

Unidad de Políticas Comparadas (CSIC)
Documento de Trabajo 01-15

Decentralization in Spain

Luis Moreno

Unidad de Políticas Comparadas
Consejo Superior de Investigaciones Científicas (CSIC)

Diciembre de 2001

Debates and Surveys

Edited by M. W. DANSON

Decentralization in Spain

LUIS MORENO

Spanish National Research Council (Consejo Superior de Investigaciones Científicas (CSIC)), calle Alfonso XII 18, E-28014 Madrid, Spain. Email: Lmorfer@iesam.csic.es

MORENO L. (2002) Decentralization in Spain, *Reg. Studies* 36, 399–408. Since the transition to democracy in the late 1970s, Spain has undergone a process of deep decentralization and an incipient federalization. This article analyses the main features of such processes underlying the high level of home rule achieved by the 17 *Comunidades Autónomas*, when compared to other federal-like systems in the world. Accommodating Spain's secular diversity appears to be in line with the increasing role of meso life in the process of Europeanization.

Decentralization Intergovernmental relations Regional identities Territorial accommodation

INTRODUCTION

Some countries face a national dilemma. Spain, rather, has a dilemma of nationalities. This is chiefly cultural and political with interregional disparities tending also to reinforce internal cleavages.

The ethnic and linguistic¹ variety of Spain, governed by actors, institutions and political forces that have traditionally been both weak through inefficacy and strong through violence, has too often resulted in damage to its unity. Moreover, there has been a traditional lack of congruence or a 'non-congruence' between political and economic powers.² Catalonia and the Basque Country, the two northern peripheral Spanish communities with full ethnic/cultural potential, have remained as two of the three economically most dynamic territories of Spain, the third being the region of Madrid. This non-congruence has traditionally nourished the centrifugal tendencies present in modern Spanish history. Such tendencies have found expression in a number of armed conflicts: the Revolt of the Reapers, 1640–1652; the War of the Spanish Succession, 1701–1714; the Carlist wars, 1833–1840, 1846–1848 and 1872–1875; the Tragic Week of Barcelona, 1909; and, finally, the Civil War, 1936–1939.

Despite its secular conflicts of internal ethnoterritorial accommodation, Spain is an entity clearly identifiable as a country of countries, or a nation of nations. This unity goes beyond the simple aggregation of territories

and peoples with no other affinity than their coexistence under the rule of one common monarch or political power. However, the social and cultural cohesion that makes up Spain's unity does not obliterate its internal rivalries. As has happened in the past, concurrence among Spanish nationalities and regions has brought about an extra cultural incentive for creativity and civilization, but it has also been used as an excuse for open confrontation (MORENO, 1997).

After a long hyper-centralist dictatorship (1939–75), a peaceful transition to democracy (1975–79), and an active involvement in the process of Europeanization after its accession to the European Economic Community (1986), Spain has undergone deep and far-reaching social transformations. In economic terms, for instance, Spanish development has been spectacular. In 1959 the Spanish GDP per head was 58.3% of the EU mean; in 1985 it had increased to 70.6%, and by 1998 it had grown further to 81.5%.³ No other country in the group of the advanced industrial democracies has achieved a 'catching-up' process of similar proportions.

With the disappearance of the dictator General Franco, the rise of demands for regional self-government reaffirmed Spain's spontaneous inclination towards the autonomy of its nationalities and regions. The democratic parties had fought against Franco's attempts of cultural genocide, repression and reinvention of history but did not have a clear-cut model for the type of decentralized state they broadly advocated.

Nevertheless, they shared the conviction that the legitimacy of democratic power was inexorably linked to implementing home rule of the country's nationalities and regions.

The constitutional expression of such a strong platform presented a great political challenge, for Spanish modern history had witnessed tragic failures in the past when regional aspirations and the territorial sharing of power were concerned. However, the wide inter-party political consensus that made possible the drawing up of the 1978 Constitution succeeded in overcoming old reticence and mistrust. It also brought with it an element of ambiguity in the formulation of the *Estado de las Autonomías* ('State of Autonomies'), which is the name given to the new democratic and decentralized state. Two different conceptions of Spain, which had traditionally confronted each other, were formulated. Subsequently, a *via media* was negotiated, which explicitly recognized one Spanish state as an ensemble of diverse peoples, historical nationalities and regions, and which has as supreme constitutional principles those of liberty, justice, equality and political pluralism.

The text of the 1978 Constitution reflected many of the tensions and political stumbling blocks that existed at the time of the inter-party discussion on the territorial organization of the state. However, the constitutional provisions also mirrored a widespread desire to reach political agreement. As a result, the 1978 Spanish Constitution made it possible for one, three, all or none of the Autonomous Communities (*Comunidades Autónomas*, which comprise historical nationalities and regions)⁴ to be self-governed. It depended on the political will expressed by the inhabitants of the Autonomous Community (*Comunidad Autónoma*), or by their political representatives. It also made it possible for the degree of self-government to be wide or restricted according to the wishes of the nationalities and regions. With the passing of time, *de jure* asymmetries have been equalized somewhat, although the exercise of self-government implies *de facto* political disparities and diverse policy outputs implemented by each *Comunidad Autónoma*.

