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May Explain a Future PP/CiU Relationship in Madrid**

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INTRODUCTION

Political leaders may be expected to consider their party's political futures in relation to the policies they currently pursue. The repercussions of certain actions may affect results in a political party's performance in subsequent elections (local, regional and national), potentially even denying them office for some time. Parties and their leaders must consider whether current policy objectives outweigh future risks associated with them. In Spain the possibility exists for regional parties to play an important role in shaping national government. For a party like *Convergència i Unió* (CiU), which claims to be a catch-all party; their opportunities to participate are even greater since they have been able to maintain a considerable seat total at state level (in the *Congreso*). Thus, because CiU is likely to be in a position to make or influence decisions in both regional and national level governments, it makes the electoral costs of their political choices that much more significant since they seek votes at elections in both.

In the years following the Hotel Majestic Agreement of 1996, the percentage of votes cast for CiU has steadily been on the decline in national general elections. However, because CiU has been able to keep their seat total consistently at no less than ten seats in Spain's lower house since the 1993 national general elections, opportunities are likely to continue to exist, should the political climate warrant it, to make a pact with either the *Partido Popular* (PP) or *Partido Socialista Obrero Español* (PSOE) at the national level. However, which party they might be in a position to form a pact with will be dependent on the size of the two major statewide parties and the number of seats held by other regional parties. In 2004, and again in 2008, CiU was excluded from pacts due to the relative strength of the *Esquerra Republicana de Catalunya* (ERC). Thus, it is plausible that future pacts for CiU are more likely with the PP if the ERC continues to show a presence in the *Congreso*, since ERC is unlikely to form a pact with the PP. Not only do the ERC and PP have a different stance on Spain's state structure, their economic policies reflect opposing views. Thus, where CiU and PP might find agreement economically, such harmony between the ERC and PP does not exist. During interviews with Catalan MPs for this research, the interview process concluded with the question: 'Can you see a future pact between the PP and CiU either in Barcelona or Madrid?'. Answers were not always straightforward; a few CiU interviewees mentioned Catalan poet Salvador Espriu and his 1958 work *La Pell de Brau*. Arguably, Espriu's work continues to influence Catalan politics¹. Catalan politicians have related it to their political programme in relation to the three routes Catalonia could take with regard to their future status within the Spanish state. The first route, the end of the Catalan nation; the second, measures are taken step by step through political negotiation within the central government in order for further autonomous powers, finally, the third way, a sovereign Catalan state. Due to the

¹ *La pell de brau* and *peix al cove* were often the only two metaphors interviewees would use to describe the routes of Catalan nationalism and the relationship between centre and periphery in Spain.

institutional framework of Spain and the recent opinion polls on the issue of Catalan independence, Espriu's three routes remain relevant for Catalan politics today.

The costs of building, maintaining and ending a political pact do influence the opinions of voters. Because Spain has two main statewide parties firmly entrenched into its political landscape, and because regional parties, at least until now, still have a meaningful role to play in statewide government, there will remain the opportunity for further political pacts between statewide and regional parties. There are benefits to forming political pacts in Spain. For the PP the clear benefit in 1996 was the election of Aznar as Prime Minister and the control of central government. For CiU, not only were they able to reach agreement at the Hotel Majestic, but also the pact saw them achieve a higher proportion of their pre election campaign promises since they had the support of the PP. As the 2010 regional elections have demonstrated, CiU no longer needs the Pujol Factor to win an electoral campaign. If 2010 is a sign of things to come, the possibility of a CiU and PP pact is again a realistic possibility following the 2011 national elections, even if more than half of those interviewed for this research were not fully convinced that this would happen (CiU and PP Interviews, 2010). After first defining the potential benefits and costs of political pacts, this paper will first explain how *La Pell de Brau* remains relevant to Catalan politics, and then conclude with an examination of how pacts between centre and periphery parties, particularly between the PP and CiU, might manifest themselves in the future.

