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~~CONFIDENTIAL~~ INTELLIGENCE MEMORANDUM THE POLITICS OF
UNCERTAINTY: SPAIN PREPARES FOR THE POST-FRANCO ERA

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Intelligence Memorandum

*The Politics of Uncertainty:
Spain Prepares for the Post-Franco Era*

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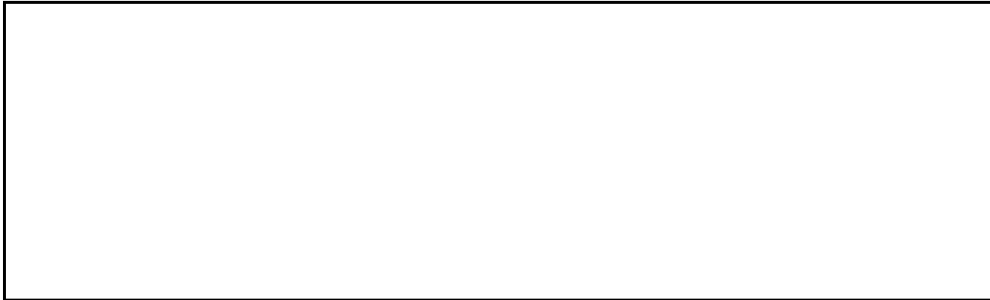
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CENTRAL INTELLIGENCE AGENCY

DIRECTORATE OF INTELLIGENCE
OFFICE OF POLITICAL RESEARCH

THE POLITICS OF UNCERTAINTY:
SPAIN PREPARES FOR THE POST-FRANCO ERA



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KEY JUDGMENTS

Francisco Franco is dying. While doctors within and without Spain disagree as to just when the Caudillo will pass from the scene, all agree that his physical decline has begun, and that there is a general incapacitation ahead. At the moment, political figures of the extreme right have the greatest influence upon Franco, and continue to frustrate Prime Minister Arias Navarro's attempts to add more flexibility to the political system. The current dominance of this extreme right dampened the hopes of moderate politicians and groups who supported Arias' proposal to permit independent political associations in Spain. Moderates are now biding their time.

Unlike Portugal before the revolution, Spain has a larger number of leaders and groups with governing experience, and these could grow into fledgling political parties. If these groups are allowed to move out of their present quasi-legal status, they could assume an active and important role in guiding Spain toward a more pluralistic form of government. The outcome of the post-Franco succession will depend, however, on how long the dictator lives and his current intimacy with the extreme right wing—to the almost total exclusion of moderate politicians—continues:

- Prospects are bleaker if Franco lingers on. The extreme right is likely to come to monopolize the political process, and prove to be inflexible in the face of growing unrest and demands for reform. As public order decays, the military might feel impelled to take over the reins of government to restore social peace. With the assumption of civilian roles, the officer corps will become politicized, and significant numbers of junior officers might turn radical as Spain's major economic and social problems remain unsolved.
- Prospects are better if Franco dies soon. It would still be possible for moderate individuals and groups to rally around Prime Minister Arias Navarro, and support his mildly reformist program. Co-operating informally with the military, an Arias government might accommodate restrained political demands, make some gestures to appease labor and regional protests, and attain some political stability through a plural authoritarianism.

Whatever the eventual outcome, the immediate future for Spain will be characterized by unrest and uncertainty, and politicians' distrust of each other.

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DISCUSSION

I. SPAIN AND THE PORTUGUESE MODEL

Francisco Franco has ruled Spain for nearly forty years, and the political structure designed to perpetuate his rule has few real roots in the population. As Franco's health declines his decisions are reflecting a more rigid conservatism, and moderate groups are coming to think the reforms promised by Premier Arias Navarro are being betrayed. In the absence of widely based political parties, the military remains Spain's single most powerful organization. Important groups both in and out of Spain are beginning to wonder if the recent Portuguese revolution has any implications for Spain. Is the same scenario likely to unfold in Spain as recently occurred in Portugal?

