

1998

The Spanish Neutrality during the Second World War

Antonio Marquina

Follow this and additional works at: <http://digitalcommons.wcl.american.edu/auilr>



Part of the [International Law Commons](#)

Recommended Citation

Marquina, Antonio. "The Spanish Neutrality during the Second World War." *American University International Law Review* 14, no. 1 (1998): 171-184.

This Article is brought to you for free and open access by the Washington College of Law Journals & Law Reviews at Digital Commons @ American University Washington College of Law. It has been accepted for inclusion in *American University International Law Review* by an authorized administrator of Digital Commons @ American University Washington College of Law. For more information, please contact fbrown@wcl.american.edu.

THE SPANISH NEUTRALITY DURING THE SECOND WORLD WAR

ANTONIO MARQUINA *

INTRODUCTION	171
I. ALLIED MEASURES TO ENSURE SPANISH NEUTRALITY	173
II. THE EFFECTS OF THE SPANISH ALLIANCE WITH THE AXIS COUNTRIES	176
CONCLUSION	183

INTRODUCTION

The Spanish position during the Second World War has traditionally been defined as a position of neutrality. Spain did not enter the war and, consequently, Spain maintained neutrality. This traditional thesis is not correct, or, at least, must be remarkably clarified. Once World War II broke out, Spain, like Italy, declared neutrality. As soon as Italy declared war on June 10, 1940, Spain declared non-belligerency, which meant, in practice, supporting the Axis countries. From June 1940, Spain bargained its entry in the war. In September-October 1940, the relations among Spain, Germany and Italy suffered a remarkable adjustment. After the meeting in Hendaya between Hitler and Franco, on October 23, 1940, Spain signed the Protocol of Hendaya. In the third point of the Protocol, Spain joined the Steel Pact—the political-military pact that Germany and Italy signed in March 1939. The adherence to the Steel Pact produced the following benefits:

- 1) strong collaboration among Gestapo, OVRA, and the Spanish police;

* Secretary of the Spanish Committee on the History of World War II.

- 2) a wider collaboration among information services, including the High Staff, the Falange, and the Spanish diplomatic service;
- 3) a wider collaboration between the High Staffs; and
- 4) huge economic servitudes through advantageous economic agreements to the Axis countries.

Spain's entry in the war, however, remained unsettled. The issue of Spanish territorial compensation remained unsettled as well. The signing of the Tripartite Pact meant a qualitative change, as Spain legally and publicly lost its status as a neutral country.¹

Spain's support of the Tripartite Pact depended on the course of the war. With the conquest of Greece and Crete, and the Axis advance in North Africa, in the spring of 1941 during the war in the Mediterranean, the Spanish government almost promoted the signing of the Tripartite Pact. Most observers believed that the Mediterranean would be closed with the Axis conquest of both the Suez and Gibraltar entry points. Fortunately for Spain, Hitler ordered the beginning of Operation Barbarossa in June 1941. With this, the strategic scenario changed: the central military interest passed from the Mediterranean to Eastern Europe. Spain avoided pressures to sign the Tripartite Pact until the beginning of Operation Torch in North Africa, but at this time the position of the internal forces against Spain's entry into the war were strengthened. The Falangist minister Serrano Suñer was replaced by General Jordana, who clearly fought to keep Spain out of the war. General Jordana's nomination placed strong pressures against the political power of the Falange. With the support

1. This article, in its historical aspects, is a résumé of numerous studies published by the author in the last twenty years, specifically, ANTONIO MARQUINA, *ESPAÑA Y LOS JUDIOS EN EL SIGLO XX, LA ACCIÓN EXTERIOR* (1987); ANTONIO MARQUINA, *ESPAÑA EN LA POLÍTICA DE SEGURIDAD OCCIDENTAL 1939-1986* (1986); ANTONIO MARQUINA, *LA DIPLOMACIA VATICANA Y LA ESPAÑA DE FRANCO 1939-1945* (1983); ANTONIO MARQUINA, *EL IMPACTO DE LA SEGUNDA GUERRA MUNDIAL EN EUROPA Y ESPAÑA* (1986); ANTONIO MARQUINA, *ESPAÑA Y LA SEGUNDA GUERRA MUNDIAL* (1995); Antonio Marquina, *L'Espagne et le Deuxième Conflict Mondial*, in 158 *GUERRES MONDIALES ET CONFLICTS CONTEMPORAINES* (1990). See also D. DETWILER, *HITLER, FRANCO UND GIBRALTAR* (1962).

