

# Will Spanish sovereignty survive the elections?

by Katharine Kanter, Paris Bureau Chief, and Elisabeth Hellenbroich

*EIR correspondents Elisabeth Hellenbroich and Katharine Kanter returned recently from a two-week trip to Madrid where they interviewed a broad spectrum of political and business leaders. Their comments follow.*

As we detailed in the economic section of the *EIR*'s Aug. 10 Special Report, Spain, with unemployment running at over 16 percent and a disastrous internal economic situation, stands, three weeks before the general elections Oct. 28, at a crossroads. Since Mexico's historic moves on Sept. 1, Spain is confronted more acutely than ever in modern times with a decision, whose consequences will determine whether or not this downtrodden country emerges from underdevelopment: Will Spain too demand renegotiation of its huge \$33 billion debt, in concert with Ibero-America, or will the Gaullist forces within Spain bend to the vicious financial oligarchy trying to turn the country into another Portugal?

At this point, sickly indecision seems to be the dominant mood. The banking nationalizations by Mexico's López Portillo caused a wave of panic and misunderstanding in Spain, fed by the fact that there is not a single national newspaper which covers the Ibero-American debt revolt sympathetically. Press magnates like the owner of the Socialist newspaper *El País*, Jesús de Polanco, ensure that dangerous information from the outside world is strictly controlled. It is highly significant that not one word appeared in the Spanish press on López Portillo's debt bomb speech to the United Nations Oct. 1, and that even EFE, one of the largest news agencies in the world, had by Oct. 4 still not received the full text of this speech from New York. Someone is very concerned indeed to prevent the Spanish from realizing that Ibero-America is exercising collectively a far greater sense of national responsibility than the mother country.

Few flowers can be thrown to the Spanish political leadership itself, however. Early elections were decided on in August, at a secret meeting on a farm in Catalonia between José María de Areilza, Count of Motrico and president of the

parliamentary assembly of the European Council, and Luxembourg Prime Minister Gaston Thorn. Both these gentlemen are intimates of the circles of Henry A. Kissinger and Hans-Dietrich Genscher, the present German FDP Foreign Minister implicated both in the fall of former Chancellor Helmut Schmidt and the Sept. 22 assassination attempt against European Labor Party Chairman Helga Zepp-LaRouche.

José María de Areilza and Gaston Thorn, being international gamemasters, knew what the narrow, localist Spanish political class never suspected, that Ibero-American leaders, strongly influenced by the economic proposals of *EIR* founder Lyndon LaRouche, were about to move the world crisis in a manner that might sweep up Spanish patriots in the impetus. It became of crucial importance to the Kissinger circles to render impotent the Spanish political and industrial leadership by keeping them occupied in an absurd, hopeless electoral campaign. Petty-minded individuals in the Unión de Centro Democrático (UCD, the ruling government party) were then sold the line that the elections must be held in October rather than in February 1983 in order to save the party from ex-President Adolfo Suárez. Suárez had in fact just created a new party, called the Centro Democrático y Social (CDS), to which many UCD members had defected over the summer, causing an outbreak of rabid personal jealousy among the UCD leadership. Holding the elections on Oct. 28 virtually guaranteed a landslide victory to the Socialist Party, the PSOE.

As the shock waves caused by López Portillo's moves rose, however, heightened by debate over the creation of a Ibero-American common market, British-allied factions decided to pull the plug on the Spanish economy from within, to shortcircuit any chance of a breakway move by Spanish Gaullists. The chosen instruments for this chaos and confusion operation were Explosivos Rio Tinto and Aluminio Español. Rio Tinto, linked to Rio Tinto Zinc via Rio Tinto Mineras, owes \$1 billion, half of which falls due this year. The company has paid no dividends in four years and its

situation has been so desperate for months that the only viable solution would be to impound it and seize the books. Aluminio Español, half of which belongs to the state's Instituto Nacional de Industria (INI) and about a quarter to Pechiney Ugine Kuhlman, the recently nationalized French multinational, just defaulted on \$8 million interest on a \$350 million debt, and was declared in suspension of payments. This was a direct result of non-support from the French government. Both these firms have been in such severe difficulty in the recent period, that the only reasonable interpretation for such a spectacular declaration of bankruptcy is to cast a deep shadow of panic over the entire Spanish banking and industrial community. This is precisely the line of *El País*, that the bankruptcy of Aluminio Español throws into doubt the creditworthiness of the Spanish state. The notorious Wall Street firm Lehman Brothers Kuhn Loeb has been called in in the Rio Tinto case, and great pressure is being put on the private banking sector to throw good money after bad and bail the thing out, thereby risking the collapse of the internal banking system.