THE POTENTIAL BENEFITS AND COSTS OF POLITICAL PACTS

Many CiU interviewees were not convinced that a future CiU and PP pact was likely due to the political consequences their party endured when the pact was finally broken during Aznar's first term (CiU Interviews, 2010), although there were other CiU interviewees who were cognisant of the potential benefits a future pact could bring to their party. The PP interviewees on the other hand, were quite certain that a pact would again happen, as they did not explain any disadvantages to breaking it (PP Interviews, 2010). However, forming and maintaining a pact for the PP did result in a compromise of their original policy goals before the 1996 national election. As Mershon (2002, p.22) states, there are four types of coalition costs: office, policy, electoral and bargaining, which occur

at three different stages, building, maintaining, and finally, breaking the coalition². After briefly outlining the costs and benefits of coalition during the building and maintaining stages, further assessment of the impact of breaking pacts, during Aznar's first term, and what the break meant to possible future agreements between CiU and PP will be made.

As mentioned above, there are four areas where building a coalition can carry costs. Firstly in terms of office, the costs are associated with ministerial posts. The distribution of cabinet and committee posts in the Spanish executive and legislature is straightforward. The party that holds the position of Prime Minister, since the transition, has always monopolized the executive. In terms of legislative committees, seats within them are broadly distributed proportionally to the amount of seats each party acquires in the general election, including the opposition parties. However, the percentage distribution of committee posts to regional parties is not always consistent with the percentage of seats cast in their favour. Thus, there are no costs for a party like CiU who will be able to have some presence in legislative bodies regardless of whether or not they are part of the winning coalition (or pact), as long as they have a seat total significant for a regional party. It is possible, however, that by being on the winning side of a pact they may be in a position to prioritise membership of some committees rather than others, and thus may be able have greater input in areas where they feel more experienced or have a greater policy interest. However, CiU interviewees, when asked about Committee posts, were not too concerned with the committees themselves, rather just that they were on them (CiU Interviews, 2010). In terms of the PP, their office costs in terms of the executive are null, since they monopolize the executive when they win, and are absent when they lose.

In terms of policy, during the building of coalitions (pacts), all parties, it is likely, will have to arrive at some compromise during the negotiations in order to create an agreement. In the case of the Hotel Majestic it is impossible to know where each party stood at the beginning of the negotiations in relation to the final result. We can assume that the final agreement was arranged somewhere around the middle, perhaps with a slight advantage given to one over the other. Concessions most certainly had to have been made by the CiU in order to seem attractive to the PP. As Mershon (2002, p.108)

² Although Spain has had no formal coalition government, the pacts negotiated in 1996 in particular between CiU and PP are relevant to the theoretical definitions described by Mershon. Between 1996 and 1998, the CiU and PP exhibited all the qualities of first negotiating a coalition, maintaining one, and finally, breaking it off once most of the negotiations from the Hotel Majestic Agreement had been approved as government policy.

states, institutional constraints and incentives must also be considered here. There was only so much the PP could have done for CiU and vice versa. In 1996 the position of the PP was not advantageous because they needed the help of parties that did not share identical ideologies in order to form a government, even though they had won the largest share of the popular vote and obtained the most seats in the Congreso. As Carrascal (1999, p.134) writes, '*quién manda en España? Teóricamente, Aznar. Aunque cada vez son más los que piensan que Pujol, que es quien termina siempre por llevarse el gato al agua*³. While both Aznar and Pujol did make compromises, Pujol arguably made fewer concessions since he had the option to possibly form a pact with the PSOE in a worst-case scenario, should the PP not offer a suitable deal.

A negative element to building a coalition is associated with the bargaining costs, the amount of time it takes for government formation between the day of the election to when MPs are sworn in. In the United States, this process is non-existent, the president of the United States is voted for on the first Tuesday in November every four years, and is sworn into office the following January twentieth. In 1996 Spain, elections occurred on March third and government was sworn in on May fifth by the King, with the formation of the government taking sixty-one days. When compared to other Western European democracies, the Spanish case in 1996 reveals a considerable period of time needed for government formation, although in other countries, such as Belgium, the process can take considerably longer. In Mershon's (2002, p.118) cross-national examination of days to form government, four party coalitions took (on average) approximately less than half the time it took the PP to negotiate with CiU, CC and PNV⁴. In terms of costs, government formation, at times, can create periods of lame duck parliamentary sessions and uncertainty about government formation. Fortunately for Spain, this has yet to happen since the transition to democracy.

