

GOVERNABILITY AND THE SCALE
OF GOVERNANCE:
MESOGOVERNMENTS IN SPAIN

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(I.) MESOGOVERNMENTS AND THE GOVERNABILITY OF LIBERAL AND CAPITALIST SOCIETIES

Any government needs to justify itself in the eyes of the people under its domain. In order to do this it makes an appeal to various sources of legitimacy. Max Weber concentrated his attention on three of these: faith in personal (or institutional) charisma; adherence to tradition; and acceptance of legal forms (1). But apart from coercion and the sources mentioned by Weber, there is another reason for obedience, instrumental consent to authority by reason of its success in resolving certain basic problems of society. In the long term, society will only agree to the authority of politicians if this capacity is present. In other words, modern social consent implies contract; obedience is given in exchange for successful leadership.

This theory applies more particularly to liberal and capitalist societies. In these societies, consent to authority on the condition that it shows itself capable of solving (or reducing) certain basic problems is the explicit regulating principle of the relationship between civil society and the political class. Periodically, society chooses from among competing segments of this class, and hands over power to one or the other, on the

condition that it is efficient (or less inefficient) in what it does. If this condition is not fulfilled, power is withdrawn and handed over to the opposition.

In recent times, however, the capacity of not just one section or another of the political class, but of the political class as a whole, and, by implication, the political regime itself, to solve the problems of modern societies has been called into question: there has been talk of a "crisis of governability" or of a "trend toward ungovernability" in many countries (2).

It would seem that the liberal societies were governable during the 1950's and 1960's (3), but since then, the situation has apparently worsened substantially. Between the Vietnam war and the Watergate affair, the United States lived through a period of turbulence and confusion. Europe suffered intense distributive conflicts, youth rebellions, the resurgence of various peripheral nationalist movements and certain spectacular explosions, like those occurring in May 1968 in France, or the Autunno Caldo in Italy in 1969, which seemed to be redolent of a crisis in society itself. This is the historical context in which the literature of governability in political science first appeared (4).

As a starting point let us accept that the advanced liberal capitalist societies of today face a problem of governability, the solution to which depends on the capacity of their governments to solve certain basic problems. Among these are defence

and territorial integrity *vis-à-vis* other countries, law and order, economic growth and social integration. In many of these countries an attempt has been made to make the agent of the solution to these problems not just the government in its widest sense (including the executive and legislative powers) but also what we shall call intermediate governments, or mesogovernments. There have been attempts to improve governability by delegating extensive authority to these intermediate governments. I use the term intermediate governments, or mesogovernments (from the Greek root mesos, middle) to denote institutionalised sets of positions of authority (and their corresponding administrative structures) in associations of domination (a) whose authority is backed-up and reinforced by that of the central state (b) whose activity is directed towards satisfying the interests and social identities of sub-national groups which are functionally or territorially differentiated (c) where these groups are of a scale (size, scope and intensity) which is "medium", as opposed to the "large" scale of macro governance at the state or national level, and to the "small" scale of local or sectional microgovernance.

I shall focus my discussion on two types of mesogovernments: those which are territorially defined, and those which are of a functional-economical nature (5). According to my definition, the authority of these mesogovernments is reinforced by that of the state; their social bases are territorially differentiated populations or functionally defined economic classes (such as employers and workers), whose interests and identities they try to

defend. These mesogovernments may adopt many and varied organizational forms. Territorial mesogovernments can be grouped into federated states as in Germany; autonomous governments as in Spain; or regional governments as in Italy. Various types of economic mesogovernments can be lumped together under the title of "neocorporatism", a term which describes a system of intermediation of interests, and of a participation in the definition and execution of economic policy of the state (6).

The processes of formation of intermediate governments. The role of the political class.

I do not believe that we can get very far in discussing the reasons for the appearance of intermediate governments by attributing them to the needs or requirements of capitalism, the modern state or to any other entity of this type. This forces us to fall into the fallacy of abstraction, by attributing purposes, aspirations or needs to these institutional complexes or by reifying such great historical tendencies as progress, democratisation, bureaucratisation, organisational revolution, etc. (7). This is not to imply that these institutions and trends are irrelevant, but they may best be used (cum grano salis) to identify the context or situation within which specific historical agents may be found and motivated to act. Mesogovernments must be understood as the result of the actions, many of them deliberate, of these real protagonists who naturally are neither omniscient nor omnicompetent, nor always able to avoid the undesirable consequences of their behaviour. Such agents do not

operate within the framework of an ideal empty space, but within a circumscribed historical space, an accumulation of trajectories and a legacy of possibilities and constraints.

Thus, I consider these intermediate governments to be instruments designed by specific human agencies for the purpose of solving certain problems. More specifically, these mesogovernments are an institutional construction of the "political class" which controls the government (or state) with the cooperation of certain social elites, and the support, to a greater or lesser degree, of the people.

If the concept of the state refers to the whole collection of the roles of authority and administrative functions within an association of domination that has the monopoly of the legitimate use of force, then the expression "political class" refers to the set of individuals who occupy these roles (the incumbents) plus the set of individuals who make it their business (vocation, profession) to oppose or ally with these incumbents, in the more or less remote expectation of being able to succeed them in their posts (8). The political class is composed of (a) professional politicians, usually organised into political parties (b) administrative bodies, including both civil servants (in the widest sense, encompassing employees in the public sector or who are dependent on public funds) and the officers of political parties and organisations; and (c) the military and, where applicable, members of party militias. It is well to restrict the use of

the term to the civilian political class, as will be done in succeeding pages.

This political class may be divided for analytical convenience into two sections: incumbents (and their allies), and their adversaries. This division can be of a greater or a lesser degree, reflecting in differing ways divisions in the social strata which support one or the other segment. In liberal societies, the political division is normally softened by a fundamental pact (generally implicit) whereby one of these segments occupies the state and governs on condition that it guarantees the functioning of certain rules of the game which would make possible its eventual replacement by the other segment in the next elections. To this may be added other factors which contribute to bringing the political adversaries closer together. These are the result of their frequent interaction, and the fact that their socialization processes are similar, which generates a certain code of conduct among politicians as well as certain ways of looking at things, and their own language and style, which distinguish them from the rest of society. It is also a product of their common interest in demonstrating that they control the state in such a way that it will not fall into the hands of such historical competitors as the clergy, the military, the squirearchy, extremists of one type or another, etc. This common interest in occupying (in turns) the state and government of civil society is probably the decisive factor in the configuration of the democratic political class. In fact, "governing society" has a double meaning: on the one hand, it

means trying to solve the problems of the country (as we have said, this is one of the keys to the justification and legitimisation of the state and of the political class); on the other, it means dominating civil society: exercising, preserving and extending the power of domination.

The arrangement which exists within the political class is not enough to make orderly government possible. The consent of society is also needed. Society is internally structured and differentiated by region and class. The social groups may be more or less organised and themselves ruled, with a greater or lesser degree of firmness, by regional or socio-economic elites. The dilemma of the central political class at the national or state level, when faced with these elites is as follows. It may reduce, ignore or eliminate them (or back some of them in order to reduce the others), running the risk that resistance might rupture the linkage of consent between society and the political class. Or it may respect them and their autonomy, running the risk that the power of these sub-national elites would then limit the power of central authorities. Therefore the political class has to choose between two basic strategies: either to submit these social powers to its authority, or to associate these powers with its authority. Choosing the second option may involve the development of a system of mesogovernments.

The political class will more probably tend to opt for a strategy of constructing mesogovernments, the more it is relatively weak with regard to the problems of social integration and economic

crisis it faces and the more it must deal with regional or socioeconomic elites who already have de facto veto powers, but who nonetheless are prepared to compromise. The strategy may also depend on the cultural (moral and technical) resources available to persuade the people of the desirability and technical feasibility of intermediate governments, and the generic support (or, at least, the acquiescence) of an important sector of that population for any formula that looked capable of reducing the level of conflict among the competing elites significantly. The relative weakness of a political class may be the result of its internal division into several parts, none of which would be able to impose itself on the rest. The formula of "consociational democracy" applied in Holland or Switzerland, for example, has come about through scenarios of this nature (9). In turn, this experience has facilitated the subsequent appearance of corporatist formulas (10). Weakness might also be due to the fact that the political class does not enjoy the loyalty of the bureaucratic system and/or of the armed forces, or that it does not have the support of "grass roots" parties as is usually the case during a transition towards democracy such as Spain has experienced in the past decade. Weakness might be rooted in the precarious nature of the political regime resulting from war, defeat and/or occupation by an enemy as happened in Germany and Austria after the Second World War. It may even stem from the fact that the party which has predominated historically does not have sufficient resources to impose its will upon major social forces in civil life, as has been the case with the Scandinavian social-democrats for a long time, and which has forced them to

accept an equilibrium of sorts with business associations, trade unions and the bourgeois parties.

But whatever its causes, the point is that such weakness is relative to the intensity of the problems to be solved and to the nature of the system of alliances and conflicts among politicians, business groups, unions and regional elites. The political class may be confronted with extraordinarily serious problems of social integration and/or economic crisis. If, during the 1930's, the corporatist arrangements which would subsequently be developed after the second World War were sketched out, the stimulus in many countries was the twofold crisis of a very high level of unemployment and of extremist threats to social stability from the Fascist right and the Communist left (11).

Throughout the post-war period, these corporatist arrangements have been developing pari passu with the pressure of inflation and distributive conflicts. It has been argued that the extraordinary vulnerability of some countries in the context of the world market makes them more prone to this kind of arrangement: danger from the outside calls into question the capacity of the government to control the situation and moves actors towards social dialogue. Countries like Sweden, Norway, Holland and Switzerland, for example, have reacted to their economic dependence with semicorporatist arrangements for quite a long. This has made it possible for Sweden to have a policy which is directed towards exportation, whereas in Austria the same kind of arrangement has been connected with a more protectionist policy

(12). The recent extreme fluctuations in the energy market also seem to be impelling some nations towards semicorporatist policies.

For the response to these problems to take the specific form of mesogovernments, it is necessary that the political class should be able to avail itself of social elites which have the capacity and will to share in the burden of governance. In the case of corporatist arrangements, this seems to require the presence of business and trade-union organisations with a wide array of resources. It is usually argued that this in turn requires unions with high membership figures and centralised structures (13), as may be the case with northern and central European unions. On the contrary, British trade unions do not have the capacity to control local disputes. The French and Italian unions (up to the 1970s) had low membership figures. However, it may be possible to make up for the absence of these enabling resources with a strategic capacity for vetoing public decisions, which can occur when the lack of union membership is compensated by a high degree of union influence at a difficult moment in the process, as happened in Spain during the transition from authoritarian rule. In the case of territorial mesogovernments, the importance of the factor of timing and momentary influence is even more evident. Territorial reforms by the state are unlikely to happen in the absence of powerful peripheral nationalisms (14). An ethnical, national or regional potential (15) is not enough. It must be articulated through an energetic political organisation.

The construction of mesogovernments also depends on whether or not certain cultural resources exist. It is difficult, not to say impossible, to construct a stable system of corporatism without a minimal ideological basis of interclass national solidarity, or without any confidence that agreements will be honoured or that actors wish to cooperate (16). It is difficult for funcionarios who have been educated in "the cult of the state" and who on principle distrust social groups, to agree to share public responsibility with them. Nor is it easy for a "statist" political party to agree to delegate part of its powers once it is in office. The difficulties of neo corporatism in France have been due precisely to these attitudes: the deep-rootedness of the ideology of the class-struggle in leaders and militants of certain unions, and the "statism" of the political class (17).

But ultimately, in a liberal state, the agreement to construct a system of mesogovernments requires the support (or the acquiescence) of the people. This might come about because the people trust their social or political leaders and their organisations, give them loyalty and even become attached to certain charismatic personalities. Or the people may share a feeling of threat or a sense of the seriousness of a given situation, and therefore adopt a feeling of solidarity. This may involve solidarity against external competition, (which has characterized Sweden and other countries), or solidarity against political involution (which has characterized several countries during their transition toward democracy). These dispositions may be reinforced by

the memory of a dramatic historical event which has brought about values of solidarity and compromise. Such an event might be failure in an overseas war, forced submission to a foreign invader, resistance to foreign domination, or civil war. In some cases, corporatist agreements have been tried out before, in times of war, in the midst of an emotional climate of national unity, or "sacred union". In many European countries, the experience of the Nazi invasion favoured understandings in the postwar period within the political class and among the social elites. In countries like Spain and Austria, the memory of a civil war fomented the search for a compromise some ten, or even forty years later.

Problematical effects of the mesogovernments.

However, one cannot deduce from the fact that the mesogovernments might be constructed in order to solve certain problems of governability, that their real effect will be precisely this. The earliest neocorporatists took for granted that such arrangements comprised instruments for the control of contemporary society which therefore improved its governability. Philippe Schmitter, apart from ascribing the emergence of corporatism to the requirements of advanced capitalism (18), attempted a partial empirical test of the hypothesis concerning the greater governability of corporatist societies. He maintained, in fact, that corporatism correlated negatively with at least one of the multiple dimensions of ungovernability which he called unruliness. To this end he constructed an indicator which combined figures relating

to collective protest, violence or civil war and industrial conflict (19) and found a significant relationship for the period 1960-1974. However, the question is still a long way from being resolved.