The forty-year old Portuguese dictatorship recently fell quickly, easily and unexpectedly. Political institutions disappeared almost overnight. Conservative elements associated with the old regime were unable to regroup and organize. Exhilarated by a sense of release, the once repressed population kept escalating its political demands, and laborers engaged in a series of wildcat strikes. The only disciplined political force to emerge was the Communist party, and its leaders were able to influence a new military government that is slowly drifting leftward.

In retrospect the reasons for the downfall of the Caetano regime seem obvious. Caetano did not have the personal authority of Salazar; yet he assumed office in 1968 with promises of limited reform and a flexible African policy. Over time these appeared to be empty gestures as the Prime Minister backed down, and came to rely solely on intransigent, right-wing support. Moderates felt that options in the political arena were denied them. Finally in 1974, a group of career military officers, resenting their long assignments in Africa and the rapid promotion of reservists, politicized their discontent and executed a *coup d'etat*. Without the presence of Salazar or a figure of comparable stature, the political system toppled completely.

But Spain is not Portugal. Portugal is the least developed country in western Europe; at three percent its annual rate of growth is the lowest in Europe; modes of agricultural and industrial production are inefficient; and scarce economic and human resources were used to fight wars in Guinea, Angola and Mozambique between 1961 and 1974. The old political elite clung to outmoded policies and institutions, and was incapable of enacting even moderate political reforms. On the other hand, Spanish rates of economic and industrial growth are high; Spain has not experienced the debilitating costs and demoralization of a long colonial war; Spaniards are more educated than Portuguese, and Spain has a larger middle class with greater technological competence. The Spanish political elite is thinking hard about the shape of the country without Franco, and beginning to prepare for the future. The outcome of events after Franco will turn on the resolution of the following key political questions:

- how long will Franco live, and his current identification with the extreme right continue;
- are Spain's institutions flexible and viable enough to incorporate new political forces released during a transition period;
- what are the capabilities of Spain's political elite;
- how prepared are the working classes and radical opposition to co-operate with a post-Franco regime;
- will the military intervene in politics?

The succession will also be acted out as new pressures impinge upon the political system. *The economy is changing.* From an era of boom, rapid growth, and improving productivity, the Spanish economy is facing a period of inflationary strains, energy shortages and declining trade balances. *Europe is changing.* From an area that appeared to offer Spain commercial benefits and international

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respectability, the Common Market now projects an image of political and economic disarray. *Portugal is changing*. From a once somnolent and insignificant neighbor, Portugal is transforming itself into what may be a revolutionary nation on the Iberian peninsula. These events will influence the outcome of political alignments and solutions in post-Franco Spain.

II. ECONOMIC AND SOCIAL CHANGE

Between 1800 and 1940 Spain experienced 109 governments, twenty-four revolutions and three civil wars, and Francisco Franco assumed power in 1939 only after winning the last, devastating conflict. To secure his victory Franco established severe repression, eliminated political competition, isolated the country from the rest of the world, and thus prevented economic growth for over a decade. For the sake of domestic peace the population was willing to submit to the restrictions of authoritarian rule.

But in the past twenty years Spain has altered, and memories of civil war horrors have dimmed. Because of an industrial boom in the sixties and associated changes in demographic, literacy and consumption patterns, Spain is now on the way to becoming a modern nation. Spain today is a young nation with seventy percent of the population having at best faint recollections of the 1936-1939 period. Ninety percent of the population is literate, and higher education is becoming more accessible to persons of lower middle-class origin. Nor is Spain an impoverished agricultural nation any longer: seventy-five percent of the labor force is employed in manufacturing and service industries while over 500,000 others have left the countryside for work in Common Market nations. Thanks to an industrial growth rate of ten percent, second only to Japan's, sixty-five percent of all Spaniards own television sets, thirty percent own cars, and most consume on average about forty-five kilograms of meat a year. Through emigration, the annual inflow of twenty-eight million tourists and bilateral security arrangements with NATO members, Spaniards have also become more aware of Europe.

