

Chapter 9

SPAIN

Spain: Transition by Transaction

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Spain's checkered political history has given rise to the notion of "Spanish exceptionalism," a concept often associated with an allegedly structural inability to develop stable democratic institutions. But this concept obscures the fact that Spain's political development was not unlike that of many other European states. Admittedly, the 19th and early 20th centuries saw considerable turmoil, including severe dynastic disputes, frequent military uprisings, and extreme social and political polarization. The parliamentary monarchy established in 1874 presided over several decades of stability and prosperity, though its efforts at democratization were finally cut short by a bloodless military coup in 1923. The ensuing Primo de Rivera dictatorship failed to solve major deep-rooted problems and collapsed without resistance. It was replaced by the Second Republic (1931-36), Spain's first attempt at democracy, which was plagued by chronic cabinet instability, party-system fragmentation, and ideological polarization. It also promised far-reaching socioeconomic reforms that it failed to deliver. Nevertheless, the Second Republic did not succumb of its own accord; it was violently overthrown by an only partially successful military coup led by General Francisco Franco, which plunged Spain into a bloody three-year-long civil war (1936-39) that claimed some 400,000 lives.

The Franco Regime

Following the defeat of the Republican armies in April 1939, Franco established a political regime that was authoritarian, extremely confessional, halfheartedly corporatist, deeply conservative, and Spanish nationalist. Franco exercised supreme authority as head of state, commander in chief (*Generalísimo*) of the armed forces, and head of the artificial single party he had created by decree in 1937. This organization, which later came to be known as the Movement, gradually lost much of its early influence, to the extent that Franco's political system has been described as a no-party state. The Catholic Church, whose leaders saw the civil war as a "crusade" against Marxists and

atheists, was initially among Franco's staunchest allies and was rewarded for its support in 1953 with a generous Concordat. In the wake of the Second Vatican Council, however, the Church gradually distanced itself from the regime. Abroad, Franco's major ally was the United States, which offered considerable military and economic assistance in return for access to Spanish bases as of 1953. Because of both its association with the Axis powers in World War II and its authoritarianism, the Franco regime was initially excluded from the European integration process, though the European Community finally granted it a preferential trade agreement in 1970.

Franco's regime constitutes a rare example of limited institutionalization combined with relatively elaborate constitutionalization. Although its institutions never really acquired a life of their own, its constitutional provisions were taken seriously, and some would play a crucial role during the transition. Most importantly, the 1947 Law of Succession declared Spain to be a kingdom, with Franco as regent for life with the power to name his successor. (This provision allowed him to appoint Juan Carlos his successor in 1969.) Similarly, although the 1958 Law of Fundamental Principles declared these to be "permanent and immutable," the Law of Succession stated that all fundamental laws could be reformed so long as they met the approval of two-thirds of the Cortes (Parliament) and were later put to a referendum, a clause that was put to good use during the transition.

In spite of its conservatism, the regime proved compatible with significant social and economic change. Much of this took place after the Stabilization Plan (1959) was adopted in response to the failure of the regime's former autarchic economic policy. Over the next decade and a half, Spain experienced unprecedented economic growth (averaging 7.3% per year during 1960–73), with gross domestic product (GDP) per capita rising from \$300 to \$3,260. Between 1950 and 1975, the share of the labor force engaged in agriculture declined from 48% to 22%, while that employed in industry and the service sector rose to 38% and 40%, respectively. These changes produced a significant expansion of the middle class, which grew from 14% to 43% of the population. Spaniards also became better educated: adult illiteracy rates, still at 44% in 1930, had dropped to 5% by 1975.

By the 1970s, Spain was a modern, urbanized, relatively prosperous society, with a political culture substantially different from that of the 1930s. This transformation fed a growing demand for democracy: between 1966 and 1976, support for democratic institutions rose from 35% to 78%. Attitudes favorable to democracy were particularly strong among the working class, which largely turned its back on revolutionary ideologies. Modernization did not make the advent of democracy a foregone conclusion, however; economic growth may have delayed it by making the regime more acceptable to an increasingly prosperous population.

These changes also had a significant impact on the role and nature of the state and its relationship with the regime. As economic modernization progressed, the state administration became increasingly professional and meritocratic—as well as predominantly apolitical—which largely explains why it did not later oppose democratization. Similarly, although military officers initially occupied important positions in the state bureaucracy, by the early 1970s they had been displaced from all but the military ministries. As a result of these trends, there was no need for a purge of the bureaucracy during the transition, nor was there a need to extricate the military from the political arena.