In terms of electoral costs, there are consequences not only in building coalitions but also in sustaining coalitions, since the subsequent legislatures and the effects they may have brought forth must also be further examined. In 1996 Spain, the electoral costs for CiU having a previous coalition with the PSOE resulted in the party losing one seat in

³ Who rules (drives) Spain? Theoretically, Aznar, although there are more of those who think Pujol, since he always ends up with the upper hand.

⁴ Countries included: Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Netherlands, Norway and Sweden.

the Congreso in the following national election. However, considering the situation, the loss of one seat did not make a difference in the coalition agreement between the PP and CiU. The 1999 regional elections also saw negative effects for the CiU in terms of the pact that they had agreed with the PP, as they lost their absolute majority in the Generalitat, which some CiU interviewees cited as a reason for this election outcome (CiU Interviews, 2010). Furthermore, by the 2003 regional elections the CiU had reached their lowest seat total since 1980. Although the pacts were not the sole reason for the CiU's decline in votes, one CiU interviewee claimed 'we are still paying the consequences for that agreement' (CiU Interview, 2010). However, it is important to factor the absolute majority that Aznar had in 2003, as one CiU interviewee noted, 'we (CiU) still think we lost the government (in Catalonia) because of how Aznar acted in his second term' (CiU Interview, 2010).

Only three interviewees (all CiU) were adamantly opposed to any further CiU-PP pact in either Barcelona or Madrid. In large part the CiU interviewees' reasoning for the improbability of the two parties coming together in future legislatures was due to the PP's attitudes towards further autonomy in Aznar's second term, which they claim, remain to this day. As one CiU interviewee claimed, 'it (a pact) would be difficult because the PP has a belligerent attitude towards Catalan issues' (CiU Interview, 2010). Certainly, some of the PP backlash towards Catalonia was a result of the pact as well. As the PP has to appeal to a larger variety of interests across the entire Spanish state, they cannot be seen as being too forthcoming with the CiU. However, if enough time has passed, as would be the case in the November 20th 2011 national elections, and if PP and CiU were to form a pact, it might put an end to CiU fears of possible electoral costs in future regional elections and PP fears of electoral costs in national ones.

In terms of the costs of breaking coalitions, in the worst-case scenario, the breaking of a coalition can also lead to the dissolution of government. In Spain dissolution is difficult to achieve for two reasons. Firstly, Spain has not so far had formal coalition governments, rather it has pacts, and therefore if one partner were to break the pact (as was the case with the CiU) the leading party can still operate by having minority government status. Secondly, according to Article 112 of the Constitution, dissolution can only occur with a simple majority vote. Article 113, a motion for censure, is also possible, but more difficult, as the Congreso must not only secure an overall majority but also a new

government leader must be identified by the opposition to quickly replace the ousted (Newton and Donaghy, 1997, p.63). Therefore the office costs of breaking a coalition in Spain are minimal, if anything, they are almost non-existent. Because CiU broke their pact with the PP just half way through Aznar's term, it did not result in the Catalan party losing their position on committees in the Congreso, nor was the participation of their MPs in the legislature affected. Thus, when a coalition has ended in Spain, but the legislature remains intact, parties do not suffer immediate consequences in terms of office.