To add to the confusion, it was announced on Oct. 2 that two colonels and a lieutenant colonel were arrested for conspiring to overthrow the state, though the sloppiness and scatterbrained quality of the preparations makes the seriousness of the affair somewhat doubtful.

One need not be a crystal-ball gazer to divine the British game, which, as always, is mainly psychological warfare. They count on keeping the Spanish political and business elite fully intent on their navels throughout October and November, while the whole of Ibero-America is in an uproar. Meanwhile, as discussed at the Oct. 2 NATO foreign ministers meeting, interventions can be organized to crush that continent, with general indifference in Spain. Let us hope the British are, once again, miscalculating.

### **Who are the Spanish Gaullists?**

There are essentially three power groups in Spain which must forget petty rivalries and partisan tomfoolery to weld a "winning combination" against the enemies of development.

The first, most advanced group, centers around the leaders of the nuclear and electrical industries, plus that banking sector directly tied to these industries and to the abortive though well-intentioned efforts to industrialize Ibero-America. Due to the self-destruction of the UCD, most of this group is unfortunately backing Alianza Popular in the upcoming elections, a party closely linked to the CDU of German Chancellor Kohl and the CSU of Franz-Josef Strauss. Alianza Popular's economic program was ghostwritten by Milton Friedman for Jorge Verstrynge, nominal economic chief of the AP. Fraga Iribarne, president of AP, has been linked since the 1950s to the Centro de Documentación Internacional de Madrid, still functioning underground today as a coordinating point for international black terrorism under the control of Otto von Hapsburg; the center was formerly the resort of Otto Skorzeny, head of the Nazi special com-

mandos. The vice-president of Alianza Popular, Abel Matute, is known as "El Capo" for his activities as drug and Mafia boss run out of the island paradise of Ibiza, and sits upon tens of millions of dollars of drug money laundered through the Ibiza casino network. Alianza Popular with such a leadership is unsalvageable, and the pro-growth industrialists backing it because they think it more "dirigist" than the UCD had better wake up fast.

The second group of Gaullists still remains within the wreckage of the UCD after this summer's mass defections, namely those individuals associated with the internal security and anti-terrorism forces around Interior Minister Rosón, who unfortunately failed in his bid to take over the UCD in July after electoral "experts" advised the party that the minister was "plain and unphotogenic"! Derived from the Francoist student trade union, the USE, this group, known as the Azules, is committed to the fight against terrorism and deeply patriotic, but crippled by extremely poor intelligence on the "outside world." Their party is about to be smashed in the elections because any notion of a global development policy for Spain oriented toward Ibero-American industrialization has until now been beyond their grasp.

The third group is that of former President Adolfo Suárez, now president of his own party, called the CDS. A great deal of fun has been made of the former President because of his supposedly limited mental faculties, but one fact remains: Adolfo Suárez is the only non-Socialist, non-anglophile politician who maintains the closest ties to precisely those countries in Ibero-America who could drop the debt bomb. Such is the shortsightedness of Spain's electoral "experts" however, that Suárez's electoral campaign has not once raised this issue publicly. This is a grave error, as the Spanish electorate has a passionate interest in the success of Ibero-America, and would naturally tend to swing in the direction of the brother continent's struggle, as shown by the white-hot street reaction during the Malvinas crisis.

### **The enemies of Spain**

In the Basque country, the Azules are waging a desperate, rear-guard battle against the separatist-terrorist group ETA. ETA, like the Sicilian, Corsican, Galician, and other separatist-terrorist groups, comes from the Pan-Europa movement founded by Otto von Hapsburg, with grassroots backup provided by the local Jesuits. The fact that since the 19th century the Basque country has sustained the most direct business, political, and financial ties to Britain, and not to the rest of Spain, has made the task easy for the Malthusian British and their allies. At this late stage, the only way to stop Basque terrorism overnight is to break relations with Britain and arrest the likes of pretender to the Spanish throne Carlos Hugo de Borbón Parma for conspiring with Britain against the integrity of the state. If necessary, relations with France, now functioning as a rest and resort center for ETA killers on leave, as well as the main entry point for the drug traffic which sustains ETA, and the place where over \$20 million a

year in protection money is paid by Basque industrialists to ETA under the blind eye of the French police, can be broken as well, until Mitterrand comes to his senses.

