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Aznar paid for his medal says former minister

Ex-prime minister refuses to admit his government hired a US lobby firm

STAFF REPORTER, **Madrid**
The former prime minister, José María Aznar, at the center of a new political storm over allegations that he paid for the US Congressional Gold Medal, has hit back at those who seek to "stain other people's honor." Speaking Friday on a Mexican radio station, Aznar said the story that he had used public money to pay a Washington-based lobby firm in order to raise his political profile in the US and eventually achieve congressional recognition were deserving of "scorn."

The former prime minister, however, did not deny the story, claiming he had "nothing to confirm or deny" during the interview on the W Radio station. Instead, he accused certain political spheres of attempting to divert attention from the March 11 parliamentary commission, which, he claimed, was proving that his government had not lied over the terrorist attacks in Madrid.

According to the allegations first made by the Spanish radio station Cadena Ser — then widely carried in the Spanish press yesterday — Aznar's then-governing Popular Party (PP) signed a contract worth two million dollars with the firm Piper Rudnick to boost Aznar's image and gain the number of Congressmen's signatures necessary for the presentation of a Gold Medal. The deal was agreed in December 2003, and in March of this year a congressional hearing decided to honor Aznar with its highest civilian award.

The former PP foreign minister, Ana Palacio, yesterday admitted that such a deal had taken place. The ex-minister explained that the presentation of the medal formed a part of "that broad objective that is to support all what could be in the Spanish interest." Palacio also said that Spain's ambassador in Washington had warned the government of possible fallout if the

deal with the lobby firm entered the public domain in Spain.

The current prime minister, José Luis Rodríguez Zapatero, yesterday declined to comment directly on the revelations about his predecessor. He did, however, take the opportunity to say that "I, by no means, intend to do such things."

Spanish firms hit the acquisition trail as they look to globalization

SCH in talks to acquire Abbey while Ebro bids for US rice firm

A. SIM, **Madrid**
The Spanish corporate sector has long ceased to be inward looking and is now boldly venturing abroad as it seeks to gear itself for the full impact of globalization.

There was clear evidence of this Friday when Banco Santander Central (SCH) confirmed that it was in talks with Britain's Abbey National on a possible takeover bid, while food group Ebro Puleva announced an offer for US firm Riviana in a move that will consolidate its position as the

world's leading rice processor. The news went some way toward stirring the Spanish investment community out of the lethargy that has dominated the stock market ahead of the summer holiday period.

SCH had previously approached Abbey, and it was still unclear whether a concrete offer would be forthcoming.

But the acquisition of Abbey would make SCH a major force in Europe, add to its strong presence in Latin America, where it has already gone down the ac-

quisition trail in a big way in Brazil, Chile and Mexico.

News of the talks came shortly after SCH's shrewd chairman Emilio Botín seemed to dismiss the idea of the bank making another major foray.

Meanwhile, Ebro's agreed full offer of \$381 million for Riviana is the latest leg of its overseas expansion program. Since last year, the leading Spanish sugar and rice group has bought up companies in Hungary, Denmark and Britain.

See **SCH & EBRO** page 7



REUTERS

A Spanish first and second as the Tour leaves the mountains

In what has so far been a generally disappointing Tour de France for Spanish cycling fans, Friday's stage number 18 provided a welcome exception. The Annemasse to Lons-le-Saunier race was won by Juan Miguel Mercado (pictured), who narrowly defeated

his fellow Spanish rider, José Vicente García Acosta, in the final sprint for the line after the two had escaped from the rest ten kilometers from the end of the 166.5 kilometer stage. There were no great changes in the overall race, Lance Armstrong still in front.

Nuclear regulator seeks autonomy from government

ANTONIO FRAGUAS, **Madrid**
The president of the Nuclear Security Council (CSN) requested on Friday that the government gave the regulatory body "more independence" from ministerial control. Speaking at a forum organized at El Escorial, near Madrid, the CSN president, María Teresa Estevan Bolea, argued for reform of the Nuclear Energy law, which dates from 1964.

The CSN — the body responsible for safety control and regulation at Spain's nuclear installations — is dependent on the industry ministry to give its decisions the force of law. At the same event, the CSN vice-president, José Ángel Azuara, pointed out that the organization lacked the power to impose its own sanctions. Estevan Bolea claimed that "the real regulating body is the ministry, not the council."

Carlos Bravo, an expert in nuclear technology from the ecological protest group Greenpeace, yesterday suggested that such a reform was not as desirable as it might seem. Bravo argued that "the council is already in the hands of the nuclear industry. Now they want to break from the administration in order to have a free hand." Regarding the Nuclear Energy Law, Greenpeace is pressing for a different kind of reform to end help for the nuclear industry. The group argues that the energy companies pay for the treatment and storage of nuclear waste. Greenpeace wishes to see "more independence" for the CSN, but distancing the regulatory body from the nuclear industry. The pressure group claims that the CSN currently contracts out safety analysis research work to companies related to the nuclear sector. "It's a case of the fox guarding the henhouse," said Bravo.

The environment minister, Cristina Narbona, recently said that nuclear energy was "not a sustainable option for the future." Prime Minister José Luis Rodríguez Zapatero favors a gradual withdrawal of the industry.

Sounds of jazz and flamenco, an ideal fusion

Jazz in Spain is living a golden period, because jazz has found in flamenco its idea fusion. Legends Tete Montoliu and Pedro Iturralde paved the way for jazz-flamenco of today, with Paco de Lucía, Jorge Pardo and Chano Domínguez

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