



Department of State **TELEGRAM**

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PAGE 01 MADRID 04407 071713Z

41

ACTION EUR-12

INFO OCT-01 ISO-00 EURE-00 SSO-00 NSCE-00 INRE-00 USIE-00

CIAE-00 DODE-00 INR-07 NSAD-00 PA-02 PRS-01 SP-02

PM-04 NSC-05 SS-15 IO-13 ACDA-10 SAJ-01 SAM-01 AF-08

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FM AMEMBASSY MADRID

TO SECSTATE WASHDC IMMEDIATE 5963

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY THE HAGUE

AMEMBASSY LISBON

AMEMBASSY LONDON

AMEMBASSY OSLO

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY STOCKHOLM

USMISSION NATO

USEC BRUSSELS

UNCLAS MADRID 4407

E.O. 11652 N/A

TAGS: PFOR, SP

SUBJ: SPANISH NEWSMEN INTERVIEW THE KING

SUMMARY: DURING JUNE 5 PRESS CONFERENCE, JUAN CARLOS EXPRESSED SATISFACTION WITH HIS US VISIT, INDICATED A RELUCTANCE TO DIRECTLY SHAPE POLITICAL REFORM, AND REITERATED HIS SUPPORT FOR PRIME MINISTER ARIAS. END SUMMARY.

1. JUAN CARLOS, ON JUNE 5 IN NEW YORK, MET WITH MEMBERS OF THE SPANISH PRESS FOR THE FIRST TIME SINCE HIS ACCESSION TO THE
PAGE 02 MADRID 04407 071713Z

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THRONE IN NOVEMBER. DURING THE 25 MINUTE INTERVIEW, THE KING REPORTEDLY MADE THE FOLLOWING POINTS:

2. ASSESSMENT OF VISIT. JUAN CARLOS EXPRESSED GREAT PLEASURE WITH THE WARM RECEPTION HE RECEIVED AT THE WHITE HOUSE, IN CONGRESS, AND FROM THE AMERICAN PEOPLE GENERALLY, ADDING THAT VISITING THE U.S. AS SPAIN'S REIGNING MONARCH WAS AN "EMOTIONAL" EXPERIENCE. HE EXPRESSED CONFIDENCE THAT THE U.S. WOULD STRENGTHEN ITS COOPERATION WITH AND SUPPORT FOR SPAIN IN ALL AREAS, INCLUDING THE "ECONOMIC AND INVESTMENT SECTOR." ACCORDING TO THE KING, SUBJECTS DISCUSSED WITH THE PRESIDENT INCLUDED THE GENERAL EUROPEAN SITUATION, PARTICULARLY PORTUGAL AND ITALIAN ELECTIONS, AS WELL AS U.S.-SPAIN BILATERAL RELATIONS.

3. U.S.-SPAIN ECONOMIC TIES. JUAN CARLOS PERCEIVED A POSITIVE REACTION TO HIS VISIT ON THE PART OF AMERICAN INDUSTRIALISTS AND FINANCIERS AND OPINED THAT POLITICAL STABILITY IN SPAIN WOULD GUARANTEE CONTINUED U.S. INVESTMENT. HE ALSO INDICATED, HOWEVER, THAT AMERICAN BUSINESSMEN WERE CONCERNED OVER THE MILLION OF MAN-HOURS WHICH HAD BEEN LOST IN SPAIN DURING RECENT STRIKES AND OVER THE FAILURE OF PRODUCTIVITY TO INCREASE.

4. POLITICAL REFORM AND THE ROLE OF THE MONARCH. JUAN CARLOS STATED THAT HE WAS WELL AWARE THAT MANY WERE TRYING TO INVOLVE HIM ACTIVELY AS THE "AUTHOR" OF POLITICAL REFORM, BUT THAT THIS WOULD BE A MISTAKE. RATHER, THE MONARCH, THE "CORNERSTONE OF THE SYSTEM AND THE STATE," MUST SITUATE HIMSELF IN A MORE DISENGAGED POSITION, AS A TYPE OF "UMBRELLA" UNDER WHICH GOVERNMENTS MAY CONTINUE IN OFFICE OR BE CHANGED WHILE THE MONARCHY IS MAINTAINED.

5. SUPPORT FOR ARIAS. THE KING STATED UNEQUIVOCALLY THAT RUMORS OF TENSIONS WITHIN THE GOVERNMENT WERE UNFOUNDED AND THAT PRIME MINISTER ARIAS ENJOYED HIS COMPLETE CONFIDENCE AND BACKING. EATON

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