In the literature on neocorporatism, several analysts have insisted on its functionality with regard to capitalism. It has frequently been associated with economic policies of a Keynesian or social-democratic bent, to which (at least until the 1960s) part of the credit for the growth in Western economies was ascribed. For some, arguing from different political or ideological positions, this was proof of its bias in favour of the interests of the capitalist class (20). Both factions supposed that neocorporatism, since it rested on a standing agreement between government, unions and employers, would improve the efficiency of economic policy which, in turn, would consolidate or save the capitalist system. The disputants all seemed to lose sight of the possibility that the policy of government, unions and employers might be principally directed towards obtaining immediate benefits, without its necessarily conveying middle or long term benefits to the system as a whole.

A recent criticism in this sense has been formulated by Mancur Olson. He has argued that, in general, the development of organised interest groups results in interference with the functioning of the market and of the state, to the disadvantage of both (21). Such operations may function within the framework of a "pluralist" system of many and varied groups, or within a "corporatist" system

with a few coordinated protagonists, but in both cases, the typical tendency is that of influencing policy and diverting resources in the direction of particular, regional or sectoral interests. This should interfere with the objective of satisfying the public good (for example, promoting economic growth or curbing inflation).

Colin Crouch has argued against this (22), saying that Olson accepts the possible existence of what he calls "all-encompassing organizations" which, because of their size or scope, are in such a position that they would internalise the general consequences of their conduct. For example, they would feel the effects of inflation on the acquisitive power of salaries, or of the fall in the investment rate on the level of unemployment. In that case according to Crouch Olson should accept the possibility of organizations acting responsibly and, as a consequence, of their having favourable effects on the economy (23). However, one might reply that these all-encompassing organisations might produce two types of policy: they could either adopt responsible policies directed towards the public good, or redefine the public good in such a way that in fact they could be giving priority to the attainment of selective benefits for themselves and for the social bases closest to them at the expense of present consumers, taxpayers, the unemployed and even future employers and workers.

Perhaps in order to avoid the second possibility, Crouch suggests that the organizations be situated "in the public eye" (24) which

would make them more sensitive to the wishes of the nation and to its economic needs. But what is a suitable public forum in this sense? Is it not a space which is dominated by the initiative and presence of the political class and (perhaps to a lesser degree) those same organized interests? Unless we are willing to attribute to the political class the status of a "universal class" in the way Hegel did (25), there is no guarantee that being in the public eye will prevent politicians, bureaucrats and socio-economic leaders from directing themselves towards the objective of improving their chances in the next elections (whether they are general political elections, or specialized associational ones) and thereby pandering to the immediate interests of their corresponding electoral bases. This can be done at the expense of the "functionally non-privileged groups" (26), whose electoral weight and presence in that public eye is less. To the degree to which this possibility is effectively carried out, neo corporatism tends to produce a dual society, with an extensive set of interests protected through the respective agreements of mesogovernments and another set of interests which are not protected. Thus, there can be no opposition, as Goldthorpe supposed (27), between corporatism and dualism. Under certain conditions, they are complementary phenomena.

Regional and socio-economic elites are also interested in reinforcing their domination over their organisations and their social bases, at the same time that the state is interested in the effectiveness of whatever agreements they might reach with those elites, which requires that the leaders of organizations

be capable of persuading or compelling their own bases to comply. This discipline is presented as the sine qua non for strong corporatism. If this is the case, then the scenario of social dualism (or segmentation) may be combined with another negative combination in which, as a consequence of these social agreements and the setting-up of their respective mesogovernments, the area of social action unregulated by the public authorities would diminish, at the same time as the degree of discipline and submission of individuals to the political and economic authorities would increase. The area of the market and, in general, the scope of independence for individuals (i.e. the liberal component of Western democracy) would thereby be reduced to a minimum. If neocorporatist agreements produce an economy which is not very efficient and a dualistic and submissive civil society, then the contribution of mesogovernment to the governability of modern liberal democracy and capitalism will, in the long term, be negative regardless of its short- or medium-term benefits as regards orderliness.

Analogous doubts may be cast on the effects of regional mesogovernments. Federalism (or one of its variations) might improve the efficiency and the efficacy of the political and administrative organisms of a country. Or, on the contrary, it might reduce both, blocking the decision-making processes, as has at times been shown in one of the countries it has operated in with initial success: West Germany. It might contribute to the social integration in certain regions, satisfying legitimate aspirations for a degree of self-government. On the other hand, regional

elites may exacerbate inter-regional conflict all the more, as well as popular mistrust of the central government.

Without prejudging the question, I just wish to alert the reader to the problematical nature of the effects of the mesogovernments, and, therefore, of the need to analyse the content and special circumstances involved in such experiments with the scale of authority, interest and identity.

Spain is especially relevant to the general discussion for three reasons. Firstly, in recent years Spain has been a laboratory for experiments in mesogovernance, both territorial and economic. A "State of Autonomies" was established during the transition between regimes, and economic and social policy has depended on a series of social contracts or pacts between the state and interest associations almost without interruption from 1977 to the present.

Secondly, Spain belongs to the group of liberal countries of advanced capitalism in Western Europe. It might be rather low in the rankings but it is definitely within this group. In fact, by the nature and complexity of its economy, Spain has belonged to this group since the end of the 1960s or the beginning of the 1970s, By that time her economy was already tenth in the industrial ranking of the non-communist countries, and its income levels were three or four years away from those of Italy, for example. Because of the level of education, and of the cultural orientation of its people, Spain has long belonged to Europe's

cultural space. And since the fall of Franco, its systems of industrial relationships and political competition have become similar to others in Europe, and have been operating successfully in this respect for over ten years.

Thirdly, the fact that the experiments with mesogovernments have taken place within the framework of a transition towards democracy makes Spain a special case. Certain characteristics of the formation process and certain general problems of the effects of the mesogovernments may be observed with greater clarity and intensity. Transition in regime type increases the risk of ungovernability, and the vulnerability of the political class. Regional elites and interest associations emerge from the long, previous authoritarian period with very poor organisational resources, at the very moment that the fragility of the situation increases their strategic power. In these circumstances, greater than normal importance attaches to the sentiments of the people sentiments which neither the natural political class nor the regional elites, nor the social powers know or can determine.

Therefore historical memory, especially of the civil war and of the almost forty years of ensuing authoritarian regime which has been decisive in the formation of these sentiments, acquires particular salience.

(II.) THE REGIONAL MESOGOVERNMENTS AND THE SYSTEM OR REGIONAL AUTONOMIES IN SPAIN

The formation of regional mesogovernments.

The national integration of Spain is a problem which has not been satisfactorily solved for the last two hundred years. At the time of the Hapsburgs, Spain was a correlate of the monarchy: a collection of people and institutions set up under the authority of the King of Spain. It was not just a political unity: these peoples felt that they were united by Catholicism and certain common economic interests, that they were involved in an ever growing process of communication with each other, and that they were becoming increasingly different from their neighbours, France and Portugal. The process of political and administrative unification, occasionally punctuated by the force of arms, was spurred on in a rather sporadic fashion by the Hapsburg dynasty and then, more systematically by the Bourbons. By the end of the 18th century, these efforts seem to have been successful. During the grave political and social crisis occasioned by the Peninsular Wars of 1808-14, there were no attempts to take advantage of the circumstances in Catalonia or in the Basque Country. However, the dramatic hundred years which began during the 1830s with the First Carlist War and culminated in the 1930s with the Civil War, bear witness to the explosive nature of a complex national problem, and to the confrontation between the various nationalist movements.

This confrontation was the result of the combination of a strong "ethnic potential" in Catalonia and the Basque Country, and the incongruity between the distribution of economic and political power between these two regions and the central region (28). This encouraged the development of peripheral nationalist movements, characterized by exclusive nationalism, that is, based on a definition of a nation not simply as a differentiated community (united by feelings of belonging to a group, based on history, language or race), but as the community substratum of an independent state. Spanish nationalism aimed at the integration of Basques and Catalans, denying them their nationalistic sentiments. Basque and Catalan nationalism in turn, aimed at acquiring a monopoly of political authority over that territory they considered their own. In particular, this meant control over a resident Spanish emigrant community which had grown in size since the beginning of the century and which had to be assimilated, subjected or expelled. The definition of all these types of nationalisms as exclusive and incompatible with each other, of nations as being incomplete without their own state, and the will of the national community to assimilate the peoples living in their territory: this was the basic repertory of beliefs and attitudes of Spain's nationalisms of the 19th century (and continues to be in the 20th).

Despite the fact that the Spanish market and the Spanish state, Spanish society and Spanish culture, in other words Spain itself, had become, as the century wore on, a more and more complex reality with a greater density of internal interaction, and that

many Catalans and Basques had made their sentiments of belonging to Catalonia or the Basque Country compatible with those of belonging to Spain, exclusive nationalist movements became more stronger during the years of the Second Republic (1931-6) ending in the Civil War. After it, the victors imposed their own solution of an exacerbated Spanish nationalism, denying the validity of any kind of peripheral nationalism or, at least, trying to deny it.

The impact of Francoism on the problem of national integration was, as in so many other things, contradictory. On the one hand, it substantially reduced the incongruity between the distribution of political and economic power, thanks to the industrial development of the centre of the country and above all of Madrid (and some other enclaves in the Spanish hinterland). On the other hand, in the crucial terrain of sentiments, the results of its actions went contrary to its intentions. In the long term, Francoism reinforced Catalan and Basque nationalist sentiments, and weakened Spanish nationalist sentiment.

The repression of nationalist culture and feelings in the 1940s (not to mention autonomous political institutions) in the Basque Country and Catalonia left behind an aftertaste of injustice and indignation. From the 1950s and 1960s, there was less repression, which was obtained with the encouragement of the Church and intellectuals. In these regions, the offer of compensation for political and cultural subordination by means of economic privileges was never accepted. This "deal", implicitly offered by

the Franco regime, was rejected by the people. They enjoyed the economic advantages, but refused to place these in the balance of any other obligations. Indeed, one of the more typical effects of economic development, the massive influx of migrants, increased nationalistic preoccupations.

The peripheral nationalist movements saw the eclipse of Francoism as a double opportunity: (1) to achieve democracy for Spain as a whole, and at the same time (and above all) (2) to satisfy their aspiration for the assertion of their nationalism and self-governance. Both expectations mutually reinforced each other. The central (as opposed to the peripheral) political class which emerged during the transition read the situation in a different way. Their position was ambivalent and, therefore indecisive. This Spanish political class was unable to oppose a substantial proportion of the nationalists¹ aspirations for a number of reasons, some of which were of a moral or emotional nature. Among them was the internalisation of a sense of historic guilt because of the repression of claims which they themselves considered to be legitimate. It was also the reflection of a loss of their conviction in Spanish nationalism, which was one of the paradoxical consequences of the "Nationalist" Franco regime.

The grandiose yet superficial interpretation Francoism made of Spanish history associated the country with an empire, Catholic unity, and a unitarian and authoritarian state. The importance of Spain in Europe, however, had been lost long ago for at least three hundred years. The delusions of a new empire faded with

the defeat of the Nazis and Fascism at the end of the Second World War. Dreams of moral and cultural leadership in Latin America continued to be just talk. Pretensions to Catholic unity ended up by being discreetly discarded by the Church itself. In this way Francoism exhausted the whole gamut of standard nationalist topics and emotions. The concept of Spain had become contaminated by its association with ideas of grandiloquent and vacuous imperialism, forced Catholicism, and centralised and authoritarian unitarism. The effect of all this was to inhibit Spaniards, not only of the Left but also of the Centre and even of the Right, from asserting their nationalistic sentiments during the early years of the transition. Many of them felt uncomfortable with the term "Spain" and systematically went out of their way to avoid using it. In the middle of the grave epidemic of "state-worship" which spread throughout the country in those years, they replaced the social reality with the term "Spanish State".

The willingness of the central political class to yield to the claims of the nationalists had, however, two important limitations: a suspicion that the ulterior motive of the nationalists was to reduce central governance to a minimum; and, above all, fear of the willingness and capacity of the armed forces to intervene because of the nationalist question.

The Spanish armed forces, whatever their feelings and innermost thoughts might have been (two of which were loyalty to the Crown and a conviction that Francoism without Franco was not viable),

had shown that they were prepared to accept the transition towards democracy as long as certain basic conditions were observed. These were the exact opposite of the conditions which, in their opinion, had brought about the collapse of the Second Republic, led the country to civil war, and justified the subsequent military reaction. Official declarations (or silence) apart, the Spanish armed forces have always believed (and still believe), in the legitimacy of their actions in the 1930s. They have justified them (and they continue to justify them) on grounds of the need to prevent the disintegration of the country through class-struggle, moral breakdown (partly as the result of the persecution of religious feelings and of the Catholic Church), and nationalist separatist movements. Being very much aware of these three things (as well as defenders of their own corporate autonomy), the armed forces have observed that two of these dangers were very muted during the transition. Economic and social conflicts, much less serious than in the 1930s, were channelled through social contracts; Church and state reached an understanding, assisted by the internal transformation of the Church during the 1960s. However, military attention continued to be focused on the problem of nationalist separatist movements firmly linked to the problem of terrorism (all the more since terrorism has principally and directly attacked the police and the armed forces). Moreover, the capacity of the armed forces to intervene remained intact during these years. The armed forces very quickly imposed, discreetly but firmly, the condition on political parties that they exclude political propaganda from the barracks. They also de facto ruled out any kind of civilian

control over the way in which they recruited and trained their personnel, demanding and obtaining considerable corporate autonomy. They have remained united by eliminating factions (like the HMD, Democratic Military Union) right from the start in swift and radical fashion (29), and by neutralising attempts to create conflicts between "democratic" and "Francoist" military personnel or between different generations of officers. In military headquarters, there has developed among officers of all ranks an acute awareness of political problems, especially regional and nationalist, whose voice has made itself felt in more or less continuous fashion, and through more or less informal channels in both the nation and the political class.