of Italy and Germany, Jordana's nomination further diminished Falange's power.²

I. ALLIED MEASURES TO ENSURE SPANISH NEUTRALITY

From the beginning of the war, the Allies, specifically Great Britain, tried a number of policies to prevent closer relations between the Axis and Spain—thereby inhibiting the possibility of entry in the war. In this regard, I am going to point out some meaningful aspects that widen the scope of the concept of neutrality during the war.

First, Spain was not permitted to trade freely with the Axis countries. The economic blockade, the export license system, and the progressive extension of the list of commodities that Spain was prohibited from exporting under the terms of the war trade agreements, all notably reduced the free flow of goods from Spain.³

Second, the Allies created a system of incentives to condition Spanish policy decisions. The British engaged in a policy focused on "building a network of mutual interests and creating the conditions, thanks to which any breakup between the two countries would mean a key loss for the Spanish trade and industry."⁴ This policy conditioned Spanish movements in the war.

After the German offensive on Holland, Belgium, Luxembourg, and France, Great Britain tested different policies to tie Spain to Portugal and thus strengthen Spanish neutrality. One of these initiatives was providing Portuguese products to Spain, by including these products in the Anglo-Spanish clearing agreement signed on March 18, 1940. Additionally, Portugal provided 100,000 tons of wheat grain in order to lessen the famine in Spain, to stabilize the internal situation in Spain, and to prevent the surrender of Spain to German and Italian ambitions.

2. Antonio Marquina, *El Ejército y la Injerencia Extranjera en España*, in *HISTORIA* 16, at 21-30 (1982).

3. See I W.N. MEDDLICOTT, *THE ECONOMIC BLOCKADE* (1952); P. BARROSO, *LAS RELACIONES DIPLOMÁTICO-COMERCIALES HISPANO-BRITÁNICAS: 1939-1945* (1982).

4. S. HOARE, *AMBASSADOR ON SPECIAL MISSION* (1946).

The reason for the success of these measures at strengthening Spanish neutrality was simple: the Falangist and Serrano Suñer's German- and Italian-supported, autocratic doctrines, which blocked trade negotiations with France, Great Britain and the United States; the lack of loans from the Allies—the United States did not want to supply Spain with economic help without a public declaration of neutrality—and the economic blockade, led Spain to a disastrous economic position. Another key economic factor was oil. In the first half of 1940, Great Britain and United States oil companies sharply reduced the oil supply to Spain, and thus increased the possibility that Spain would move toward the Axis countries.⁵

With the economic agreements in force between Spain and the United Kingdom since the Fall of 1940, Spain received, not only products essential to its economic survival—which could only be obtained from the Sterling area and the United States—but also the possibility of meeting its imperative financial necessities as well. Spain was inescapably dependent on British and Western Hemispheric sources of supply.

Third, Great Britain intervened decisively in Spanish internal politics. The profound division between the Spanish senior generals, who had won the Spanish Civil War, and the Falange, supported by Germany and Italy, was a perfect field for covert intervention. The Spanish generals had created a military junta in order to oppose the claims of Serrano Suñer and the Falange, and received the support of the British intelligence services. The military junta was the beneficiary of several monetary transactions. One of them, a \$10 million deposit to an account with the Swiss Bank Corporation of New York, was made at the same time the junta honored its commitments to keep Spain from entering the war.⁶