These far-reaching changes had complex political consequences, most of which were unintended by the regime. The rapid expansion of university education led to the emergence of a new student movement that was predominantly hostile to Franco. Rapid industrialization favored the emergence of a new, increasingly self-confident labor movement, led by Comisiones Obreras (Workers' Commissions), which were outlawed in 1967. Though theoretically illegal, the number of strikes increased sharply, from 500 in 1969 to 3,156 in 1975; some were accompanied by significant police brutality, resulting in 11 deaths in 1969–74. In Catalonia and the Basque Country, the arrival of hundreds of thousands of immigrants from poorer parts of Spain and unprecedented economic prosperity combined to foster a renewed interest in their autochthonous languages and cultures, often with the active support of the local Catholic clergy. This revival also partly explains the radicalization of the university students who founded ETA (Euskadi Ta Askatasuna, or Basque Homeland and Freedom) in the late 1950s, which soon became a sophisticated urban terrorist organization that claimed 45 victims in 1960–75.

The regime's twilight years also witnessed a significant increase in opposition activity. The largest and best-organized group was the Communist Party of Spain (PCE), which was particularly strong in the labor and student movements as well as in the new neighborhood associations that had emerged in the 1960s. The PCE had been advocating a policy of national reconciliation since 1956, and in 1970 it formally embraced the goal of a multiclass "pact for freedom." When such a pact finally materialized in 1974 as the Junta Democrática, however, it fell far short of the intended goal of uniting the entire democratic opposition. The Spanish Socialist Workers' Party (PSOE), which rapidly overcame its former insignificance after Felipe González's election as party leader in October 1974, deeply resented the PCE's efforts to dominate the Spanish left, just as its sister trade union, the Unión General de Trabajadores (UGT), was suspicious of Communist influence in the Comisiones Obreras. González did not share the PCE's faith in a *ruptura democrática* (democratic break), a process in which large-scale popular mobilizations would somehow result in the peaceful overthrow of the regime and its replacement by a representative provisional government that would call elections to a Constituent Assembly.

Instead, he favored a gradualist approach, resulting in the conquest of *parcelas de libertad* (plots of freedom). González's refusal to join the Junta Democrática and his decision to sponsor an alternative Plataforma de Convergencia Democrática in mid-1975 turned out to be crucial in guaranteeing the PSOE's autonomy during the transition.

The immediate crisis of the Franco regime was due to a number of factors. The economic boom of the 1960s came to an end with the 1973 oil crisis, resulting in "stagflation" and growing social unrest. The assassination of Franco's alter ego, Admiral Luis Carrero Blanco, in December 1973, only six months after his appointment as prime minister, raised fresh doubts about the regime's continuity. In January 1974, Carrero Blanco was succeeded by Carlos Arias Navarro, who presented a modest blueprint for liberalization (*apertura*), but this only deepened the growing rift between hard-liners, who believed the regime's continuity should be guaranteed by an authoritarian monarchy under Juan Carlos, and soft-liners, who assumed the future monarch would need to bring Spain's political system in line with those of its European neighbors. Although it was the product of colonial wars that Franco had largely avoided, many Spaniards regarded the collapse of the Portuguese dictatorship in April 1974 as an indication of what might happen unless significant reforms were implemented immediately. Finally, in September 1975, the execution of five anti-regime militants (as a result of the draconian antiterrorist legislation introduced after Carrero Blanco's assassination) led to an unprecedented international outcry. But it was ultimately Franco's death on November 20, 1975, that triggered the transition process.

The Transition to Democracy

Spain's democratizing process is a paradigmatic case of a "transition through transaction," characterized by the following features: the (paradoxical) use of the former regime's institutions and constitutional procedures to initiate the democratization process; negotiations between soft-liners in the outgoing authoritarian regime and representatives of major opposition groups; the inclusion of representatives of all key political forces in the decision-making process; and private face-to-face deliberations at crucial stages involving a relatively small number of participants. Some have argued that relatively low levels of popular mobilization also characterize transitions through transaction, but the Spanish experience suggests they are compatible with relatively high levels of pressure "from below" if political actors are willing and able to modulate this in response to concessions made "from above." Some also claim that transitions through transaction can only succeed in the absence of political violence, but Spain experienced 460 deaths from political violence in 1975–80; it was partly the fear that this violence might derail the transition process that encouraged political elites to negotiate in the first place.