III. SPAIN UNDER FRANCO

Only the political system has not kept pace. Francisco Franco remains the center of the Spanish

political system; he is the head of the armed forces, Caudillo of the National Movement,¹ the church is dependent upon him for funds, and no organizations that could successfully compete with the Movement have been permitted to exist. Without open arenas for exercising political talents and skills, individuals have tended to use legal institutions to further their own ambitions. In consequence very few institutions in Spain are monolithic. Franco has countenanced the presence of competing factions within and without government, military, and National Movement, and used them as the situation demanded. When for instance Spain's economic and foreign policies were autarkic and isolationist in the early fifties, right-wing elements dominated the cabinet; in later years modernizing technocrats presided over the opening up of the economy and international relations. All groups have always been dependent upon Franco for political influence.

At the moment leaders of the extreme right are dominating policy decisions. They are not a cohesive group, but men who have access to Franco because they fought with the Caudillo in the 1930's or were early ideological defenders of the regime. These older civil war officers and Movement founders can turn only to Franco because social and economic change has bypassed them. They have few institutional supports; younger officers in the military seem to favor strict professionalism, while the Movement is discredited in society, and its members are regarded as hacks staffing its own inflated bureaucracy along with those of the ineffectual labor syndicates. The Movement is having trouble recruiting new members voluntarily, and a younger generation of leaders hopes for internal reforms to enable it to compete with other groups in post-Franco Spain. Thus as Franco's health fails, extreme rightists have banded together to dominate the Caudillo's few lucid moments and have thwarted moderate political change.

The right appreciated its isolation when Franco temporarily gave up power in July of 1974. Although he resumed power in September, the possibilities

¹ The National Movement, Spain's only legal political party, was formed by merging the fascist *Falange* with the Carlist J.O.N.S. in 1937 to provide Franco with a political arm. All government employees, workers and university students are required to belong to the Movement or a Movement-sponsored organization.

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for continued rule by the ailing eighty-two year old dictator are not good. The leaders of the old right joined forces with members of the ultra-conservative Franco family to undermine Premier Arias Navarro's attempt to permit independent political associations to organize. They succeeded: in October Franco fired Pio Cabinillas, the liberal minister of information and tourism, and twelve other important officials resigned in protest; in November Franco listened sympathetically to Jose Antonio Giron, head of the newly-formed Civil War Veterans' Association and former Falangist cabinet minister, who protested any liberalization, however moderate. Afterward, in a demonstration of strength, the Movement rallied some 17,000 children to pledge support to the continuity of Franco's regime. Finally on 3 December, Arias announced that Franco would only approve associations authorized and controlled by the Movement's conservative National Council.²

Arias asked the public for patience, implying that greater changes would come after the Caudillo's death. But the longer Franco lives, the more likely ultra-conservative decisions will become institutionalized, thereby preventing the potentialities for change afforded by the constitution from being realized.

IV. THE CONSTITUTION

The Spanish constitution is designed to legitimize one-man rule. So long as Franco lives, he is chief of state, head of the armed forces and Movement, and arbiter of government policy. Although Prince Juan Carlos de Borbon is the designated monarch, he is not empowered to exercise any authority until Franco passes from the scene. The dictator also retains firm control of the government by presiding over bi-weekly cabinet meetings, and passing on proposed policies and laws. While the *Cortes* or legislature has the legal power to initiate, discuss and enact legislation, it has to date played only a *pro forma* role. Members of the Council of the Realm, which is authorized to settle disputes between monarch, cabinet and *Cortes*, have honorary functions.

²Subsidiary requirements, which specify that each association have at least 25,000 members distributed over fifteen provinces, further add to the difficulties of smaller moderate groups trying to organize.

After Franco dies, power is to be divided among institutions without any traditions of independent authority. Prince Juan Carlos will inherit Franco's mantle as chief of state, generalissimo of the armed forces and chief of the National Movement, but he will not be empowered to control the policies of government or Movement. The latter powers will be vested solely in the prime minister, who will also be able to call into question most decisions taken by the monarch. Nor will the strength of the *Cortes* be enhanced in post-Franco Spain: the legislature will not have the right to over-ride the chief of state's veto or name the prime minister; eighty percent of its members will still be appointed, and only twenty percent chosen by an electorate consisting of heads of families, married women and single persons with incomes.³ Should a conflict arise among these three institutions, the now moribund Council of the Realm is supposed to act as a kind of court of last resort.

