## The Twilight of the Spanish Monarchy

The House of Borbón's credibility is in shreds. Can King Felipe restore shine to the throne and protect the monarchy from an onslaught of left-wing republicans?

BY JAMES BADCOCK | FEBRUARY 2, 2015

MADRID — It seems highly plausible that the reign of Spain's Felipe VI, who came to the throne last June, will be a blameless one. What also seems increasingly likely, however, is that it will be brief. Long before his father, Juan Carlos I, announced on June 2, 2014, his decision to abdicate, the royal family had fallen from grace in the eyes of most Spaniards. Once a source of unity in post-fascism Spain, the monarchy has now joined the mire of discredit in which the rest of the country's political institutions find themselves. Today, the throne is in a crisis from which it may not be able to recover — and young King Felipe may be the one to pay the price.

The throne's fate hinges on the outcome of Spanish elections, scheduled to be held before the end of the year, either in November or December. Just as in Greece, where voters racked by years of stagnation and austerity policies placed a far-left party in power in recent elections, Spain, too, is poised for a dramatic leftward shift. The country's economic crisis is entering a seventh year. The two major parties — the center-left Socialists (PSOE) and the center-right Popular Party (PP) — which have alternated in power since the end of the fascist era are, for the first time, facing a genuine challenge. A ragtag party started by leftist university lecturers only a year ago, called Podemos ("We Can"), is riding the surge of indignation to the top of the polls. A Podemos victory would be more than a challenge to austerity policies: If elected, Podemos is promising to stage a referendum on whether Spain — a monarchy since the country was unified in 1492, with the exception of two brief republics and a few decades under fascism — should have a king no more.

Felipe, 47, is an earnest and well-prepared sovereign who speaks English, French, and Catalan and has a master's degree in international relations from Georgetown. In his coronation speech, Felipe pledged a "new era for the monarchy" and, alongside his media-savvy wife, Queen Letizia, he has attempted to reshape the crown for a 21st-century Spain. One of his early official engagements as king, for instance, was holding a first-ever royal meeting in heavily Catholic Spain with representatives of the country's gay and lesbian community. Felipe has also shown a particular sensitivity for the distinct nature of Catalonia as the region's leaders continue their struggle to hold a binding referendum on independence, and he has drawn up an in-house code of transparency that will see the palace accounts fully opened to external scrutiny for the first time, through a government-led audit.

But well-intentioned though he may be, Felipe has also parachuted into this job at a time of extreme turbulence. Even prior to the sudden rise of Podemos, the monarchy seemed headed for a breaking point. Central to the monarchy's crisis are the troubles of Felipe's elder sister, Cristina de Borbón, who has been embroiled in a major corruption scandal for the past three years and in December was ordered to stand trial for tax fraud. The king has kept his sibling at arm's length, not once offering a word of public support. He even went so far as to banish her from his coronation day. But Cristina, who is currently sixth in line to the throne, is stubbornly refusing to fade quietly from the limelight. Her lawyers pestered the courts with spurious attempts to prevent her from being tried alongside her husband, Iñaki Urdangarin, the duke of Palma de Mallorca. Even now that all appeal options have run out, she is steadfastly ignoring a consensus among politicians and commentators of all stripes that she should at least renounce her right of succession. At this point, however, the final verdict and possible sentencing in Cristina's trial will matter little. The damage has been done, and an institution which, since the end of fascism in Spain, has stood out as a rare source of solidarity and gravitas in Spain's rambunctious political scene, is showing signs of rot.

King Juan Carlos, who came to power in 1975 after the death of dictator Francisco Franco, was once considered "Europe's most popular monarch," known for his "common touch." Juan Carlos piloted the country's transition: the delicate process of introducing democracy, legalizing political parties, and shunting Franco's supporters to the sidelines after the dictator's death — a process that endeared him to two generations of Spaniards, many of whom considered themselves republicans in theory, but Juancarlistas in practice. But the emergence of the Urdangarin affair in 2011 saw the old king forced to admit to the country that the royal family had failed in its duty to be "exemplary." Worse was still to come. In the spring of 2012, Juan Carlos himself was dragged into the scandal after his son-in-law's former business partner turned over his emails to the judge in the case, purportedly showing Juan Carlos helping to procure succulent contracts for his son-in-law, who by then was living with Cristina in a 6-million-euro mansion in Barcelona's opulent Pedralbes district. Then in April of that year came Juan Carlos's infamous elephant-hunting jaunt with his lover, taken at the height of Spain's economic crisis and exposed when the monarch fell and broke his hip.

