

**UPDATE ON SPANISH POLITICS – 12th March 2013**  
**by Kevin Bruton**



It has been an incendiary month in Spanish politics since the last Update which outlined how Luís Bárcenas, ex-treasurer of PP, had been revealed by 'El Mundo' newspaper to have 22 million euros unexplained in a Swiss bank account and how 'El País' newspaper published a notebook of Bárcenas detailing illegal donations of money from construction companies and illegal payments to PP party leaders, including the current prime minister, Mariano Rajoy.

Coinciding with the last Update, Luís Bárcenas headed off for a "skiing trip" to Canada, an action which has since culminated in the removal of his passport with suspicions he might abscond. In addition, Bárcenas faked a handwriting test and has been asked to repeat the process. Also, it is now known that he has 38 million euros in a Swiss bank and may even have up to 100 million euros in Canada, the US, the Bahamas, Panama, or the Isle of Man. On his return from Canada at Barajas Airport in Madrid, Bárcenas greeted journalists with silence and a "peineta" – the Spanish equivalent of a V-sign.

But the most damaging revelation of the past month has been that Bárcenas was paid a monthly income of 21,380€ by PP, with national insurance and tax paid, right up to 31st January this year, ie the very day that 'El País' published the Bárcenas papers of slush fund payments. The revelation is punitive because PP leaders have consistently said and continue to say that PP has had nothing to do with Bárcenas since April 2010, three years ago.

These blatant lies came to a head when María Dolores de Cospedal, the Secretaria General or PP party leader in the country, gave a press conference which has gone down in infamy. She said, in an incoherent statement that belied the message she was trying to communicate, that Bárcenas has NOT been working for PP since 2010 but that they paid him a monthly 'delayed compensation' or a 'simulation' of an 'end of contract' until this year. Her hesitant verbal contortions have convinced virtually nobody, not least because she did not say how, until forty days ago, Bárcenas also had an office, a secretary and a car at party HQ. Other PP leaders have reiterated the lie, but the PM Rajoy has said nothing either in public or in parliament. His last public appearance was on 11th February alongside Angela Merkel in Germany and his next is due on 15th March in Brussels.

The last few weeks have also seen a plethora of lawsuits announced in Bárcenasgate. Izquierda Unida, the Communist party, have issued a law suit (134 pages long) against Bárcenas, other PP leaders and three construction firms. On 7th March, PP as a party took out a lawsuit against 'El País' newspaper and any person(s) who provided the newspaper with 'false' documents. It is interesting that PP have attacked the press, although not the right-wing 'El Mundo', usually a supporter of PP, and have not taken action against Bárcenas.

Most telling of all is that Luís Bárcenas, on 26th February, instituted legal action against PP for unfair dismissal, saying he had worked for PP for 31 years, and the last 3 years as an 'asesor' or adviser, until 31st January this year! He is asking for 894,600€ in compensation or readmission to PP. Bárcenas has since issued another lawsuit claiming 'maltrato laboral' or 'bullying at work', saying that PP burst into his office, sequestering two laptops and numerous papers without his permission. An amusing post-script is that an enterprising bus company in Madrid is considering instituting a 'Bárcenasgate' tour bus, taking passengers around his two homes, the law courts, PP HQ at Calle Génova 13 and the Unemployment Office where Bárcenas could claim benefit!

As Bárcenasgate continues and intensifies, PP leaders dissemble or stay mute. In the latest poll, 72%, of Spaniards do not believe PP at all and nor do 58% of PP supporters. Lies are

not working and nor is the silence of Rajoy, leading the present writer to the view that complacency with corruption is complicity with corruption.

Away from Bárcenasgate, the scandal of Iñaki Urdangarín, son-in-law of the King, continues. His umbrella company, the Instituto Nóos, is accused of gross misuse and abuse of public funds. There were five members of the Board of this Institute: four of them have been charged with corruption while only one has not, viz. Cristina, the King and Queen's daughter, even though all accounts say she played a full active role in the Institute's dealings. The latest revelations indicate that between 2004 and 2006 the PP mayor of Valencia, Rita Barberá, and the then PP head of the Valencia Regional Government, Francisco Camps, gave public contracts to the Instituto Nóos to the tune of 400,000€. These contracts, firstly, by law should have been put out to open tender and, secondly, it appears that the Instituto Nóos, in return for 400,000€, did absolutely 'noothing'!

The Spanish popular press and numerous lurid television and radio discussion programmes have been full in the past month of the King's German friend, the so-called 'Princess' Corinna zu Seyn-Wittgenstein. Widely suspected to have a much closer relationship with the King than the 'entrañable amistad' of 'warm friendship' she claims, the charges against her are that she took public money, stayed in royal palaces, used government cars and an official expense account, all on behalf of spurious or ephemeral work for the Spanish government. The headline in the New York Times on 22nd February was "A Royal Scandal in Spain" while the International Herald Tribune proclaimed "A Royal Mess in Spain".