In terms of policy costs in relation to the ending the pact during Aznar's time in office, both the PP and CiU suffered. Yet, even after the pact was ended in late 1997, both the CiU and PP were found, on occasion, to continue to agree on certain legislation up until Aznar's first term ended in the spring of 2000. Even when, in late 1997, *El Pais* had reported that Aznar and Pujol had abandoned the pact, they had, at the same time, promised to maintain the 'stability of the government' (*El Pais*, 07.10.97). And by April 1998 Pujol and Aznar had agreed on the 1999 budget (*El Pais*, 15.04.98). While Pujol wanted to re-negotiate a new pact similar to the Hotel Majestic Agreement, albeit with a more limited scope, the fact is that the former Catalan President continued to support Aznar and the government even after he had claimed to abandon it.

It is also important to consider elections at the regional level in Catalonia and the symbolic importance of CiU having a relationship with the PP. By campaigning as a party that essentially had used the PP to further their political programme, and then breaking off the pact once its objectives had been met, ultimately the CiU did not benefit from breaking the pact with PP since they lost their absolute majority in the Generalitat at the 1999 regional elections. In fact, in terms of policy, the CiU suffered even further by first breaking the pact at the national level and then having to build a pact at the regional level a short time later. It is difficult to know specifically if breaking the pact had greater repercussions for the CiU-PP relationship in the Generalitat, but it has to be considered a possibility. Especially if it is assumed that the PP agreed to a pact with the CiU in 1999 on the condition that a new Catalan Statute of Autonomy would not be negotiated. As Pujol has claimed many times, 'tot compromís comporta risc' and in this case the risk of breaking the coalition resulted in unfavourable coalition building in terms of policy at the regional level in 1999⁵.

⁵ 'Every agreement carries risk'.

THE POLITICS OF NATIONALISM AND LA PELL DE BRAU

The three routes Catalonia can take with regard to their nationalist ambitions is not an inconceivable way to think for any nationalist movement today. Espriu's *La Pell de Brau*, written during the Franco period, was the author's response to the Spanish state and the treatment he thought Catalan society was receiving under fascism. Themes of nationalism in Catalonia remain post Franco due to the ACs history within the Spanish state and its ability to survive more than thirty-five years of dictatorial rule. Thus we can still find relevance in Espriu's work and what he envisaged as the possible three routes for the Catalan nation. *La Pell de Brau* was a series of poems, but in terms of politics and the reconciliation of Catalans and their place within Spain, reference is made to one of Espriu's most famous lines, ' *escolta, Sepharad: els homes no poden ser si no són lliures*' (Espriu, 1987, pp.15-6)⁶. The question for some Catalans then, is how the relationship between Catalonia and Spain will continue, and more importantly, will enough people continue to see it as a struggle.

In examining the first route of Espriu; the end of the Catalan nation, there remains little to be seen today from a political standpoint, due to the relative strength of Catalan political parties both regionally and nationally. However, in terms of the third route, that Catalonia seeks independence, this segment of Catalan politics is still less than a majority. It is the second way, the pragmatic way of working with Spain that continues to dominate the Catalan political landscape from both the left and right, in order to secure further autonomy not only financially, but also socially and culturally. After examining routes one and three, I will further examine route two and how that will relate to possible future agreements which will most likely occur again between PP and CiU. From a political standpoint, the end of the Catalan nation has clearly not arrived. In terms of how Catalan residents identify themselves, studies have shown that a majority of those people living in Catalonia to hold dual identities, both Catalan and Spanish (Lago Penas, 2004, p.28 and Riera Sagrera, 2009, p.12). In a 2004 study by Argelaguet (2006, p.435), only twenty per cent of those surveyed answered 'more Spanish than Catalan' or 'only Spanish'. The 2010 elections have also signalled the continuity of Catalanism in politics.

⁶ 'Excuse me Spaniard, men are not able to be if they are not free'. Espriu referred to Spaniards in the Sephardic term.