The Spanish government would thereby gain the double satisfaction of cutting off a tidy source of income to her Britannic majesty, since her minions in ETA, working with the Sicilian Mafia, have succeeded in creating top-down control of heroin traffic to the point the heroin addiction rate in the Basque country now exceeds that of New York City.

### What happens if the PSOE wins?

The Spanish Socialist Party will undoubtedly garner a huge vote in the Oct. 28 elections, though it now seems likely they will choose not to govern alone but in coalition with the UCD, and possibly also with the CDS of Adolfo Suárez. The reason is simply that the PSOE leadership is acutely aware that their own wild incompetence will shortly provoke a new coup attempt, the more so as they will be quite unable to ensure internal security.

Socialist ministers will however undoubtedly grab the portfolios of foreign affairs, economics, and industry. In foreign affairs, this means Third Worldism of the variety of French foreign policy adviser Régis Debray, i.e., funding for Ibero-American guerrilla groups to feed the U.S. State Department's depopulation wars. In economics and industry, the Socialists (see interview with Pedro Guardeno of the Socialist trade-union, Unión General de Trabajo below) have vowed to stop the nuclear program, slash wages by 8 percent, and create new jobs by forced early retirements. The economic consequences of this are well described in our interview below with the Westinghouse President in Spain, Santiago Foncillas, and the social unrest caused by the planned wage-gouging will precipitate coup attempts within four to six months at best.

As for support for an Ibero-American common market and the debt bomb, suffice it to say that Felipe González, who is literally owned by self-proclaimed Kissinger acolyte and suspected Propaganda-2 lodge intimate Jesús de Polanco, has not breathed one word of all this during the campaign, save to say that "20 years from now, Latin America will be the key to the future of Spain"—if the world survives that long.

In such a situation of incipient chaos and the dissolution of existing institutions, new and healthy institutions can be created to impose a dirigist crash industrial program and an aggressively pro-Ibero-American foreign policy, so long as the three *desarrollista* (pro-development) groups discussed above pull together and commit themselves to the ruthless implementation of such a policy. Otherwise, the present crisis may decide whether Spain survives as a nation, or becomes yet another depopulated satrapy of the International Monetary Fund. Should the *desarrollistas* take the necessary Ibero-American step, the world gains a powerful lever to turn around the present catastrophic European situation from the inside.

## Interview: Jesús de Polanco

---

# Spanish publisher attacks Mexico

*EIR interviewed Jesús de Polanco, owner of the second-largest Spanish publishing house, Editorial Timón, in Madrid in late September. De Polanco is also the owner of El País, one of Spain's largest-circulation dailies.*

**EIR:** What do you think about Mexican President López Portillo's Sept. 1 measures?

**De Polanco:** I am against nationalization in all cases. López Portillo made a totally inexplicable political decision, which will not help to solve anything at all. I am totally surprised, and I can tell you this will damage Mexico. It is pure demagoguery. The huge demonstration at the Zócalo [Mexico City's central square] of humble people was put up for demagogic reasons. In any case, Mexico reached the limits of growth in 1982.

The International Monetary Fund in my opinion can play a major role in putting the world monetary situation back together, which is the worst in 50 years. If something is not done fast, war may be the only solution. As for Mexico, the only way out for them is belt-tightening.

I laugh when I see the theocratization of López Portillo. . . . Today, after six years, there is no petrol, and no hope. Private firms are against López Portillo, who acted not out of reasons of state, but as a kind of ritual incantation.

I do not think other Ibero-American countries will follow the Mexican example. Argentina, for example, will not, and I doubt other Latin American regimes have the strength to follow without retaliation from the international banks—even Pinochet.

No political regimes have any strength in Latin America.

Mexico refused a compromise with the IMF because they refuse to have outside forces laying down internal conditions, and their very political system prevents this. But I think that the IMF and the World Bank are the perfect institutions to solve the crisis fully; if they did not exist they would have to be invented due to the need for global solutions.