In and of itself the constitution is a neutral document. If consensus obtains among Spanish political groups, the constitution can be made to work, or it can even be modified to fit future needs and avoid potential institutional conflicts. The possibilities for success were revealed during the forty-six day period from July to September 1974 when Franco temporarily renounced power. Prime Minister Arias and Prince Juan Carlos demonstrated that they could work together; moderate politicians supported them; military figures did not intervene in civilian politics.

V. THE POLITICAL ELITE

The viability of the constitution over the longer term, however, will depend upon the commitment and capacity of Spain's governing classes. Spain has a political elite with sufficient experience to run the country. Some of its members have served in the government while others have been permitted to exist as a kind of quasi-legal opposition. Nor are its members associated with older civil war parties; they are younger and middle-aged men with bases in the bureaucracy, National Movement, church, economy and the liberal professions. They

³Once named by the monarch, the prime minister apparently cannot be dismissed during his five year term of office, unless the monarch obtains the consent of the Council of the Realm.

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are a relatively small group with extreme conservative to mildly liberal viewpoints. For the moment the moderately conservative and liberal members of the elite have given their support to Arias and Juan Carlos in face of the extreme right's influence on Franco, and hope that the prime minister and prince will amend the constitution and laws to permit freer expression and autonomous political groupings after Franco.

Although a bureaucrat and former head of the security police, Prime Minister Arias Navarro has staked his prestige upon political reform. As mayor of Madrid from 1965 to 1973 he gained a personal reputation of being responsive to popular feeling; after the downfall of the Cactano regime in Portugal, Arias sensed the possibility of mild unrest among the political elite, and recognized the need for *apertura*. Juan Carlos has his own reasons for co-operating with the prime minister. Realizing that monarchy is no longer valued in Spain, and that he himself is not highly regarded, the prince since August has made an effort to establish relationships with political figures favoring liberalization.

These figures come from within the accepted spectrum of opinion. Because Franco has never allowed any person or group to become prominent enough to compete for leadership, Arias and the prince must appeal to a series of comparatively unknown individuals of moderate disposition, many of whom compete for support within the same institution: each has his own small following or is trying to create it; none is very ideological; and in one way or another all are opportunistic—they want the freedom to form independent political associations so as to gain a wider audience. In the absence of an open political arena, a number of men joined the National Movement in order to fulfill their own political ambitions rather than out of conviction. The best known of these is Manuel Fraga Iribarne, who became popular as a progressive minister of information and tourism in the 1960's; now ambassador to London Fraga has the financial backing of a few wealthy businessmen. Other influential Movement leaders are Alejandro Rodrigues de Valcarcel who is also president of the *Cortes*, Manuel Cantarero del Castillo, who at thirty-seven heads the Falangist youth organization; and Jose Solis Ruiz, who is both a vice-president

of the Movement and a former official chief of the syndical organizations. They would use reforms to revitalize the Movement—as well as their own positions—and make it a credible political force in Spanish eyes.

Support for reform also exists among eminent Catholics. In fact in an overwhelmingly Catholic country, the church hierarchy, itself, has taken a leading role in the fight for liberalization. Spurred on by the papal encyclicals of John XXIII, the pronouncements of the Vatican Council, and an effort to retain the faithful in a secular environment, all levels of clergymen have come to favor civil liberties and rights of free association. At the latest meeting of the Spanish Episcopal Conference in December, only six out of eighty-nine attending bishops dissented from a manifesto calling for greater political, economic and social justice. Some bishops have gone so far as to support publically parish priests who provided sanctuary for political protestors. The president of the Conference, Cardinal Enrique y Tarancon, has personally called for competing democratic parties.

The lay arm of the church is divided politically. The most controversial Catholic organization in Spain is the semi-secret, elitist *Opus Dei*. The majority of its members are philosophically conservative, support economic change, and rarely take political stands; they have served in the government when called upon as modernizing technocrats. The reform of the Spanish economy is associated with members Laureano Lopez Rodo and Gregorio Lopez Bravo, administrators who were appointed to the cabinet in the early sixties. Within *Opus Dei*, however, there is a competing group formed by the new exiled Rafael Calvo Serer which advocates political liberalization, the separation of church and state, and the institution of free elections. (Although now out of office, *Opus Dei* members are likely to be influential in the future because of their talent and expertise in business, the professions and government.) To combat the conservative influence of *Opus Dei* as a whole, Federico Silva Munoz resigned from the cabinet in 1970 and worked with the National Association of Catholic Propagandists (A.C.N.P.), a coalition of Catholic activists.