Let us recall that the Spanish 1978 Constitution does not include the word 'federal' in any of its provisions. Nevertheless, the *Estado de las Autonomías* can be considered an instance of 'devolutionary federalism'. The process of federalization in Spain will involve *de facto* arrangements of power delimitation in its three-tier system of government (local, intermediate and central) before its federal-like arrangements take shape within the European Union. Once this situation has been achieved, a constitutional revision should incorporate these divisions of powers functionally thus avoiding the great political difficulties which would have occurred had the process developed inversely. The 'open model' of home-rule-all-round established by the 1978 Constitution has consequently evolved into a gradual process of top-down 'federalization' (MORENO, 2001).

DUAL IDENTITIES AND TERRITORIAL ACCOMMODATION

Decentralization and federalization in Spain has developed in an inductive manner, step by step. Both Jacobin centralists encroached in sections of the public administration and in some influential Spanish parliamentary parties, together with representatives of the minority nationalisms (principally, Basque and Catalan), have favoured bilateral and *ad hoc* centre-periphery relationships. They have shown reluctance to encourage horizontal and multilateral processes of decision making. This attitude is a major obstacle for the 'natural' unfolding of the *Estado de las Autonomías* into a federal-like system of government.

A phenomenon of the foremost importance in the Spanish context, and which provides the sociological bases for the federalizing rationale of the *Estado de las Autonomías*, concerns the manner of self-identification by a majority of Spaniards. These identify themselves in a way which implies shared loyalties to both the central state and the meso layers of government. The concept of dual identity or compound nationality incorporates in variable proportions the regional (ethnoterritorial) ascriptive identity and the national (state) identity. As a result of this, citizens share their institutional loyalties at both levels of political legitimacy without any apparent fracture between them.⁵

The quest for self-government by meso-level communities is in full accordance with the variable manifestation of such duality in citizens' self-identification: the more the primordial regional (ethnoterritorial) identity prevails upon modern state identity, the higher the demands for political autonomy. Conversely, the more developed the national (state) identity is, the less likely it would be for ethnoterritorial conflicts to arise. At the other extreme, complete absence of one of the two elements of dual identity would lead to a deep socio-political division. If this were the case, demands for self-government would probably take the form of a claim for secession and outright independence. In other words, when citizens in a sub-state community identify themselves in an exclusive manner, the institutional outcome of such antagonism will also tend to be exclusive.

The consistency in the results provided by periodical surveys on dual identity in Spain is to be underlined. Note that the Basque Country and the Canary Islands are the two *Comunidades Autónomas* where single regional/ethnoterritorial identity is higher than 20% (26.8% and 21.7%, respectively). However, and in a survey immediately carried out before the 2001 Basque elections, those who declared to feel 'only Basque' were 23% of the total, whereas 41% identified themselves 'as Basque as Spanish'.⁶

In Galicia, Catalonia, Balearic Islands and Asturias, single regional self-identification is higher than 10% of the total of survey respondents. Spanish single identity is more significant in Castille-La Mancha. 'Don't

know/no answer' figures are considerably low as compared to the usual percentages produced in this kind of survey. This finding seems to confirm the lack of indifference among Spaniards on the cultural and institutional implications of self-identification and the process of decentralization.

In the whole of Spain, more than two-thirds of its citizens express a *dual identity* or *compound nationality*, thus incorporating both regional and state identities without apparent contradiction between them. Dual identity provides the sociological bases for the articulation of the *Estado de las Autonomías*, which has largely transcended past patterns of internal confrontation. Even for the Basque Country, where there is a high proportion of popular self-identification as 'only Basque' (around 27%), the majority of citizens express a degree of duality (around 57%) that highly conditions the viability of secessionist options (see Table 1).

Indeed, the peculiarities of both processes of state formation and nation building in modern Spain explain to a high degree how citizens express their territorial identities and institutional allegiances. Accordingly, it can be said that the most compelling variable for the future federalization of Spain rests upon the strengthening – or otherwise – of such duality of identities. The possibility of conflict is always present. However, in the period of time elapsed since the inception of the 1978 Constitution territorial co-operation and agreement in Spain has overcome old misunderstandings. It has also provided a deepening of democracy by means of a more effective access of civil society to political decision making.

REGIONAL ECONOMIC DISPARITIES

As a preliminary consideration, it should be observed that in Spain there is not such an abrupt north–south divide as is the case in Italy (some basic regional data are shown in Table 2). Traditionally, the hinterland around the capital Madrid has been an economic periphery (both Castilles, Extremadura and part of Aragon), while the geographical periphery in the North (Basque Country) and the East (Balearic Islands, Catalonia, Valencia) has had important growth poles and industrial zones. Andalusia in the South and Galicia in the North West have remained as poorer areas. Politically the geographical periphery has tended to be more European-looking and modernized. But Madrid and Andalusia have also been strongholds for progressive ideas and leaders.