There remain two parties in Catalonia that claim to be non-nationalist, the PP and C's (Ciudadanos-Partido de la Ciudadanía). The C's are a party that claim to denounce the abuse of nationalism, which they felt has taken over the political debate in Catalonia (www.ciudadanos-cs.org). However, at the last regional election the C's won only three per cent of the popular vote (and only three seats in the Generalitat). However, there are elements of society, which tend to suggest that Catalan nationalism has faded, especially in Barcelona, where there has been increased immigration from areas outside of Europe. New immigrants may not see Catalan issues, such as language, as important or as giving them an advantage to a better life. Some interviewees were quite sceptical about the future of the Catalan nation, although their scepticism came not from within their own AC, but as one interviewee stated, 'it is very difficult in this moment because the rest of Spain is being very anti-Catalan at the moment' (CiU Interview). Anti-Catalan feelings in the rest of Spain might at some stage see Catalan politicians move toward an independent state, but that may be difficult as was highlighted in an opinion article by Salvador Cardús, 'el camí de la independència no assenyala, certament, un destí fàcil d'aconseguir' (*Avui*, 17.04.10)⁷.

One of the most striking elements of the interview process with MPs from CiU was their desire to bring up the topic of independence for Catalonia. Before the interview process began, the topic of independence was intentionally left out because it was felt that it would distract the interviewee from speaking about the political relationship between Aznar and Pujol. Surprisingly, unlike their former leader (Pujol), more than half of those CiU interviewees favoured independence. As one interviewee stated, 'Our generation isn't about *La Pell de Brau*, it is more about having its own state (CiU Interview, 2010). Even Pujol, in early June 2010, claimed that he was finally open to the debate on independence due to the crisis of the Spanish state, although he also acknowledged, 'una altra cosa és el que decideixi' (*Avui*, 09.06.10)⁸. Arguably, the possibility of independence in Catalonia today is fairly remote, although nearly half of CiU voters (47.3 per cent) are in support of independence; it is unlikely that new leader Mas will incorporate the issue into his new political programme (Argelaguet, 2008, p.48). The idea, at least politically is still too radical, especially for CiU, which tries to maintain its position as a centre-right party. The

⁷ 'The path of independence is not certainly an easy target to achieve'.

⁸ 'It's another to decide it'.

largest party in the recent Catalan regional election that is publicly for independence, the ERC (more than 90 per cent of their voters are in support), won only ten seats, eight less than the PP (*ibid*). The ERC and CiU's inability to form a pact in the Generalitat is based largely on the independence issue, which the CiU (as a whole) does not support publicly, however, differences in economic policy may also help to explain the CiU/ERC relationship. Independence may not be entirely out of the question for the CiU, as one interviewee stated on current members, MPs and leader Mas, 'In the CiU we have people who are for independence and we have people who are not for independence. Mas believes to help the majority of society, but to work towards independence, which covers every ambit of society' (CiU Interview, 2010). It would be disastrous for supporters of independence if a referendum were to take place hastily, and then fail, it would then make Espriu's first route more realistic for Catalonia's future.

The most realistic route, if and when the time comes, for the emergence of a sovereign Catalan state, is through Espriu's second way, the pragmatic approach of working with Spain. Recently this has not only been the way first promoted by Pujol during the period of research and the pacts made between the CiU in 1996 and 1999, but also by the PSOE-Tripartit pact in the last two national legislatures. In terms of acquiring greater Catalan autonomy from a political perspective, it has been most successful during periods of political pragmatism between Barcelona and Madrid. Some CiU interviewees were critical, however of how the two statewide parties have developed in recent times, with one interviewee claiming that 'a plural Spain does not exist' (CiU Interview, 2010). Another CiU interviewee added that both the statewide PSOE and PP 'are not federalists, they are centralists' (CiU Interview, 2010). However, as Orte and Wilson (2009, p.418) state, 'the PSOE has moved closer towards a 'pluri-national' vision of Spain...whereas the PP has moved towards a more intransigent unitary model under the leadership of Rajoy'. The institutional framework in Spain is such that regardless of either the PSOE or PP's ideology on state structure, during times of coalition or pacting, there has to be some kind of policy compromise if there is enough of a presence in the Congreso by regional parties, such as the CiU.