Felipe is well aware of the problems his less principled family members present to his reign. In his second keynote speech as king, on Christmas Eve, he looked straight into the camera and intoned grimly, "We must not hesitate to cut corruption at its roots." But it may be too late. At the same time that the embattled king found himself facing historically low approval ratings, the leaders of both of Spain's traditionally dominant parties, the PP and the PSOE, were embroiled in their own respective corruption scandals. The PP was exposed when its former treasurer, now in jail, leaked ledgers in February 2013 showing an established regime of kickbacks and illegal financing implicating many of the party's top brass, while the Socialists were mortified by the emergence in August that same year of a decades-old system of subsidy syphoning in the party's fieldom of Andalusia.

Spain's snowballing anti-elite, anti-institutionalist sentiments have already picked up momentum from the flood of scandals. Suddenly the upstart, anti-austerity party, Podemos — founded just last January — had a word for the country's privileged elites: la casta. Literally meaning "the caste," the party's description of Spain's governing institutions — the monarchy, the PP, and the PSOE — succeeded in encapsulating and channeling the country's frustration at their failure to protect the population from the ravages of austerity, even as politicians, bureaucrats, and royals reaped cushy appointments and sweet deals. Podemos provided a way for those who spilled onto Spain's streets so dramatically in 2011's massive anti-austerity protests to give vent to their anger at the ballot box. Economic malaise may have fueled the fires of public outrage, but for Podemos's voters, corruption, rather than economic mismanagement, was la casta's original sin. The protestors in 2011 did not focus directly on 50 percent unemployment among Spanish youth, alarming though it was, but rather on the corruption and waste caused by the perceived collusion between the two parties: bitter political rivals, and yet jointly responsible for normalizing a culture of cronyism.

In the May 2014 European elections, a five-month-old Podemos took a startling 8 percent of the vote, while the PP and PSOE failed to garner 50 percent between them. (For the past 25 years, Spain's dominant political parties had always accounted for over 70 percent of the vote in all national elections.) Under public pressure, a frail and exhausted Juan Carlos announced his decision to abdicate a week later. Even retirement has not spared the old king from scrutiny: Since he stepped down — and thus lost his full immunity from lawsuits and prosecutions — Spain's Supreme Court has agreed to hear a paternity suit filed against the king by a Belgian woman born in 1966 who claims to be his daughter.

The abdication has brought on a renewed clamor in favor of a referendum on the monarchy, which Podemos seems ready to oblige. The party has embraced a philosophy of rule by direct democracy and the status of Spain as a monarchy is on the party's list of questions to put to the people, as part of a promise to review the country's constitution. A poll last June showed most Spaniards support the idea of a referendum on the crown, though the poll also suggested that Felipe might just survive the eventual decision. Asked late last year whether a Podemos government would call a referendum on the future of the Spanish monarchy, party leader Pablo Iglesias measured his reply with characteristic guile: "I wouldn't ask a question about monarchy or republic, but rather whether in a normal democracy the head of state should be chosen on the basis of his blood or at the ballot box."

Since its impressive showing in last year's European elections, Podemos has continued its steady rise. The new party has recently swallowed a humbling dose of pragmatism, dialing back some of its more eyebrow-raising policies — a Podemos government would now keep the general age of retirement at 65, instead of reducing it to 60, for instance, and a proposed minimum salary for all Spanish citizens has been replaced by a commitment to guarantee welfare for the lowest paid and the 4 million jobless who are ineligible for national insurance payouts. But the party is still topping polls with support of over 25 percent, while the PP and PSOE languish nearer the 20-percent mark.

Few would dare to predict the outcome of general elections set for the end of a year in which volatility seems the only safe bet. What seems sure is that no party has the momentum to dream of an absolute majority, meaning Podemos, regional nationalists, and other second-tier parties will hold considerable sway in the post-election scenario. The Socialists' new leader, Pedro Sánchez, says he is willing to open the Pandora's box of constitutional reform and take a sharp left turn to guarantee public services to those in need and move toward a truly federal system to accommodate the ambitions of Catalans and Basques. But his party may soon have to face a terrible dilemma: prop up the PP as part of a grand coalition, or try to grapple with the radical tendencies of Podemos. A casta coalition would keep the monarchy safe in the short term. But in the context of a sluggish eurozone economy, it could be long-term suicide for the Socialists.

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Felipe VI's best-case scenario may be a Socialist-led leftist government that shields the monarchy from the indignant masses while taking steps to root out corruption and ease the pain of social inequality. The king has shown his willingness to take action, even if this means freezing out members of his own family. But by this point, even the most dramatic royal gesture may not be enough to hold off the day of reckoning. The state may simply be too rotten to bear the stamp of a fine young king.

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