5. See Shipment of British-controlled Oil in Tons, at 168 (Morgenthau Diary, Franklin D. Roosevelt Library, Book 303).

6. See Antonio Marquina, *Franco Quiso Participar en la Segunda Guerra Mundial*, EL PAÍS, Nov. 19-22, 1978 & Dec. 15, 1978. This newspaper published historical records of the Hendaya meeting, including the footnotes. For the first time, the British bribes to the Spanish Generals were exposed. See also D. Smyth, *Les Chavalliers de Saint-George: La Grande-Bretagne et la Corruption des Généraux Espagnols (1940-1942)*, in *GUERRES MONDIALES ET CONFLICTS CONTEMPORAINS* 29-54 (vol. 162 1991).

The junta was remarkably successful in April 1941, a critical moment for Spanish neutrality, due to the Axis advance in the Eastern Mediterranean. Serrano Suñer was obliged to give up the Interior Ministry to a senior soldier, Colonel Galarza. The leftist sector of Falange, which was in the hands of the German Embassy, began to be subdued. Eventually, after the Blue Division was committed to the Russian front, Franco delivered an important speech before the Consejo Nacional de la Falange on July 17, 1941 where he blamed the United States for trying to marginalize Spain through its economic aid offers, warning the United States of possible intervention in the war, and asserting that poor planning by the Allies would result in defeat.

The pressure of the military junta on Franco was again visible. The junta criticized him, saying that he could not make declarations on foreign policy without prior consultations. Great Britain and the United States considered a change in policy. Churchill ultimately prevented the approval of measures such as the changing wartime consumption, ongoing Spanish trade with the Axis, the strategic value of certain commodities, and so forth. The Allies considered it necessary to export some products in order to maintain friendly relations with Spanish business interests and counteract Axis exports of similar products.

Fourth, in order to minimize shipments of Spanish products to the Axis, the Allies established a preemptive purchase system in Spain and tried to persuade the government to establish export prohibitions or limitations on Spanish exports. To this end, the United States and Great Britain's products were overpriced and threatened to cut supplies of several important products such as petroleum and fertilizers. Preemption also included payments to prevent production of certain materials and commodities. The Allies also established the Proclaimed and Statutory Lists.⁷

With these measures, the Allies supported only a *minimal* Spanish economy, and obtained economic warfare concessions from Spain. On the other hand, the Allies had a profound knowledge of Spanish exports to the Axis countries.

7. See N.A. R.G. 169, Foreign Economic Administration, Entry 151, Box 917, Spain, General and Miscellaneous Records.

II. THE EFFECTS OF THE SPANISH ALLIANCE WITH THE AXIS COUNTRIES

The observance of commitments with Germany and Italy meant remarkable servitudes for Spain.⁸ In the political arena, the links with the Gestapo and the Italian OVRA were very close and covered a wide range of areas. In the case of Germany, Allied reports demonstrate the Gestapo's control of the Spanish police. The Gestapo was deployed throughout the country and maintained close contact with the Falange. The Gestapo's activity had meaningful importance in several important areas including: controlling the entry of foreigners into Spain, the persecution of many refugees and other persons "guilty" of Anti-Axis feelings, the imprisonment and interrogation of Axis critics, and even kidnapping Axis detractors. This collaboration also extended to the German occupied territories. For instance, in Paris, relations between the Gestapo and the Spanish police were very close. This could explain the internment of Spanish republicans in the Mathausen Camp. Additionally, in 1944, Alisch left for Spain before the fall of Paris, and a large part of the Gestapo looting in Paris was sent to Spain. These close connections explain the assistance of Spanish police officers and Falange personnel in securing false documentation, changing identities, and providing sanctuary for Germans after the war.

In the field of intelligence services, the Spanish and German intelligence services were almost one and the same. There was clear collusion between the services of the Spanish High Staff and the Abwehr in Spain, Latin America, and North Africa. Kuehlenthal, the head of Abteilung I of Abwehr in Madrid, made daily visits to the headquarters of the Spanish intelligence service of the High Staff, which was across the street from the German embassy. He conferred mainly with the head of the Spanish intelligence service, general Arsenio Martinez Campos.

