

# Spain: Revelations of obscene wealth inherited by former dictator Franco's family

Vicky Short

2 October 2007

Widespread anger has erupted in Spain over revelations regarding the massive wealth inherited by the family of former dictator General Francisco Franco. The revelations are coupled with stories of the degenerate and decadent lifestyles of the Francos—one of the richest families in Spain.

Every day, one or other of the concessions made to the fascists during the so-called “peaceful transition from dictatorship to democracy” three decades ago appears on the news and are bitterly debated in the letter columns of newspapers, private websites and blogs. An indication of the present mood can be seen in the letters published in response to one such article on the family's wealth—the September 9 edition of *El País*.

Que mas da writes, “...and they call this democracy? Why are we waiting to put a stop to such a big rabble who during forty years have made themselves rich at the expense of all Spaniards? Why are we waiting for an official investigation by the heirs of the bloody dictator just so that they can give an account of their possessions? And then Spanish judges allow themselves to put a stop to foreign dictators, why don't they do the same here in our country?”

Anuskita says, “Property acquired by theft and extortion is not ‘property’ but robbery. It must be given back to its true owner, in this case the Spanish people.”

Raul continues, “The truth is that all this is a scandal, everybody turning a blind eye and looking the other way when it comes to Franco and his family, who are untouchable by the constitution. It just demonstrates the fear and lack of b\*\*\*\* when it comes to confront them, that is why I don't vote because it sickens me to think that those ‘authorities’ or pseudo politicians in parliament just go about their own party business and don't do anything constructive for the people who elect them. They sicken me!”

Hermano de Eloy adds, “How was Franco going to look after his real estate, palaces, country houses, livestock, apartments on the coast, etc., when he was busy all day signing death sentences?”

Another *El País* reader says, “Enough, it is shameful that at this late stage of democracy in the country, with the Treasury screwing workers and this type of people continuing to thief. Make them pay, expropriate them and stop all these class privileges just because they have the name of a dictator.”

Anita continues in the same vein demanding, “Expropriate the Francos' wealth now! A fortune obtained with the blood of others!”

David Rico Vida explained one of the ways some of this ill-

gotten wealth, in this instance the Pazo de Meirás palace, was gained, “My grandmother was forced at school, together with all her school mates to bring in one peseta towards that ‘present.’ In my way of thinking, my grandmother is a shareholder of the Pazo de Meirás and should claim her share, as well as the rest of the families forced [to do the same]. It is truly disgraceful that people of that kind continue enjoying the fortunes they got from the people.”

Franco was presented with Pazo de Meirás, a turreted palace built in 1893, as a summer residence by a group of Galician businessmen hoping for favours from the future dictator in 1938 during the Civil War. They raised the money by docking the wages from their workers and collecting public donations. After Franco took power the following year, nearby land was expropriated to expand the grounds of the palace.

The Franco family has refused inspectors access to the palace in spite of its historical and cultural importance and the fact that it is listed as a heritage site. The dictator's daughter, Carmen Franco Polo, hired a lawyer who blocked the path of inspectors as they tried to enter last month and announced a lawsuit against the regional administration in Galicia for attempting an illegal inspection of a private residence. The palace has not been seen by anyone outside of Franco's family since his death, and no one knows for sure what condition it is in or what treasures it may hold.

The Spanish authorities have since filed a legal suit against the family—the first time such action has been taken.

The full extent of Franco's wealth is not known since his accounts were never made public. But at the time of his death it is estimated he left 60-100 billion pesetas (US\$500-US\$800 million) tied up in holding companies and real estate including three other valuable palaces besides Pazo de Meirás.

The 2,000-square-metre El Canto del Pico palace, built early in the last century in Torrelodones, Madrid, and shortly afterwards declared a National Heritage Monument, was given to Franco by the Count of Las Almenas in 1941 as a weekend retreat and was sold by his daughter in 1988 for 320 million pesetas (US\$2.7 million).

The eighteenth century Palacio de Cornide in A Coruña, still owned by the family, was bought by the Ministry for Education and Science in 1962 but bought three years later by the Count of Fenosa, who registered it in the name of Franco's wife, Carmen Polo de Franco.

Carmen Polo received an annual state pension of 12.5 million pesetas (US\$100,000) as the widow of a head of state until she died in 1988 (US\$32,000 more than the then Prime Minister Felipe González), and Franco's daughter and her husband held onto their diplomatic passports until the end of the 1980s.

