

Evo Morales and Hugo Chávez visit Spain (ARI)

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Theme: The visits to Spain of Presidents Evo Morales of Bolivia and Hugo Chávez of Venezuela have triggered a major domestic controversy as well as intense external debate, as Spain's government is accused of seeking to move closer to certain populist leaders.

Summary: Visits to Spain by Evo Morales and Hugo Chávez caused a stir in the media, amid accusations that Prime Minister José Luís Rodríguez Zapatero's policy was encouraging a greater alignment with the governments of Bolivia and Venezuela, or even with the countries of the ALBA grouping (Bolivia, Cuba, Ecuador, Nicaragua and Venezuela) than with other Latin American Presidents. This ARI aims to take a closer look at the visits paid by the two leaders and the goals they sought, as well as the objectives of the Spanish government. These issues are linked to the countries' respective bilateral agendas, as well as with the contextual framework in which Spain conducts its policy towards Latin America, while it is important to bear in mind the forthcoming Iberoamerican Summit –due to be held on 30 November-1 December in Estoril, Portugal– and the EU-Latin American-Caribbean summit in May 2010 in Madrid, under Spain's EU Presidency.

Analysis: On 24 September the Russian Ambassador in Madrid, Alexander Kuznetsov, made some surprising remarks that were scarcely compatible with his diplomatic rank. First, he said he would not comment on 'novels or poems' regarding an agent from Spain's National Intelligence Centre (*Centro Nacional de Inteligencia*, CNI) who is accused of providing sensitive information to Russia, and also complained about what he called the myth-making in the Spanish media with regards to the Russian Mafia. Kuznetsov said these issues should not affect bilateral relations. Secondly, he called for respect for Presidents Hugo Chávez of Venezuela, Evo Morales of Bolivia and Daniel Ortega of Nicaragua. In Spain, he said, they are seen as 'devils'. But he defended them as legitimately elected leaders and added: 'I do not understand why these people are hated so much. The world's diversity must be acknowledged. We are not all alike'. He said that because of its links to the region, Spain should be the 'first in the world' to show more understanding towards Latin America. Kuznetsov also insisted his country is interested in strengthening its relations with the region and said Russia 'does not have an ideological alliance' with Venezuela, but rather a relationship based on 'pragmatism', which explains Russian arms sales to Venezuela.

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Kuznetsov's remarks are further evidence of the debate sparked by Chávez' and Morales' visits to Madrid. The debate is marked by its scant rigour, simplistic arguments that are far removed from reality and failure to consider at the same time the motivations of those paying the visits and those receiving them. One should first address the differences between the visits, which, although they were practically one right after the other, were of a different nature. While Chávez spent a few hours in Madrid on 11 September for a private visit, Morales made an official visit that ran from the 13th to the 15th of the same month. Morales' stay was on the agenda months in advance, as is usually the case with State visits, but Chávez' visit was arranged just a few days in advance and at his own request. His plane supposedly had to make a technical stopover on its way back to Venezuela from a tour of several countries of Europe and Africa. However, the presence in quick succession of two of the most controversial Latin American leaders fuelled the media uproar. The noise died down as quickly as it had emerged, which goes a long way to explaining the anecdotal nature of much of the criticism, but not all of it.

The Framework of the Visits

In a press conference after his meeting with Morales, Rodríguez Zapatero was asked if Spain would mediate in the current confrontation between Colombia and Venezuela. There is a clear precedent for such a role: King Juan Carlos intervened in the conflict between Argentina and Uruguay over the construction of a paper pulp mill in the Uruguayan town of Bentos on their common border. It should be noted that the Spanish initiative failed.