In the case of Falange, the Falangist intelligence services—reorganized after Himmler's visit to Madrid in October 1940—established a wide network in Spain and Latin America. During the Ser-

8. This section was prepared after consulting numerous OSS files and intercepts dealing with Spain. See also Antonio Marquina. *Los Servicios de Información Aliados y España Durante la Segunda Guerra Mundial* (forthcoming).

rana Suárez period, intelligence operations were facilitated through the use of the Foreign Ministry, including the use of diplomatic personnel, and the diplomatic pouch.

The effects of Spanish and German cooperation in this area were quite significant. For example, the Falange and the High Staff Secret Service helped to supply German U-boats until the end of the war; helped to introduce Spanish agents in the United Kingdom, the United States, and Latin America; helped to network the Japanese intelligence services; and helped to create a maritime intelligence system comprised of a network of sailors who gave exact information about convoys or allied vessels, who smuggled strategic materials, and who acted as couriers. The Falange and the High Staff also provided shipments of provisions to the isolated German garrisons in Western France after the Normandy invasion. They carried out propaganda activities favorable to the Axis, mainly in Latin America; sabotaged allied shipping; and submitted reports of different kinds. In June of 1940, the Falange and the High Staff Secret Service, from their observation points on Spanish soil, regularly reported Allied ship movements in the area of the Gibraltar Strait to the Axis countries. Especially after 1944, they also helped to hide not only looted assets—such as art and jewels, gold, foreign currencies, properties, and general Nazi funds in enormous quantities—but also important Nazis who sought refuge in Spain.

The close military relationship between Spain and the Axis countries, despite the opposition of the Spanish senior generals, provided among other benefits: permission to build or use army, air, and naval facilities—including ports and naval bases, airfields, radio and meteorological stations; permission to use communication facilities for submarines in Ifni; the commitment of the Blue Division; and manufacture of military material under German license.

In the economic sphere, Axis support was also very important to Spain.⁹ The most important aspect of this economic relationship was the extent of Germany's penetration of the Spanish economy, established while providing supplies and support during the Spanish Civil War. In this way, a network of German enterprises was created that

9. Regard the economic aspects, see R. GARCIA, *FRANQUISMO Y TERCER REICH* (1994); A. VIÑAS ET AL., *POLÍTICA COMERCIAL EXTERIOR DE ESPAÑA 1931-1975* (1979).

maintained control of the management of important Spanish raw materials, and control over Spanish exports, and generated a huge debt between Spain and Germany.

As soon as World War II broke out, Spain and Germany reached a clearing trade agreement on December 22, 1939. Hisma, the company created to provide the weapons and war material that General Franco needed, and controlled the exports of the Nationalists, was liquidated. Its resources were transferred to Sofindus, a property of Rowark in Berlin and a part of the Four Years Plan. Sofindus was a holding company supervised by the Third Reich's Ministry of Economy through Rowark. The objective of the German policy was for Sofindus to play a direct role in the Spanish economy. Sofindus held a number of enterprises, including trade and export companies, raw material production companies—especially mining companies—and service and transportation companies.

The clearing agreement signed between Spain and Germany was not satisfactory to Spain because in a very short period of time, Spanish exports to Germany surpassed German imports to Spain. This created important overdrafts in the commercial clearing account, which surpassed the agreed limits. This is an essential point, considering Sofindus used gold and foreign currencies from its capital accounts, as well as the commercial clearing account, to finance its projects.

Before exploring this issue further, it is necessary to point out that, after Spain readjusted its relations with Italy and Germany upon adhering to the Steel Pact, Spanish exports to Germany increased quite dramatically. From 1940 to 1941, the value of Spanish exports to Germany increased ten-fold. Moreover, food product exports increased fifteen times. While the food products flowed to Germany and Italy, the Spanish people starved and endured great suffering.

