

# King Juan Carlos flees Spain to avoid corruption probe

By Alejandro López  
11 August 2020

Former King Juan Carlos I de Borbón, who reigned from November 1975 until his abdication in June 2014, has fled Spain to evade investigation on charges on kickbacks and fraud.

Last week, the Royal Family posted a letter by Juan Carlos I to his son, King Felipe VI, informing him of his “well-considered decision to leave Spain”, adding: “It is a decision I take, with deep feeling but great calm. I was king of Spain for 40 years, and during all those years I have always wanted the best for Spain and the Crown.”

Now Juan Carlos has fled to the United Arab Emirates (UAE), where he reportedly occupies an entire floor at Abu Dhabi’s five-star Emirates Palace hotel, under the protection of Crown Prince Mohammed bin Zayed al-Nahyan.

Juan Carlos’ departure is a humiliation for the Spanish ruling class and comes amid mounting infighting in the European bourgeoisie. Backed by Washington and the European Union, he was promoted as a leader who led Spain from fascism to democracy after dictator Francisco Franco’s death in 1975—stopping a military coup in 1981 and serving as head of state for nearly 40 years. His decision to flee Spain like a thief, to avoid a corruption probe after Swiss and Spanish prosecutors opened an investigation of his Swiss bank accounts, exposes the entire regime.

The crisis erupted two years ago when a British conservative newspaper, the *Telegraph*, leaked recordings of Juan Carlos’ mistress, businesswoman Corinna zu Sayn-Wittgenstein-Sayn, speaking to retired Spanish police chief José Manuel Villarejo. Villarejo is currently in jail awaiting trial over “Operation Tandem,” an investigation into two decades of illegal phone taps and other invasions of privacy on behalf of wealthy clients, corporations and banks against politicians, businessmen, judges and journalists.

Sayn-Wittgenstein claims Juan Carlos received kick-backs from commercial contracts in the Gulf States for the construction of the €6.7 billion Haramain high-speed railway in Saudi Arabia and kept the cash in a bank account in Switzerland. She also claims the head of the Spanish intelligence threatened her life and those of her children if she spoke of her ties to Juan Carlos.

The Spanish judiciary intervened to shelve the investigation. Prosecutors claimed the activities mentioned in the conversation occurred before Juan Carlos’s abdication, when he was still immune from prosecution. Almost simultaneously, Swiss prosecutors opened an investigation into a multi-million-euro donation received by Sayn-Wittgenstein from a Swiss bank account. She told investigators that the money was a donation from the former Spanish monarch.

In June 2019, Juan Carlos announced his intention to retire from public life in a letter addressed to Felipe. This was the first attempt of the Royal House to distance itself from Juan Carlos.

In March this year, as COVID-19 raged throughout Spain and Europe after decades of cuts in public health care budgets, the *Telegraph* reported that Felipe VI was a beneficiary with Juan Carlos of a foundation which received €65 million from Abdullah bin Abdulaziz of Saudi Arabia.

Soon after, the Royal Household issued a statement claiming that Felipe VI would renounce any inheritance from his father. The former king also reportedly lost his stipend from the State’s General Budget—another attempt by Felipe VI to publicly distance himself from Juan Carlos.

Two months ago, the public prosecutor’s office of the Spanish Supreme Court opened an investigation against Juan Carlos regarding Saudi kickbacks.

In last week’s letter, Juan Carlos makes no statement of guilt or of regret. He claims, laughably, to be fleeing Spain in order “to serve the Spanish people.” His lawyer stated that “he remains at the disposal of the Prosecutor’s Office.” Juan Carlos also reportedly refused the option of settling his back taxes, which would mean handing over 60 percent of his wealth to the state.

Spain’s Socialist Party (PSOE)-Podemos government, the Royal Household and the media have intervened to defend the former monarch and his “historical legacy”. A press release signed by Felipe VI stated: “The king wants to highlight the historical importance that his father’s reign represents, as a legacy, political work and institutional service to Spain and to democracy.”

*El País*, the leading pro-PSOE daily, stated in an editorial that “the former king’s disappointing and less than exemplary behavior during the last years of his reign must not make anybody forget his irreplaceable contribution to the progress and freedom of all Spaniards during nearly half a century.” It called for national unity: “It is thus irresponsible to fan the flames of this institutional crisis at a time when the country needs stability, and when everyone should come together to deal with a devastating economic crisis that’s already here, as well as with a health crisis that refuses to go away.”

## Juan Carlos and Spain’s Transition from fascist to parliamentary rule

In fact, the inglorious flight of Juan Carlos exposes the rotten regime set up by the NATO imperialist powers in the 1978 Transition from the fascist Francoite regime to Spain’s current parliamentary regime.

Juan Carlos was born in Rome in 1938 to the exiled pretender to the Spanish throne amid the Spanish Civil War (1936-1939) launched by the fascist coup of General Francisco Franco. During this three-year war, in which Franco allied with Nazi Germany and fascist Italy, at least 200,000 people died. Another 700,000 to 1 million people passed through nearly 300 concentration camps during and after the war. Another half-million fled Spain as refugees.

Franco restored the monarchy in 1947, and Juan Carlos was groomed as his successor. In 1969, he swore loyalty to the fascist *Movimiento Nacional* (National Movement); he was crowned two days after Franco’s death in 1975. Amid mass strikes and revolutionary struggles in Spain and across Europe in the 1960s and 1970s, factions of the regime led by Juan Carlos worked with the Spanish Socialist Party (PSOE) and the Stalinist Communist Party of Spain (PCE) to pilot a transition to defend the

capitalist state and block a struggle of the working class for power.