One cannot reproach the Spanish government's attempt to ease tensions between the two countries, or even to cooperate in the resolution of the dispute. Rodríguez Zapatero made this clear: 'Spain's Minister of Foreign Affairs, Miguel Ángel Moratinos, is willing to undertake any initiative, when both countries should deem it suitable'. However, it would have been better to opt for more discrete action, which tends to be more efficient, rather than make an announcement at a press conference. Granted, Rodríguez Zapatero was asked a direct question. But the risk is that if Spain gets nowhere, its image might suffer. Such initiatives must be made, but with less publicity. The contrast between Spain's approach and the way Brazilian diplomacy works is obvious. Neither Brazil nor its President, Luiz Inácio Lula da Silva, get involved openly in such undertakings.

Rodríguez Zapatero made clear the spirit that drives Spanish policy in Latin America: 'Understanding and the unity of all the countries of Latin America are a guarantee of stability, and economic and social progress'. In general, Spain's policy is the same as that followed by Spanish governments since the times of Felipe González. Rodríguez Zapatero believes that 'All efforts that can be undertaken to resolve potential conflicts or the lack of understanding must be beneficial'. The underlying problem with this position – even though it has long-standing and solid foundations and has yielded major achievements– is that the situation in Latin America is no longer the same as it used to be. It is often said that Latin America has changed in recent years, especially because of political transformations and the so-called 'shift to the left'. However, the reality is that the continent is divided and fractured, despite statements to the contrary by some commentators.

There are more bilateral conflicts than ever. And they no longer centre on old-style border disputes and geographical dividing lines. Rather, they have economic, political and even ideological motives. So it is hard to carry on with the policy of *café para todos*, or coffee for everyone, which is tantamount to treating all Latin American countries in the same

way, regardless of their political or ideological leanings or how close their relations with Spain are.

It is from this perspective that one must analyse the Chávez and Morales visits. Spain's policy towards Latin America requires some pragmatism to allow it to deal simultaneously with concerns over Spain's interests, the country's peculiar and intense relationship with the region and defending the interests of Spanish companies operating in Latin America. This explains the repeated allusions of both Rodríguez Zapatero and King Juan Carlos to the issue of legal security of investments in Bolivia and Venezuela.

Chávez' Visit

In September the Venezuelan President made another tour through some of his favourite countries, this time taking in Libya, Algeria, Syria, Iran, Turkmenistan, Belarus and Russia. Before coming to Madrid, he stopped off at the Venice film festival and saw Oliver Stone's new film 'South of the Border'. It was not the first time Chávez had visited Madrid. Since coming to power he has been to the Spanish capital nine times and met with both José María Aznar and Rodríguez Zapatero. It should be added that Moratinos was in Caracas in late July and held lengthy discussion on the countries' bilateral agenda.

According to Venezuela's new Ambassador to Spain, Isaías Rodríguez, bilateral ties are idyllic. 'Our relations with Spain are excellent, but we are fine-tuning them to make them much better'. Not all Spanish diplomats share this opinion. They are alarmed by the ideological slant of the Venezuelan regime and its effect on Spain's policy towards Latin America. To a certain extent Chávez contradicted his Ambassador, saying shortly after arriving in Madrid that his mission was to consolidate relations on the basis of equality and not 'colonial-era clichés'. This was a thinly veiled criticism of the way the Spanish government is conducting such relations and the widely held idea that Spain can be Latin America's gateway to Europe. He said, 'we don't need those doors'. After criticising the European right for calling him a tyrant, he added that 'the Spanish State is just like the rest'. Although he did soften his remarks by saying 'We are twin souls who need each other, but, of course, as equals, not with one as a superior'.

There has been much speculation as to why Chávez sought hastily organised meetings with Rodríguez Zapatero and the King, and also as to why the Spanish government agreed to such an urgent and unusual request. The official explanation is that the Venezuelan leader's plane had to make a technical stopover in Madrid and that because of this he requested the meetings. In such cases, if Spanish leaders are available, the meetings are agreed to, according to this version. There are other theories that link the meetings to the announcement that Chávez wanted to make in Madrid about a huge natural gas find off the coast of Venezuela. On the Spanish side, there were also expectations for sealing major business deals in Venezuela. In remarks to the Spanish media during his stay in Madrid, Chávez said there were joint projects underway: construction of houses and the Caracas underground, trains and some wind energy projects. He said Venezuela wanted to work with Spain on renewable energies because of the latter's leadership in the field.