Pressure on the King was increased when the leader of the Catalan socialists, Pere Navarro, called on the King to abdicate. But the Catalan socialists have been in the news for other reasons. On 26th February, CiU, the Catalan Nationalist Party, tabled a resolution in parliament proposing a referendum on independence for Cataluña. The resolution had no prospect of advancing but Pere Navarro, leader of the 14 Catalan socialist MPs, declared that his bloc would vote in favor of the right of the Catalan people to decide their future, although they are NOT in favour of independence. Carme Chacón (narrowly beaten to national leadership of PSOE by Rubalcaba) and MP for Barcelona, immediately declared her opposition to the Catalan socialists saying "I was elected 15 months ago on a platform of Spain and Cataluña progressing together and not on a break (ruptura) between the two". And she added to Navarro "You can have my seat!" Her statements and her stance, in the present writer's view, have heightened Chacón's standing nationally as she is revealed as a politician of principles and courage. Her chances are enhanced of being PSOE's candidate to fight the next general election.

The current PSOE leader, Rubalcaba, has not had a good month. Firstly, he came a poor second to Rajoy in the parliamentary State of the Nation debate, a difficult feat to pull off given a PP mired in corruption. Secondly, there is the open break between PSOE and the Catalan socialists. And thirdly, there is the 'Problem in Ponferrada'. Ponferrada, with a population of 85,000, is the fourth largest town in the region of Castilla-León. On 8th March, the local PSOE in Ponferrada, with 8 seats on the town council, decided to align themselves with 5 'independents' (recently defected from PP) and thus making 13 seats in total, in order to remove power from the remaining PP bloc, with 12 seats on the council, and produce a Socialist mayor. Unfortunately, one of the 5 'independents', Ismael Alvarez, had been found guilty 10 years ago of sexual harrassment against a fellow councillor. The Ponferrada vote on 8th March coincided with International Women's Day and Carme Chacón was first to put her head above the parapet in condemning the local PSOE in Ponferrada for aligning with a sex offender. Rubalcaba also followed in his condemnation but, unfortunately, this came after Oscar López, effectively third in the PSOE high command, gave his approval to the Ponferrada socialists. As of 10th March, the new Socialist mayor of Ponferrada, Samuel Folgueral, has refused to step down but has instead, together with 7 other PSOE councillors, left the party in order to stay in position as mayor. And he has done so even though the councillor convicted of a sex crime has also resigned. Most observers can only conclude that

power and influence are more important to local politicians than ideology and it is no wonder that Spaniards in opinion polls distrust politicians in general.

A few statistics about Spain on International Women's Day are apposite. On average, women earn 5,774€ less per year than men. While 31% of men earn more than 30,000€ a year, only 9% of women do so. Comparative figures for women in managerial positions are more difficult to assess because, while the figure of 27% of women occupying managerial jobs in Spain appears relatively high, this figure includes low, middle and high level jobs. In Norway, for example, 44% of the top jobs are taken by women, while the figure for Iceland is 40%. On the boards of Spain's Ibx 35 companies in total there are 438 men and only 64 women. Finally in Spain, women on average spend 1h 40m more on household work per day than men!

There is no space here to discuss the economy in detail. Last year's year-end deficit was 9.99% which compares with 9.44% in 2011. Clearly the cuts are not working, demand is flat and Spain, according to many economists, is in stagnation. While unemployment climbs above 6 million, 40% more firms went into bankruptcy in the last quarter of 2012 compared with the previous quarter. The latest major opinion poll shows that the economy is third in people's concerns, with unemployment first and corruption up to second (from fourth previously). Demonstrations and marches continue almost daily. On Sunday 10th March, hundreds of thousands of people (in total probably rising into the millions) protested against corruption, government cuts and austerity measures and against the EU which suddenly is not so popular in Spain.

A portentous metaphor for Spain came on 30th January this year, the day before 'El País' published the damning Bárcenas papers. For some time now they have been installing a roof over the famous Las Ventas bullring in Madrid so that indoor concerts and events can be held there. At 4.45am the finished roof collapsed, just one day before a planned inaugural ceremony to be attended by thousands of people. The roof, of aluminium, cables and fabric, 160 tonnes in weight, and 102 metres in diameter, collapsed onto Spain's iconic bullring and national fiesta.

It is possible to argue the roof was falling in not just on Spain but on Europe as well! The aluminium was manufactured in Spain but sent to Strasburg, of all places, for assembly, and the structure was designed by a French engineering company with an Italian name, Cedetti!