De facto economic asymmetries have had decisive repercussions for the decentralization process, and are associated with numerous arguments relating to the practice of interregional solidarity and the equal sharing of financial burdens.

On comparing gross and disposable regional incomes, a small but significant change can be noted (see Table 3). In poorer regions the difference between

disposable per capita income and gross per capita income is positive, while in richer regions the results are negative. These data seem to corroborate the assumption that public sector transfers have contributed considerably to reduce regional inequalities (AYALA, 1994).

A recent study confirms the trend that poorer *Comunidades Autónomas* are catching up with richer ones. During the period 1989–95, the regions with higher economic growth were the Canary Islands (8.3%), Andalusia (7.8%) and Galicia (7.1%), as compared with the more sluggish Catalonia (6.5%) and Valencia (6.5%) (BOSCH and CASTELLS, 1997).

Diverse estimates carried out on the evolution of recent regional and individual economic disparities in Spain have confirmed that a reduction of inequalities concerning the per capita family income among *Comunidades Autónomas* has taken place during the 1990s. Further to this, evidence has shown that territorial imbalances account for only around 10% of the personal inequalities and have tended to decrease during the 1980s. Finally, personal redistribution produced by the impact of direct taxation, social contributions and monetary transfers has reduced regional disparities in Spain greatly by between 25% and 34% (MERCADER PRATS, 1997).

FINANCING AND PUBLIC EXPENDITURE

There are two different systems of finance for the Autonomous Communities: the special regime and the common regime.⁷ The first is applied to Navarre and the Basque Country and the second to the rest. The Navarran and Basque communities enjoy a fiscal 'independence' in which they collect their own taxes for personal income, companies and VAT.⁸ The Navarran and Basque executives transfer a previously agreed quota to the central state Treasury. These transfers represent compensation for Spanish common expenditure, and to cover the costs of running those state administrative bodies located in Navarre and the Basque Country. As a consequence, the two *Comunidades Autónomas* under the special regime enjoy a higher degree of autonomous public expenditure. Note that at the end of the 1990s, the per capita public spending of the Basque Country was 1.8 times higher than, for instance, Catalonia. This greater fiscal capacity has provided the Basque Country with better financial manoeuvrability for policy innovation. These financial differences and management capacities enjoyed by the special regime *Comunidades Autónomas* have nevertheless brought about an incentive for the less-developed regional administrations to catch up with those more advanced in new policy design and provision. A 'demonstration effect' regarding the implementation of new regional programmes by the *Comunidades*

Table 1. Self-identification by Comunidades Autónomas, 1990-95 (%)

	Comunidades Autónomas													Total					
	Andalusia	Aragon	Asturias	Balearic Islands	Basque Country	Canary Islands	Cantabria	Castile and Leon	Castille-La Mancha	Catalonia	Extremadura	Galicia	La Rioja	Madrid	Murcia	Navarre	Valencia	No.	%
Only ... ¹	5.6	4.9	11.3	11.9	26.8	21.7	3.4	3.1	2.4	12.5	7.5	15.4	2.9	2.3	3.4	9.7	2.5	5,006	8.9
More ... than Spanish	18.1	12.9	21.2	10.8	19.9	25.6	6.6	8.5	4.4	18.9	14.6	21.1	8.3	6.1	9.7	26.5	8	8,390	14.9
As ... as Spanish	57.5	50.4	45.6	41.2	30.8	34.4	40.9	44.2	41.8	38.9	53.6	47.9	73.5	43.4	54.3	50.8	43.6	26,055	46.2
More Spanish than ...	7.4	6.8	6.5	4.9	6.3	3.5	12.7	10.8	7.6	9.8	8.5	6.8	7.6	7.4	10.5	5.1	10.9	4,689	8.3
Only Spanish	9.4	22.4	12.1	29.9	10	11.2	34.6	30	41.2	16.7	12.8	6.7	5.1	36.2	19.8	5.5	32.5	11,574	20.5
Don't know	2	2.6	3.3	1.3	6.2	3.6	1.8	3.4	2.6	3.2	3.0	2.1	2.4	4.6	2.3	2.4	2.5	686	1.2
Totals	1825	345	310	205	592	382	144	720	464	1703	294	793	75	1305	278	136	1034	56,400	100

Note: 1. Ellipsis = Basque, Catalan, Galician ...

Source: MORENO, 2000.