Fifty percent of Mexico's problems are domestic and must be solved from within. Credit for developing countries in any case must be granted in a framework of internal discipline. Spanish banks will brake investment in Latin America due to the crisis. Mexico affects them much more than Cuba, as does Argentina. The Spanish agriculture and construction industries have large clandestine investments in Mexico, and Spanish underground money has been used to buy a lot of land in Paraguay, Argentina, and Brazil.

Mexico is one big theatrical farce which has lost its feath-

ers all of a sudden. The real roles are coming out. The PAN [the neo-fascist party run from Central Europe—ed.] will play a big role. The upper bourgeoisie has broken with the [ruling] PRI because López Portillo has dashed their hopes.

A way out for Mexico will be very difficult. [Incoming President] de la Madrid will not have the same authority as López Portillo. The army has far more strength than you imagine, and its role will depend on the degree of social deterioration. The corruption in that country is unbelievable. Twenty-five cents on every dollar earned by [the state oil company] Pemex goes to the house trade union. The economy is totally overheated; every person who has any education at all, finds a job at U. S. wages. This is ridiculous.

Mexico has nothing to do with other Ibero-American countries, and any idea of an Ibero-American common market is a utopia. The LALC [Latin American Free Trade Association] and Grupo Andino [Andean Pact] never functioned.

---

## Interview: Pedro Guardado

---

# Socialist rejects the Latin trade potential

*Pedro Guardado is a member of the technical office of the Spanish Socialist Party-linked trade-union federation UGT. Guardado, who is responsible for the federation's economic affairs, spoke to EIR late in September in Madrid.*

**EIR:** Do you agree with what Felipe González said to his Socialist Party Executive Committee recently about reduction of working hours and forced retirement as the only way to reduce unemployment?

**Guardado:** Totally. Unfortunately, I am not too optimistic about the effect of reducing working hours, as I don't think employers will hire more people. One of the big hopes is in reducing salaries, say by about 7 to 8 percent. We have the advantage that Spanish workers are very cooperative indeed; at RENFE [the state rail system] the workers have just accepted a 2 percent pay cut in exchange for the creation of new jobs.

**EIR:** Which do you think are the sectors of the future for the Spanish economy?

**Guardado:** Let me go through the list. Forget capital goods and equipment, forget steel—there's no need to increase capacity; forget chemical products. We will just never be competitive in any of these heavy fields. We can be modestly competitive in the field of textiles, and construction. As for shipbuilding, there is no market at all, except for highly specialized ships.

Look at Argentina, for example. Nobody likes them in Ibero-America. Since the Malvinas, tension has in any case dropped, especially as the truth has come out how Argentina falsified military information. The war did not affect integration of Ibero-America positively. . . .

**EIR:** What do you think about the Spanish situation?

**De Polanco:** Things are so very different from 1936, with an imminent Socialist victory. There is no sense of fear or anguish in the population. The PSOE doesn't have to do a single thing to win. Unfortunately, though we now have a moderate left party, the PSOE, we do not have a moderate right party, nor the leaders which electoral experts tell us we need. Only Adolfo Suárez [the former President who created the new CDS splinter from the centrist UCD—ed.] could stop the right from losing, but the right is divided against him.

---

**EIR:** You must be tremendously excited and happy about the recent Mexican moves. . . .

**Guardado:** No. I have been to Mexico many times and my family lives there. It is unutterably corrupt. It will take light years to do anything in Latin America; there are too many political problems. You can hardly expect a Spanish Socialist government to do business with Argentina, Chile, Bolivia in friendly fashion. As for the Mexicans, all they care about is theatrical effects. López Portillo has only short-term plans. As for an Ibero-American common market, this is very problematic. Brazil, Bolivia, and Peru are all very unstable.

**EIR:** What do you think about the [anti-nuclear] Almaraz and Ascó riots?

**Guardado:** We support the ecology movement, indeed we do. We want to limit to a minimum nuclear energy and will not build more reactors. All the existing ones will be carefully checked before permission to operate is granted.

**EIR:** What do you think about the education system?

**Guardado:** We will not outlaw private schools because the state is in any case too poor to reach every village. We will simply punish the schools that refuse to allow government oversight of their programs by cutting their subsidies, like the University of Navarra, for example.

There are too many people in the universities; they are becoming schools for unemployment. We must encourage people to go back to manual-labor training after leaving high school.