Chávez's visit began early on 11 September and lasted until the afternoon, when he returned to Venezuela. His stay left few people indifferent and drew extensive media coverage. During those few hours, he met with Rodríguez Zapatero and the King, although the most noteworthy event of his stay came at *Casa del Libro*, a bookshop on Madrid's *Gran Vía*, where a handful of protesters gathered. Chávez used the occasion to

buy a few books, grant interviews to local media and hold a quick meeting with Antonio Brufau, the Chairman of Repsol. It was at this point that Chávez announced a huge natural gas find in the Gulf of Venezuela (7 to 8 trillion cubic feet of natural gas) that will be exploited by a consortium comprising Repsol, Italy's ENI (each with a 32.5% stake) and Venezuela's PDVSA (35%). Although Chávez and Brufau described the find as being almost simultaneous to their meeting (Chávez supposedly heard about it while visiting Madrid), this is hardly credible. Repsol probably had some word of it beforehand, and perhaps senior Spanish officials knew as well.

One key issue concerning the visit was the agenda of the talks between Chávez and Rodríguez Zapatero. Among other issues, they probably discussed the national and regional repercussions of Colombia's decision to let US forces use seven Colombian military bases. It is likely that they also talked about the crisis in Honduras and the future of President Manuel Zelaya, an issue that is also of concern to the Spanish government. On the Spanish side, among the issues that interested it most were Venezuela's participation, and that of the rest of the countries of the ALBA group, in upcoming summits: the Iberoamerican summit in Estoril, Portugal (the level of representation, the atmosphere of the discussions, etc), and a summit between the EU and Latin American and Caribbean countries in May 2010, under Spain's EU Presidency. Another issue that was discussed, and repeated in the Spanish leader's talks with Morales, was that of legal security for Spanish companies operating in Venezuela and that of Spanish immigrants and their property in that country. After the meeting, the two leaders did not have lunch together or hold a joint news conference, which is usually part of the protocol, because Chávez was in a hurry to get back home.

One sign of how important the Spanish government deemed the Chávez visit was that Moratinos cut short a visit to the Middle East to return to Madrid for it. This drew much criticism from the opposition Popular Party. Moratinos suspended a meeting with his Israeli counterpart Avigdor Lieberman and several officials of the Palestinian National Authority. One of the issues which probably concerned Moratinos was that of mediation in the conflict between Venezuela and Colombia.

Evo Morales' Visit

Evo Morales had not been to Madrid for three years. In January 2006, while he was still President-elect, he included Spain as part of a European tour. This latest visit had different connotations. Morales' State visit began on a Sunday evening with a political and electoral rally in Leganés, a dormitory town outside Madrid. As Morales was to begin the official part of his visit the following day, this event was depicted as political meeting with Bolivian immigrants. In Spain there are some 100,000 Bolivians with residency permits and if those without them are included the figure is estimated to be around 250,000. The ulterior motive of the rally was the government's attempt to win over the votes of Bolivians living abroad in the presidential election scheduled for December. Before Morales gave his speech, there were addresses by the Mayor of Leganés, the former Director of the National Library, Rosa Regás, and the former Director General of UNESCO, Federico Mayor Zaragoza. All the speakers praised what Morales and his MAS party have achieved for Bolivia.

