Spain, and the Socialists will try to increase that attraction by pursuing new trade and investment opportunities as part of the 10-year program of cooperation they recently announced.³ At the same time, ventures that show independence from the West will play well with leftists. The Socialists probably will call for greater respect for human rights and support for some radical political movements. According to the press, Gonzalez is considering a trip to Latin America that would provide him an opportunity to expand on these themes. [redacted]

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The press has quoted Gonzalez as putting out diplomatic feelers for a "Little Helsinki" conference for Latin America. Among his goals would be solutions for the "external" challenges to Nicaragua and Honduras and for the "internal" conflicts in El Salvador and Guatemala. Gonzalez sees ending the "unwise" isolation of Cuba as another important objective. The Socialists, however, will probably move carefully on Latin America. They realize that an overly ambitious diplomacy would invite embarrassment. They also recognize that their shows of independence in Latin America should stop short of antagonizing Washington, and we expect that they will keep a close eye on US policy in the area. [redacted]

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Public statements indicate that the Socialists hope to reinforce Spain's ties with the Middle East, seeking assurances of reliable energy supplies as well as increased investment in Spain. In return, we believe

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they will increase Spain's already strong support of the Arab cause vis-a-vis Israel. [redacted]

North Africa—particularly Morocco—is another area of concern. The Socialists worry about the vulnerability of their North African exclaves and, to a lesser extent, the Canary Islands to a Moroccan takeover. To avert that development as well as to ensure continued Spanish fishing along the Moroccan coast, the Socialists, in our view, will place great emphasis on good relations with King Hassan. Indeed, in one of his first trips as Foreign Minister, Moran visited Morocco in December to arrange for an early exchange of visits between Gonzalez and Hassan. The Socialists' past support and present sympathy for the Polisario Front poses problems for their relations with Morocco, as does their longstanding interest in improving relations with Algeria, a principal supplier of natural gas to Spain. The Socialists may attempt to maintain the good will of all parties by promoting a negotiated settlement of the Western Sahara dispute, a topic recently rumored in the Madrid press. We believe, however, that if the Socialists are forced to choose sides, they will opt for Morocco. [redacted]

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Where They Will End

A complex interplay of ideology, domestic political influences, and traditional Spanish diplomatic goals will keep Socialist foreign policy in flux during the first part of the new government's term in office. Lack of progress on EC entry and Gibraltar repatriation could lead to second thoughts among Spanish policy-makers and incline the Socialists to pursue greater diplomatic independence. Over the longer term, too, the danger remains that if the Socialists are unable to satisfy popular aspirations for change—especially economic improvement—they could be pushed to consider a more basic shift away from the West in favor of closer alignment with the Third World. [redacted]

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On balance, we doubt that they would act on such an impulse. Neither Spain nor the Third World has much to offer the other. Greater experience in foreign affairs should increase the Socialists' awareness that, no matter how frustrating Spain's relations with the West, it is the Atlantic community that provides the defense, economic, and political support the Socialist government really needs to further its interests at home and abroad. We expect that these lessons will have a particularly strong impact on Gonzalez himself and will reinforce his commitment to keep Spanish diplomacy on a basically pro-Western—but probably less accommodating—path. [redacted] 25X1

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