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More conventionally Christian Democratic—and participating in the A.C.N.P.—is a grouping of younger men called *Tacito*, a name derived from the group's column in the newspaper *Ya*, and led by the thirty-nine year old financier, Joaquim Garrigues Walker. Garrigues Walker plans to organize a reformist party "with an emphasis on youth, acceptance of existing institutional structures, and a rejection of extremism." He presumably has the backing of his father-in-law, Jose Maria Areilza, the Count of Montrico, a long-time critic of the regime. The *Tacito* group is displacing the civil war Social Christian Democratic Party still headed by the aging but respected Jose Maria Gil Robles.

Finally some middle-class professionals banded together after Arias' 1974 promise of reform to create a secular democratic party. Although they call their association the Social-Democratic Union and find their models in European socialist parties, the founders' program reflects a moderate welfare-statist outlook. The membership is youthful, and Manuel Diez-Alegria, son of the politically moderate former army chief-of-staff, is a party leader. The Union has a far more significant future than the exiled Spanish Socialist Workers Party (P.S.O.E) in Toulouse, France which is poorly organized internally and now dominated by radical elements. Professor Enrique Tierno Galvan was expelled from the P.S.O.E. in 1965, and speaks for a small group of moderate socialists inside Spain.

All these individuals and groups are eager for liberalization. They are essentially middle-class—though some have ties to the financial and social elite—seeking middle-class constituencies. In Spain's limited political arena none has had the experience of co-operating in broadly based coalitions, or of building mass party structures that can bridge the gap to alienated working classes. Should reform be enacted, middle-class politicians will find themselves competing with a well-organized, clandestine Communist party for the allegiance of industrial workers and regional separatists.

VI. THE WORKING CLASSES AND COMMUNIST OPPOSITION

Spanish workers have a long history of radicalism. To control the proletariat which fought against Franco's armies in the civil war, the Caudillo estab-

lished industrial syndicates. Though supervisory responsibility is shared between the National Movement and government, the syndical bureaucracy is manned by conservative Movement hacks. Its departments radiate out from Madrid in a network that includes government representatives, management and labor, and they are authorized to regulate the collective bargaining process in every major factory. More often than not contract settlements have favored business interests. Feeling that they were not receiving benefits from Spain's economic boom, workers—and only by a very generous interpretation of consumption statistics would many Spanish workers be considered middle-class—began to turn the local syndical organizations to their own advantage in the 1960's.

Comisiones Obreras, or workers' commissions, were formed surreptitiously in larger plants, and labor leaders used syndical electoral mechanisms to place independent representatives on official bodies. Within the syndicates these leaders pressed workers' demands for higher wages, improved conditions and—in Barcelona and Catalonia—greater regional autonomy as well. Despite the efforts of the secret police, commission leadership has managed to perpetuate itself and to use the illegal strike as an effective bargaining weapon; protests increased in intensity through the decade of the sixties, and even more are predicted for 1975. Because the regime is unable to contain labor unrest, factory managers have come to prefer dealing with the commissions, rather than the official syndicates, in contract negotiations. To date the demands of workers have been largely economic, and the commissions in individual factories do not appear to have yet coordinated their activities with one another on any sustained basis.

But as the Arias government cracks down hard on strikes, the clandestine Communist party is making inroads among industrial workers. Indeed, according to the latest reporting, the Communist

⁴While the demands and terrorist activities of regional nationalists, especially in the Basque country, are disruptive, they do not represent a major political problem; even after the assassination of Prime Minister Carrero Blanco in December 1973 by a group of Basque separatists, the regime reacted with moderation and restraint. A successor regime to Franco may have to make some concessions toward granting a measure of regional autonomy, and Arias appears willing to do so.