According to Mariano Sánchez Soler's book, *Los Franco S.A. (Franco Inc.)*, the family had interests in more than 150 companies during the Franco years and salted some of the profits abroad. To this day, it remains a mystery what happened to all the money that ended up in Switzerland, the Philippines and Miami. In one instance—during a trip to Lausanne in Switzerland in 1978—Franco's daughter was accused of smuggling after a metal detector at Madrid airport revealed her bag to be filled with medals and other decorations made of precious metals.

Public interest has recently been stirred up by plans to redevelop part of the family's fourth estate—the 1,000-hectare (2,500-acre) Valdeasfuentes estate near Madrid acquired by Carmen Polo and her son-in-law, the Marquis of Villaverde, in the 1960s—and build 5,700 homes, a commercial centre and two industrial estates.

In 1996, two PP leaders, Miguel Herrero Rodríguez de Miñón, one of the fathers of the Constitution of 1978 and leader of Alianza Popular (the predecessor of the PP), and Gabriel Camuñas, ex vice-president of Alianza Popular, attempted to use their connections in the Madrid government and local councils where the estate is located to make millions for themselves. They would buy the estate from Franco's wife cheaply as an agricultural estate, obtain rezoning through their political connections and then sell it within days at a staggering profit as building land. The plan failed. Again in 1998 they tried to buy a portion of the estate, again making millions once they had obtained rezoning. The plan again failed due to the refusal of the PSOE government to authorize such rezoning.

Now that the PP is in charge of the Madrid government the building is going ahead. The company that will carry out the construction is a building society owned by the San Roman brothers, close friends of Ricardo Romero de Tejada, the general secretary of the PP in Madrid and with alleged links to the President of the Madrid PP Autonomous Government, Esperanza Aguirre. One of the brothers, Fidel San Roman, was in jail last year accused of bribery in regard to trafficking influences and corruption related to the years-long and still ongoing corruption case in real estate in the southern tourist town of Marbella.

This and the many other properties owned by the family are worth a fortune—between £244 million and £406 million, according to *El País*. Despite having sold part of their legacy, the family still controls a complex network of companies, building societies, real estate, garages, car parks, shops, pizza restaurants, clinics, and television and telecommunication companies. And this is probably only the tip of the iceberg, as they have their fingers in many more lucrative pies in Spanish and international banks and money markets.

The family not only believes it has the right to do what it likes with not only the dictator's ill-gotten financial gains, but also his archival material. All the official documentation that was managed at El Pardo, Franco's Madrid residence, was transferred to the private foundation, Fundación Francisco Franco, established after

his death. To this day, nobody knows what is there or if it has been destroyed. Historians have denounced the sales of documents that have ended up in antique shops and auctions.

The fortune amassed by Franco through the repression and exploitation of the Spanish people during his four-decades-long dictatorship was allowed to continue after the transition, providing the profits for his extended family to continue their opulent lifestyle.

Although the Spanish people are well aware of these facts, they have been prevented from intervening or even protesting by the imposition of the “forgetting and forgiving” pact negotiated by the Communist Party and the PSOE with the regime during the transition.

Today that is changing. A huge economic crisis threatens the Spanish economy, and a political radicalisation of a new generation is taking place that is questioning the terms of the transition and demanding answers to the unresolved political problems of the civil war, the victory of the fascists and decades of repression.

Demands are mounting for the mass graves dotted all over Spain containing unknown thousands of opponents of the fascist regime to be opened, the verdicts handed out by Franco's courts to be annulled and the victims compensated, the regime's symbols to be removed from the streets of Spain, and something to be done about the slave labour-built Valle de los Caídos monument, where Franco and the fascist Falange leader José Antonio Primo de Rivera are buried.

The meek demands raised in parliament by the Stalinist-led United Left (Izquierda Unida) for the Franco clan to vacate some of its sumptuous properties will not quell the unrest. Neither will the cosmetic reforms advanced by the PSOE government of Prime Minister José Luis Zapatero, such as removing a few statues and cutting off funding to the Franco foundation.

A law of historical memory that is supposed to address the more fundamental issues has been stalled in parliament for months, despite being thoroughly watered down and committing the government to nothing but platitudes. Nobody believes that it will be passed before new general elections due to take place in March 2008.



To contact the WSWS and the Socialist Equality Party visit:

**[wsws.org/contact](http://wsws.org/contact)**