Table 2. Spanish regional data

Autonomous Communities	% share of Spanish GDP, 1996	% per capita regional GDP European Union mean = 100, 1998	Population, 1998	
			Inhabitants	% total
Andalusia	13.3	58.9	7,236,459	18.2
Aragon	3.4	88.7	1,183,234	3.0
Asturias	2.5	69.5	1,081,834	2.7
Balearic Islands	2.5	125.8	796,483	2.0
Basque Country	6.1	93.4	2,098,628	5.3
Canary Island	3.7	79.4	1,630,015	4.1
Cantabria	1.3	75.7	527,137	1.3
Castille-La Mancha	3.6	65.1	1,716,152	4.3
Castille and Leon	6.1	74.7	2,484,603	6.2
Catalonia	19.4	100.7	6,147,610	15.4
Extremadura	1.9	59.7	1,069,419	2.7
Galicia	5.5	68.7	2,724,544	6.8
La Rioja	0.7	91.5	263,644	0.7
Madrid	16.1	103.0	5,091,336	12.8
Murcia	2.4	65.1	1,115,068	2.8
Navarre	1.6	95.4	530,819	1.3
Valencia	9.6	81.3	4,023,441	10.1
Ceuta and Melilla ¹	0.3	60.3	132,225	0.3
Spain	100.00	81.5	39,852,651	100.0

Note: 1. Spanish North African cities.

Source: Spanish *Instituto Nacional de Estadística* (Census-Register 1998, National Accounts); and FUNDACIÓN BBV, 1999.

Table 3. Gross and disposable regional per capita income relative to national average

Regions	1981			1992		
	Gross income	Disposable income	Disposable - gross	Gross income	Disposable income	Disposable - gross
Andalusia	71.1	80.3	9.2	69.4	81.6	12.2
Aragon	100.8	101.6	0.9	105.8	105.6	-0.2
Asturias	98.4	106.6	8.2	90.1	95.5	5.4
Balearics	121.0	122.3	1.3	125.2	124.4	-0.7
Basque Country	116.9	107.8	-9.1	109.7	99.3	-10.4
Canaries	88.9	90.3	1.4	87.0	90.1	3.2
Cantabria	106.0	100.6	-5.4	99.9	95.3	-4.6
Castille-LM	71.9	78.6	6.7	76.9	87.1	10.2
Castille/Leon	82.5	87.3	4.8	85.7	93.3	7.6
Catalonia	126.9	122.1	-4.8	129.4	122.6	-6.8
Extremadura	63.3	73.6	10.3	60.0	76.4	16.4
Galicia	81.2	89.4	8.2	81.1	93.5	12.4
La Rioja	101.0	101.2	0.2	107.8	113.2	5.5
Madrid	143.2	122.4	-20.8	139.3	109.0	-30.4
Murcia	74.7	82.8	8.2	80.1	91.8	11.7
Navarre	104.6	101.2	-3.4	112.9	107.1	-5.8
Valencia	97.8	101.1	3.3	102.4	108.1	5.8
Ceuta/Melilla	—	—	—	72.8	79.2	6.5
Total	100.0	100.0		100.0	100.0	

Source: AYALA, 1994, p. 162.

Autónomas has induced a 'virtuous circle' for policy innovation in the case of Spain.⁹

Until 1994, the 15 *Comunidades Autónomas* run under the common regime had obtained their main financial resources through the concession and management of certain taxes (judicial acts and municipal taxes, luxury and heritage taxes, inheritance tax and transfers, gambling taxes), from their share of the domestic income of

the whole state, as well as from European funds.¹⁰ After an agreement of the Council for Fiscal and Financial Policy on 7 October 1993, the Communities under the common regime came to receive 15% of the total personal income tax collected in their own territory. Later on, this percentage rose to 30% for the period 1997–2001, although not all the *Comunidades Autónomas* accepted the calculations for the implementation of this

Table 4. Territorial distribution of public expenditure in Spain (%)

	1981 ¹	1984	1987	1990	1992	1997	2001 ²
Central	87.3	75.6	72.6	66.2	63.0	59.5	54
Regional	3.0	12.2	14.6	20.5	23.2	26.9	33
Local	9.7	12.1	12.8	13.3	13.8	13.6	13

Notes: 1. Beginning of the process of devolution.

2. Government's estimates.

Source: Spanish Ministry of Public Administrations.

arrangement. Such a percentage compares to 46% for the states of the US, 34% for the Canadian provinces or 29% for the German *Länder*. It indicates a change of approach in the financing of the *Comunidades Autónomas*.

The impact of the new concessions on the financial resources of the 15 common regime Autonomous Communities will be moderate in the foreseeable future. The political cost for the autonomous executives will be minimal, given that it can be seen as a continuation of taxes previously conceded. Many autonomous governments continue to display 'blame avoidance' practices, and they point to the central administration for their own political failures alleging 'limited' financial resources. Given the fact that many responsibilities in the running of their governmental responsibilities are shared with the central authorities, it is always possible for the *Comunidades Autónomas* to consider the central state a 'scapegoat'. All things considered, percentage changes in public expenditure clearly illustrate the proportions of the devolution of power in Spain. Between 1981 and 1997, central government expenditure dropped from 87% to 59% of the total, and regional spending rose from 3% to 27%. Local spending increased from 10% to 14% (see Table 4).