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Party of Spain (P.C.E.), headed by the exiled leaders Dolores Ibarruri and Santiago Carrillo, seems to have a decisive lead in the competition for workers' support.⁵ Since the civil war, unions have been banned, and the exiled socialist and anarchist unions have negligible organizations within Spain. In contrast Secretary-General Santiago Carrillo has maintained a party apparatus believed to have five thousand members, and because cell members are willing to face arrest, suffer harassment, and generally bear the dangers raised by commission work, laborers have given Communists their allegiance, at least temporarily. However, Carrillo has not been able to convert the party's popularity among workers into a national political strike.

On the whole the P.C.E.'s reputation has been enhanced by Carrillo's firm independence of Moscow since 1968, and the C.P.S.U.'s 1974 capitulation to the Spanish leader in recognizing the appropriateness of his national strategies.⁶ Carrillo is using the workers' commissions to broaden the party's popular base while he attempts to persuade moderate opposition figures to join a united front coalition called the Democratic Junta. Despite some recent overtures to the officer corps, however, he has yet to make the party respectable in its eyes.

VII. THE ROLE OF THE MILITARY

The military has had a special role as the guarantor of the Spanish state from the time Franco was selected to head the nationalist forces in 1936. Senior officers have been incorporated in the regime as cabinet ministers, members of the national council and appointees to the *Cortes*. Generals and admirals of Franco's generation have always had a firm commitment to the conservative outlines of the regime, but the officer corps has changed beneath them. Since the advent of American aid in the early fifties, elite social recruitment has declined in favor of middle- and lower middle-class types who are dependent upon their careers as sources of income. The complaints of the majority of these

⁵ Communists apparently have a firm edge on socialist, Catholic and separatist competition for workers' support.

⁶ For a time Moscow supported the more pliable, break-away faction headed by Enrique Lister. Carrillo's independence was made possible by the money he receives from anti-Franco exiles in Latin America and Europe.

twenty thousand officers have been largely professional: they resent slow promotions caused by a strict seniority system, long assignments in positions of little responsibility, poorly equipped troops, and very low salary scales—which compel approximately fifty percent of Spanish officers to hold second jobs. As compared to civilian engineers and administrators the financial rewards of military professionals have diminished, but the assurances of guaranteed promotions and fringe benefits still make the services an attractive career.

Whether there is significant political discontent among Spanish officers is less clear. The military has not directly intervened in civilian politics since the civil war, but little is known about the political composition of the officer corps, factional splits within it, or the ideological preferences of commanding figures. All generals and admirals fought in the civil war and the extreme rightists among them retain an undue influence as old allies of Franco and his family; others seem more moderate, and appear to support orderly civilian change. Immediately after the assassination of Prime Minister Carrero Blanco in December 1973, the now retired chief-of-staff, Lieutenant-General Manuel Diez-Alegria, and his successor, General Fernandez Vallespin, formed a crisis management group to curb the excesses of military rightists. They were aided by a younger generation of officers who had attended the staff school under Diez-Alegria's principalship. To the left, a miniscule group of junior officers was impressed by the changes wrought by the new military government in Portugal immediately after the April coup. In any event, concern among military leaders about officers joining any future political associations has grown enough for the three service ministers (army, navy, and air force) to warn all officers against personal involvement in politics. Without Franco to protect the officer corps' interests, its response during a period of transition still remains an unknown quantity in Spanish politics.⁷

VIII. STRESSES AND STRAINS

Franco's heirs will have to deal with a new set of pressures upon the political system. The economic

⁷ Arias sensed this, and his first major defense policy speech contained a promise to upgrade the navy's equipment.

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boom is apparently over. Spain is almost totally dependent upon external energy supplies, and the cost of importing them has more than tripled to nearly four billion dollars in 1974. Real GNP growth has fallen from eight to four percent, and inflation has reached seventeen percent—the worst since the civil war. Income from tourism and emigrant remittances is stagnating at four and one-half billion dollars, and no longer covers the gap between export earnings and import costs; Spain's current account deficit in 1974 was three and one-half billion dollars. The government is trying to keep unemployment levels low, but should production continue to fall and emigrant laborers be forced to return from western Europe, unemployment is likely to climb far above the officially admitted 1.8 percent. On the bright side, Spain's foreign reserve position and credit rating remain good, and if emigrants do not return in large numbers, problems will be manageable for the next two or three years.

