

Chavez threatens 2 Spanish banks

The Miami Herald
Nov. 30, 2007

CARACAS, Venezuela --

President Hugo Chavez threatened Friday to nationalize the Venezuelan subsidiaries of Spanish banks Banco Santander SA and Banco Bilbao Vizcaya Argentaria SA, if Spain's king does not apologize for telling Chavez to "shut up."

"Are we going to turn the page, are we going to forget? No!" Chavez told hundreds of thousands of supporters at a campaign rally ahead of a vote Sunday on changes to Venezuela's constitution.

"The only way this is going to be fixed is for the king of Spain to offer an apology for having attacked the Venezuelan head of state," Chavez said.

Otherwise, "I'll start thinking about what actions to take," he continued. "Spaniards bought some banks here, and it doesn't cost me anything to take those banks back and nationalize them again, and put them in the service of the Venezuelan people."

Spain's King Juan Carlos on Nov. 10 told Chavez to "shut up" during a regional summit meeting in Chile, where the Venezuelan leader had called Spain's former premier, Jose Maria Aznar, a fascist.

The incident sparked a flood of diplomatic sniping from Chavez, who last Sunday vowed: "Until the king of Spain apologizes, I'm freezing relations with Spain."

Santander and Bilbao Vizcaya Argentaria, or BBVA, are Spain's two largest banks. Santander acquired its Venezuela subsidiary, Banco de Venezuela, when it paid \$351.5 billion for a 93.4 percent stake in 1996. BBVA acquired its majority stake in Venezuela's Banco Provincial in 1997.