Although the Autonomous Communities can place surcharges on personal income tax, the Spanish meso-governments have shown reluctance to take this option given its probable unpopularity. One of the consequences of these 'blame avoidance' practices is the great difficulty for many voters to judge and ascribe political responsibility in central, regional or even local spending. It also emphasizes the instrumental role of central government in budgetary distribution, creating more confusion for the electorate and limiting the exercise of financial autonomy by the *Comunidades Autónomas*.

The asymmetrical system of regional financing implies further difficulties for attaining a certain degree of horizontal equalization foreseen in various constitutional clauses. In particular, it raises questions with respect to the general desire for greater fiscal efficiency and inter-territorial solidarity. In September 1994, the President of the Catalan Autonomous Government, Jordi Pujol, graphically complained in the Senate about the burden of inter-territorial solidarity for Catalonia: of every 100 pesetas handed over to the state Treasury, Catalonia got 70 back. The state invested 55,000 pesetas

per capita in Catalonia, while in the 'fast route' regions (e.g. Andalusia, Galicia) investment reached 85,000, and 114,000 in those of the 'slow route' (e.g. Asturias, Murcia).

The financing issue is one of the thorniest for its direct implications in the level of regional self-government in Spain, as well as for the difficulty it entails for the conciliation of the views and interests of the 17 *Comunidades Autónomas*. It seems as if the alternative to a method of fiscal co-responsibility would be one of 'tributary confederation' along the lines of those enjoyed by Navarre and the Basque Country. That is to say, the *Comunidades Autónomas* would collect most of the taxes and would then pay the state previously agreed sums or quotas for the general state budget. This possibility is desirable insofar as it would be clearer for the citizens to assess expenditure responsibilities by mesogovernments of the *Comunidades Autónomas*. However, it would also require greater specification where the principle of solidarity is concerned, in the form of explicit transfer requirements between rich and poor communities. All things considered, asymmetries in the income-raising and the spending capacities of the Spanish *Comunidades Autónomas* could further reinforce the concurrent nature of the Spanish model and thus improve public efficiency in the provision of public goods and services (MORENO, 2001).

INTERGOVERNMENTAL RELATIONS

After 20 years of Spain's process of decentralization, the level of home rule achieved by the *Comunidades Autónomas* is high if compared to other federal-like systems in the world. However, the institutional involvement of the Spanish nationalities and regions in state-wide decision making is somewhat provisional in character. The general political consensus, intergovernmental co-operation and consociational practices in Spain have been left unaided by the institutional liaison mechanisms available. Among the factors that have contributed to these institutional shortcomings, the inadequacy of the Senate as a territorial chamber is surely a major drawback in the functioning of the *Estado de las Autonomías*. However, our attention in this section is focused on the discretion of the Sectoral Conferences.

In the *Conferencias Sectoriales*, high ranked officials and political representatives of both central government and *Comunidades Autónomas* meet to discuss sectoral matters in order to maximize intergovernmental co-operation and to avoid conflicts. In 1982, the first was established: the Council for Fiscal and Financial Policy of the Autonomous Communities (*Consejo de Política Fiscal y Financiera de las Comunidades Autónomas*). By 1989, there already existed 17 forums. Ten years later, 24 sectoral conferences had been set up: agriculture; civilian protection; consumer affairs; culture; drugs; education; environment; European affairs; fiscal and financial policy; fisheries; health; infrastructure; industry and energy; labour; public housing; public personnel; research and development; social affairs; telecommunications; tourism; traffic; transport; universities; and water.

At first, the Autonomous Communities were concerned that the Sectoral Conferences could be transformed into institutional mechanisms controlled by the central administration in order to intervene in areas of power of regional competence.¹¹ Gradually such uneasiness gave way to an increasing mutual trust. However, these Conferences are not institutions for joint decision making.¹² Meetings and contacts are irregular and do not always respond to an already fixed agenda. Co-operation seems to depend a great deal on the personal attitudes of the political officials involved and on the political mood in general.¹³ The exchange of information, nevertheless, is an important element. Some analysts regard them as mechanisms of 'institutional courtesy' (GRAU I CREUS, 2000). Alternatively, Sectoral Conferences are viewed as the shift from a competitive regionalism to co-operative federalism,¹⁴ along the lines of the German model (BÖRZEL, 1999).

THE CONSTITUTIONAL COURT AND THE DELIMITATION OF POWERS

The arbitrating responsibility of the highest Spanish tribunal has been of paramount importance for the subsequent implementation of the *Estado de las Autonomías*. It has among its powers the authority to decide on legal conflicts between the central state and the *Comunidades Autónomas*, or even conflicts among the latter. Let us remember that, according to the 1978 Constitution, there is a need for partisan compromise on the nomination of candidates to the Constitutional Court. This circumstance has provided the *Tribunal Constitucional* with a great deal of authority and independence. Based on this legitimacy, central and regional governments have appealed to the Court, and have accepted their judgements subsequently, when the option of a bilateral political negotiation was not possible. On many occasions the challenge to a national or regional piece of legislation has served the purpose of 'gaining time' in order for further political negotiations between the parties involved. This significantly explains

why the number of contested laws by either central or regional governments has decreased sharply in recent times.

