

# Spain: Post-election horse-trading exposes rampant corruption

Vicky Short  
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Negotiations between the major parties following the May 25 municipal and autonomous elections in Spain have exposed the prevailing corruption and anti-democratic nature of official politics.

The Socialist Party (PSOE) achieved overall 200,000 more votes than the right wing ruling Popular Party (PP) for the first time since it lost power to it in 1996. The PSOE won 7,972,995 as against 7,772,934 for the PP. The United Left (IU), dominated by the former Stalinists, obtained 1,390,673 votes and the Catalan nationalist Convergència i Unió won 789,936. The remaining 4,533,112 votes were divided amongst various others.

The PSOE's majority was well short of the rout that was widely expected for the government in the wake of Prime Minister Aznar's support for the US-led war against Iraq and the widespread hostility to his domestic policies.

There are several issues underlying the unclear and contradictory nature of the election results, the most important of which is the fact that none of the opposition parties advanced a credible alternative for working people to the PP's pro-market programme. They all share the same essential outlook, differing only as to the best way to impose the burden on the backs of the population. Insofar as they have uttered any opposition to the war and the domestic policies of Aznar, it was in order to come to the head of the mass anti-war movement and channel it in a harmless pacifist direction.

Added to this, the terror campaign of the Basque separatist organisation ETA has enabled Aznar to channel popular hostility at the organisation's indiscriminate bombings and killings over the years behind his repressive anti-terrorist measures. When Aznar outlawed the Basque party Batasuna, public opinion was split down the middle. None of the official contenders in the election will explain the connection between the war on Iraq, the so-called war on terrorism and the drive towards the

return of dictatorial rule through the erosion of democratic rights.

After three weeks of frantic horse-trading, the PP will govern in 31 capitals, including those of the two autonomous regions of Ceuta and Melilla in Spanish Morocco. The PSOE will govern in 16, through alliances and coalitions with other smaller parties. The sharing of power in the municipalities is more or less equal between the two main parties.

Most of the PSOE's governing pacts have been with the United Left (an umbrella organisation of left organisations led by the Communist Party). But there are instances where the PSOE has made pacts with nationalist and regionalist parties and even with the PP. This has occurred mostly in the Basque Country, where the two major parties have combined their forces to keep the nationalists out.

The only autonomous government which is still to be decided is Madrid, "the jewel in the crown" in the eyes of the PP and PSOE, and which the PSOE counted as being in the bag. There a vitriolic battle has developed between the PP and the PSOE/IU.

The total number of deputies to the Madrid autonomous parliament was 111. The PP obtained 55 deputies, the PSOE 47 and IU nine. IU agreed to support the PSOE, thus giving the PSOE the presidency of the Madrid Community. However, when the ceremony to set up the Assembly took place on June 10 two PSOE members, Eduardo Tamayo and Teresa Sáez, absented themselves from the proceedings—reducing the number of deputies present to 109 and giving an overall majority to the PP, which immediately proceeded to elect a PP president of the Chamber.

The actual presidency of the Community or regional parliament is still to be decided.

The two elected socialist candidates went to the meeting, but as soon as the election to determine who

would run the Madrid Community began they left to check into two rooms in a Madrid hotel allegedly booked and paid for by a real estate businessman. There they remained in hiding for several days. It is also alleged that bodyguards were hired for them. Tamayo and Sáez were immediately expelled from the PSOE. This was followed a day later by the expulsion of the leader of the “renovators from the base” faction to which they belong, José Luis Balbás, a millionaire whom the party accuses of working together with the Tamayo and Sáez. A few days later his wife, Ana Luisa Villar, who was a member of the PSOE Federal Committee, was also expelled. Other expulsions may follow.

Members of the right wing “renovators” faction are known to combine their political influence with their business interests in the construction and real estate sectors. The two fugitives have declared that they objected to the United Left being brought into governance, but their concerns are more properly to be found in the arena of commerce. The last few years have seen an enormous expansion of real estate and construction industries in and around Madrid, with thousands of building developments and holiday homes being built, making it a haven for speculators. The price of houses in some parts of Madrid has tripled in the last five years.

Under law 6/98, autonomous regional governments have all the powers for town planning. Public authorities have been selling public land to friends at low rates for building at a terrific rate. There are 20.8 million dwellings in Spain for a population of 40.8 million. Spain consumes the largest volume of cement in the entire European Union—more than 40 million tons per year. Land and buildings are kept empty waiting for the prices to rise. There are more empty dwellings than rented ones (three million to 1.6 million). Most of the growth takes place not in deprived urban areas but in residential and holiday areas, while the old town centres degenerate and thousands of people have no access to a place to live. This gives rise to speculative trading and a thirst for access to these riches through the attainment of political power or through bribery of those with it.

According to reports, the commercial group Bravo y Vazquez is alleged to have booked and paid for the hotel rooms of the two “renovators.” Formed by Francisco Vazquez and his nephew Francisco Bravo, it manages over 50 companies that deal in huge construction operations and also casinos and the gaming industry, and is very close to sections of the PP in Madrid. The PSOE

and IU have declared that the reason the “renovators” wanted to keep them out of office is because they had said they would review the Land Law and stop illegal speculation with public land. Bravo y Vazquez stood to lose millions if the law had been changed or land prices had been marked down. Whether a PSOE/IU government would have carried out this policy once in power is another question, but it is obvious that there were vested interests that were not prepared to take the risk.

The Madrid Socialist Federation is a hub of financial and political intrigue. There are at least three factions and several suppressed investigations into financial scandals. In response to the present crisis, the Organisation Secretary of the party, Jose Blanco, said that the PSOE is to provide the office of the Public Prosecutor with information about the activities of the two deputies so that the “instigators” of their actions can be found. The coordinator of the United Left, Gaspar Llamazares, asked the Anti-Corruption Office and High Justice Court Prosecutor to investigate the motives behind the desertion. The PSOE lawyer said that the two might be also charged with taking bribes and using their political influence to obtain favours. They are considering suing the owners of Bravo y Vazquez. The party has also launched an injunction against the PP, accusing it of being behind the manoeuvre to keep the PSOE out of office in Madrid. In response the PP is suing the PSOE for slander.

The PP has ratcheted up the crisis still further, tabling a proposal to the Madrid Assembly in which the two were to be allowed to take up their posts as a “mixed group.” The measure was passed with the votes of the PP and the two absconders. The PSOE delegates walked out in protest whilst the IU remained holding banners of protest.

Their empty gestures made, however, within days the PSOE and IU had reconciled themselves to this flagrant breach of the democratic process. On Monday 23 June a second meeting of the Assembly elected representatives to the Standing Committee, comprising 18 PP, 15 PSOE, three IU, and the two “mixed group,” effectively handing the balance of power to the two PSOE renegades.



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