---

At this point José Fernández Noriega, the UGT head of collective bargaining, walked in with the facts and figures on the supposed wage cuts at Iberia Airlines, RENFE, and the Madrid metro. In fact there had not been a single wage cut accepted, just some foolish compromise, which left Guardado considerably embarrassed.

The right wing will take their money out of Spain, and put it less into Ibero-America, more into Europe and the U.S.A. The PSOE will have the government but not the power. There will be a powerful opposition. The PSOE's historical tasks are to modernize the public administration and justice.

**EIR:** Will terrorism stop with a PSOE victory?

**De Polanco:** [laughing slightly] Why should it? Terrorists are far right and far left, so they are opposed to moderates like the PSOE. I am sure it will not let up.

**EIR:** Whom do you like in politics today?

**De Polanco:** I am friends with everybody. I like [Socialist leader] Felipe [González], [UCD president] Landelino [Lavilla] and Adolfo [Suárez], but Adolfo will not win anything. Internationally, I liked Giscard d'Estaing, Aldo Moro, and Ugo La Malfa, but I don't like Strauss. What I really find amusing are small, elitist radical parties, but unfortunately there are none in my country. I describe myself as a "libre pensador" [freethinker]; probably you noticed that religious practice has dropped greatly here, and dogmatism like that of the Christian Democracy is out of style.

**EIR:** What do you think about the Pope?

**De Polanco:** This Pope is very curious. So conservative on ecclesiastical questions, but disproportionately advanced in social matters. He is much more interested in the Third World and the East bloc than in countries he doesn't understand, like France.

**EIR:** What do you think about King Juan Carlos?

**De Polanco:** The King would not mind a Socialist victory at all. If it were not for the King, the Socialist victory would not occur. His role is to do nothing at all.

**EIR:** Could there be a coup d'état attempt if the PSOE wins?

**De Polanco:** [looking worried for the first time] I may be wrong, but I really do not think there will be another 23-F [the attempted coup on Feb. 23, 1981].

**EIR:** Who is close to Henry Kissinger in Spain?

**De Polanco:** When he was here last year I had dinner with him. I was supposed to dine with him again this year, but unfortunately I was out of town. My friend Ricardo Diez Hochleiner of the Club of Rome. . . . Marcelino Oreja [Basque government delegate] and José María de Areilza [President of the European Parliament and UCD member] who knows him well.

**EIR:** Is it true Kissinger had [nationalist former Spanish President] Carrero Blanco killed?

**De Polanco:** [laughing] Don't jump to conclusions! All I can say is that they talked the day before the Prime Minister's death [at the hands of ETA terrorists].

## Interview: Santiago Foncillas

---

# Spain could export nuclear technology

*Santiago Foncillas, president of the board of Westinghouse-Spain, granted the following interview to EIR in late September.*

**EIR:** Do you agree with the concept advanced by the Club of Rome that economic growth can be decoupled from energy growth?

**Foncillas:** These two things are totally interrelated. Economic growth is based, among other factors, on energy growth; to the degree energy is more abundant and cheaper, economic growth is more intense and more stable. Consequently, the possibility of improving general well-being rises.

**EIR:** What would a truly ambitious nuclear program be for Spain?

**Foncillas:** In the crisis we now live through, energy demand and consumption, especially for electrical energy, are not growing according to forecasts made in the first Spanish national energy plan, around 1970. All production forecasts are being revised downward; while energy production itself is being revised downward due to extremely high crude oil prices over the whole period, the orientation toward economic growth is also being reconsidered.

The original, in my view very correct, proposal, was to develop nuclear plants intensively. Later, that was partly stopped, because fewer political problems were created by coal-burning plants. But our coal is too low in quality, and therefore must be combined with higher-quality imported coal.

This is where things stand now; coal-burning plants are also tapering off, because with Spain's production capacity and economic growth at minimum, not to say zero, growth—which is being forecast for the next years, this is thought to be sufficient. Whatever the case, I consider it vital to stress nuclear energy and alternative energy sources.

In nuclear energy, Spain already possesses technology advanced enough to be exported to Ibero-America. Our initial hopes were dashed by Mexico's present situation: we made, for the first time in Spanish history, an offer for a turnkey nuclear plant, which was cancelled. We can make the same offer to Pakistan, or to any other country for that matter.