Many of the speeches had a rather paternalistic and euro-centric tone, even though the idea was to highlight Morales' multi-ethnic political agenda. For instance, Mayor Zaragoza said, 'coca is not the same thing as cocaine, just as coffee is not the same thing as caffeine'. He was trying to refute accusations that the government protects drug

traffickers, and defending Morales as a leader of coca-growers and his policy of growing more coca beyond what Bolivia needs for its own consumption. Mayor Zaragoza's comments make more sense in light of what Morales himself said later in his own speech. He said that after the 11 September 2001 attacks in the US, Bolivian trade union leaders were 'accused of being terrorists'. He added: 'You must remember ... some said Evo Morales was the Andean version of Bin Laden, that coca growers were like the Taliban, and with that pretext, with another political doctrine of zero tolerance for coca, how to expel the peasant movement from the coca-growing area, and... we have withstood constant interventions, sometimes even military ones, aimed at attacking the rebellion of the peoples of Latin America'.

Morales' speech centred on his traditional vision of Bolivian and Latin American politics, of the liberating, anti-imperialist and revolutionary role of his agenda, and of relations with Spain, Europe and foreign investors, among other things. On investment, he said: 'We are open to investors, but as partners, not as owners of our natural resources'. He did not say how he would change Bolivian policy to make this a reality (past experience points to the exact opposite happening), or what guarantees he would give to investors other than his word. Plus, Morales showed he had a rather limited idea of the value of direct foreign investment, restricting it to the extraction of natural resources (natural gas, oil, iron, lithium and other minerals), ignoring the refining industry and services. Does he see a role, for example, for investments in the financial sector?

His remarks, aimed essentially at Repsol, mask the sad state of hydrocarbon production in Bolivia. It has been hampered by repeated cases of corruption at YPF, by frequent changes in its senior management and by the rotation of government ministers associated with the sector, sloppy management at nationalised companies and a significant drop in investment, both public and private, and not just in exploration but also in the maintenance of existing production. Besides the problems at YPF, there is also the issue of the lack of investment. PDVSA (*Petróleos de Venezuela*) has failed to live up to the majority of the promises it has made. Had they come to fruition, it would have meant hundreds of millions of dollars for Bolivia. Still, millions of dollars in Venezuelan aid pour in. Furthermore, the government is getting support in its communications strategy. The Spanish media group Prisa, which owns the La Paz newspaper *La Razón*, has sold it to 'Venezuelan businessmen' –who some people say are a front for PDVSA, although this has not been confirmed– for it to be turned into a pro-government daily. Thus, another of the few Spanish companies still present in Bolivia is also pulling out.

Morales' appeal for foreign investors to take part as partners in various projects, which he did not name, seems aimed at establishing a relationship among equals. However, as stated earlier, what he has done in recent years has not stimulated foreign direct investment. Rather, it has had the exact opposite effect. So it is up to the Bolivian government to lay the foundation for creating a fruitful and adequate investment environment. And that does not appear to be imminent.

On his role as a protagonist and his special way of viewing history, he said: 'For the first time in 183 years of republican life, the people of Bolivia have approved a new constitution, something which we never had before. There were only political classes, parties or in the end the party that had parliamentary representation had the right to amend the constitution. Now, the people, with their votes, approve a new constitution for the Bolivian state. In other words, we change even constitutions'. He also took the opportunity to lash out at the US. The new constitution, he said, 'does not allow any

foreign military bases, much less one from the United States. In Latin America, wherever there is a US military base there are military coups. There is no guarantee of peace, there is no guarantee of democracy’.

Immigration was a key focus of the speech. Morales once again scolded Europe for not letting in Latin American immigrants freely, recalling that the grandparents of Latin Americans had done so for Europeans. In actual fact, however, Bolivia took in few immigrants, and they included hundreds of fleeing Nazis. And Latin American immigration policies in the 1930s –as a result of the stock market crash of 1929– were in fact quite restrictive. Something similar can be said of certain countries of the region, although not all of them, after the Spanish Civil War and World War II.

There was a confession by Morales that he repeated with a slight nuance on Monday afternoon at the Complutense University. In Leganés he had said ‘I think people love me more in Spain than they do in Bolivia’. At the university’s school of political science he said Spanish students liked him more than Bolivian students. Here, he recalled the arguments he made a day earlier in Leganés, although adapted to a student audience that could not have been more supportive of the indigenous leader. During the press conference with Rodríguez Zapatero, Morales said he was ‘surprised’ by the way he was being treated and by the ‘generosity’ of the Spanish people. He said this was proof of ‘new, friendly relations’ and that ‘times change’.