The transition began with a majority of Spaniards having tepid nationalist sentiments tempered by a certain sense of guilt. There were nationalist minorities with very strong feelings, who were in the majority (at least relatively) in their own territories. The armed forces - united, disciplined and alert - followed the course of events, suppressing their deep and growing indignation at what they considered to be the lukewarm attitudes of the Spanish nationalists, and the excesses of peripheral nationalists. In this context, the central political class began, indecisively, to take the first few steps.

The three stages in the process of the formation of the autonomous communities.

The process of the formation of the Spanish system of regional autonomies can be broken down into three phases. The first dates from the beginning of the Suárez government (June 1976) to the approval of the Constitution (December 1978). Suárez began his government by giving preferential treatment to the regional question. He concentrated on "Operation Taradellas", i.e. the return of the historical leader of the Generalitat of Catalonia, as a test-case and key to future development. He avoided making pacts with political parties, and reached an agreement directly with Taradellas on the restoration of the Generalitat, making Taradellas himself President. Suárez and Taradellas insisted on the priority of the establishment of a political relationship of mutual trust and recognition of the identity and right to self-government of Catalonia, as well as its integration within Spain. But in Catalonia there was no terrorism. Suárez could not find a similar leader among the Basque nationalists. Moreover, the PNV (Nationalist Basque Party) had to give prime importance to the problem of political prisoners, including terrorists, which Suárez had delayed on account of pressure from the armed forces, and because he believed that those released would subsequently return to terrorist activities. This delay further inflamed the differences.

Half-way through 1977, Suárez initiated the "pre-autonomies", by attributing a presumed desire for self-government to all the

regions of Spain. The decision was backed by the political class as a whole. The reasons for it were varied and complex. The national political class understood that it could easily create and manipulate regional political classes. Thus by establishing a general system, it was thought that the seriousness of the Basque and Catalan problems could be reduced. By placing them within the framework of a whole set of regional claims, the political class sought to set against the Basque and Catalan claims, not just the centralism of Madrid, but also the equally legitimate claims of the other regions. The regional political classes could be converted, apparently, into appendages, or electoral agents for the Madrid parties, they thought.

The Commission for drafting the Constitution, without any representative from the Basque nationalists, inserted section VIII into the Constitution covering regional autonomies in a way which was consistent with the experience of the "pre-autonomies". It went much further than the Italian Constitution in the direction of a regional state, and sketched out a system which was de facto federal (30). The projected law included a reference to the Spanish "nation" together with other "nationalities" (Article 2 of the Constitution) and allowed for unlimited delegation of the powers of the central state (Article 150.2). In fact, Section VIII of the Constitution was a compromise which postponed the problem of the effective transfer of powers to the autonomous communities, leaving this to the outcome of a kind of later political negotiation (31).

The Constitution was passed by Parliament and by the nation by the end of 1978. General euphoria was tempered by two circumstances. First, the PNV abstained from voting in favour. The Basque nationalists wanted a mention of certain "historical rights" existing prior to the Constitution. This would have left the door open for subsequent negotiation with a view to obtaining the so-called "right to self-determination", which was in principle denied by the Constitution itself. The PNV would only accept this later, when the mention that they wanted was taken up in the Basque Statute of December 1979 (in the Additional Ordinances). Meanwhile, ETA terrorism, responsible for approximately fifteen deaths a year during the last two years of Francoism (1974 and 1975: 35 people) and in the first two years of the transition (1976 and 1977: 27 people), was intensified in 1978, and 64 people were killed, with the consequent (and growing) unease of the armed forces.

The second phase went from the approval of the Constitution to the attempted coup d'etat in 1981. During this period, two parallel processes took place. There was the process of discussing and passing of the Basque and Catalan statutes in 1979 (they were eventually passed in December of that year). Suárez was confronted with certain projected statutes which had been drawn up by nationalists (the Statutes of Guernica and Sau) which reduced central government to an absolute minimum (and even restricted freedom of action in foreign policy). Suárez did not possess a majority in Parliament, and the Socialists were in favour of these statutes. Given the circumstances, Suárez and the nationalists reached a consensus, the

main contents of which was an extremely broad declaration of exclusive powers for the autonomous governments, with the sole cautionary introduction of an ambiguous clause: "without prejudice to the powers which, with a similar exclusiveness, the Constitution grants to the central state for the same matters". The two adversaries thus achieved a double Pyrrhic victory, leaving it for the future (and the Constitutional Court) to decide who the real victor was (32).

In the light of what was, in fact, a government strategy to bring about a minimum of consensus and governability by means of ambiguities and limited concessions to the nationalists, a second process was initiated parallel to the first in the rest of the country, namely the activation of regionalist sentiments in the other regions. These were encouraged for two reasons. First, there was the suspicion that discriminatory treatment in favour of the Basques and Catalans would redound unfavourably upon the rest. There could be many types of distributive conflicts between regions involving taxes, investment, energy, natural resources, etc. Mistrust was all the greater inasmuch as many of these regions, especially in the south, regarded Catalonia and the Basque Country as two regions which had dominated Spanish economy for at least a century. For many, e.g. Andalusians, the economic development of Catalonia or the Basque Country was based on their own underdevelopment and on the exploitation of their migrants. Second, to this motive of correcting economic imbalance was added another: a claim for equality of status. It was "unacceptable" that one region should achieve the status

Of full autonomy (the "historical nationalities"), while another received only partial autonomy, or that some should reach autonomy quickly, while others obtained it slowly and with difficulty (as Articles 143 and 151 of the Constitution suggested).

A series of incidents, blunders and political manoeuvres made the autonomy of Andalusia a test-case for this double injustice, regarding both the economy and the status ordering. The government called a referendum in Andalusia and its proposal of a lesser degree of autonomy for the region was rejected in February 1980 by the whole of the Andalusian people. The problem was aggravated by party rhetoric, a tendency of the media to dramatise conflicts, and the desire of local political figures to grab a share of the limelight. Offences to the prestige and the status of the region were magnified before public opinion. The formula proposed by the government seemed to imply a distinction between one rapid form of full autonomy, suitable for developed regions like Catalonia and the Basque Country, and a formula for a limited, slow autonomy, supposedly characteristic of underdeveloped regions with less status. Presented with the problem in these terms, the Andalusians felt the urgent necessity of asserting themselves as full equals of the Basques and Catalans. A sudden Andalusian national consciousness was generated.

Throughout 1980, this phenomenon of prestige competition for "national" status was repeated all over the country. Intense nationalist or regionalist sentiments were diffused everywhere. It is difficult to say up to what point they were the genuine

feelings of the masses, (33) or projections of the regional political classes upon their cultural environment. The degree of mobilisation was not equal in every case. The voting to pass the statutes, and the national and regional elections in turn showed the limitations of the phenomenon. Nevertheless, in 1980 it filled the front pages of the newspapers and caught the imagination of the politicians.

The process had disconcerting effects on the political class. The PSOE (Spanish Workers Socialist Party), which had just come out of a serious internal crisis for ideological (the debate about Marxism), and organisational reasons (the debate about organised factions), and which had led to the resignation of Felipe González for several months as Secretary General, saw the opportunity to make its political comeback. The Center Party UCD (Unión de Centro Democrático) crumbled. This was in part due to the fact that this was the moment chosen by several of the political families which composed it to engage in various internal battles, some about programmes and others about the distribution of power. The personal leadership of Suárez, harshly attacked by PSOE, was called into question by his own party.

The political crisis was aggravated by terrorism: 1979 and 1980, with 181 deaths, were critical years for terrorist assassinations. They were also the years in which the problem of the governability of the Basque Country got worse. In fact, in some areas of the province of Guipúzcoa (and in part of Vizcaya), the apparatus of the state almost disappeared de facto; judges were intimidated, police were

confined to urban ghettos, and those parties of the centre and right which represented Spanish nationalism, disappeared. The "revolutionary taxes" imposed by the terrorists affected both professional people and businessmen, quite a number of whom left. All this reinforced the effects of an industrial crisis which was very serious and focused on a region with a predominance of basic industries incapable of resisting world competition. The unemployment rate in the Basque Country was soon higher than that of Spain as a whole. A part of the region's youth was placed at an equidistant point between apathy and sympathy with terrorist subversion. Terrorism seemed to receive the support of 15% of the votes of the region, which, when abstentions are counted, represented 10% of the electoral register. This was the historical background against which, halfway through 1980, the first indecisive attempts were made by the central political class to reform the devolution process (34). More importantly, military restlessness grew, culminating in an attempted military coup in February 1981.

The third phase began with that coup. This was an enormous trauma of which it is necessary to recall some of the more significant details. The coup began at 6.25 p.m. on February 23, 1981. Lieutenant Colonel Tejero assaulted the Cortes (parliamentary building) and held the entire government and Parliament to ransom. The political class reacted as a whole with extreme moderation. There were no calls for a general mobilisation and there were no spontaneous mobilisations. The nation gathered in front of its radio and television sets. The drama was acted out by the King and the

army. Apparently, the King made it quite clear that he would neither accept the situation nor abdicate. The rebels would have to shoot him. The opposite example of his grandfather, Alfonso XIII, and his brother-in-law, Costantine of Greece, probably served as a decisive reminder. Their acceptance of a military coup led to the disappearance of the Monarchy in their respective countries for a very long time. The King appeared on television at 1:24 in the morning of the 24th, approximately seven hours after the initiation of the coup, and made it clear that he had the army's support. The incident ended peacefully in a matter of hours. One plausible hypothesis is that during those seven very long hours, a complicated process of discussion between the Crown and the armed forces had taken place. In the end, the armed forces put an end to the coup, emphasising that they were doing this out of loyalty to the Crown and to its orders. The implicit exchange was clear: the armed forces had sent its unequivocal message to the political class that they would exact a moral commitment from it to give priority to the unity and territorial integrity of Spain (35). In exchange for the suppression of the coup, the army pressured the political class into adopting a clear, explicit and consistent policy towards the regional problem. Also, it implied the slowing down of the transfer of powers to the autonomous regions, the reduction of nationalist rhetoric with separatist overtones, and the imposition of a legislative framework which would safeguard the powers of central government.

A new climate quickly developed within the political class. The definite fixing of the map of the regional communities was accomplished. A new law was drafted, based on the agreement (April 1981) between UCD and PSOE, the so-called LOAPA (Organic Law for the Harmonization of the Autonomic Process).

Though Basques and Catalans challenged it and the constitutional Court later declared it unconstitutional in August 1983, the law provided a model for the content of a series of regional statutes drawn up and passed in the following years. Furthermore, a substantial part of the content declared unconstitutional in by the court had in fact been accepted by the same tribunal since 1981, since rulings about conflicts of powers have set certain important precedents in favour of the prevalence of central over regional norms. Finally, a provisional understanding on the transfer of economic resources was worked out between the central government and the regional ones.

The result of this laborious and dramatic process was a set of pacts between the central government and the different regional political elites. On behalf of the central political class, not only did the UCD and the PSOE take part in these negotiations, but also parties to the right and to the left of them. These pacts were invested with the moral authority of other institutions of the political system, such as the Crown and the Constitutional Court, and they have been backed by the people in successive referenda. They are enshrined in Section VIII of the 1978 Constitution, in the Catalan and Basque statutes of 1979, and in the remaining Statutes of the

different regions or peripheral nationalities which have been passed since then. To this set of norms of a general nature should be added those institutions which assure an orderly framework for a process of permanent negotiation about the effective transfer of services from the central to the regional administration.

The functioning and effects of the system of regional mesogovernments.

Effects on national integration and the widening of the political sphere.

The national political class and the regional political classes have jointly established, by means of these "pacts of autonomy" a system of articulation between central and regional governments. This presupposes a compromise over certain contents and certain rules for interpreting the pacts, negotiating their boundaries, and settling conflicts. How has this system begun to work, and what have been its principal effects during its brief existence? With this explicit caveat, let us consider just some of the immediate effects: those on national integration; on certain aspects of the relationship between the state and civil society, and on social integration within some of the communities (37).

It seems, on balance, that the regional pacts have reinforced the degree of national integration. They have managed to

incorporate into the political system almost all the regional movements and the greater part of the peripheral nationalist movements. Catalan nationalism is inside the system, with all (or nearly all) this implies. One indication that this is the case is the active role played by Catalans in Spanish politics on the Left, as well as on the Center and the Right,

The Basque PNV, while still keeping to the fringes, has manifested a half-hearted willingness to cooperate with the central government pact, as shown by the limited "legislative pact" between the Basque President of the autonomous government, Ardanza, and the Basque branch of the PSOE. The PNV's "semiloyalty" to the system appears in the repeated mention by its party members and officials of the need for an eventual renegotiation of the statute in terms of those "historical rights" which were supposed to have been acquired prior to and independently of the Constitution (the abstract or formal recognition of which has been granted in the Statute itself). Many Basque nationalists hope this recognition will one day open the doors to the acknowledgement of a supposed right of national self-determination. Figuratively, this is expressed in their reluctance to use the symbols of Spanish unity: the flag or even the name of Spain (which does not appear at all in the Basque Statute). Even so, the presence of the PNV on the fringes, but nevertheless within the political system, is significant for the time being. Only an extreme section of Basque nationalism supports terrorist activities (about 10% of the electoral register) and remains unequivocally outside the system.