But in my opinion, the future obviously lies in thermonuclear fusion. It is not yet very advanced, but I think investments now to develop fusion will be absolutely decisive to the future of humanity where energy is concerned.

**EIR:** What is the effect of the present high interest rates on investment in nuclear fission and fusion research?

**Foncillas:** In the case of private business, their investment plans have to be partly financed with foreign money. Public sector investment plans obviously benefit from privileged conditions which the government affords them. But with private firms, the fall in profits suffered by the world economy, not just Spain, since 1975, has led to a steep fall in self-financing.

To the extent interest rates have been very high, in many cases exceeding the very profitability of the attempted enterprise, it is obvious that these rates have cut investment in deals which were otherwise reasonably profitable. Only speculative undertakings can carry such financial burdens. In order to survive, most firms have gone into debt far beyond what is advisable from an orthodox standpoint, leading to financial charges which have practically eliminated profit from the operating account. Since much of that debt is owed in foreign currencies, this situation has become an unbearable situation relative to both interest and principal repayments.

**EIR:** The PSOE has stated clearly in its program that it plans to cut or stop the nuclear program. Your opinion?

**Foncillas:** I think cutting the nuclear program is contrary to the national interest. This has been carefully studied: the nuclear program is the only means of guaranteeing a basic level of energy independence so Spain can face the instabilities created by rising oil prices.

In addition to ensuring energy independence, we gained a key technology which was even cheaper than now, since such programs call for tremendous investments made far more costly by today's high interest rates. Despite that, a nuclear calorie is still cheaper than a fuel-produced calorie. As I said earlier, economic growth, and thereby the real solution to unemployment, is in part determined by the availability of abundant, cheap energy. I therefore conclude that a negative approach to the plan for expanding nuclear energy production greatly reduces the possibility of fighting unemployment in Spain. To fight unemployment by reducing the work week, increasing vacations, and promoting early retirement, as the PSOE proposes, is an error based on the notion that there is an eternally fixed number of jobs available. The real question is to increase the number of total jobs, which will happen only through investments by the private sector,

and the private sector will invest only when cheaper financing and cheaper energy are at its disposal.

**EIR:** In the midst of a gigantic world financial and economic crisis, we are still facing the most revolutionary scientific tasks: eliminating hunger, solving the energy problem through fusion, conquering space. I assume Spain wishes to play an important role in these future tasks.

**Foncillas:** The notion of future industrial development cannot be solely centered on the so-called "service society" or "post-industrial society." Conventional industry the world over continues to be absolutely indispensable. An immense number of human beings are still in so backward a stage of development, that it is utterly unrealistic to attempt to solve their problems in the manner proposed by those advocates of the "service-industry post-industrial society." We must still develop the economies of many countries that lack infrastructure the most, which must be built with precisely those industries already developed.

**EIR:** The Lemoniz Basque reactor has been the target of ETA, and two of its directors have been murdered by terrorists. We consider this a war, both anti-industrial and anti-national, highly organized and linked to international warfare against industry. Your opinion?

**Foncillas:** I am not particularly well informed about matters more directly of concern to nations' intelligence services, but it does seem to me that this is the case. Lemoniz is a symptom of such a war, and it is not insignificant that the struggle against nuclear plants occurs only in the West.

The U.S.S.R. is involved in an intense program of inaugurating nuclear reactors, and resistance to this is totally unknown in any East bloc country—even though some of these countries have available coal and crude oil reserves. This is a much more effective weapon than most of the conventional ones available to armies, to weaken the economic situation of the West.

**EIR:** Is Westinghouse-Spain involved in any large-scale basic research projects in nuclear energy or thermonuclear fusion with other countries?

**Foncillas:** Nuclear fusion in Spain is dealt with almost exclusively from a scientific standpoint. Spain has not yet developed significant means to collaborate in that process in the way France, for example, is doing so actively, or even Britain, though the latter seems to be changing its mind. But I find this an extremely interesting subject. Westinghouse-Spain is working closely with Westinghouse in the U.S.A., and all Westinghouse's American technologies are put at the disposal of Westinghouse-Spain.

At this point, we lack only one small step for Spain to gain independence in the field of nuclear energy, but unfortunately the Spanish government has not yet wanted to go that small additional step, that further 10 percent, which would allow us to build a nuclear plant using Spanish means alone.