Increased Spanish exports created an overdraft of 70 million Reichmarks in the German-Spanish clearing account in May 1941. The overdraft shot up to 105 million Reichmarks by the end of that year. The Spanish government reduced the exports, especially strategic minerals with military interest, and the negotiations to sign a new commercial agreement began. A year later, in December 1942, Germany and Spain signed a new trade pact. The agreement established

commercial balance as an important principle, and limited German clearing account overdrafts to 70 million Reichmarks.

It soon became clear that Germany could no longer export the committed commodities, producing a new bilateral tension. In August 1943, a new agreement extended the 1942 agreement for another year, committing Germany again to maintain a commercial balance, to export 300 million Reichmarks in commodities, and to send armament for 215.5 million Reichmarks in compensation for the trade deficit, which increased to around 200 million Reichmarks. Again, the situation became untenable, damaging economic relations. Due to a German proposal in November 1943, the Spanish government agreed to pay 100 million Reichmarks of the Spanish debt from the Spanish Civil War. The partial debt payment and the supply of military material changed Germany's difficult situation, allowing *Sofindus* to continue to carry out its mineral purchases.

The United States, as an immediate consequence of Spain's policies, doubled oil prices and, after the incident surrounding the Spanish government's telegram to the puppet Filipino leader Laurel, the United States government suspended shipments of petroleum products to Spain on January 29, 1944. The negotiations between Spain, the United Kingdom, and the United States to solve this issue lasted several months. Finally, on May 2, 1944, an agreement was reached. The Spanish government committed itself to restrict wolfram shipments to Germany, and to take steps to prevent the smuggling of wolfram; to submit the question of the possible release of Italian warships and the delivery of five Italian merchant ships to arbitration; to close the German consulate in Tangier; to expel the Axis espionage and sabotage agents from Spain and the Spanish North African territories; to withdraw the Spanish soldiers from the Russian Front; and to make available to the United States and Great Britain all necessary facilities for the purchase and export of Spanish products.¹⁰

Spain did not completely honor this agreement. From the beginning, the Allies knew that Spanish Minister Carceller and other accommodating officials would give practical support to exports di-

10. See J. TUSELL, *FRANCO, ESPAÑA Y LA II GUERRA MUNDIAL* 497-517 (1995).

rected to Germany, including the wolfram. In this way, Germany secretly imported huge quantities of wolfram during 1944.¹¹ This also meant enriching personalities like the Fierro family. Given the secrecy of the shipments, Spain earned very little in taxes and custom duties while the Spanish economy and the Spanish people suffered considerably because oil prices doubled.

One issue that has never been satisfactorily studied is the financing of all these purchases and exports by Sofindus.¹² Traditionally, the explanation was that Spain bought gold from Germany, Portugal, Switzerland, and the United Kingdom using the overdrafts from the commercial clearing account. This explanation is insufficient. Sofindus, especially in 1942 and 1943, maintained huge credit balances in Spain. During the first years of the war, Spanish banks stood ready at any time to furnish additional credit should it be needed. However, the credits had to be paid. By the middle of 1943, Germany in fact had largely exhausted its credit in Spain. Sofindus had to finance investments, purchase minerals, pay salaries, pay taxes, pay export duties, and so forth, using Swiss Francs or gold-guaranteed credits.

These transactions have not been studied thoroughly, although they must be studied to clarify the gold traffic—especially those of Banco Exterior, Banesto, Banco Hispanoamericano, Banco Alemán Transatlántico and Banco Germanico de America del Sur—as well as the wide traffic of foreign exchange carried out by Germany with the collusion, in many cases, of Spanish officials. It is necessary to carefully study the conversion of Reichmarks to Pesetas; Swiss francs and Swiss gold to Pesetas; Portuguese escudos and Portuguese gold to Pesetas; and French francs and different currencies in North Africa to Pesetas. The study must not limit itself to Portugal and Switzerland, the two states that were the bankers of the Third Reich, but also to Tangier, Spain, France, Germany, and even Turkey. The gold and foreign currency traffic was constant and vast. We can also add to this investigation of these activities, the enrichment of important

11. For instance, see N.A.R.G. 457, cryptointercepts, from Madrid to Berlin, Box 400, File 113401-113701 (Feb. 11, 1944) (on file with author).