In 1993 the number of challenges submitted to the Constitutional Court were only 12 as compared to the 131 in 1985. The level of constitutional conflict over competencies has been high in comparison to other European countries (i.e. about 960 challenges in the period 1981–97). However these figures are somewhat misleading if we take into account the particular characteristics of the process of decentralization in Spain, namely the inductive manner in which powers have gradually been allocated among the three-tier system of government. The undisputed institution enjoying the highest inter-party agreement for the solving of conflicts has precisely been the *Tribunal Constitucional*.

On the more technical issue of the *ultra vires*, or legislation passed beyond the scope of the responsibilities in each level of government, the *Tribunal Constitucional* has carried out a crucial function in the gradual delimitation of powers. Challenges to laws, decree laws and legislative decrees, either by the Spanish or the regional parliaments, have been judged by the Court in a manner that confirms the federalizing trend toward the 'sharing of rule' between central and regional levels (AGRANOFF and RAMOS GALLARÍN, 1997).

CONCLUDING REMARKS

The territorialization of politics in Spain has manifested itself in the proliferation of regionally-based parties (PALLARÉS *et al.*, 1997).¹⁵ Internal asymmetries in Spain have also expressed themselves in a wide and varied mosaic of political parties. This is not a hindrance for parties with country-wide aspirations. But even political organizations receiving state-wide public support have structured themselves in line with the federal texture of Spain. This aspect brings about a further element of 'pork barrel politics'¹⁶ to a system where the territorial dimension has become decisive.

After 20 years of the implementation of the first Statutes of Autonomy (Basque Country and Catalonia in 1979), the process of decentralization of power has consolidated and has achieved a higher degree of popular support. At the turn of the millennium, the tendency towards decentralization has sifted into the consciousness of most Spaniards. The socialization and internalization of value related to the territorial structuring of the *Estado de las Autonomías* has deepened as compared to the beginning of the process.

In 1996, the assessment of the setting-up of the *Comunidades Autónomas* was judged 'positive' by two-thirds of Spaniards (see Table 5). Other figures are also very significant: (1) in 1996, 3% of Spaniards were in favour of a state without *Comunidades Autónomas*, as compared to 9% in 1994; (2) in the same period, the support for the same type of State of Autonomies grew from 31% to 47%; (3) there was an increase of support

Table 5. Assessment of the setting-up of the Spanish *Comunidades Autónomas* (%)

	October 1994	March 1996
Positive	51	67
Negative	19	13
Neither positive nor negative	11	8
'Don't knows'	10	16

Source: Spanish *Centro de Investigaciones Sociológicas* (CIS, *Opinion Data*, No. 5)

Table 6. Preferences for the territorial organization of Spain (%)

	1984	1990	1996
Central government without <i>Comunidades Autónomas</i>	9	7	3
<i>Comunidades Autónomas</i> as at present	31	41	47
<i>Comunidades Autónomas</i> with more home rule	20	19	22
<i>Comunidades Autónomas</i> with possibility of secession	10	7	7
'Don't knows'	19	16	11

Source: Spanish *Centro de Investigaciones Sociológicas* (CIS, *Opinion Data*, No. 5)

for the maintenance of the Autonomous Communities with a higher degree of home rule (from 20% to 22%) (see Table 6). This data further legitimates continued political decentralization.

The decentralization process now needs to adapt to new forms of intergovernmental relations, especially at the level of institutional collaboration.¹⁷ The articulation of institutional relations involving shared powers and responsibilities lies at the very base of the federalizing relations of Spain.

The *Estado de las Autonomías* has, to a large extent, transcended patterns of internal confrontation in Spain. The deep and widespread process of decentralization can be regarded as one of progressive federalization in line with the asymmetrical nature of Spain's composition. It serves the purpose of accommodating a secular diversity within the unity of a state member of the European Union.

The pillars of civic culture in Spain appear at present to consolidate the tendency towards agreement and for the toleration of dissent. The legacy of past civil confrontations is still considerable. Besides, the effects of political violence in the Basque Country continue to be the negative referent in the generally peaceful cohabitation of the Spanish territories and peoples. An expression of the modernizing character of home rule demands by the *Comunidades Autónomas* is their European vocation, which is symptomatic of a general desire to leave behind the long stagnation of the Franco era, and to develop a new form of *cosmopolitan localism* (MORENO, 1999). This is in line with the increasing role of the meso life which, in turn, is the result of a

reassertion of territorial identities and the implementation of the principles of subsidiarity and democratic accountability in the process of Europeanization.