## Interview: Gen. Iníquez de Moral

# Integration into NATO will be slow

*General Iníquez del Moral is the Division Chief for Coordination and Planning for the Spanish military's chiefs of staff. He spoke to EIR in Madrid in late September.*

**EIR:** What do you think about the question of a Fourth NATO Command for Spain?

**Gen. Iníquez del Moral:** Given the complexity of our peninsula, one should think in terms of a single command for the entire Iberian peninsula.

**EIR:** The press reported that the NATO delegation in Madrid this summer refused even to discuss the question of the Fourth Command.

**Gen. Iníquez del Moral:** I was not part of the delegation, so I cannot tell you why. Personally, I think that Spain's integration to NATO, should this take place, will take a long time. Furthermore, NATO commands are organized in a very old structure indeed. As soon as Spain is in NATO, a change is called for, which I think will not be immediate.

**EIR:** So you mean the Fourth Mandate will be part of the discussion again?

**Gen. Iníquez del Moral:** I do think so; I would not rule it out.

**EIR:** That seems positive. Turning to the Gibraltar issue, Spain did not bring this up in the last U.N. session. Do you think the negotiations to take place with NATO will be the occasion for this question to be raised?

**Gen. Iníquez del Moral:** Gibraltar is an idea shared by every Spaniard, namely that it must be given back [by Great Britain—ed.], and the procedures to recover it occupy the thoughts of every Spaniard. If, through NATO, this can be done in a reasonable, civilized fashion, it will be brought up. That is my own personal opinion. We will do the maximum.

**EIR:** England seems intransigent at the moment.

**Gen. Iníquez del Moral:** That is true, notably due to their success in the Malvinas. But I do think that we are civilized peoples, and it should be possible to arrive at a solution. The U.N. has recognized that the Rock should be given back to Spain. I stress that this preoccupation is common to everyone in this country. Everyone shares this opinion. Through dialogue, through reason, there may be paths to understanding and a solution.

**EIR:** This year's Bonn defense ministers' meeting raised in the final communiqué the eventuality of NATO out-of-area deployments. What do you think about this?

**Gen. Iníquez del Moral:** First, for the moment we are not yet fully integrated into NATO. The whole idea calls for better knowledge of what NATO acting outside the NATO area would mean. Spain is a country which has broken with a policy of aggression, and now maintains a purely defensive posture. Within the area of responsibility of NATO, we should have to intervene, whatever the case. Outside the NATO area of responsibility, to what extent we, or NATO, could move—well, I consider that a complex and difficult question since it would entail acting in the position of an aggressor.

**EIR:** Anglo-Saxon military circles have spilt a good deal of ink over the Malvinas, calling it the first step in gaining free rein to intervene in the Third World.

**Gen. Iníquez del Moral:** Yes, that is obviously the case. There is no doubt that the meaning of the thing was and is, from a strategic military standpoint, a trial run for interventions into other countries. A masterly, professional trial run.

**EIR:** Violent criticism was voiced during the Malvinas crisis against British economic planning. Milton Friedman's policies have been blamed for the sinking of some ships in the Malvinas, due to cheap materials. Milton Friedman is today in Madrid. What consequences do you draw for the economic planning of the Spanish armed forces?

**Gen. Iníquez del Moral:** There is no doubt that everything that touches economics and finance greatly affects the army, since it can act only so long as there is both financial and economic strength. In every country, requirements normally outstrip availabilities.

**EIR:** The technological level of the Atlantic Alliance has greatly fallen behind, especially from the standpoint of space warfare, advanced technology, and so on. Could this not create a deep crisis within the Alliance?

**Gen. Iníquez del Moral:** It is quite clear that if the U.S. government today does not remain on the path of high technology and research, on a better level than in the U.S.S.R., this will lead to defeat, as will an incapacity to modify America's own criteria, which is extremely dangerous. I say this to you as my own opinion, and I do not disagree with you. What surprises me, is that this is not taken into account, and that is a mistake.

**EIR:** The PSOE plans heavy cutbacks in the nuclear program, and investments more oriented toward light than heavy industry. Will this affect the armed forces negatively?

**Gen. Iníquez del Moral:** Anything which leads to a loss of industrial capacity has a negative effect on the armed forces. In the U.S.S.R., they devote themselves to high technology, advanced research and so on, to ensure more powerful armed

forces. On the other hand, with what now appears to be zero growth in the United Kingdom and U.S.A, their power is slipping away. Similarly, a bottleneck in energy growth will necessarily affect the armed forces negatively.