Spain's relatively brief transition to democracy was launched from above, but it accelerated in response to mounting pressure from below. It was essentially driven by domestic actors, though the European Community—and some of its member states, notably Germany—actively supported democratization (through its parties, trade unions, and political foundations). Its origins largely reflect the political dilemmas facing King Juan Carlos, who needed to acquire a new democratic legitimacy for the monarchy in order to guarantee both his survival as head of state and the continuity of his dynasty. (The fate of his brother-in-law Constantine, who had lost the Greek throne in 1967, offered a salutary warning.) The monarchy that Juan Carlos inherited in 1975 was not the institution embodied by his grandfather Alfonso XIII until 1931, but rather an entirely artificial, authoritarian monarchy designed to perpetuate the regime. Juan Carlos did not inherit Franco's powers, however: the Organic Law of the State (1967) had designed a monarchy in which the combined authority of the prime minister and the president of the Cortes, who shared effective control over the political system, severely curtailed the king's role. Paradoxically, this meant that from the outset the king had a vested interest in a constitutional reform that would free him from the tutelage of unelected officials.

In the first stage of the transition, Prime Minister Carlos Arias Navarro, who increasingly identified with the regime's hard-liners, advanced a blueprint for limited reform that would have led to the election of a semi-democratic Cortes and the legalization of some parties (such as the PSOE) but not others (above all, the PCE). An increasingly active opposition, mass mobilizations (which sometimes resulted in the loss of life), new media outlets, and the European Parliament rejected this plan outright. Nevertheless, it was also during this period that González began to appear regularly in public, and the UGT was able to hold its first public gathering since the civil war in April 1976.

The king's decision to replace Arias Navarro in July 1976 with Adolfo Suárez, a 44-year-old apparatchik of the former regime known for his ambition and audacity, was a crucial turning point. Suárez quickly produced a Law for Political Reform that called for the election of a two-chamber Cortes by universal suffrage: a Congress of Deputies elected according to principles of proportional representation and a majoritarian Senate. In keeping with the procedure envisaged by the Francoist fundamental laws, the bill was first approved by the existing Cortes in November by 425 votes in favor and 59 against. In December, it was ratified by a referendum that registered a 77% turnout (with 94% of votes in favor) in spite of the opposition's decision to abstain on the grounds that it had been excluded from the entire process. Secret talks between Suárez and González, however, enabled the PSOE to hold its party congress immediately after the referendum, paving the way for its legalization in February 1977.

The referendum considerably strengthened Suárez's hand; it was only after it that he engaged in formal talks with the opposition's Committee of Nine, including González. The talks centered on the seven conditions the opposition

demand be met if it was to take part in future elections, which included the legalization of all political parties and trade unions, the political neutrality of public employees, a generous amnesty, the negotiation of an electoral law, and the acknowledgment of regional political identities. As González has acknowledged, these did not constitute formal negotiations; rather, Suárez listened to the opposition's demands and skillfully translated them into legislation. Most importantly, the talks led to the legalization of the Communist Party in April 1977, whose exclusion would have rendered the process illegitimate in the eyes of many Spaniards. This paved the way for the first democratic elections, held in June 1977, which in turn produced the ideal outcome: the high turnout (79%) confirmed their legitimacy, and the strong showing by Suárez's Unión de Centro Democrático (UCD), which obtained 34% of the vote and 165 out of 350 seats, allowed him to remain in office. At the same time, the PSOE emerged as the leading opposition party with 29% of the vote and 118 seats, well ahead of the PCE, which obtained a mere 9% of the vote and 20 seats.

The final stage of the transition consisted of a series of agreements involving all the major political actors. The first of these were the Moncloa Pacts signed in October 1977, which sought to restore growth to an ailing economy and curb inflation by means of far-reaching structural reforms and negotiated wage restraint. In return for the latter, the pacts introduced a new system of direct income tax, which would largely finance the spectacular growth of Spain's health and education systems in the 1980s. Another major initiative requiring a broad political consensus was the Amnesty Law, which benefited all those tried for political crimes committed against the Franco regime prior to the 1977 elections, including ETA terrorists who had been convicted of murder. It also guaranteed that former servants of the regime would not be investigated or prosecuted for human rights violations they might have committed in the past, thereby ruling out the possibility of purging the armed forces, the police, or the judiciary. This law has come under growing criticism in recent years, but at the time it was the major leftwing parties that advocated it most enthusiastically.