But should the economic downturn become severe, a successor regime will have fewer opportunities to satisfy diverging interests. The new middle-class, fearful of losing its recently won possessions, would become suspicious of any changes that might seem to reduce its share of the economic pie. At the same time, the working class would demand more, and there would be fewer monetary and job benefits to give them. Industrial unrest would increase. In such conditions, political leaders might have too little time in which to learn the skills of accommodation, compromise and party-building needed for a stable transition.

Perhaps, too, the externally motivated incentive to acquire these political skills may be diminishing. In the past, an important factor contributing to the support for reform among Spanish politicians was the desire to gain respectability for their nation in western Europe, along with admission into the Common Market and NATO. But the appeal of Europe may be foundering; European economies have been weakened and made vulnerable by the energy crisis, and constitutional governments seem less able to contain the threats of mass strikes, domestic Communism and separatist terrorism in Spanish eyes. The post-Franco leadership—especially a rightist one—might feel less impelled to

redeem Spain's reputation among the troubled-plagued European democracies.

Most significantly, attitudes towards the future may become less flexible as a result of the Portuguese revolution. The extreme right—with large demonstrations and new organizations—has already indicated its unwillingness to accept any basic political reforms lest a similar revolution occur in Spain. In contrast, moderate elements are insistent that changes be enacted quickly to prevent such a revolution. Arias was in the latter camp when he attempted to add more bite to the associations law after the April coup in Portugal. The right thwarted his effort, as well as his plans to alter the electoral and syndical systems.

IX. THE FUTURE

For as long as Franco lives, uncertainty and stalemate will prevail. The ailing dictator remains the arbiter of Spanish politics. Right-wing friends and family are monopolizing his attention, while moderates are biding their time and waiting for the end. Neither group expects to see Franco again demonstrate his old flexibility of favoring one faction and then another to create political balance.

If Franco lingers on . . .

The longer Franco lives—whether he formally relinquishes power or not—the less easy and obvious the outcome of the transition is likely to be. As it continues to influence Franco's thinking, the extreme right will grow more confident about the future. Some of its members are even now preparing to take advantage of the new association law. Moderates are divided and wavering; men like Fraga Iribarne are willing to try their hands at forming organizations while others are hesitant and fear that any connection to the National Movement will hurt their chances of winning support from the electorate. The extreme right will gain an edge in organization-building, and seek to rally the support of a middle-class afraid of losing its economic position. Through Franco, the right will continue to bring pressure upon the Arias government, and probably will cause the prime minister to tighten press laws and to halt any significant syndical and municipal electoral reforms; the

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prince has no clout with which to counter such moves, and his reputation, already shaky, is apt to diminish. Rightist elements are almost certain to exert even more pressure on the government in hopes of bringing about Arias' resignation.

If Franco lingers on over the next two or three years, Spain will become even more polarized: the political right and *petit-bourgeois* interests will be ascendent; moderate politicians will be alienated; the working classes will be further radicalized, and the Communists will grow stronger among them. Under these conditions labor unrest is bound to escalate, and the right—with or without Franco by then—may not be able to control it. Either called in by the government or on their own initiative, the armed forces would then enter politics to restore order. With the assumption of civilian functions, groups of officers resenting the burden of underwriting an isolated and ineffectual dictatorship in western Europe, might feel impelled to reform Spain fundamentally. Spain could then experience the abrupt and cataclysmic turn-about of 1974 Portugal.

If the Caudillo dies soon . . .

But if Franco dies within the next twelve to eighteen months, the chances for a stable transition are better. Barring the unlikely event of a last-gasp right-wing coup attempt—the military would probably react vigorously in the face of unconstitutional actions from *any* quarter—Arias and Juan Carlos will have the opportunity to solidify their support among moderate and less intransigent political groupings. During the lull provided by a period of national mourning, bargaining and compromises that would bring prominent figures into government could be reached. And acting on his earlier policy statements, Arias' new cabinet could present a program that in the guise of a modern "Francoism" would permit more electoral and party representation in the *Cortes*, some syndical reform and a degree of regional autonomy. No politician or faction is as yet strong enough to replace Arias or totally thwart such a program; the military will not be inclined to interfere with civil affairs immediately so long as public order is preserved, and the Communists will try if they can to dilute workers' demands in order to win political respectability. But

the initial stages of the transition in the year or so after Franco will be characterized by tension, muted conflict and wary steps towards a new political balance.