NOTES

1. Castilian, or Spanish as it is usually referred to elsewhere, is the official language of the Kingdom of Spain. Approximately a quarter of the Spanish total population of 40 million is bilingual. Their vernacular languages are also official in their respective territories: Catalan (spoken by 4.2 million in Catalonia; 2.1 million in Valencia; 0.2 million in the Balearic Islands; and 0.05 million in Aragon); Basque (0.7 million in the Basque Country; and 0.05 million in Navarre); Galician (2.3 million). Other official languages, as declared in their regional Statutes of Autonomy, are Bable (spoken by 0.4 million in Asturias) and Aranese (0.004 in Catalonia). (Data collected from SANMARTÍ ROSET, 1997, p. 67.) There are also a number of dialects of the aforementioned languages widely spoken in other regions (Andalusia, Canary Islands, Extremadura, Murcia).
2. The traditional political and economic non-congruence in Spain has been translated into a permanent rivalry between centre and periphery (GINER and MORENO, 1990). Historically, this dichotomy has been reflected in two main alternative models of state organization: centralist-authoritarian and federalist-democratic. On the types of economic and political non-congruence, see GOUREVITCH, 1979.
3. Spain would reach the EU mean level of 100% by the year 2025 if the annual 'catching-up' percentage of 0.8% is maintained.
4. Historical nationalities are the Basque Country, Catalonia and Galicia. The remaining regions are Andalusia, Aragon, Asturias, Balearic Islands, Canary Islands, Cantabria, Castille-La Mancha, Castille and Leon, Extremadura, La Rioja, Madrid, Murcia, Navarre and Valencia. The North African cities of Ceuta and Melilla have also been chartered status as self-governed territories.
5. The question put to them in successive surveys has been as follows: 'In general, would you say that you feel ... 1. Only Basque, Catalan, Galicia, etc.; 2. More Basque, Catalan, Galician, etc., than Spanish; 3. As much Basque, Catalan, Galician, etc. as Spanish; 4. More Spanish than Basque, Catalan, Galician, etc.; 5. Only Spanish; 6. Don't know; 7. No answer'. For a study on the case of Catalonia, see MORENO *et al.*, 1998.
6. The aggregate percentages of those with a degree of dual identity were 61% as compared to 28% of those declaring a single or exclusive self-identification (i.e. 'only Basque' or 'only Spanish'). Note that, among PNV voters, the most voted nationalist party in the Basque Country, a third of the respondents declared to be 'only Basque', the same amount of those who identify themselves 'as Basque as Spanish' (*El País*, 7 May 2001).
7. The Canary Islands have some fiscal prerogatives inherited from the past, and due to their location far away from the Peninsula.
8. At the end of 1996 an agreement between the Basque Nationalist Party and the Popular Party established that the Basque fiscal authorities could also collect the so-

- called 'special taxes' (on petrol, tobacco and spirits). Soon after, the President of the *Generalitat*, Jordi Pujol, also claimed for Catalonia the power not only to collect but also to legislate for such 'special taxes'. On 23 November 1998 Pujol made proposals for the *Generalitat* to collect all taxes in Catalonia after the year 2002, as is the case of the Basque and Navarran regional governments.
9. The Family Minimum Income Programme provides an illustration of this. This was introduced in the Basque Country in March 1998 to combat poverty and situations of social exclusion, and constituted a precedent in the subsequent programmes of guaranteed minimum income benefits implemented in all 17 *Comunidades Autónomas*. Although showing a degree of diversity in policy design and coverage, schemes of 'minimum income' developed by the Spanish regions aim at combining cash benefits with policies of social insertion (employment promotion and vocational training schemes, primarily) (MORENO and ARRIBA, 1999).
 10. In 1995, the Autonomous Communities managed 10% of the monies transferred from the European Cohesion Funds received for infrastructure and transport, and 40% of those for the environment.
 11. Once the dominant actor of the system, now the role of the central administration has become that of a 'middleman' or broker within a highly decentralized state (BAÑÓN and TAMAYO, 1977).
 12. Multilateral Agreements (*Convenios*) are somehow a euphemism to describe joint decision by more than one *Comunidad Autónoma* with the central government. For example, out of the 424 Agreements signed in 1994, 145 were signed bilaterally only by a single Autonomous Community and the central government. Of the remaining 279 *Convenios*, 237 were bilateral adhesions of other *Comunidades* to a pre-existing *Convenio*. As a matter of fact, only 11 were multilateral Agreements *in sensu strictu* signed by the 15 Autonomous Communities of the fiscal 'common regime' (Basque Country and Navarre excluded).
 13. Further to the *Convenios*, the *Juntas de Cooperación* (bilateral commissions) are another instrument of intergovernmental relations in Spain. They serve as informal platforms for sorting out conflicts over powers, for the discussion of *Convenios* and, primarily, for the exchange of information. Yet again, they cannot be regarded as joint decision mechanisms.
 14. This would be the result of the Europeanization of policy issues. Certainly, multilateral intergovernmental co-operation in Spain is more effective when European issues, as opposed to domestic ones, are involved.
 15. After the 1999 regional elections, the political map of the Spanish *Estado de las Autonomías* was substantially modified. A higher degree of heterogeneity in the composition of the three-tier system of government was further introduced. At the meso-level, the PP controlled nine *Comunidades Autónomas*, in coalition with regional forces in two of them (Canary Islands and Navarre). Six other Communities had PSOE governments in coalition with other parties, mainly nationalist or regionalist (Andalusia, Aragon, Balearic Islands). Finally, a coalition of nationalists (PNV and EA) governed the Basque Country, and CiU formed a government with the support of the PP.
 16. This expression should not be understood only as a mere illustration of the practices of politicians and government officials to dip for 'pork', or funds for regional and local projects, from the national Treasury. It also implies the support from regional parties sought by national parties to stay in power at the central state.
 17. According to 1990 data, most Spaniards considered that relations between autonomous governments and central government should be 'collaborative' (80.7%), and involving 'shared responsibilities' (50.2%) – see GARCÍA FERRANDO *et al.*, 1994, p. 113.