In general, the political system of the regional autonomies has been able to absorb and channel a considerable (if unequal) volume of social pressure and unrest. Social mobilisation has been continuous and substantial in Catalonia and the Basque Country. At times, demonstrations of hundreds of thousands of people have supported specific regionalist symbols or policies. They were frequent and fervent in Andalucia on the occasion of the referendum in 1980. They have been less continuous and important, though still relatively numerous in the other regions where they have been frequently confined to declarations by intellectuals and diverse associations.

Critics of the system argue that it has generated, or at least encouraged social pressure without absorbing the consequences. But the fact remains that referenda have shown the people to be overwhelmingly in favour of these autonomies in every region. Nevertheless, the percentage of those abstaining from voting has been very high. Once more it is necessary to distinguish between regions. In the Basque Country and in Catalonia the desire for autonomy cannot be questioned. It has been clearly expressed in regional elections throughout the period. Regionalist parties, the CIU (Convergence and Union, a Catalan Centre Right Nationalist Coalition) and the PNV, respectively, obtained a consistent plurality of the vote. In 1984, the CIU had 46% (followed by the Socialists with 30%) and the PNV 41% (followed by the Socialists, with 23%) (39). In the rest of the regions, local feelings may have been obvious, but the will for self-government was much less so. In the third "historic nationalist" movement, in Galicia, the degree of abstention was as

high as 73% in the referenda that passed the initial Statute. In the subsequent regional elections in 1981 the entire range of Galician nationalist and seminationalist parties obtained around 12% of the vote. In the other regions, an abstention level of 40% was normal when the enabling statutes were passed, and no party whose main identification was nationalist or regionalist obtained more than 7.5% of the vote.

The system has been successful in absorbing intense regional feelings and a high propensity to mobilisation in Catalonia, but not in the Basque Country. It has provided a channel for more moderate feelings and for lesser activism in other regions. This relatively positive result has been achieved by running risks and paying costs that must be taken into account. The costs were, in the first place, uncertainty. The policy of granting autonomy has constructed an unstable system, with a high degree of indeterminism. The constitutional texts and the Statutes have made of the distribution of power between central and regional governments an area of permanent political negotiation.

Given that any revision of the constitution is very unlikely in the short- or medium-term, that its interpretation by legislative means is impossible (as illustrated by the relative failure of the LOAPA), and that any reforms to the Statutes would be quite difficult to decide on since they would require qualified majorities and popular referenda, disagreements between central government and the regional governments, especially where the two are not controlled by the same

party, can lead to institutional conflicts and to claims of unconstitutionality before the Constitutional Court. The rulings of this Tribunal have fulfilled the function of compensating for deficiencies in the pacts themselves. And though the content of these rulings has been favourable at times to the arguments of the central government, asserting the prevalence of the state norm in cases of dispute (40), the ruling against the Central government in the case of the LOAPA has balanced and reinforced its image and moral authority over the differing sides. However, its decision to declare unconstitutional part of the LOAPA has placed upon its own shoulders the task of settling a growing number of conflicts between governing powers. For example, by late 1985, twenty-six claims by the Central government against dispositions of the Basque government had accumulated, countered by fifteen claims by the Basque government against the central government. A similar amount of counter claims had been filed between the Catalan Generalitat and the central government. Moreover, nationalist parties have intimated that if the ruling of the Constitutional Tribunal is not in their favour, then they will disregard it (41). These continuous streams of conflict bear the risk of the» lengthening the time taken for decisions to be reached, intensifying the controversy over rulings and enhancing the possibility that the rulings might not be accepted, thereby eroding confidence in the Tribunal.

If the system of autonomies is inherently unstable, what other political and social mechanisms exist in order to compensate for

it? The intervention of national institutions over and above the party political game might reinforce the system. The Crown has been and remains a crucial factor in the process of national integration. This was strikingly evident when it faced up to the attempted coup d'etat in February 1981, but it is also demonstrated every day in a quieter fashion as the focus of the moral and symbolic unity of the country. However, by the very nature of the Spanish political system, its specific intervention in such complex affairs can only be very occasional without running the risk of an erosion of its moral authority.

Only limited trust can be placed in the capacity of the political parties to understand and to compromise. In the past, partly due to the fear of a military coup, they showed growing willingness to compromise in this area. This fear and the caution it induced have now been substantially reduced. One cannot rule out a learning process whereby the parties would give prime importance to the value of national integration as prerequisite for their own government. Though moral or philosophical considerations may seem by themselves to be of little influence in the midst of the white heat of party competition, politicians may come to perceive the people's sympathy for cooperation between central and regional governments, their distance from party politics and their desire for administrative efficacy. Only then may they recognize their own party's electoral interest in following "state policy" on the regional question. Indications of such a "learning process" can be observed in the PSOE's behaviour by comparing their actions on regional issues before and after 1981.

These political mechanisms for integration may be complemented, or compensated by social mechanisms. What politicians might not be able or willing to do may be accomplished by cultural associations, intellectual circles, the Church, trade unions and business associations. It is hard to say, however, who has the greatest relative influence. Politicians are fond of arguing that without them the country would go to pieces, torn apart by its centrifugal tendencies, and if one observes the performance of the cultural elite, it would seem they may be right. Intellectuals, mostly of an ideological and literary kind, have responded to the problem of national integration during these years in a rather disappointing way. While receiving from the politicians a set of ambiguous constitutional definitions, many have restricted themselves to the old game of radicalising nationalistic aspirations and taking them to the extreme where they become aspirations to exclusive nationalism. Or, in some regions, they have coined a new nationalism with dubious social roots. Those who feel most alienated from the political class have placed themselves above the situation and have scorned the whole debate, arguing that nationalistic sentiments of any sort are inferior or extravagant. Such contempt for the feelings of the majority of the population has led to ingenious games of rather dubious taste (42). Curiously enough, intellectuals have made hardly any effort to analyse real popular feelings about the matter, particularly those (very numerous) groups who feel that they are at one and the same time Basque and Spanish, or Catalan and Spanish, despite the fact that these groups pose an intellectual puzzle of great interest, for they appear to refute by their very existence

the theory or myth of incompatible nationalism. They constitute an empirical fact that demonstrates the "error" of conventional nationalist ideas. And for the Church has been like a boat trying to reach too many ports simultaneously. In general clergymen have tended to defend their links with the community nearest to them and over which they have wished to keep their moral influence.

The effect of businessmen and trade unions has been greater and more constructive than the rather modest influence exercised by intellectuals. The image which politicians like to put forward of themselves as holding together a world which is breaking apart seems plausible when one compares them with the cultural groups but much less so if they are compared with socio-economic groups. The market and industrial development have been important binding forces throughout Spanish territory for the last century and a half. Businessmen and trade unions have been major centripetal forces, tending towards the integration of the national community. Catalans and Basques have occupied positions of leadership in employers' and workers' organisations: Carlos Ferrer a Catalan and Nicolás Redondo, a Basque, were the first leaders of the CEOE (the Spanish Confederation of Employers) and the UGT (Workers' Commissions) and the convergence of the CEOE and the UGT has been the cornerstone of the social contracts of recent years. The activities of employers' representatives and unions have responded to global strategies of an integrating nature: the employers have pressed for the explicit recognition on the part of all regional leaders of the unity of the Spanish market; the unions as much as, if not more than the

employers, have wished to ensure the supremacy of central organisations within the corresponding confederations. The CEOE and UGT have committed themselves firmly (and the CCOO, Workers' Commissions, less so) to a policy of concertation or neocorporatism at a national level. All of them have demanded from the central government a homogeneous social and economic policy.

All the same, a note of caution should be sounded. The restructuring of the production system, both agricultural and industrial, made necessary by world competition and more specifically, by the entry of Spain into the E.E.C., European Economic Community, has affected Spanish regions in a very diverse ways, causing very strong tensions. The political class and social forces and their respective strategies change from one region to another and from one moment to another according to the course of events. The combination of sectoral interests with regional and local political pressures, in the few instances where it has happened up to now, can be worrying. Partisan calculations have reinforced sectoral demands to prevent, slow down, and/or increase the cost of industrial restructuring in the steel and shipbuilding industries. This has happened with Socialist regional authorities in Valencia, with Nationalist ones in the Basque Country and Conservative ones in Galicia. In Andalucia, the regional authorities have created a climate of optimism with expansive policies of agricultural supply (connected to modest agricultural reforms which are themselves of dubious compatibility with the Constitution), bound to clash with the ceilings set by entry into the Common Market, making national

readjustment in this difficult sector even more painful.

The articulation between the state (or the political class) and civil society introduces yet another dimension into the problem of national integration. One general effect of the combined Statutes for Regional Autonomies has been a great widening of activities, powers and resources given to the political system as a whole, and taken normally from the social sphere. This process has only just begun. It is only a matter of time before the regional Parliaments start legislating within their own spheres. Given that they are prepared to do this, then it is to be expected that they will do so by further interfering in private activities, watching over and guiding them, and of extracting even more resources from society. This makes deregulation and the minimisation of government intervention quite difficult at a time when the rest of Europe is moving (hesitantly) in that direction. The sheer number of members of the political class in positions of power has multiplied during this period. The system of autonomies has led to the creation of parliaments and seventeen governments with their corresponding ten or so councillors each, and a plethora of directors general, civil servants and advisors. To these should be added appointments to administrative posts (of a more or less interim nature, but soon to be consolidated). This is in part justifiable because new activities have to be carried out. In theory this is to be done by central civil servants transferred to the regions, but they are proving resistant to leave Madrid. In principle, almost every Madrid-based ministry should yield between

60 and 80 per cent of its powers, along with its corresponding personnel. It is easy to guess what is in fact happening: the majority of civil servants will remain in their posts, at first in a situation of underemployment, and later in that state of feverish activity necessary to find new activities to justify their existence.

Inevitably, these will interfere with matters of civil society. In addition, one of the results of the corporatist pacts between the state, the unions, and the employers' organisations has been that of encouraging the access of the leaders (and staff) of these organisations to the state and para-state structures, and this includes the seventeen autonomous communities.

Spain is just at the beginning of the process of meso-governance. The current dimensions are still modest. The same is true of additional public expenditure occasioned by the devolution process. Curiously enough, the actual cost is not precisely known. For 1984 at least, the increase in public expenditure directly attributable to the autonomies could include 36,000 million pesetas as a result of the "financial effect" (43) and another 50,000 million on account of an extraordinary public debt issue. This expenditure is not extraordinary compared with the losses incurred by private banks such as Banca Catalana and public companies such as RUMASA, SEAT or RENFE, not to mention the cumulative losses of Rumasa (as a result of private and public inefficiency) or with lost investment in the nuclear power plant of Lemoniz (200,000 million pesetas alone!) all of which have been covered by Treasury funds. Given such

losses, which are indicative of the degree of inefficiency in the country as a whole, the scope of the operation for a substantial alteration of the distribution of public expenditure between the central and peripheral administration, and the relative haste in the devolution process, the additional increases in public expenditure generated by the autonomies should be taken philosophically. The real problem really lies not in today's figures, but in tomorrow's. What is occurring seems to be establishing a pattern of inefficacy and inefficiency. Although the experience has been brief and recent, there is already some disturbing evidence patterns in the selection of public officials and the occupation of space in civil society, which suggests carelessness, eagerness to occupy posts, and intense partisan spirit. Posts in various regional administrations are preferentially occupied by members or sympathisers of the parties in power. The same thing has occurred in economic institutions of a public or semi-public nature which autonomous governments are trying to convert into the instruments of their policy, through the control of their boards of directors and the placement of partisans in key positions. This double strategy of widening public space at the expense of civil society, and of occupying and using it for party-political ends, can also be observed in the field of cultural and educational institutions. Systematic attempts at discrimination in the cultural and linguistic areas of Catalonia and the Basque Country have been reported. Similar attempts have been noted in the appointments of teachers for higher, secondary and primary education, and in the preparation of textbooks. This attempt at partisan control over the educational

system may also be repeated in the mass media. Radio licences, for example, are handed out and pirate radio stations are tolerated according to party criteria. All the autonomous governments are trying to get their own regional television stations and few doubt that these will be the choicest bits to be savoured by the ruling party leaders.

These takeover attempts have been favoured by the fact that in almost every region power is in the hands of parties in positions of clear electoral superiority. Political opposition is weak and has little moral credibility in these areas, as the opponents can always be accused of similar practices in those regions where they are in power. It is obvious that the consolidation of these patterns would call into question the nature of communication, understanding and confidence between civil society and the political class. It is frequently argued in favour of federalism, (or an analogous system such as the Spanish one) that in such a dispersed system society controls its rulers better, takes a greater part in public debate, and applies more effective pressure in the search for solutions to its problems. The contrary outcome could lead to the alienation of civil society with regard to the political system, with the fragmentation of the country into a caste of professional politicians (and organised interest groups) and a mass of relatively passive citizens.

