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Coordinators

IBERIAN ELITES AND THE EU:
PERCEPTIONS TOWARDS THE EUROPEAN INTEGRATION
PROCESS IN POLITICAL AND SOCIOECONOMIC ELITES
IN PORTUGAL AND SPAIN

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IBERIAN ELITES AND THE EU: PERCEPTIONS TOWARDS
THE EUROPEAN INTEGRATION PROCESS IN POLITICAL
AND SOCIOECONOMIC ELITES IN PORTUGAL AND SPAIN

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PORTUGAL AND SPAIN IN THE PROCESS OF EUROPEAN INTEGRATION

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Introduction

Following a long negotiation process, which took almost eight years, Portugal and Spain signed the Treaty of Accession to the European Communities on the 12th of June 1985. The signature was accompanied by solemn acts organized at the cloister of the Jerónimos Monastery in Lisbon and the Royal Palace in Madrid. The accession took effect some months later, on the 1st of January 1986. For both countries this moment meant putting an end to a long period of isolation from Europe, especially prolonged in the case of Spain, for which it started with the Treaty of Vienna in 1815, almost two centuries earlier. Even though Portugal participated in the First World War on the side of the *Entente* and its troops fought in France together with the Brits, in 1939 both Iberian countries coincided in declaring neutrality as the new world conflict broke out. However, in the case of Spain, its initial neutral position was further changed to non-belligerent, a status which was maintained by the government of General Francisco Franco for three long years. During this time Spanish troops actually got involved in the military conflict, but only to fight the Soviet troops.¹ Contrary to Spain, and in spite of the ideological proximity of

1 Actually, the legal term of non-belligerence, which Spain adopted between the 12th of June 1940 and the 1st of October 1943, was also used by Italy and United States during the same conflict, however, for shorter periods of time. In June 1941 the government of Franco availed itself of its non-belligerent status in order to send troops to the Russian

Antonio Oliveira Salazar to the fascist Italy and the Third Reich, Portugal maintained its neutrality during the war due to strategic reasons, the only exception being Portuguese limited involvement on the Pacific front, when its colony of East Timor was invaded by the Japanese in 1942.² In spite of these differences in positioning during the war, neither of the two countries was admitted to the recently created United Nations (UN) when the conflict ended. In the case of Franco's regime, the General Assembly even officially condemned the regime qualifying its government as fascist and recommended the withdrawal of diplomatic representatives from Madrid for all UN member states. In the case of Portugal, however, in 1949, shortly after the commencement of the Cold War, Salazar made it possible for his country to join the North Atlantic Treaty Organization (NATO), in spite of being the only member state of the alliance which has never actually broken off its diplomatic relations with Germany³. Some years later, in a similar context and equally taking advantage of the anti-communist argument, Franco's regime initiated a process which led to the overcoming of its complete international isolation with the signature of the *Pacto de Madrid* with the United States in 1953, followed by the Concordat with the Holy See in the same year. Even though both Spain and Portugal were finally admitted to the UN in 1955, they remained marginalized from the process of European integration due to a lack of acceptance on part of the states which were shaping the European project at that point. The objections in relation to the undemocratic character of both regimes—especially strong in the case of France and the United Kingdom—remained present for a long time. This situation has been reinforced by the fact that both Salazar and Franco initially kept the democratic Europe at a distance, afraid of a contagion effect. Nevertheless, as time passed, they were obliged to reconsider and soften their positions.⁴

front—the Blue Division and the Blue Squadron—to fight the Soviet troops under the Germans. Even though the Blue Division was officially dissolved in 1943, the last Spanish troops have not been repatriated until March 1944.

- 2 Even though Portugal never formally proclaimed war on Japan, Portuguese military and civil staff fought together with Australian and Dutch troops against the Japanese invaders.
- 3 Salazar even sent an official message of condolence on the death of Adolf Hitler.
- 4 In the case of General Franco, his position was induced by the fear of humiliation which he and his regime would suffer upon a possible rejection on part of the European institutions.