The official visit was completed with a meeting at the Moncloa Palace, where Morales was received by Rodríguez Zapatero, and a dinner at the Zarzuela Palace with King Juan Carlos. There, the Bolivian leader also received the keys to the city from the Mayor of Madrid, Alberto Ruiz Gallardón, of the opposition Popular Party. As is usually the case with this kind of visit, Morales was also received at the Congress of Deputies by its speaker, José Bono. But unlike other visiting Latin American leaders, he did not address the legislature. Morales also had breakfast with the Council of Chambers of Commerce and visited the Iberoamerican General Secretariat, where he was received by its Secretary General, Enrique Iglesias.

Among the issues addressed was that of letting Bolivians vote in municipal elections –that is pending Bolivian approval–, reciprocity for driving licences and creating more consulates to deal with the large Bolivian community in Spain. The visit concluded with the signing of several cooperation agreements. One of these promotes the ‘Water Fund’ which will take this vital necessity to the people of 45 municipalities in Bolivia. Spain will support vocational training for young Bolivians and advise in the creation of an Attorney General’s office. Still, the most important thing to come out of the visit was the third and final debt swap, which condoned US\$77.3 million and €5.55 million in debt that Bolivia owed Spain. The first two such accords were signed in 2000 and 2003.

Both the King and Rodríguez Zapatero insisted that there must be guarantees for Spanish companies, among them Repsol. Its Chairman, Antonio Brufau, will soon visit Bolivia. At a press conference with Morales, Rodríguez Zapatero asked that investments be made ‘under the principle of security and a legal framework that offers guarantees’. He said the Spanish companies operating in Bolivia ‘are there to contribute to the development’ of the country, and said Morales is a President who works on ‘behalf of the underprivileged’. Rodríguez Zapatero said that is why Spain is working to help the poor and provide more opportunities for those with less. He also said he wanted to visit Bolivia soon.

Some of Morales' statements were not very clear, or embraced positions of the Spanish government that strayed somewhat from his own. For instance, he asked for help to develop a system of semi-autonomous governments, especially with regard to Santa Cruz, Tarija, Pando and Beni. Here, the Spanish system grants the autonomies rights that Morales wants to reserve for the central government in Bolivia. He also said he wanted the Unasur group to work jointly with the EU, especially with an eye to Spain's EU Presidency and the EU-Latin American/Caribbean summit next May in Madrid. Here, Morales is highly contradictory, as seen in the negotiations between the EU and the Community of Andean Nations (CAN).

Conclusions: The two visits came one right after the other, and buttressed the idea expressed in several media outlets that there is close contact between the Spanish government and the leaders of Bolivia and Venezuela. However, the presence of Chávez and Morales in Spain should be viewed in the context of Spain's overall policy towards the region. There are also differences of nuance in Spain's relations with Bolivia and Venezuela. Spain provides development aid for Bolivia and supports its efforts to overcome the tremendous social inequality that exists in that country. And just like Brazil, Spain does not want to isolate Morales, so that he does not end up totally under the influence of Chávez.

For a variety of reasons, the two Latin American Presidents went home happy: Chávez had the natural gas find, and Morales felt he had convinced Spain's people, authorities and business community, especially Repsol, that there is a greater climate of confidence in Bolivia for Spanish companies. It remains to be seen to what degree perceptions match reality.

Finally, it should be borne in mind that both visits caused protests and expressions of discontent. For instance, Mario Vargas Llosa said he regretted that the Spanish government 'supports' Evo Morales, as he 'is not a democratic President'. The Popular Party was also critical. Jorge Moragas, its spokesman for foreign affairs, said the Chávez visit was 'filled with too many anomalies and too little transparency'.

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