Social integration within certain autonomous communities: the Basque Problem.

The main reason for attributing the character of "nation" to a specific group of human beings is the existence of a shared feeling that they belong to a historically differentiated group. This feeling may be based on very diverse factors: race, remembrance of a shared past, occupation of a common territory, linguistic, cultural or religious community, or simply belief in a common future (44). According to this criterion, Spain is a pluri-national country. Within its territory there coexist a majority Spanish nation and two (or three) minority nations including the Basques and the Catalans. According to this same criterion, Catalonia and the Basque Country are also pluri-national countries, in whose territories coexist a minority who feel that they constitute the Catalan or the Basque nation, a minority who feel that they belong to the Spanish nation, and a minority who feel both Spanish and Catalan, or Spanish and Basque at the same time, i.e. who have feelings of double nationality.

To this complicated tangle of collective identities must be added the complexity of the distribution of authority and political power, since Spain as a state includes Catalonia as a Generalitat and the Basque Country as a set of Basque political institutions (or Basque government in the wider sense). How anyone can live at this crossroads of national sentiments and political organisations is the great question mark for the next years. Now the main test depends on what will happen inside the Basque Country and Catalonia. Can

these pluri-national countries and plurinational (semi)-states respect the complex national identities of the people within their own territory, without imposing discriminatory practices on the access to public posts and positions of influence and prestige that would lead either to assimilation by repressing their multiple collective identities or to the segmentation of their societies into two communities?

Despite occasional alarms and certain excesses (relatively understandable as emotional and symbolic compensation for so many excesses of an opposite kind for so many years), there does not seem to be a grave danger in Catalonia. However, in the Basque Country, the potential segmentation of society seems to be a problem which is much more critical and important, and one which has a direct relationship with the role of violence in that country. At the moment, a double phenomenon may be observed there. On the one hand, there is enormous potential for energy and the linking up of the community which is being invested in the operation of regional, provincial and local self-government, and in the dramatic self-assertion of an identity and a culture. This augurs well for a process of learning and moral development. On the other hand, there is an erosion of the feelings of trust between communities, and a breakdown of the social fabric. People are becoming accustomed to exasperation and violence, to the emotional evaluation of their own interests, and to the rejection of possible reasons on the part of their adversaries. All of this of course delights militant and belligerent groups, makes it impossible to sustain a policy of economic recovery, and gives way to all kinds of demagoguery. It is the sign of a

process of growing chaos and tension where only violence itself can be established.

The problems of achieving internal peace in the Basque Country and of the continuous renegotiation of her role in Spain are difficult. But even more worrying is the moral and emotional climate which the "cleverness" of politicians and the exasperation of so-called men of action have allowed to prevail in that territory. For example a system of two kinds of weights or scales has been established to measure insults. There are insults which are perceived as "sacrileges" for which there is no expiation and which apparently require infinite revenge; and there are insults hurled at an adversary which are invariably "acts of justice". Under these conditions, the exchange of insults always results in an escalation of feelings of indignation. It is obvious that there can be no lasting compromises based on such emotions or such a lack of a sense of proportion. With all this, there is a grave risk of the establishment of a fragmented society with communities which cannot achieve any kind of moral unity, some of which are exasperated, others terrified, and still others indecisive, but all blinded by a violence which drives then inexorably forward. There have been many deaths, but the drama of Basque society lies in the fact that it does not have deaths which draw its components together, but deaths which divides it even further. This is a tragic and dangerous situation.

(III.) ECONOMIC MESOGOVERNMENTS AND THE NEOCORPORATIST EXPERIENCE

At the time of transition the political class "invented" neocorporatism spontaneously as a result of the circumstances. After some initial moments of tension and disarray, it found itself making pacts reaching consensus all around. The person who began this process was Prime Minister Adolfo Suárez. In the summer of 1976 he faced a situation which was full of interrelated and multiplying difficulties. He decided that he could only solve these by means of explicit compromises between existing regional social and political powers. His survival instinct made him seek the language of moderation and the practice of compromise, which very soon became general. To start with, Suárez needed pacts in order to extend and cement the foundations of the country's new political class. His starting point was the ambiguous coexistence within the Francoist political class of the "intransigents" and the "evolutionists". Once this uneasy coexistence had turned into open conflict and had ended in victory for the latter, the problem consisted of overcoming the historical division between these "evolutionists" and the anti-Franco political class, to overcome forty years of war, exile and persecution. The very existence of the memory of such a bitter historical experience constituted, paradoxically, the foundation for an understanding between adversaries of so many years' standing. The lesson that could be drawn from this memory was that democracy had been impossible in Spain during the 1930's because the political class had exacerbated the conflicts of the nation and had split into two irreconcilable groups; therefore if a second chance to achieve

democracy was not to be missed, it was necessary to reduce the level of existing conflict, starting with political conflict itself. The assimilation of this historical lesson was assisted by the presence of the armed forces which were in a state of alert and beyond the control of the political class.

The new political class also had to make itself legitimate in the eye of public opinion. Civil society aspired towards democracy, and one section of the people was even pressing for it, although only within certain limits. No one was prepared to repeat the experience of the 1930's. Popular support for democracy was not unconditional. The message was that it should not imply too many risks and not endanger the governability of the country. The political classes not only had to be able to understand each other, but also to solve substantial problems, such as that of the regional autonomies, and the management of the economy and social conflicts. However, it turned out fortunately that the transition to democracy took place at a very difficult moment in Spanish economic history.

The Spanish economy developed in the last 25 years in three totally different stages. Between 1960 and 1973, during the second phase of Francoism, the Spanish economy grew at an extraordinary rate; from 1974 to the present, that is during the last two years of Francoism and throughout the transition, there was a permanent crisis. Certain figures serve to sum up the experience of economic development during the second phase of Francoism. Between 1960 and 1973 the Spanish economy grew by 7% per annum and exports by 10%. The

structure of supply changed substantially. The country became industrialised and ranked tenth among Western economies by G.D.P. Three million jobs were created. The labour market reached full employment. Real wages per person increased at an annual rate of 6.5% (higher than productivity which stood at 5.5%). As a proportion of national income, wages and salaries income advanced (in gross terms, that is including payments to social security) from 53% to 61%. At the end of the period, per inhabitant reached 1,600 dollars, 20% lower than Italy (and 60% higher than Portugal) (45). In these thirteen or fourteen years Spain took the most important steps in her recent economic history to create a modern economy.

The picture changed considerably after 1974, however. The last two years of Francoism were dominated by the impact of two events, one economic, the other political: the oil crisis and its consequences; and the crisis following the assassination of Carrero Blanco. The economy entered into a phase of increasing difficulty which would have in any case required various adjustments to economic policy. These adjustments would have implied serious distributive conflicts since during the previous ten or fifteen years prior to this there had developed, together with industry, a dispersed but important trade union movement. It existed in a climate of semi-tolerance and was demonstrably capable of calling strikes, with an average annual loss of a million working days during the early 1970's (46), The Franco regime did not feel that it had the political force necessary to confront the social discontent which would have resulted from the implementation of a tougher economic policy. Franco

himself was weak; he lacked a faithful and strong second-in-command; the Prince was an unknown quantity; and the Francoists were divided. Therefore, the government decided to allow the rate of inflation to increase, thus maintaining the levels of output and employment. It did not dare to raise energy prices, contain the growth of salaries, or to limit public spending. Its objective was to survive and après nous, le déluge.

During the first two years of the transition, 1976 and 1977, the economic situation worsened markedly. Although the economy had grown very little during these years, the increase in nominal salaries had accelerated substantially. Inflation stood at around 26% (it had been at 7.5% during the period 1969-1973). Unemployment now affected 6% of the working population, and the level of foreign reserves fell substantially. (47) Although the government and other political entities were aware of the magnitude of the crisis, they decided to give priority to the achievement of political agreements at the expense of all other decisions until after the first general election of June 1977. Only then did they begin to discuss economic problems seriously.

The contrast between the economic development of the previous authoritarian regime and the crisis in which democracy began was ominous not least because of the fearful memories it evoked. The Second Republic had also been in economic crisis following a dictatorship which had coincided with a period of growth. The Republic did not fall as a consequence of economic difficulties

themselves, but partly because of the virulence of the social conflicts that accompanied them. During the transition period, the new political class decided not to "solve" the economic problems, but rather to "soften" them in such a way that social conflicts were reduced to manageable proportions, at the same time as each party tried to improve its own chances in the complicated contest leading up to the election of 1977, which only produced a small relative majority for Suárez.

Meanwhile economic experts had been observing with growing preoccupation the phenomenon of an economy threatened by accelerating inflation, rooted in the indexing of salaries, a collapse of the external trade sector and a high degree of unemployment (48). From their point of view, there were only two possible options. Either a fairly restrictive financial and monetary policy could be imposed, which would contain inflation and balance the external sector, and confront social discontent head on; or the money supply could be gradually reduced, and an attempt made to introduce a policy of explicit contracts between the different political (and social) forces, the nucleus of which would be commitment on the part of the workers to accept a limitation on the growth of their salaries in exchange for an expected reduction in inflation, and a set of measures of a social and distributive nature (fiscal reform, social services and transfers, as well as declarations of principles about "structural reforms"). The key to the agreements could consist in persuading the workers (or better, their representatives), to agree to calculate their increases in wages on a basis of future rather than past inflation. The government did not have enough political capital

for the first option, but it had enough to attempt the second. This was the essential nucleus of proposal of the Banco de España and of Enrique Fuentes Quintana who was to be appointed Vice President of the Government with special responsibility for economic affairs by Prime Minister Suárez.

The proposal was welcomed enthusiastically by Adolfo Suárez. In general, the political parties declared themselves favourable to the contract. The parties of the Centre and of the Right had no alternative. The Communists needed a sign that they belonged to the political establishment. They were anxious to make the symbols of the new regime their own, including the national flag and the monarchical form of government if necessary. Their leaders needed to acquire the reputation of statesmen. The Socialist Party (PSOE) reacted ambiguously and cautiously. Their plans were uncertain, and they were only gradually moving away from radical Marxist language. They instinctively mistrusted anything that appeared to favour the government and the Communists. On the other hand, the socialists were aware of the unstable political situation, the difficult economic conjuncture and their own need for time to organise their resources.

Thus the "Pactos de la Moncloa" came into being. They were signed initially in October 1977 by the main political parties but not by the employers, who were still organising themselves (the CEOE only appeared at the end of 1977). The trade unions did not sign them either. Their attitude was ambivalent, but basically favourable.

The UGT and CC.OO. were (and are) organisations controlled by Socialists and Communists respectively. Tension between these unions and their parties on the signing of the pacts was minimal at the time. The unions were aware of the need to reinforce democracy as a sine qua non of their own existence; they were also aware of their own weaknesses in terms of economic resources, as well as organisational ability and membership, for which only state backing could compensate. However, by not explicitly signing the pacts, the unions acquired an additional margin for action, enhanced their credibility for being independent of the parties and also avoided being swamped by more radical unions or assembly-type movements.

What began as an ad hoc solution to the threatening state of the Spanish economy in 1977, and to the initial discussion of the text of the Constitution throughout 1978 became, after a short parenthesis in 1979, a pattern for an almost uninterrupted series of social agreements up to 1986. The starting point was the basic agreement between the CEOE and UGT in July 1979, which culminated with the AMI (Interconfederal Framework Agreement) in January 1980. Parallel to this, consensus was reached between UCD and the PSOE on the Workers' Statute, which was finally passed in March of the same year. The AMI remained in force until July 1981, when it was replaced by the ANE (National Agreement on Employment) negotiated between the government, the CEOE, UGT and the CC.OO. In 1983 the employers' organisations and the unions (but not the Socialist government) signed the AI (Interconfederal Agreement). At the beginning of 1984, talks were held which did not result in any agreement. But

in Autumn of the same year they were renewed and the AES (Economic and Social Agreement) was signed in October 1984 by the government, the CEOE and the UGT, effective for two years.

This policy of repeated social agreements, with the participation of the economic organisations in the definition of certain key aspects of economic policy, slowly reinforced the role of these organisations. They had come into being with hardly any association with the old "state corporatism" of the Franco regime. The new unions were organised in opposition to the old "social sections" of vertical trade-unionism, although the CC.OO. had infiltrated certain local sectors of that machinery for a number of years. There was a limited degree of continuity between the former "economic sections" of the Francoist system and the new employers' organisations.

With the initial transition to democracy no one imagined that these new organisations would manage to oblige their respective social bases to join them or, least of all, that they might aspire to govern the behavior of their members. The very principles of the new constitutional order seemed to rule out such a possibility. Nevertheless, with the passage of time, one employers' organisation became the undisputed representative of Spanish business and two trade union confederations between them obtained the necessary representation to commit the majority of the working classes (with the partial exception of the Basque Country) to conflicts, negotiations and agreements during these years. Thus, even if the

control these economic organisations had over their bases seemed weak, their degree of representation and influence had become important.

The corporatist pacts and the hypothesis of an implicit social pact.