12. Different authors who have researched the Sofindus do not make a sufficient distinction between the capital account and the commercial account. This leads to errors in evaluating the financial needs of Sofindus during the war.

people such as lawyers, politicians, officials, and businessmen from the Franco regime who escaped the Spanish monetary authorities.

Nevertheless, from 1943, one can detect a change in the Spanish policy toward a more neutral foreign policy. Spain allowed hundreds of refugees from France to pass through its territory. The vast majority of these refugees were men of military age, many of them were French officers determined to reach Allied territory. They also were permitted to depart from Spain. Spanish territory was also used by Allied secret services as a base for espionage operations directed against the Germans in contiguous-occupied territory with the passive collaboration of certain Spanish authorities.¹³ These activities were extremely important before the Normandy invasion. In moving toward neutrality, General Franco announced, in his October 1, 1943 speech, Spain had once more assumed a position of neutrality.

The influence of the signed agreements with Germany, the influence of Falange in the Franco regime, Germanophilia, and bad analysis of the intelligence services of the High Staff and Franco himself, however, hindered a true position of neutrality until the end of the war.¹⁴ There is no evidence that Spain denounced the secret agreements signed with Germany. Later, in the final months of 1944, the Spanish policy was to play the winning side, while maintaining important support for Germany. This was the case in negotiating an air transport agreement between Spain and the United States, finally signed on December 2, 1944, and an additional Protocol for the Air Transport Command annexed in February 1945. This double game was maintained until the end of the war.

In the meantime, the Allied embassies protested the non-compliance with the May 1944 agreement, providing details that showed the depth of the Spanish links with Germany.¹⁵ For us, the most significant aspect of this information was the hiding of German assets and the use of Spain as a heaven for many Germans.

In June 1945, the British military attaché, Brigadier Torr, informed London that, according to their assessments, there were some 20,000

13. One example of these operations was the so-called "Medusa" operation.

14. See Antonio Marquina, *La Permanencia del Régimen Franquista Después de la Segunda Guerra Mundial*, EL PAÍS, May 23-25, 27, 1980.

15. See PRO, FO 371/49548, 49549, 49550 (on file with author).

Germans in Spain, many still free and active, and most of them with money and property. These Germans were aided and covered up by the Falange and, to some extent, by the High Staff, which maintained its pro-German sentiment and remained in close contact with the Germans in Spain.¹⁶

The Safehaven program in Spain was thus especially difficult for the Allies. The Germans made preparations for hiding assets, jewels, gold, foreign currencies, looted art, securities, and properties long before the end of the war. Due to the lack of Spanish documentation, it is difficult to assess the value of all these properties and assets. Estimates by the United States value German official, and quasi-official as well as private assets in Spain at \$95 million.¹⁷

Likewise, the Allies made a huge effort to counteract the activities of the Nazi refugees in Spain, and to prevent the establishment of a Nazi organization to continue their activities in Spain. The Allies negotiated with the Spanish Government the liquidation and selling of German enterprises and other properties. They also established different categories of German nationals for their expulsion, and finally returned thousands of people to Germany. Nevertheless, Spanish officials informed the Germans of their pending arrests. Members of the Gestapo also received special police passports, which were valid until March 1946. In this way, some escaped and others were hidden from the Allies.

To all this, we can add the support of the United States intelligence services to the German rings and personalities. In 1947, the Central Intelligence Agency had the opportunity to reorganize the German network in Spain and other countries for its own objectives.¹⁸ The consequences for democracy and human rights have been very negative in all these countries.