The PCE played the central role in preventing a revolutionary reckoning with fascism and devising a new constitutional monarchy. Under the monarchy, Spanish fascism's crimes were to be forgiven and forgotten, and capitalist property preserved. In 1978, a constitution was adopted that protected the king from any prosecution.

To this day, the Podemos leadership hails the leader of the Communist Party from the 1950s to the 1980s, Santiago Carrillo, for his role during the Transition. Carrillo, a mentor of Podemos General Secretary Pablo Iglesias, became close friends with Juan Carlos and a regular at his palace. The king reportedly called him "Don Santiago."

By 1981, however, the Transition regime was already on the verge of collapse amid rising discontent in the working class. The press and sections of the ruling elite began to discuss the need for a "National Salvation" government under the premiership of General Armada, Juan Carlos' chief mentor. This meant a supposedly non-violent removal of the democratically-elected government by the military, backed by a broad-based coalition cabinet including the PSOE.

On the evening of February 23, hundreds of Civil Guards burst into Parliament, brandishing pistols and sub-machine guns, taking the government and all 350 deputies hostage. To this day, it remains a state secret how much Juan Carlos knew about the coup plotters' intentions. The coup plotters claimed they acted in the name of the monarch. A German diplomat subsequently stated that Juan Carlos had told him he was in broad agreement with the plotters' aims.

The PSOE, the Communist Party and its trade union, CC.OO, reacted with calculated impotence, refusing to call strikes or mobilize workers against the coup. Faced with a fascist coup, they simply called on workers to remain calm, defining the assault to parliament as an isolated event.

The coup did not succeed, however, as the majority of the bourgeoisie feared that installing another military junta would have provoked a response from the working class that had lived under fascist rule for four decades. Despite the PCE and PSOE, workers had already started organising defence committees in Andalucía and Asturias; strikes broke out in Barcelona, Madrid and other major cities. On February 26, demonstrations of more than 3 million participants, the most massive in Spain's history, swept across the country.

Although it formally failed, the coup helped cement the post-Franco Transition regime. The PSOE won elections in 1982 with the backing of the PCE and of the forces from the post-1968 middle class student movement. Together with the right-wing Popular Party, these forces formed an entrenched pro-capitalist political duopoly committed to austerity and war.

For four decades, the Spanish population was routinely bombarded with claims that the king opposed the coup, and that his televised address calling for law and order and the continuation of the elected government—six hours after the coup began—saved democracy from fascism.

Already at this time, Juan Carlos was busy using his position to receive kickbacks. These date back to at least 1973, during the first oil crisis, when Franco sent him to Saudi Arabia to bargain with the House of Saud to cut the prices of Spain's oil imports.

During the 1980s, Juan Carlos was known as "the king of Socialists" in the 1980s and 1990s due to his close ties to PSOE Prime Minister Felipe González. The González government let Juan Carlos continue his lucrative kickbacks and corruption deals involving the weapons trade, real estate and the arts. He also received large commissions for promoting products and tourist destinations.

His largest kickbacks came from his trips to ex-colonial countries with executives from Santander, Telefónica, BBVA, Inditex, Iberdrola, OHL, Repsol—the biggest corporations in Spain's Ibex-35 stock market. In these trips to promote "Spanish brands," they struck deals worth billions of

euros, looting these countries in the process. These looting operations handsomely benefited the king personally.

### **Podemos defends the Spanish monarchy**

The crisis of the monarchy intensified particularly amid the mounting social inequality and social anger caused by deep EU austerity measures that followed the 2008 economic crash. In 2014, Juan Carlos abdicated after years of scandals, including his hunting trips worth thousands of dollars in African countries as workers in Spain and across Europe saw their jobs and meager wages slashed, or the N6os corruption case involving his daughter, Princess Cristina.

Today, Podemos is intervening to defend the 1978 consensus and the Monarchy. Last December, Iglesias claimed that Monarchy "is not in crisis, and I speak as a republican." He also hailed Felipe VI's daughter, Leonor, "who aspires to be head of state, speaking in perfect Catalan."

Now, desperately trying to cover its tracks amid rising social anger, Podemos leaders are claiming that they were not aware that the government supported the former monarch's decision to flee, even though Iglesias is deputy Prime Minister. Their complaint is that this is an embarrassment for Spain. In words of Iglesias, the "flight" was "an unworthy attitude of a former head of state," which Iglesias fears will leave the monarchy "in a very compromised position."

Podemos is now flirting with calls for a referendum on the republic or a monarchy, even though the party's parliamentary spokesperson, Jaime Asens, declared this "practically impossible" due to the opposition of the government partner of Podemos, the PSOE.

The main aim of such debates is to boost their tattered left credentials as the PSOE-Podemos government is increasingly associated with austerity, pro-militarist policies, regime change in Latin America and attacks on democratic rights.

During the COVID-19 pandemic, Podemos has championed back-to-work, back-to-school and deconfinement policies. Its most recent action has been to hail the recent EU bailout funneling €750 billion to the banks and corporations. The package imposes austerity across Europe, while laying down the axes on which the European imperialist powers will pursue militarist and economic policies targeting China and the United States.

Juan Carlos' decision to flee corruption charges in Spain only underscores the profound corruption of the entire social and political order defended by Podemos and Deputy Prime Minister Pablo Iglesias.

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