In spite of these seemingly similar paths, during the three decades which passed between the start of the European integration process and the accession of Portugal and Spain, the positions adopted by their respective governments and their paths towards the EU were not entirely coincidental. Spain, which unlike Portugal has been excluded from the Marshall Plan, joined the Organisation for Economic Cooperation and Development (OECD) in 1959 and three years later commenced the negotiation process seeking an economic agreement with the European Communities. Portugal, on the other hand, chose to support its traditional ally, the United Kingdom, and its proposal of creating the European Free Trade Association (EFTA) together with other states like Austria, Denmark, Norway, Sweden, and Switzerland (Royo and Manuel, 2003: 1). In the case of Spain, which, as we will see below, witnessed substantial economic development by the end of the 1960s, a preferential trade agreement with the EEC was signed in 1970. However, no further steps were taken, no doubt due to the obvious lack of democratic rule and the absence of a will to at least develop in that way, which contravened the requirements included explicitly in documents such as the Bilkerbach Report and the Saragat Memorandum.⁵

However, the situation became quite different with the processes of democratic transition experienced by both Iberian nations in the 1970s (Linz and Stepan, 1996). From the start, their new democratic governments exhibited a strong desire to emulate the political stability and economic prosperity of their European neighbours, convinced that EEC accession would contribute substantially to the consolidation of their recently established democratic institutions and that it would have a positive impact

- 5 The Bilkerbach Report concerned political and institutional aspects of membership and association with the EEC and it was presented at the European Parliamentary Assembly on the 15th of January 1962. The Saragat Memorandum, on the other hand, was prepared by the Italian government in May 1964 and it was addressed at the Council of Ministers. Both documents established the impossibility of including a non-democratic state in the European Communities. Nevertheless, the former document included the possibility of association for those states that attained a certain level of economic and political development, under the condition of demonstrating sufficient will to evolve towards democratic rule (Powell, 2007). In the case of Spain, the Law of the State (*Ley Orgánica del Estado* - LOE) entailed a certain degree of constitutionalization of the regime as it introduced the distinction between the Head of State and the President of the Government, even though it did not actually imply any real democratization of the system.

on the process of economic modernization in both countries (Royo and Manuel, 2003: 1).

Since the accession to the European Communities until nowadays, Portuguese and Spanish politics, economy and society seem to have become successfully accommodated within the community framework. Their inclusion in the European project resulted in important and clear advantages for both countries. Structural funds received from the EC allowed for considerable improvements in both infrastructure, as well as social capital. Moreover, trade with other member states intensified considerably and foreign investment increased substantially in both countries. Since the 1980s the per capita income in Spain and Portugal has been steadily rising, and after two decades it reached the level of 83 and 74 per cent of the EU mean, respectively (Royo and Manuel, 2003: 5). However, due to the serious economic difficulties both countries experience since 2008 and the role of the EU in the remedies applied, we might put these gains into perspective. In any case, it must be noted that the parallel inclusion of Portugal and Spain in the European Communities triggered a substantial improvement of their bilateral relations, reflected in a considerable increase of trade between them. Only two years after the accession, the value of goods imported from Portugal to Spain increased to a much greater extent than that of any other country, while Spain became one of the second supplier to the Portuguese economy, surpassed only by the Federal Republic of Germany. What is more, Spanish direct foreign investment in the neighbouring country, and vice versa, increased substantially in the years that followed the accession.

Apart from the benefits and losses which might have been derived from joining the European project, Spain and Portugal have contributed substantially to the general process of European integration by promoting the development of European institutions and politics. In this sense, both countries cooperated in the passing of the Single European Act in 1986, and the European Union Treaty (Maastricht) in 1991, as well as its subsequent revision in Amsterdam in 1999. They also participated actively in the establishment of the European Single Market; in the enlargement to fifteen member states with the accession of Sweden, Finland and Austria in 1995; in the negotiations leading to the signature of the Schengen Treaty in 1995, as well as in debates related to the Eastern enlargement process during the Nice summit in 2000. Portugal and Spain most certainly

have proved to be unyielding supporters of the process of integration, and contributed actively to moving forward in the direction of more and better Europe.