Even should Franco die soon, difficulties will emerge: will Spanish politicians be able to restrain their personal ambition and competitiveness for the sake of greater national good? Will they be able to forego grandiloquent gestures and high-flown rhetoric for the stolid work of daily political compromise and the nitty-gritty of party-building? Coming out of the shadow of Franco, the skills of prominent Spanish politicians are untried. In the past individual ambition and an instinct for behind-the-scenes maneuvering sufficed, and at first many will probably be content with the recognition brought by cabinet positions. As associations or parties are formed, open politicking will mean little more than collecting splintered votes from a conservative middle-class; real competition will continue to be conducted out of public view among prominent individuals and factions. But the political system will be a more open, fluid form of authoritarianism than under Franco.

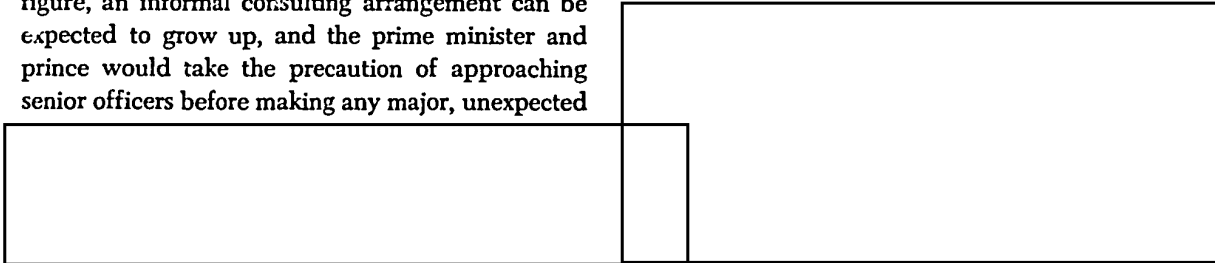
The gap between the regime and the working classes remains to be bridged, and political leaders will have to see that it is in their own self-interest to accommodate labor and linked regional demands. The more thoughtful among them—including Arias along with Fraga, Garrigues Walker, the younger Diez-Alegria and a majority of the hierarchy—have already advocated a kind of trade-unionism that would allow workers to organize locally and negotiate contracts at their factories; they are gambling on proletarian energies becoming absorbed in legal activities, and so diminishing labor's vulnerability to Communist and other radical influence. It is a risky business, because the workers' commissions are likely to increase their strikes during the transition period, and politicians will have to be persistent in the face of strong opposition from the right-wing. While the extreme right no doubt will try to sway sympathetically inclined old-time officers, the military will hesitate to intervene in civilian politics so long as the government appears moderate in its views, capable, and maintains a firm grip over public protest.

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Even should appropriate labor legislation be passed, the gap between the establishment and the workers will still exist. However, labor is not united enough to bring the nation to a total halt as in France or Italy and thus raise the specter of another civil war. And if domestic peace is not shattered completely, the military would continue in its role as guarantor of the regime. Both officers and civilians share a commitment to the general outlines of Franco's state. The majority see room for moderate, legally enacted reforms,⁸ and all are firmly anti-Communist—the party will be banned as it is now. Relations between the military and government are likely to be closer after Franco: without the presence of a reassuring, mediating figure, an informal consulting arrangement can be expected to grow up, and the prime minister and prince would take the precaution of approaching senior officers before making any major, unexpected

policy moves. Unless unforeseen political and economic forces were to appear on the scene, Spain would manage to achieve a loose, flabby sort of stability.⁹

In any event, the leaders of post-Franco Spain will for some time be pre-occupied with internal political and economic problems; and while they would welcome admission into NATO and the EC, they will be prepared to bargain hard for concrete security and commercial benefits. They will watch events in Portugal with concern, continue to cultivate relations with the Communist and Arab worlds, and—perhaps as a symbol of Spanish independence—give voice to a loud but superficial anti-Americanism.



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