Reform of the ACs is a constant two level game, which can result in either a more consensual or conflictual character (Orte and Wilson, 2009, p.419). Conflictual character is more prevalent by both sides in three instances: when a party is in opposition (including

election campaigns), when a party secures an absolute majority, and finally, when a party breaks off a coalition during a period of minority government. Firstly, when a party is in opposition, such as the PP, it promotes distance from nationalist regional parties in Spain to appeal to a greater proportion of voters throughout the entire Spanish state. There is no benefit for the PP in allying itself with the interests of the CiU when in opposition since that would risk alienating a significant block of members and voters. Secondly, when a party, such as the PP, has an absolute majority, as it did in 2000, observers are able to see the party's character uninhibited by demands from smaller parties in terms of how it plans to advance its policy agenda within the state. Again, there is no benefit from working with the CiU because that would only compromise the PP's policy agenda. When Aznar did offer cabinet posts to the CiU in 2000, it was arguably not political pragmatism on his part; rather it was an opportunity, if Pujol had accepted, to show the decline of regional nationalists in Spain since Pujol would have agreed to work with Aznar even though it was not absolutely necessary.

Finally, when pacts are broken during minority governments, large parties are inevitably upset that smaller parties are able to block legislation and influence policy, giving them a disproportionate amount of power irrespective of their seat totals. Larger parties, in this case the PP, may be more successful in future elections if they have another party to blame for their failures, as was the case in the electoral success of the PP during local elections in Aznar's second term. Although, as Montero states (2008, p.71), the possibility that statewide parties are likely 'to cultivate relations with nationalist parties is more permanent since these parties consistently act as the 'hinge party' (*partidos bisagra*) with whom the national parties must ally to form a majority'. And, as mentioned earlier, Pujol and Aznar were still able to find agreement on a number of policy issues, including the national budget.

The consensual character of the two level game occurs when parties need each other, during times of political coalition or a pact. In Spain, this has occurred in four of the past five national legislatures. In 1996, PP supporters who during the election campaign had expected to win an absolute majority perhaps best exemplify the consensual and conflictual nature of Spanish politics. Publicly, the PP was adamant that they did not want to form a government with Pujol and CiU, thinking they had bested the Catalan leader; PP

supporters began to chant, *'Pujol enano, habla castellano'*.⁹ However, later, after the election results had been declared, PP supporters had to change their approach, now singing the praises of the Catalan leader, *'Pujol guapera, habla cualquiera'*¹⁰.

As mentioned above, as long as smaller regional parties continue to have a significant presence in the national legislature, the PSOE and PP are likely to have to form pacts with such parties from time to time. While it is not impossible, the likelihood of the main two statewide parties forming a pact together is very small. Also, the likelihood that the PP would form a pact with the IU is also relatively slim, considering the disparity the two parties have from an ideological standpoint. Therefore, as long as CiU can maintain a presence in the Congreso they will, at the very least, have the opportunity to further their autonomous goals through the central government. With the recent results in the Generalitat the CiU is more likely in the next general elections to further its autonomous goals if three conditions are played out: firstly, the PP wins the most seats in the Congreso but not enough to win a majority, secondly, CiU is able to obtain at least ten seats, and finally, there is a greater chance for the CiU to obtain more seats if the ERC's presence in the Congreso diminishes. If these conditions are met, then Spanish politics is likely once again to endure a phase of consensual agreements in the spirit of Espriu's second route.

THE POSSIBLE FUTURE ROLE OF REGIONAL GOVERNMENTS IN SPAIN

As previously mentioned, the outcome of future agreements between the PP and CiU, primarily in central government is dependent upon the strength of not only CiU but also regional parties throughout the state. To a certain extent the same can be said for the PP at the regional level in the Generalitat, since their position is very similar to the position the CiU holds in the Congreso. However, CiU interviewees were sceptical in their opinions of the declining role of their party in the central government in Spain, in terms of their party's position (CiU Interviews, 2010). The presence of regional parties in Madrid has declined since 1996, yet the recent CiU victory in Catalonia, and the prediction of a change in government at state level in 2011, may see a resurgence of nationalist regional parties, primarily from Catalonia and the Basque Country. There are three reasons why

⁹ 'Pujol, you dwarf, speak Spanish'.