REFERENCES

- AGRANOFF R. and RAMOS GALLARÍN J. A. (1997) Toward federal democracy in Spain: an examination of intergovernmental relations, *Publius: J. Federalism* 27(4), 1–38.
- AYALA L. (1994) Social needs, inequality and the welfare state in Spain: trends and prospects, *J. Europ. Social Policy* 4(3), 159–79.
- BAÑÓN R. and TAMAYO M. (1997) The transformation of the central administration in Spanish intergovernmental relations, *Publius: J. Federalism* 27(4), 85–114.
- BÖRZEL T. A. (1999) The domestic impact of Europe: institutional adaptation in Germany and Spain, Ph.D. thesis, European University Institute, Florence.
- BOSCH N. and CASTELLS A. (1997) La reforma del sistema de financiación autonómico: implicaciones financieras, in *Informe Pi i Sunyer sobre Comunidades Autónomas 1995–1996*. Fundació Carles Pi i Sunyer d'Estudis Autonòmics i Locals, Barcelona.
- CENTRO DE INVESTIGACIONES SOCIOLOGICAS (CIS) (various dates) *Opinion Data*. CIS, Madrid.
- FUNDACIÓN BBV (1999) *Estudio de la Renta en España*. Fundación BBV, Bilbao.
- GARCÍA FERRANDO M., LÓPEZ-ARANGUREN E. and BELTRÁN M. (1994) *La Conciencia Nacional y Regional en la España de las Autonomías*. Centro de Investigaciones Sociológicas, Madrid.
- GINER S. and MORENO L. (1990) Centro y periferia: la dimensión étnica de la sociedad española, in GINER S. (Ed) *España: Sociedad y Política*, pp. 169–97. Espasa-Calpe, Madrid.
- GOUREVITCH P. A. (1979) The re-emergence of 'peripheral nationalisms': some comparative speculations of the spatial distributions of political leadership and economic growth, *Comparative Studies in Sociol. & Hist.* 21, 303–22.
- GRAU I CREUS M. (2000) Spain: the incomplete federalism, in WACHENDORFER-SCHMIDT U. (Ed) *Federalism and Political Performance*. Routledge, London.
- MINISTERIO DE ADMINISTRACIONES PÚBLICAS (MAP) (1997) *Estudio Sobre Reparto del Gasto Público en 1997 entre los Distintos Niveles de la Administración*. MAP, Madrid.

- MERCADER PRATS M. (1997) Sobre la desigualdad territorial y personal en España y su evolución reciente, *Hacienda Pública Española*, nos. 141/142, pp. 351–64.
- MORENO L. (1997) Federalization and ethnoterritorial concurrence in Spain, *Publius: J. Federalism* 27(4), 65–84.
- MORENO L. (1999) Local and global: mesogovernments and territorial identities, *Nationalism & Ethnic Politics* 6(3&4), 61–75.
- MORENO L. (2001) *The Federalization of Spain*. Frank Cass, London.
- MORENO L. and ARRIBA A. (1999) Welfare and decentralization, EUI Working Paper EUI No. 99/8, European University Institute, Florence.
- MORENO L., ARRIBA A. and SERRANO A. (1998) Multiple identities in decentralized Spain: the case of Catalonia, *Reg. & Fed. Studies* 8(3), 65–88.
- PALLARÉS F, MONTERO J. R. and LLERA F. J. (1997) Non state-wide parties in Spain: an attitudinal study of nationalism and regionalism, *Publius: J. Federalism* 27(4), 135–69.
- SANMARTÍ ROSET J. M. (1997) *Las Políticas Lingüísticas y Las Lenguas Minoritarias en el Proceso de Construcción de Europa*. Instituto Vasco de Administración Pública, Vitoria-Gasteiz.