The social or corporatist pacts entered between 1977 and 1984 formed the nucleus of a series of wider agreements which have been reflected in several laws and decrees, for example the Workers' Statute of 1979 or the government's rulings on temporary contracts of November 1984. Although not without tension, economic and social policy, first under the UCD government and then with the PSOE in power, has moved within an area bounded by the relative convergence of the CEOE and the UGT, and has shown quite remarkable continuity. The CEOE and the UGT and, to a lesser degree the CC.OO., have been involved in the most important decisions concerning these policies, especially wages and labour market policy. To a lesser degree they have been capable of making their opinions and even their veto felt in social security policy (the reform of which they have blocked) and other matters. To this should be added the direct entry of the economic organisations into the institutions of the state. After the AES, a network of committees was set up to monitor and control the agreements, in essence, a modest system of functional mesogovernments over specific policy matters was constructed during these years, based on agreements between government, the peak organisations of employers and workers. Moreover these

developments have counted on significant support by the social bases of these organisations, in particular the workers.

The agreements have actually been carried out to a considerable extent. In the first place, development of real salaries has not outstripped the limits set by the agreements (or it has done so but very minimally). In the second place, labour conflicts have tended to decrease. This should not lead one to believe that the unions, strictly speaking, control their social bases. The unions are not, and never have been, in a situation where they can exercise such formal control. Union membership is very low. A survey carried out in 1978 among industrial workers gave a figure of 57%; two years later, in 1980, the figure was only 34% (49), and in 1984 the percentage fell to 25%. If one assumes a somewhat lower membership rate in the service sector, and an even lower one in agriculture, then the membership rate for the whole of the fully-employed, wage-earning population must have been somewhere between 15% and 20% (in 1984-85). By 1987, that affiliation rate had fallen to below 15% (50). It is true that unions exert a greater influence over the workers than these figures suggest. This is shown by the fact that union candidates are regularly elected to most factory committees (51) (which affects around 40% of the wage-earning labour force), and by the fact that the unions assume the leadership of workers in negotiations over wage agreements and in calling strikes. But with such membership figures, it is obvious that although the unions may have some influence, they cannot have such direct control over

the workers that the leaders can push them in directions contrary to their preferences and aspirations.

Bearing in mind particularly the rate of unemployment which rose from 6% in 1977 to 20% in 1984, the union strategy through the signing of social contracts has mainly assured short-term advantages for those workers who are still at work. It has permitted a slight growth in real wages, has made dismissals extremely difficult to put into effect, and for a number of years, has extended social benefits (pensions, social security payments, etc). These are of central importance to the Spanish working class, in the defence of which it is prepared to act with a high degree of militancy. This does not mean that behind their adherence to these values there lies a radical or critical opinion of the company, of capitalism or of the state. On the contrary, to judge both by the effective conduct of the workers and their answers to questions about their opinions and attitudes, the economic system is accepted by the majority of the working class, which is prepared to reach agreements and compromises with its leaders (52). If this is the case, then one might introduce the hypothesis of the "implicit social contract". The workers behave as if they had an implicit social contract with both their employers and their government. Within its terms workers will consent to the exercise of economic authority in exchange for the satisfaction of certain basic claims to having a "voice" through representation or participation, claims not recognized during Francoism but which have been secured under democracy (the recognition of free trade unions, worker of factory committees, and other

institutions) enjoying certain "substantive benefits" in terms of wages, job security, social security and others. The neocorporatist contracts between the state, the employers and union leaders are fulfilled not because the unions control their workers, but because these explicit contracts are congruent with the implicit contract desired by the workers themselves.

The effects of the contracts.

In recent years the contracts have been built around an essential nucleus involving a commitment to the containment of wage increases (and an implicit commitment to the reduction of conflict) in exchange for commitments to moderation in the growth of inflation. This nucleus has been surrounded by sonorous declarations and negotiations on a variety of topics. For some, the consequences of these contracts should be measured in terms of their nuclear issues, i.e. wages, strikes and inflation rates. However, the "rhetorical" periphery and the content of the subsidiary agreements may be much more important than would appear at first sight.

In the first place, the periphery of the agreements has contained significant symbolic messages and some important substantive elements. In many cases it was stated overtly that it is impossible to change the status quo, and evidence has been given of the balance of opposing forces and of the blockage of the decision-making process. This has happened in such matters as dismissals and temporary contracting. It has also occurred in the reform of social security

and in measures to promote productivity. But only the mention of these things has kept them alive in public opinion and on the agenda of negotiators, perhaps in the hope of more propitious times. This might permit an eventual improvement in attitudes on both sides, as well as in their capacity for reflection and argument about such complex matters. In some cases a substantial decision was built into the core agreement, as happened in the AES with certain increases in public investment and the establishment of various commissions to monitor the progress and execution of the agreements. The latter constitutes an organisational innovation which contains the outlines of an authentic system to the mesogovernance of class relations and economic policy.

In the second place, the pacts have been sited within the framework of permanent negotiations between political and economic forces and their content should not be disassociated from the form of these negotiations. The Workers' Statute was not part of the pacts between the CEOE and the UGT in 1979/80, but was agreed to by the UCD and the PSOE at the same time and in the light of what had taken place in those other negotiations. The public spending policy of governments during the transition was relatively generous in social benefits as part of a deliberate inducement to the unions to improve their willingness to compromise when it came to signing the pacts. As stated above, the issue of the norms governing temporary and part-time contracts almost blocked the decision-making capacity of the concerting actors until a few days after the signing of

the AES, when a government decree was published making significant alterations to the flexibility of temporary contracting. The policy of industrial reconversion, although also outside the social contracts of a general nature, has been the object of almost continuous conversation between the government, employers and unions.

In the third place, the relative importance of these peripheral and contextual aspects of the contracts is confirmed by the very fact that the signing of the pacts has always been accompanied by an air of expectation and ceremony on the part of politicians, the media and the general public. The signatures have been major symbolic events, the culmination of a dramatic process with a message of compromise, moderation, discussion and the assertion of common objectives, joint responsibility in the progress of the economy, and mutual recognition between the signatories. The spectacle of a political game, along with the ornamental rhetoric surrounding the pacts has been, and remains a very important (and possibly educational) part of the efficacy of such agreements.

Pacts in this broad sense have had contradictory effects on the Spanish economy. The main positive effect has been the legitimisation of a reformed modern capitalism, where the market economy is flanked by the state, unions and employers' organisations; the biggest negative effect has been their rigidity and the delay they have caused in the adjustment to economic crisis. As I have argued previously (53), the corporatist agreements have reinforced the implicit pact between the workers and economic managers, and have contributed to the

acceptance by workers of the enterprise of entrepreneurial authority and of the economic system as a whole. This should not be taken for granted. Rather to the contrary, many observers have assumed that the radicalism of Spanish workers was deep-seated and have portrayed somewhat dramatised recollections of what happened in the first thirty years of this century. The spectacle of the industrial conflicts of 1975, 1976 and 1977 seem to have given support to these speculations. Conflicts were at times very hard, and it was believed by some that a radical movement was on the increase. However, the process of negotiation and signature of the pacts strengthened those unions that desired to reinforce the role of their corresponding parties and to consolidate the constitutional aspect of the transition. In exchange for their freedom and recognition, and for certain compromises in economic and social policy, these unions were prepared to ensure a relatively peaceful social climate. Moreover, they found among the working classes increasingly evident signs of moderation, along with willingness to compromise. In fact, after some initial uncertainty and ambivalence, the extent of conflict dropped in 1979 and 1980, and has remained relatively low in the following years (54).

Undoubtedly, the pacts have reinforced those organisations that signed them. Today the CEOE has the de facto monopoly of the representation of employers' interests despite some competing challenges, and it enjoys a high degree of confidence among employers (55). The effect of the pacts on the unions has been even more spectacular. The unions have progressed the closer they have been to the process of negotiation. The different ways in which the

CC.OO. and the UGT have developed corroborates this hypothesis. In 1978 the CC.OO. had twice as many members as UGT among industrial workers. In the years that followed, differing attitudes towards the pact making process emerged between the two unions. UGT was clearly in favour. It initiated and took part in negotiations. The CC.OO. was ambivalent and at times hostile. On occasions it gave the negotiations only reluctant support. By 1980 the total membership of two unions was practically the same. In the elections for factory committees in 1980, UGT had 29% of delegates, and CC.OO. 30%; in 1982 the percentages were 36 and 33; in 1986, 40 and 34. Those unions which excluded themselves completely from negotiation or which were excluded due to pressure from the UGT and the CC.OO., have either disappeared, or are now in a very precarious situation.

Such has been the effect of the pacts on the legitimisation of the economic system, the relative integration of the various economic classes and the development of their representative organisations. But the effect of the pacts (and of the whole set of agreements and negotiations between political and social forces of which the pacts are a key factor) on the actual performance of the economy still remains to be discussed.

In the middle of the 1970's Spain was an average industrial nation which covered 65% of its energy needs by importing petroleum. The increase in the price of crude oil in 1973 caused a daunting problem, greater than any suffered by the majority of the other countries in the OECD. The balance of payments rapidly became

negative. However, for political reasons it was decided not to pass on the increase in internal fuel costs. Nor was there any attempt at saving energy in the years that followed. Quite the contrary, the final demand for energy per product unit increased by 10% between 1973 and 1979, in clear contrast to what happened in the seven main industrial nations of the OECD where it dropped by 9%. The second oil crisis in 1979 brought about a swift and drastic reduction in disposable income, even though this time internal energy prices were adjusted (55).

However, the defence of the level of economic activity and employment, and, therefore of the demand for investment, made it necessary to go beyond internal adjustments to energy prices. It became necessary to reduce labour costs to a minimum. For, together with the shock caused by the oil crisis, the world economy during these years had undergone a deep transformation in the structure of relative prices of industrial products. This was the result of the introduction of new technology and the competitiveness of new industrial nations, and of a fall in the demand for certain basic industries such as steel and shipbuilding, which in Spain has acquired great importance during the industrialisation process of the 1960's and early 1970's.

But things happened the other way round in Spain. This was the moment chosen for increases in labour costs (including contributions to social security) far beyond the productivity or the inflation rate. Between 1970 and 1982 the real unit cost of labour increased by about 40% over productivity. To the impact of the increase in

labour costs was added an increase in the inflexibility of the labour market. Francoism had tried to offer a kind of pact to the working classes whereby they would renounce free trade unions and strikes in exchange for job security (as well as a system of social security and other benefits). Although this pact was not accepted, the Francoist state remained deeply involved in the labour market. At the moment of transition, with the expectation of a prolonged economic crisis, there was no political force that felt capable of, or inclined to deregulate or make this market more flexible. In fact the degree of inflexibility of the labour market increased, because the pacts made the behaviour of salaries more rigid (affecting both their level and their structure), because methods of contracting were kept rigid (with minor rectifications in 1984), because the cost of dismissal was kept very high, and because the historical tendency to reduce the length of the working day accelerated. (The working day has been reduced by 11% in the last ten years, the result of modifications to the legal maximum, and the fact that overtime has become more costly and more limited in use) (56).

Under these conditions and with the uncertainty caused by rather sluggish internal demand, businessmen tended to reduce their investments, to invest the replacement of work by capital or to "invest" in compensated dismissals. The public sector reacted by opting for a spectacular increase in public spending, which went up from 25% to 38% of gross internal product (45% if public companies are included) between 1975/76 and 1983. The increase was directed not towards public investment (which dropped from 9% to 5.3% between

1973 and 1982), but towards the financing of unemployment subsidies, increases in pensions, growing costs of social security, subsidies to loss-making companies (especially public companies) and other all-consuming expenses (57).

The consequence of this combination of decisions was a drop in the rate of gross investment from 23% to 18% for the period. There was also a loss of 1.8 million jobs between 1973 and 1982. The losses occurred in all sectors, but mostly in the industrial sector, where the number of people employed in 1982 was 19% lower than in 1973. Not only has Spain's unemployment rate since become the highest among the OECD countries (at 20% of the working population), but the working population, as a percentage of the whole, is today one of the lowest at 48.8%. Though by 1987 the economic outlook had become brighter, nevertheless, unemployment remains constant at 19%, despite a number of changes introduced by the government in the criteria used in statistical compilation. The destruction of jobs has mainly affected young people and women. Half the population under 19 is unemployed, and the rate of unemployment among women, who form 31% of the working force, is of 27.5%. Part of the unemployed population has found accommodation in the "underground economy", notable for its absence of social security contributions, controls on working hours and absence of wage limits. It may be for this reason that the mass of 2.5 million unemployed shows no outward signs of alienation or hostility to the economic and political system. In fact, there are abundant signs that the underground economy is vital and flourishing.

In the light of this description of the actual performance of the economy, how is it possible to characterize the complex of pacts/economic policy in all these years and its effects? Within economic and social policy, one must differentiate between several diverse elements. Monetary policy, for example, was aimed at gradual moderate growth in liquidity, along with the idea of containing inflation within tolerable limits (which, in the years following the Pactos de la Moncloa, stood at around 14%-15% of annual growth) and maintaining a level of economic activity which would prevent a further sharp fall employment.

Wages policy was consistent with monetary policy, as carried out principally through the pacts. It tried to make the rise in wages compatible with inflation forecasts. This system of "contracted salaries" introduced a certain rigidity in the way they behaved. The wage band, in fact, was compressed around the maximum, imposing an artificial homogeneous norm upon an enormous variety of situations within companies. Furthermore agreed wages did not reflect labour costs, which included contributions to social security, compensation for dismissals, reductions in working days, and other factors such as promotions, changes in professional categories, seniority, etc. Real labour costs, therefore, grew steadily until 1982. The greatest deceleration in nominal wages took place precisely in 1984, i.e. one of the few years in which there were no pacts (58).