16. See PRO, FO 371/49610, Z 593 (on file with author).

17. DEPARTMENT OF STATE, U.S. AND ALLIED WARTIME POSTWAR RELATIONS AND NEGOTIATIONS WITH ARGENTINA, PORTUGAL, SPAIN, SWEDEN AND TURKEY ON LOOTED GOLD AND GERMAN EXTERNAL ASSETS AND U.S. CONCERNS ABOUT THE FATE OF THE WARTIME USTASHA TREASURY (1998).

18. ARE, Espagne, Z, leg 81, Madrid 16, 18 Octobre and 4 Novembre 1948.

CONCLUSION

In conclusion, we can highlight that Spain, after signing the Steel Pact, was not a legally neutral country during World War II. Spain, although its assistance was predicated on the weakness of its economic structure and its inescapable dependence on British and Western Hemispheric supply sources, helped the Axis in every possible way. Additionally, Spain also procured significant amounts of essential commodities for the Allies' use.

In this case, Spain never applied the classic concept of neutrality in international law. International law imposed on neutral states the duties of abstention and neutrality. Likewise, international law granted neutral states freedom to establish commercial relations and guaranteed the inviolability of their territory. Spain, however, was subjected to a series of economic warfare measures and restrictions imposed by the Allies that did provide for Spanish neutrality. Spain was considered a country aligned with the Axis countries. Spain, on the other hand, continued normal commercial relations with France, the United Kingdom, and the United States since the beginning of World War II. More specifically, Minister Ramón Serrano Suñer defended the autocratic economic doctrines of the Falange and argued that Spain would have otherwise been politically conditioned by its economic agreements with France, the United Kingdom, and the United States.

Spain, moreover, granted secret military facilities to the Axis states until the end of the war. Spain granted similar benefits to the United States in late 1944 and early 1945. All of these measures contradicted the international legal duties of neutral states.

Since World War II, the concept of neutrality also assumed having sufficient capacity and power necessary to keep an equal distance between both parties involved in the war since a system of collective security did not exist. Spain did not possess this capacity. On the contrary, Spain had previously been profoundly conditioned by the aid it received from the Axis countries in order to win its Civil War. This balance was therefore neither possible nor feasible under these conditions. Moreover, in Hendaya, Spain had no other alternative than to accept the conditions and role that the Axis countries had assigned for Spain. On the other hand, Spain believed that Germany would win the war. Spain's shift toward a more clear posture of neu-

trality came late and was incomplete, allowing and supporting the escape of thousands of German officials, providing refuge for these officials in Spain and Latin America, and hiding looted assets and properties.

The question of morality regarding Spanish policy is not easy to summarize. The Franco regime, as we said, had won the Spanish civil war with the support of Germany and Italy. The civil war was legitimized, from Franco's side, as a fight against communism. After Germany made a pact with Russia in August 1939, which led to the start of World War II. After this, the Spanish government had tremendous difficulty finding a justification for entering the war. With the German attack on Russia, the Franco regime could justify helping Germany as a continuation of the fight against communism. The profound animosity that Franco's Regime felt towards communism, as a consequence of the Spanish Civil War, would explain the support that Spain showed for Germany until the end of the war. Spain feared the dangers of communism and considered the defeat of Germany to be a disaster for the Western world since Russia would obtain new opportunities for the advance of communism in Europe .

But the importance of moral considerations was relative compared to the pressures from belligerent states. After 1940, Spain shared a border with Germany. Spain, even considering the likelihood of a German invasion and taking into account the importance of helping Germany fight against the Communists Russia, aided Nazi Germany beyond what was politically prudent and morally acceptable. Spain, by implementing policies that aided German looting, and providing personal enrichment to businessmen, officials, lawyers, members of the Falange, and bankers, is directly related to the suffering of Jews and other people opposing the Nazi and Fascist dictatorship in Europe. Many of these people, especially the Jews, were murdered and deprived of their property. Moreover, we cannot forget the consequences to the Spanish people of a policy dedicated to the survival of a political regime.