¹⁰ 'Pujol, you're handsome, speak whatever'.

this may be the case; firstly, because the PSOE is expected to lose votes in both Catalonia and the Basque Country, its voters are more likely to switch to either the CiU or PNV rather than directly to the PP. Historically voters from the two regional parties in regional elections have tended to vote more for the PSOE in national ones. Secondly, both Catalonia and the Basque Country are still seeking further autonomy on various issues. Finally, the positive results of the 1996 pact may push enough voters away from the PP and into regional parties, therefore blocking a possible absolute majority for the PP.

When CiU and PP politicians were interviewed in the spring of 2010, the Catalan regional elections were still six months away. There was still a sense of restlessness amongst MPs of both parties about which way the election would go. While for this research it is not possible to return to those people interviewed to investigate their perceptions of how their regional parties and government might fare in the 2011 general elections, it is perhaps possible to speculate. On the one hand, there should not be much cause for alarm for regional parties, as Field and Hamann (2008, p.14) state, 'regional cleavages are profound and long-standing in Spain', unlike many other Western European democracies, the environment of regional politics does weigh heavily during elections. Yet, as Montero (2008, p.68) writes, 'regional issues are among the most salient in Spanish politics but among the least apparently divisive in the congress'. Because regional issues are then dominated by the PSOE and PP, it makes agreements like the Hotel Majestic Agreement even more important. During the 1990s and 2000s, Autonomous Fever has spread throughout Spain, and even if the Congreso is dominated by statewide affairs, according to Gibbons (1999, p.29) it has created a situation whereby 'all the Spanish regions have achieved a comparatively effortless enhancement of their powers, as central government has sought to find a balance in its concessions to all the autonomous communities'. How far certain ACs are willing to go in this regard is dependent upon how far Catalonia (and to a certain extent the Basque Country) is willing to lead these measures as they did in the early and mid 1990s.

Future agreements between the PP and CiU at state level will clearly not happen if the CiU does not have a significant presence in the Congreso. But we must also take into account the relationship the two parties have at the regional level and how that might influence pacts in Madrid. From a symbolic standpoint the PP and CiU making a pact in

Barcelona is difficult because it affects the policy programme of CiU and what they hope to achieve in working with the central government should they have no pact there, similar to 1999 when the CiU led Generalitat was at the mercy of the PP¹¹. As mentioned earlier, what is also significant at the regional level is the PP's stance on the new Statute of Autonomy. In the same fashion that the ERC refuses to support the CiU support on the premise of independence (mentioned above), the CiU rejects PP support on the basis of the current Statute of Autonomy. Even though as one CiU interviewee claimed that a pact was more likely in Madrid than it was in Barcelona even though 'there are members of the Catalan PP who identify themselves as very Catalan' (CiU Interview, 2010).

In the 2010 regional elections CiU did not require the support of the PP even though they did not secure an absolute majority, instead forming a minority government following a parliamentary agreement in the Generalitat by the CiU, PSOE and PP to signal that a change was needed in order to move the government forward¹². However, as was the case in 1999, should the CiU need the support of the PP in 2014, the situation may call for more negotiations, especially if a pact had been reached between the CiU and PP in 2011. As Capo Giol states, there are four situations which highlight the relationship central government has with its regional counterparts. As was the case in 1999 the possibility in 2011/2014 also exists:

Central government in a minority, supported in Congress by a nationalist party that is also in a minority in its autonomous house. In this case, an exchange occurs and a non-collaborating attitude from the nationalist group is immediately replied to by the state party in the autonomous parliament. This leads to pacts of mutual stability between the two parties in the two parliaments (Capo Giol, 2003, p. 115).