By far the most important product of this consensus was the new democratic constitution adopted after 16 months of negotiations between the representatives of all parliamentary parties, which was put to a referendum in December 1978. The debates that dominated the constituent process centered on the same issues that had plagued the Second Republic, but on this occasion they were dealt with far more pragmatically. The Socialists initially put forward an amendment that would have made Spain a republic, but once it was defeated by the other major parties (including the PCE, which had agreed to recognize King Juan Carlos in return for its legalization), they quickly endorsed the new parliamentary monarchy. The constitution disestablished the Catholic Church while at the same time acknowledging the right of all children to receive religious instruction in public schools and the state's obliga-

tion to support religious schools. In its treatment of economic issues, the new text balanced the preferences of the right against those of the left. It explicitly acknowledged the market economy and protected private property and inheritance rights against unlawful confiscation, but also contained guarantees of the right to strike and commitments to provide a broad range of social services, including social security, health, education, disability and unemployment benefits, and the promise of a more egalitarian distribution of income. The constitution also included provisions regulating the devolution of powers from the central government to the autonomous communities, paving the way for the development of Spain's future semifederal State of Autonomies. Although these efforts proved sufficient to accommodate Catalan nationalists, they failed to satisfy their Basque counterparts.

Consolidating a New Democracy: The Role of Felipe González

Felipe González contributed more to the consolidation of democracy than to the transition process itself, mainly by preparing his party for office. After narrowly losing to Suárez in the second parliamentary elections, held in March 1979, the PSOE took control of several major cities in local elections in April. In May, González's authority as party leader was unexpectedly challenged following his decision to remove explicit references to Marxism from the PSOE's program, leading him to resign in protest. In September, however, he was reelected secretary general on the understanding that he would be free to run the party in a manner that would broaden its electoral appeal.

Some of González's efforts to undermine the UCD government may have had negative consequences for Spain's political stability overall. In early 1980, for example, the PSOE challenged Suárez by demanding that Andalusia be allowed to attain the same level of autonomy as that recently granted to Catalonia and the Basque Country, effectively triggering the extension of devolution to all regions. González was also relentless in his criticism of Suárez's handling of the recession resulting from the 1979 world oil crisis, and of his failure to curb ETA terrorism. In May 1980, he even tabled a motion of no confidence in Parliament, despite knowing that it would fail.

In the wake of Suárez's resignation and the attempted coup of February 1981, González agreed to support his successor, Leopoldo Calvo Sotelo, in an effort to restore stability. Most significantly, in July 1982, the PSOE endorsed a major law that sought to impose limits on the regional devolution process, though important sections of this law were later declared unconstitutional. In spite of the government's growing weakness, however, González vigorously opposed its decision to apply for NATO membership, a highly controversial decision approved by Parliament in October 1981. Additionally, the Socialists accelerated the disintegration of the ruling party by offering jobs under a future PSOE government to some of its more leftwing leaders.

González truly came into his own upon becoming prime minister after his landslide victory in October 1982. Once in office, his first priority was democratic consolidation, though he also sought to advance his reformist social democratic program. His immediate challenge was to bring the military fully under civilian control; the defense law of 1984 gave him greater powers over the armed forces, and the military code introduced in 1985 limited its jurisdiction to the military sphere. González was also reasonably successful in his dealings with the Catholic Church, even though both his education reforms and the legalization of abortion in 1985 were controversial. Most importantly, his government undertook a major overhaul of Spain's economy, which required slimming down (and subsequently privatizing) much of its highly inefficient heavy industry and liberalizing the banking sector. This process was both demanded and facilitated by the prospect of membership in the European Community, a goal finally realized in January 1986, which was probably his greatest achievement. Reforms paved the way for a period of unprecedented growth (1986–91), which also made possible the rapid expansion of Spain's fledgling welfare state, though the severe 1992–94 recession raised doubts about its viability.

Other aspects of González's legacy were less positive. He unexpectedly reversed his initial support for withdrawal from NATO, convening and winning the March 1986 referendum confirming Spain's membership, a decision that unnecessarily traumatized society. And in spite of having condemned illegal antiterrorist activity under UCD, in 1983–87, his government condoned a "dirty war" against ETA, which failed to curb it and seriously undermined the rule of law. In institutional terms, the PSOE's decadelong absolute majority in Parliament (1982–93) provided much-needed stability but also resulted in the politicization of the judiciary and state-owned media, which had negative long-term consequences for Spanish democracy. The absence of adequate checks and balances largely accounts for the numerous corruption scandals that, combined with the economic downturn of 1992–94, finally resulted in González's defeat in the 1996 elections.

Spain's transition to democracy has come under increasingly critical scrutiny in recent years and is routinely blamed by some for many of Spain's (real or imagined) ills, including its difficulties in dealing with the past, the failure of its allegedly semifederal system, and growing public disaffection with its political system. Much of this criticism is both unfair and misleading, however; it assumes that the transition settlement was cast in stone, and that subsequent generations of Spaniards remained frozen in time.