**EIR:** Well-known figures in the Atlantic Alliance like General Maxwell Taylor and François de Rose of the European Security Community have for the last few years talked of the risks of “overpopulation.” Maxwell Taylor has even said “NATO thinks demographically.” The U.S. State Department *Global 2000 Report* speaks of the need to cut population by 20 percent before the year 2000. Could the Spanish armed forces accept such an idea from a moral standpoint?

**Gen. Iníguez del Moral:** Personally, I think this would be immorality. To correct demography by force is to me immoral. I am sure that my companions in arms would agree with me on that. To do away with populations by warlike means strikes me as totally immoral.

**EIR:** Henry A. Kissinger has repeatedly stressed the need for a limited nuclear war to get around the problem of Soviet superiority. Can one take such an idea seriously?

**Gen. Iníguez del Moral:** The idea that one might be able to limit a nuclear war seems to me precisely one of the biggest problems facing humanity. Who is going to limit the use of nuclear arms? Who will then say, here I stop? . . . May such a problem never arise! But should it arise, it will be terrifying.

**EIR:** Ideologues at think tanks such as the Georgetown University Center for Strategic and International Studies have spoken of the need for coercive governments to solve the impending economic crisis, one worse than the 1930s.

**Gen. Iníguez del Moral:** I believe in a system of liberty.

## Interview: Octavio Aguar

---

# The drug financiers must be unmasked

*Dr. Octavio Aguar, who holds the United Nations position of Scientific Collaborator, spoke to EIR on the drug problem in late September.*

**EIR:** Dr. Xavier Aizpiri, head of the Viscaya province’s anti-addiction unit in the Basque country, recently told the press that drugs in the Basque are controlled by a well-structured international network.

**Dr. Aguar:** In point of fact, drug traffic in the Basque is very likely more tightly organized than in the rest of the country. It is hard to know through exactly which channels; the frontier with France is where most of the heroin comes

over. We thereby assume that the thing is carefully channeled, using advanced methods. There are virtually no small dealers, as opposed to the situation in southern Spain.

**EIR:** What is the stand of the PSOE and the PCE on the legalization of drug consumption?

**Dr. Aguar:** There is no doubt that both these parties’ youth movements embrace legalization of marijuana, especially the PCE, which actually held a public meeting on the subject demanding total legalization, i.e., making cannabis freely available. The PSOE shifted recently to a more diplomatic attitude due to public opinion. . . . In the Madrid municipal council, a big fight broke out concerning cannabis legalization. Some Socialist Party members wanted legalization, and their declarations were published in the Spanish press.

**EIR:** Since 1979, heroin traffic has shifted to Sicily as a base, via Lebanon. Courageous men like General Dalla Chiesa of Italy investigated drug-money laundering into real estate and other boondoggles. What role does this Sicilian connection play in Spain?

**Dr. Aguar:** Before 1979, most heroin came from the Far East, but from late 1978 on, the raw material started coming in from not only Lebanon, but the Mideast generally. The refined heroin now reaches such a high degree of purity at times, that we assume that individuals linked previously to the Marseilles operations are refining it. These individuals are very obviously on a European level of technical competence. We suspect that they are working out of certain Mediterranean islands, including some within Spanish waters. All indications point to General Dalla Chiesa having been murdered for his investigations into this field.

It follows logically that the huge sums of money earned in this fashion are not buried underground, but through various financial channels create a whole new series of outlets. For example, it may well be that the opening of certain new ports, the creation of new sites for yachts and launches, and new buildings along the seaside could be part of the whole operation.

**EIR:** In the Caribbean, the tourist industry, casinos and so on function to launder drug and other dirty money. What about Ibiza and Marbella in Spain?

**Dr. Aguar:** Ibiza and Marbella have two casinos. These two sites also have points of entry for certain drugs, so that logically the money which flourishes in such an environment tends to be related to drugs. Individuals functioning as connection points there easily acquire drug monies, and can be also involved in gambling as well. Via the tremendous money throughput of casinos, money can easily be transferred to other sites. I would like to see the money gained by such means attacked at its very root; I would like to see the individuals who benefit from this money—no matter how high their social standing, no matter how utterly respectable or enviable their lifestyle—unmasked once and for all.