If pacts are to be formed again in the future, the question then becomes the extent of such an agreement. The strength of the leadership of both Aznar and Pujol in 1996 was significant due to the size and symbolism of the Hotel Majestic Agreement. As one CiU interviewee stated, '[An agreement] is only possible when they don't have an absolute

¹¹ Although it cannot be proven, it is plausible that the 1999 pact in the Generalitat was a condition of the 1996 pact. CiU could have also been anticipating another pact in 2000 between themselves and the PP, thus giving them more vertical congruence between levels of government.

¹² Mas and CiU were able to lead a minority government even though they did not have an absolute majority because he is 'tolerated' by enough MPs in opposition to form a government. Reniu and Calvet state that this type of formation represents twenty-five per cent of all sub-national governments in Spain (Reniu and Calvet, 2004, pp.4-5).

majority, but we wouldn't have an agreement like the Majestic agreement, it would be more punctual...day-to-day agreements' (CiU Interview, 2010). Another CiU interviewee stated, 'PP should not expect the enthusiasm of the CiU if they win the next general election' (CiU Interview, 2010). A grand pact may not necessarily be needed, since, in terms of symbolic issues which were a significant element of the Hotel Majestic Agreement, in many respects, many of the unresolved left-over questions from the transition were answered, with respect to Civil Governors, Mossos d'Esquadra, control of the ports. As one PP interviewee noted, the CiU cannot have a strong nationalist attitude, in large part because of (the position of) the ERC. In order for the CiU to remain a catch-all party within Catalonia, it [a new agreement] would be about pragmatism and economic issues (PP Interview, 2010).

So much is dependent upon electoral outcomes, and because the two level system between region and state is still significant in Spain, predicting the perfect storm in this case is complicated. However, the process has already begun which may create a situation as described by Capo-Giol above. Without a significant number of seats in the Congreso however, the CiU's position in the Generalitat will become irrelevant. However, this is unlikely to happen since it fared so well regionally, matched with the severe decline not only of the Catalan PSC, but also the ERC. It will then be up to the two leaders: Mas and Rajoy and their closest advisors to see if political pragmatism can once again prevail.

CONCLUSIONS

There were political benefits and costs for the CiU in creating a pact with the PP. Ultimately the Catalan party's loss of leadership in the Generalitat in 2003 can be attributed to two considerations: firstly, the PP's absolute majority in the central government may have unjustly placed some of the blame on part of the CiU for this electoral outcome in 2000. Secondly, the loss of CiU's longstanding leader, Pujol after twenty-three years, did leave the party disorganized and unprepared. However, the costs for the CiU of building, sustaining and then breaking the pact arguably did not outweigh the benefits that the Hotel Majestic Agreement established in 1996. As one CiU interviewee noted, 'it is not about quantity but the quality of such a movement' (CiU Interview, 2010). Indeed, the Hotel Majestic Agreement allowed for Catalan autonomy to move forward, as evidenced by the last two national legislatures of the PSOE and

Tripartit. With fiscal autonomy for the AC now at nearly sixty per cent, should CiU be able to influence the formation of a government in Madrid through the creation of another pact with one of the major parties, that number could increase even further, alternatively, the issue of fiscal autonomy could prevent a pact from possibly forming.

In the current democratic system of Spain, it would be very difficult to withdraw the elements of the negotiations already passed into law. Therefore, the return of Civil Governors will not happen, the Mossos d'Esquadra will continue to be the police force in Catalonia, and fiscal autonomy will remain. However, in the present and near future, political Catalanism is still strong enough not only in the Generalitat but also in the Congreso, and when the time presents itself, it will have a role to play in influencing Prime Ministerial appointments held by either the PSOE or PP. In terms of independence, as one CiU interviewee noted, 'nothing in politics is impossible' (CiU Interview, 2010). However, independence will not come by hastily seeking a vote because the Spanish Supreme Court rejected parts of a new Statute of Autonomy. By working with the central government and continuing to create pragmatic political solutions to the problems, which face the territory, and more importantly by creating opportunities, which better provides services to those who need it most. Pacts between centre and periphery parties will occur at both regional and central levels of government, in large part as a result of the ways in which the system was established more than thirty years ago.

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