

Spain: More arrests and resignations in Popular Party corruption scandals

By Carlos Hernández and Paul Mitchell
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Esperanza Aguirre has resigned as head of the Popular Party (PP) in Madrid, after appearing before a regional parliamentary corruption committee on Friday. Aguirre is a former Culture and Education Minister, a former Speaker of the Spanish Senate and a former President of the Madrid region. She was once touted as an alternative to PP Prime Minister Mariano Rajoy.

On Thursday, officers from the Civil Guard Serious Crimes Squad raided the PP's Madrid headquarters, the offices of Javier López Madrid, a director of the board of Spanish construction company OHL and the home of former Madrid PP party manager Beltrán Gutiérrez Moliner. The raids were linked to Operation Púnica, an ongoing investigation into bribery and corruption surrounding the awarding of public contracts worth hundreds of millions of euros.

Announcing her resignation, Aguirre declared, "We have read news of undeniable transcendence over the past few days, which mustn't be taken as confirmed yet, but they have led me to offer my resignation as chairwoman of the PP in Madrid.

"I think all those of us here know corruption is destroying us all. ... I have been in politics for 33 years and I have seen a lot of corruption, in the PSOE [Socialist Party] as well," she added.

At the same, the entire PP organisation in the Spanish region of Valencia (PPCV) is under investigation on suspicion of illegal party financing and money laundering. All of the party's deputies have been placed under judicial scrutiny following a series of raids earlier this month, which saw the arrest of 24 people, all with ties to the party.

The investigation is based on years of recordings secretly made by Marcos Benavent, former manager of the infrastructure and service company Imelsa. After becoming the target of a PP-related anti-corruption

probe in July 2014, it appears that Benavent decided to bring down his former partners and reveal the extent of their criminal activities.

Alfonso Rus, long-time mayor of Xàtiva (1995-2015) and former head of the PP in Valencia province, is considered by investigators to be one of the masterminds of the corruption ring. In one of Benavent's recordings, he is heard counting the wads of cash he had just received from a bribe. Former long-time mayor of the Valencian capital, current senator for the region and one of the best-known politicians in Spain, Rita Barberá has not been arrested but authorities believe she may be the figure referred to as "la jefa" (the boss) in the recordings.

The other suspects in the case include Barberá's former advisor, María José Alcón, wife of Alfonso Grau, the ex-deputy mayor of Valencia currently under investigation in another high-profile corruption trial, involving King Felipe's sister Cristina. The Princess appeared in court in Palma de Mallorca on February 9, charged with being an accessory to tax fraud relating to a charity, Noos Foundation, run by her husband. Public prosecutors say millions of euros in public funds were embezzled.

The current investigations resemble the long-running Gürtel kickbacks-for-contracts case, which erupted in 2008 and involved the bribery of politicians and officials by businessmen in return for profitable public contracts in other PP-controlled regions.

Then there is the Bárcenas affair involving the former party treasurer and senator, Luis Bárcenas, who kept a parallel bookkeeping system for years, recording undeclared cash donations which were used to pay bonuses to senior party members, including Rajoy and secretary general María Dolores de Cospedal. Now in jail, and revealing party secrets, Bárcenas claims that

the PP's illegal financing goes back to the days of its founding in 1989.

The arrests are the latest development in a whole swathe of corruption cases that have surfaced over the last six years involving not just the PP but also the PSOE, Communist Party-led United Left (IU) and Democratic Convergence of Catalonia (CDC).

They illustrate how corruption is an integral part of political life in Spain, and is by no means limited to its main right-wing party. It is apparent that the illicit methods used by long-governing political parties have been worked out long ago, and their systematic implementation transcends party divisions and regional borders, and penetrates all levels of government.

The endemic corruption has revealed the outright criminality that lay at the heart of the country's economic boom before it crashed in 2008. While Spain's ruling elite was rescued by a massive bailout, harsh austerity measures, imposed in the name of "collective sacrifice", have led to a precipitous decline in the social position of Spain's workers and youth. Wages have dropped by nearly a quarter and the unemployment rate remains at 21 percent, nearly 50 percent amongst young people. What jobs are being created are poorly paid and temporary.

Anger at the corruption revelations has been a significant factor in the decline in support for the "establishment" parties and the rapid rise of the pseudo-left Podemos and right-wing Citizens parties. Spain is still without a government two months after elections on December 20 produced an unprecedented hung parliament and the collapse of the two-party system that has dominated Spanish politics since the end of the fascist Franco dictatorship in 1977. The PP and PSOE lost between them over 5 million votes and 83 seats. In the 350-member parliament, the PP has 123 seats, the PSOE 90, Podemos 69 and Citizens 40 seats.

In last year's regional elections, the PP lost all its major strongholds including Madrid, which it had governed for 24 years. Aguirre's attempt to become mayor was thwarted by Manuela Carmena, from Ahora Madrid (Madrid Now), an election coalition of pseudo-left tendencies headed by Podemos.

In Valencia, where the PP had governed with an absolute majority for two decades, the PPCV lost almost half of its seats in the regional parliament. The region is now run by a coalition of the Valencian

branch of the Socialist Party (PSPV), Compromis (an alliance of nationalists, Stalinists and Greens) and Podemos.

However, Podemos does not offer an alternative to the old corrupt two-party system.

The opportunist pursuit of all sorts of deals with the PSOE at the local, regional and national level shows that the denunciations by Podemos leaders of "the caste", the catchphrase used to condemn the PP and PSOE following the party's creation two years ago, was a fraud. They defend the real source of corruption—the capitalist system—by using anti-corruption rhetoric to divert mass disaffection away from a struggle against big business, while offering themselves as a political vehicle through which affluent middle class layers can join "the caste" they claim to abhor.

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