Despite these reservations, it is evident that there was relative congruity between monetary policy and wages policy during these

years. These could be described as twin factors in a "policy of gradual adjustment to the economic crisis" involving gradual growth in liquidity, a gradual drop in inflation, and relative moderation in wage increases. But this congruity has not extended to other policies.

Public spending policy has been directed towards reducing the contemporary social cost of the economic crisis, financing unemployment subsidies, increasing pensions and other benefits, and providing subsidies to companies in difficulty to maintain jobs artificially. The policy of industrial reconversion was designed similarly to the policy of public spending. It has attempted to negotiate redundancies with collectives of workers who were particularly opposed to them for two reasons: (1) because they were public companies and (2) because they were situated in regions where resistance could produce a political crisis, such as in the Basque Country, Asturias and Galicia. The result has been the maintenance of jobs and extremely high compensation costs.

Current labour market policy has tended to minimise the cost of the crisis in terms of the working population by guaranteeing the stable nature of their occupations. It has done this at the cost of work expectations for younger and future generations. Finally, the policies for creating infrastructure and providing personnel training, education, research and health coverage have been reduced during the greater part of these years to rhetorical or sporadic

references, in the absence of any capacity or will to carry out needed reforms.

Professional politicians and the public bureaucracy, in their attempt to give a rational and systematic appearance to what is in fact a set of ad hoc and improvised policies have christened these with the general name of "a policy of gradual adjustment". In fact this title should only be applied to monetary and wages policy; the other policies should be called "a gradual maladjustment to crisis". The social contracts, with their direct effects on wages policy, the labour market and public spending have been a contradictory element within a set of contradictory policies. The final consequence has been a mixture of relative moderation in inflation and salaries, together with a deterioration in the production system, a loss of jobs unparalleled in Western economies and the creation of a submerged economy of major proportions.

Thus two economic spaces have been created in the country. One is subject to an order which is manifest or visible, where legal norms operate, as well as contracts, political discourse, and the usual information of the media. The other is hidden, perhaps chaotic and subject to its own rules, where "submerged" employers operate, as well as "invisible" workers who may be employed while also drawing unemployment benefits. Here the local authorities who decline to interfere with or even protect these industries, and the unions who observe the situation indecisively, also operate it is obvious that this hidden space has come into being, partly as a reaction to the

growing rigidity of the visible economy with its increases in social security and wages difficulties resulting from temporary contracting and dismissals, etc. Insofar as this rigidity is attributable in some way to the negotiation of corporatist pacts and operations of mesogovernments, then one would have to conclude that Spanish neo-corporatism in these years has not only shown itself to be compatible with the dualism of the economy and the segmentation of society into heterogeneous spaces, but in fact that it has generated and even reinforced this dualism and segmentation.

(IV.) Conclusions as to why Spanish mesogovernments come into being: their common causes, parallel processes and varying effects.

The Spanish experience in the years under study (1976-1984) fits well with the scheme outlined at the beginning of this article explaining the appearance and development of mesogovernments in liberal and capitalist societies, both territorial and functional.

The political class which came into being around 1977, whether in the government or in opposition, could not sustain its projected domination by coercion, or through Weberian sources of legitimacy. The traditional and formal legality of the previous forty years had been broken, and the dramatic contemporary history of Spain prevented an unequivocal and unanimous appropriation of any of several previous traditions. There were no charismatic personalities available. The very nature of the transition with its need for formulas of compromise and with protagonists who were neither experts nor showed any inclination to heroism excluded this type of politician. To govern the country and to solve (or, at least, reduce) the seriousness of problems was the principal way of legitimising the new regime and its new political class. This class found itself in an initial position of evident weakness. Its control over the army was nil. It had no grass-roots parties. It was divided by bitter memories, ideas and opposing interests. However, certain crucial facts of political life obliged its components to

understand each other. They had to survive, exorcising the fear of a military coup which affected almost all of them. They had to design the rules of the game, a Constitution, with its mutual guarantees for survival. The elections, when they took place, produced a balance of power which made them seek alliances among themselves.

This political class was faced with two very serious problems, one in the area of the regional division of authority in the country, and the other in the management of the economy. Both had deep-seated historical roots, but both had been intensified by recent events. This intensity was due to a combination of external and internal factors. Among the internal factors was a hard or radical nucleus of the population that wished to try to convert both problems into insoluble issues. Both were also dependent on certain external circumstances. The Spanish economic crisis was derived from the world economic difficulties of the early 1970's: the oil crisis, which affected Spain more than other countries, and the subsequent alterations in the structure of relative prices for industrial products. The nationalist crisis had roots which were more or less indigenous, but it must not be forgotten that the resurgence of peripheral nationalisms was a relatively generalised phenomenon in Europe during the 1960's and 1970's, and that terrorism had an international dimension which was as obvious as it was important.

External difficulties combined with internal factors to create a serious problem of governability in Spain. In the case of the

economy, adjustment was made more difficult by the apparent need to satisfy the aspirations and expectations of a wage-earning population whose expectations were encouraged by the "development" experience of the recent past, and by the immediate attainment of democracy. These difficulties were increased by the presence of a "radical" group (a role played only in part by the CC.OO.) that wished to delay the moderation of expectations and frustrate the establishment of compromise. In the case of the regional problem, adjustment was made difficult by the apparent need to satisfy the aspirations and expectations of self-government in all regions. The difficulties were made greater by the presence of two "radical" protagonists: on the one hand, the Basque nationalists and their extreme wing, the Basque terrorists; and on the other hand, part of the armed forces and their extreme wing, the architects of military coups.

However, the central political class was able to lean on intermediate groups with the capacity and will to compromise. These played the crucial role of broker, initiating or consolidating compromise. In the case of the territorial autonomies, Taradellas played this part at the beginning and, to a lesser degree, the Catalan nationalists seem inclined to play this part today. In the case of the economic organisations, UGT and CEOE played this role especially at the critical moment in 1979/80, along with the indecisive position of the CC.OO.

The technical instruments were available, and there was some social knowledge which had been accumulated by economists,

jurists and other experts for the creation of mesogovernments. The Federalist and regionalist experience was a known factor, although perhaps only partially since the design of the State of the Autonomies (Section VIII of the Constitution included) suffered from considerable defects. The policies of various European social contracts of the 1950's and 1960's were known superficially. Among the Socialists there was some interest in these experiences, but at the beginning there was considerable mistrust and ignorance about what was branded as "social democracy". As far as the economic expertise available, this was very unequally distributed across the political groups and sections of the administration. It was probably insufficient, although this insufficiency was widely shared by experts in all European countries at the beginning of the crisis of the 1970's. If the accumulated social and economic knowledge was modest, the normative disposition of the political class, of intermediate groups, and of the population in general was favourable to the solution of the mesogovernments. Attitudes of bargaining, moderation and compromise were commonplace at this time in order to assure the peaceful transition to democracy and to organise civil coexistence. On this point the Church and the majority of intellectuals and the mass media had an important role to play. This ensemble of forces and attitudes facilitated the negotiations which eventually led to the establishment of mesogovernments as well as the understandings with the armed forces and the Church.

This finally brings us to the Spanish people not controlled by the political class and its parties, by regional elites, by class organisations, by the Church or other cultural institutions. Their support for the operation of the mesogovernments was continuous, systematic, decisive and, to a certain extent, unforeseeable. It was always welcomed with a sigh of relief by the leaders who thanked them for "their common sense". In the explanation for this common sense lies the collective memory of the 1930's and of the civil war with its counter-example of a failed democratic transition, of nationalist separatism, of bad management of the economy, and of exacerbated class struggles.

It is impossible to make any judgement of the Spanish experience without being very explicit about the short space of time that has elapsed. As for now the Spanish example contradicts all simplistic theories about the positive or negative effects of mesogovernments for the governability of a democracy. Their effects are complex and contradictory. The positive effects of the regional and the social contracts, and of the corresponding mesogovernments, have been an increase in the degree of the legitimacy of the political and economic system in force, and an increase in the degree of national integration. The pacts have served to convert the country into a forum for permanent negotiation between very varied people seeking consensus and compromise, and who, in doing so, have learned to trust each other. This has been of crucial importance to political change in Spain. Any process of transition towards democracy requires a massive, investment of confidence by the public, not only in a

particular government or a new political system, but also in the national community and its key institutions such as the economic establishment. If this confidence does not exist, if it does not stem from the shared sentiments of identity, unity and integrity, then there is the risk that the transition to democracy will lead not to a simple change in the political system, but to the disintegration of the community which supports that political system (59). If there is insufficient confidence in economic institutions, then there is the risk that the transition to democracy will be a prelude to a social revolution, and to the emergence of another socio-economic system.

A liberal democracy is ideally a community of free and equal men and women who justify their self-governance to themselves in terms of a social contract. The concept of the social contract contains two analytically different ideas: a pact of government between the ruling class and its subjects; and a pact of association among the members of a society by which they agree to hold together (60). These ideas do not attempt to explain the historical genesis of a particular social formation, but they are an attempt to make explicit the logical and moral implications of a community of free and equal individuals. So the constitutional contract, the regional contracts and the social contracts (as well as the related understandings with the army and the Church) make up a set of pacts that collectively form the basic social and political contract of democratic Spain. They incorporate both dimensions of a pact of association and a pact of government. As such, the regional pacts and the social pacts with their

corresponding mesogovernments have played their part not only in the legitimisation of "Spanish nationalism" and "Spanish capitalism" but also in the legitimisation of "Spanish democracy".

It was no easy task to legitimise nationalism and capitalism since both complexes of institutions and symbols have historically had great difficulty in taking root, at least in some sections of the country. Both were "contaminated" by their links to the previous authoritarian regime, a regime which the transition has retrospectively converted into an illegitimate experience, i.e. into something which should never have occurred but which is (semi)-justified only as a reaction to something else which also should never occurred, namely the Civil War. The Civil War of 1936-1939 has been the moral and emotional reference point of the contemporary Spanish transition to democracy in much the same way as the English Civil War of the 17th century was the moral and emotional reference point for the sociopolitical promises that opened the way initially to modern Western liberalism and modern contractual theories. The Spanish Civil War was the national drama, ever present in the public mind, and the pacts have been part of the symbolic ceremony which has nullified that experience. They have been an anti-civil war and class reconciliation ceremony. The political class and the social leaders have been the main agents and officiators at this ceremony, with the country acting as a spectator, chorus and accompaniment. The state has provided the locus (and paymaster) for the ceremony.

The conventional sociology of the state regards it only from the practical or instrumental dimension as the agent of domination and solution to collective problems. As such it can explain many things, but it cannot explain the intensity of the sentiments of attraction and hostility which political life arouses among the people. It cannot explain their affectionate link with the state and the personal, institutional and material symbols of patriotism, partisan loyalties, confidence in the actions and conduct of the leaders and equanimity or confusion in the face of violence. It cannot even explain the passions that mobilise the necessary energy for political participation. Reduced to a mere "game of interests", political life itself lacks interest and meaning for both the usual practitioners and the general public.

As Geertz pointed out in his study of the Indonesian states in the last century (61), the state has a double dimension: that of an agent of domination and the solution to collective problems; and of an exemplary symbolic focus for society. In the latter the state is a theatre performing a drama which is not a reflection of private tensions, but the negation and the defeat of these tensions in the creation of a peaceful and prosperous community.

Attention should be paid to this dramatic, symbolic and affective dimension of the state if one is to understand the Spanish transition, and in particular of the extraordinary role which institutions such as pacts and the Crown have played in it. All the more so inasmuch as in Spain under the transition the ceremony of calming the community

has had a continuous counterpoint in the violence that has afflicted it. This has accentuated the necessity and the urgency of ceremonial rituals such as pacts that are part of the activity of the state aimed at exorcising the destructive ("demonic") forces of our coexistence. The dramatic function of the pacts is all the more important the more serious the tensions within the country are and more bitter the memories of disintegration in the past. The "pact fever" and the obsession with consensus which has taken place in Spain during these years (as well as the intensive surge of sympathy and gratitude to the King for his conduct) can only be explained by these special circumstances.

Now, if it is true to say that the effects of the mesogovernments and pacts have been positive, in the sense that they have reinforced the legitimacy of Spanish nationalism and of capitalism, thus cementing the "social contract" of democracy, there is nonetheless another side to the coin. Although they have been carried through in a "public forum", the pacts and the mesogovernments have had a specific content which has to a large degree reflected the balance of power, the preconceived ideas and short-term interests of the politicians, bureaucrats, trade unions, employers' organisations and regional elites. The consequence has been, to a large extent, a lack of coherence and rigidity in the functioning of the economy, society, and the public decision-making process.

In the case of the regional autonomies, there is a clear danger of an unstable system, overloading institutions like the Constitutional Tribunal, and blocking the decision-making process with the consequent possibilities of frustration at the same time as the number, and the powers of regional political classes are increasing, with the consequent risk of clientelism and political interference with the readjustment of productive factors.

In the case of the corporatist agreements, experience shows that they have formed part of an incoherent economic and social policy of "gradual adjustment/maladjustment" which has as a consequence produced the segmentation of sectors which were protected by the agreement and those which were not, inflexibility and delay in adapting to the conditions of the world market, and an increase in state intervention and the size of the public sector. This pattern has not been exceptional in Western Europe, where economic and social policy in general has suffered from a similar lack of coherence in facing up to the current crisis, which in turn has led to the loss of a massive number of jobs in recent years. In this sense, Spain is an extreme case within a general tendency.

If these dangers become a reality and these tendencies are sustained, then the mesogovernments and pacts will lead Spain to a society where there is a split between a controlled nucleus and a peripheral margin (underground economy, backward regions and political apathy), and where that nucleus will be more and more inflexible and indecisive. Spain will have been an extreme case

of experimentation with territorial and functional mesogovernments, where some of their positive effects will have been more pronounced and where some of their negative effects will also have been more serious.

N O T E S

- (1) Max Weber, Economy and Society, vol.1 (University of California Press, 1978): 212-299.
- (2) Anthony Birch, "Overload, ungovernability and delegitimation". British Journal of Political Science, vol. 14, (1984): 2; M. Crozier, Huntington, and S. Watanuki, The Crisis of Democracy (New York: New York University Press, 1975); Rose, R., ed., Challenge to Governance: Studies in Overloaded Politics (Beverly Hills: Sage 1980).
- (3) Brian Barry, "Is Democracy Special?" In Brian Barry and Russel Hardin, ed., Rational Man and Irrational Society (Sage Publications, 1982).
- (4) Put forward both by neo-conservative theoreticians like Daniel Bell, liberal economists like Samuel Brittan, as well as by Marxists or "critics" like Claus Offe or Jürgen Habermas: Daniel Bell, Las contradicciones culturales del capitalismo (Madrid: Alianza Editorial Press, 1979); Samuel Brittain, "The Economic Contradictions of Democracy", British Journal of Political Science 1975, 129-159; Claus Offe, "The Theory of the Capitalist State and the Problem of Policy Formalism", in Lindberg, L.N., Alford, R., Crouch, C., Offe, C, ed., Stress and Contradiction in Modern Capitalism (Lexington: Heath. Press, 1975); Jürgen Habermas, Legitimation Crisis (Boston: Beacon Press, 1975).

- (5) There are also non-economic functional mesogovernments, for example churches, the educational or moral authority of which is backed by the state which may be treated as social or cultural mesogovernments: Victor Pérez-Díaz, "Iglesia y religión en la España contemporánea", in El Retorno de la Sociedad Civil. Instituto de Estudios Económicos Madrid, 1987: 411-461.
- (6) Philippe Schmitter and Gerhard Lehbruch, ed., Trends toward Corporatist Intermediation (Beverly Hills: Sage, 1979).
- (7) As, for instance, the macrohypothesis of P. Schmitter concerning the emergence of neocorporatist arrangements would suggest: P. Schmitter, "Still the century of Corporatism". In Schmitter and Lehbruch, *ibid*: 7-48.
- (8) By the political class I understand a segment of the population which is more restricted than that referred to by Mosca (who identifies it with "ruling class"): Gaetano Mosca The Ruling Class (McGraw Hill, 1939), but wider than that which is deduced from Schumpeter's definition as that group of people which competes for the votes of the people in order to gain power: Joseph Schumpeter, Capitalist, Socialism and Democracy (London: Allen and Unwin, 1952). See also: Raymond Aron, "Classe Sociale, classe politique, classe dirigeante". Archives Europeennes de Sociologie, I., 1960.

- (9) Arend Lijphart, "The Politics of Consociational Democracies" (Berkeley: University of California Press, 1976). Philippe C. Schmitter and Gerhard Lehmbruch ed., "Trends toward Corporatist Intermediation". (Beverly Hills, Sage, 1979).
- (10) Peter Katzenstein, Corporatism and Change. Austria. Switzerland, and the Politics of Industry (Ithaca and London: Cornell University Press, 1984).
- (11) Gerhard Lehmbruch, "Introduction: Neocorporatism in Comparative Perspective". In Gerhard Lehmbruch and Philippe Schmitter, Patterns of Corporatist Policy Making (Beverly Hills: Sage 1980): 1-28.
- (12) Peter Katzenstein, Corporatism and Change.
- (13) Gerhard Lehmbruch, "Introduction: Neocorporatism in Comparative Perspective."
- (14) Peter Gourevitch, Paris and the Provinces (Berkeley: University of California Press, 1980).
- (15) Ibid.
- (16) Gerhard Lehmbruch, "Consociational Democracy, Class Conflict and the New corporatism" and "Liberal Corporatism and Party Government. In Schmitter and Lehmbruch, Trends: 53-94.

- (17) Suzanne Berger, "Protest under the French Socialists" mimeo (M.I.T., 1985).
- (18) Philippe Schmitter, "Still the Century of Corporatism", in Schmitter and Lehbruch, Trends: 7-52.
- (19) Philippe Schmitter, "Interest intermediation and regime governability in contemporary Western Europe and North America", in S. Berger, ed., Organizing interests in Western Europe (Cambridge University Press, 1981): 304.
- (20) Leo Panitch, "Recent theorizations of corporatism", The British Journal of Sociology, vol. XXXI, no. 2, (1979): 159-187.
- (21) Mancur Olson, The Rise and Decline of Nations (New Haven: Yale University Press, 1982).
- (22) Colin Crouch, "Olson, Dahl and Shonfield: New Thinking on Organised Pluralism", (European University Institute, Florence), IUE 153 (1983).
- (23) This would be a way of saying that if we looked at one of these organisations, the unions for example, one should be able to distinguish between unions with a narrow, sectorial and short-term outlook (which in Spain and other Latin countries are, in public discussion, usually referred to as "corporative" unions, using the term "corporative" or "corporativism" with a

different meaning from what the terms "corporatist" or "corporatism" have here) and which would produce negative results; and unions with wider horizons, which are responsible and who would think not only of the interests of their class as a whole, but also of society at large.

- (24) Colin Crouch, "Olson, Dahl and Shonfield".
- (25) Including their relationship with the leaders of corporations: G.W.F. Hegel, Philosophy of Right (Dover, 1944).
- (26) Philippe Schmitter, "Democratic theory and neocorporatist practice" (European University Institute, Florence, 1983).
- (27) John Goldthorpe, "The end of convergence: corporatist and dualist tendencies in Modern Western societies" in John Goldthorpe ed. Order and Conflict in Contemporary Capitalism (Oxford: Oxford University Press, 1984): 315-343.
- (28) Compare the chapter by Fritz Scharpf in this volume.
- (29) Peter Gourevitch, París and the Provinces.
- (30) Carlos Fernández, Los militares de la transición española (Barcelona: Argos Vergara, 1982).

- (31) Javier de Burgos, España: por un Estado Federal (Barcelona: Argos Vergara, 1983).
- (32) Within the framework of this paper it is unnecessary to go into the full complexity of the constitutional norm. It is sufficient to say that under the Constitution one can find differing types of autonomies according to whether they have used Article 151 (Catalonia, Basque Country, Galicia and Andalusia) or Article 143 (with the use or not, of Article 150.2, which makes Valencia and the Canaries different) all of this without mentioning the peculiarity of Navarra and the specific nature of the economic pacts between the central state and this region and the Basque Country.
- (33) Eduardo García de Enterría. "El futuro de las autonomías territoriales", in García de Enterría, E. and Linz, J. ed., España: un presente para un futuro, II. (Madrid: Instituto de Estudios Económicos, 1984): 99-116.
- (34) Eduardo López Aranguren, La Conciencia regional en el proceso autonómico (Madrid: Centro de Investigaciones Sociológicas, 1983); Juan Linz, F. Orizo and M. Gómez Reino, Informe sobre el cambio político en España (Madrid: Fundación FOESSA, 1982).
- (35) Rodolfo Martín Villa, Al servicio del Estado (Madrid: Planeta, 1984).

- (36) This essential nucleus, wrapped in the language of royal proclamations, appeared in the declaration read by the King to the party leaders when they were released (El País. February 26, 1981).
- (37) Eduardo García de Enterría, "El futuro de las autonomías territoriales".
- (38) Therefore, I shall not discuss the effects on the degree of administrative efficiency, or the management of economic problems, in the hope that greater temporal perspective will make it possible to replicate the studies which Putnam and others have made of the Italian experience: R. Putnam, R. Leonardi, R. Nanetti, and F. Pavonello, "Il rendimento delle istituzioni: il caso dei governi regionali italiani", in G. Pasquino, ed., Il Sistema Politico Italiano (Bari, Laterza, 1985): 345-383.
- (39) Juan Linz, "Crisis, breakdown and reequilibration", in Linz, J. and Stepan, A., ed., The Breakdown of Democratic Regimes. (Baltimore: The Johns Hopkins University Press, 1981): 87-88.
- (40) The power of the nationalists was much less at the start of the process. In the 1977 elections the PNV had fewer votes than the PSOE in the Basque Country, and Convergència i Unió had fewer votes than the PSOE and the UCD in Catalonia; and the

abstention rates in the referenda for passing the Autonomy Statutes in both regions was around 40%.

- (41) For example in the critical matters of the issue of public debt by autonomous governments, which would require the approval of the central government (Ruling of February 2, 1984), or of the consideration of Circulars of the Banco de España as basic norms in fixing the cash ratios of banks and of savings throughout the country.
- (42) This has already happened with the ruling of the Constitutional Tribunal of April 7, 1983, which confirmed the constitutionality of the naming of Secretaries of Municipalities in the Basque Country by the central government, the PNV mayors having refused to hand over the posts to these Secretaries.
- (43) See, for example, what happened at the meetings of intellectuals in Gerona in February 1984 (El País, 21 and 29 February 1984, and Cambio 16, no. 641).
- (44) Max Weber, Economy and Society.
- (45) Ortega's theory that the nation implies a common project cannot be accepted; this combines the concepts of "nation" and "political power" (for the carrying out of this project) (José Ortega y Gasset, La España invertibrada Madrid: Revista de Occidente, Press, 1959). But as Weber has pointed out, the

relationship between nation and political power is rigorously accidental. Throughout history there have been numerous plurinational states. What is more, the plurinational state has been the "norm" to such an extent that the national state must be considered as the exception that proves the rule. National self-determination might be the aspiration of the nation at one moment in its history, but not a "natural right", or a normative requirement which can be derived from the "essence" or "concept" of nation. See also Karl Popper, Conjectures and Refutations (London: Routledge and Kegan Paul, 1972).

- (46) Víctor Pérez-Díaz and Luis Angel Rojo, "Economic Responses to Political Transitions" Conference of Europeanists, (Washington: 1983).
- (47) Víctor Pérez-Díaz, Clase obrera, partidos y sindicatos. (Madrid: Instituto Nacional de Industria, 1979).
- (48) Víctor Pérez-Díaz and Luis Angel Rojo, "Economic Responses".
- (49) Banco de España. Informe Anual 1978 (Madrid; Banco de España, 1979). Luis Ángel Rojo, "La economía española ante la liquidación del franquismo", in Foro Internacional (FCE, July-September, 1978): 92-102. Enrique Fuentes Quintana, "Economía y política en la transición democrática española", in Pensamiento Iberoamericano, no. 1, (1982): 143-159.

- (50) Víctor Pérez-Díaz, "Los obreros ante el sindicato y la acción colectiva", in Papeles de Economía Española, no. 6 (1981): 236-265. Víctor Pérez-Díaz "Los obreros ante la empresa", in Papeles de Economía Española, no. 7 (1981): 282-309.
- (51) Ibid.
- (52) Víctor Pérez-Díaz, Clase obrera, orden social y conciencia de Clase (Madrid: Instituto Nacional de Industria, 1980).
- (53) Víctor Pérez-Díaz. El Retorno de la sociedad civil (Madrid: Instituto de Estudios Económicos, 1987).
- (54) Ibid.
- (55) Official Ministry of Labour statistics on labour conflicts are of very poor quality. The Ministry has no strict control over the compilation of information. Normally it does not count strikes lasting for less than a day, and since 1980 it has included only information given sporadically about conflicts in Catalonia and the Basque Country. The statistics which the CEOE has been publishing since 1980 are better. The various estimates of the volume of strikes between 1976 and 1979 vary considerably from year to year. However, they do coincide on a degree of magnitude of between 11 and 21 million working days lost every year during this period. After 1980, both the Ministry and CEOE figures agree on a substantial reduction in

conflict. The CEOE statistics show that conflict for the period 1980-83 involved 13 million days lost in 1980, 9 million in 1981, 7 million in 1982 and 9 million in 1983. The Ministry statistics reflect the same trend at a much lower level. In 1984 there was a considerable increase in conflict, which might have been caused by the restlessness over industrial reconversion and the absence of social pacts.

- (56) Victor Pérez-Díaz, Retorno.

- (57) José Luis Malo de Molina, "Distorsión y ajuste del mercado de trabajo español", in Papeles de Economía Española, no. 21, (1984): 214-235.

- (58) Víctor Pérez-Díaz and Luis Ángel Rojo, "Economic Responses."

- (59) José Luis Malo de Molina, "Distorsión y ajuste": 214-235.

- (60) Dankwart Rustow, "Transitions to democracy: towards a dynamic model". Comparative Politics, II: 3 (1970): 337-363.

- (61) Ernest Barker, "Introduction", Social contract (London: Oxford University Press, 1960).

- (62) Clifford Geertz, Negara. The Theatre State in Nineteenth-Century Bali (Princeton University Press, 1980).