On the pages which follow we summarize the milestones of the process of European integration in Spain and Portugal and assess their experience after 25 years of membership in political, institutional, and partially economic terms. As far as the milestones of the EU integration are concerned, Portuguese membership in the EU can be divided into three main periods. The first period covers until the first Portuguese Presidency in 1992, which was characterized by the pragmatic approach of the centre-right Cabinet of Cavaco Silva. The second period was characterized by a significantly more Euro-enthusiast approach, almost a "golden-age," until the emergence of the first signs of economic stagnation and the negative impact of the central and Eastern European enlargement at the beginning of this century. This new juncture opened what some called the "realistic phase" (Soares, 2007).⁶ In the case of Spain, we can distinguish four main periods. The initial stage starts with the accession of Spain in January 1986 and ends with the European Council of Maastricht in 1991. A second phase, which might be deemed as that of crisis and redefinition of European politics, lasts from Maastricht till the resignation of socialist Prime Minister Felipe González in 1996. A third period can be linked to the two terms of Prime Minister José María Aznar from the People's Party (PP), until March 2004, when the Spanish Socialist Workers' Party (PSOE) returned to power.⁷ The last period of interest is that between the return to power of the socialists and their electoral defeat in 2011 and the formation of the government of Mariano Rajoy, in December 2011.⁸ As far as the second objective of assessing Portuguese and Spanish experience of 25 years of EU membership is concerned, we present various indicators related to politics, economy, and society. In this manner we obtain an accurate image of lights and shadows of Spanish and Portuguese membership in the European community.

6 We adopt here the periodization of Soares (2007), although without using the main definitions of each period which the author characterizes as: the Euro-sceptical period, the Euro-enthusiastic phase and the Euro-realistic stage.

7 These initial three periods fit those proposed by Charles Powell (2003: 147; 2008:109).

8 The political and institutional phases do not coincide with the economic developments (see Forner, 2012: 257).

The process of incorporation of Portugal and Spain to the European Community

The Portuguese Case

Portugal's approach to the construction of Europe between 1945 and 1974 was determined by several factors: it accepted the economic aspects of intergovernmental co-operation whilst rejecting the political facets and any supranational or integrationist model; it was dependent upon the narrow scope of the regime's foreign policy—that is to say, it was determined by economic and social factors (e.g., foreign trade, emigration, and tourism) and not as a result of any strategic choices—Europe was a necessity, not a project. If during the 1940s and 1950s Portugal's attitude towards the construction of Europe seemed compatible with its idea of the complementarity of Africa and Europe, then during the 1960s and 1970s its economic approximation to Europe and the ongoing colonial wars put an end to this illusion, a conception that was now seen to be politically antagonistic (Pinto and Teixeira, 2004). The maintenance of the African colonial empire required the continuation of authoritarianism, while Portugal's integration into Europe required decolonisation and democratization. Opting for the European path was the great political innovation of the nascent Portuguese democracy.

Portugal did not experience the same levels of international isolation as its Spanish neighbour following the Second World War. Its status as a founder member of NATO and participant within other international organizations, such as the European Organization for Economic Co-operation (EOEC) and the European Payments Union (EPU), and its receipt of Marshall Plan funds—albeit on a relatively small scale—are all examples of the country's international acceptance. Being excluded from, and remaining mistrustful of, the Treaty of Rome which marked the foundation of the EEC, and following positions adopted by the United Kingdom (its major trading partner), membership of the European Free Trade Association (EFTA) was to be an important economic aim for the dictatorship throughout the 1960s. Negotiated on terms that were favourable to Portugal, which saw the majority of its economic activities largely protected,

the EFTA agreement was one of the roots of 1960s economic growth and for the significant increase in commercial relations with Europe. It was also behind the emergence of interest groups with fewer associations with the colonies. The development of a pro-European outlook was essentially a consequence of decolonization and the institutionalization of democracy, however.

In a situation in which conditioning factors weighed heavily and the room for manoeuvre of Portuguese foreign policy was limited, EFTA provided the only alternative with economic advantages and without political cost. Politically, therefore, EFTA represented the optimum solution for Salazar as it enabled him to reconcile Portugal's economic integration into a European free trade zone with the regime's political and diplomatic positions. The strictly intergovernmental character of the organisation eliminated any supranational or integrationist ambition, and, while it incorporated some continental countries, Britain's involvement allowed Portugal to keep its essentially Atlanticist orientation and the continuation of the British Alliance, one the country's traditional foreign policy strategies. Most importantly, the fact that EFTA was a free trade zone rather than a customs union, allowed Portugal to remain within the organisation whilst maintaining its privileged relationship with its colonies. In the context of Portuguese foreign policy's limited scope for manoeuvre, this represented an enormous political advantage and was the main reason for Portugal's membership of EFTA.

With the United Kingdom's renewed request for EEC membership and its resignation from EFTA, this organization's future was irredeemably compromised. Once again the unilateral nature of Britain's application ruled out any opportunity for multilateral EFTA-EEC negotiations capable of dealing with the Portuguese case. Portugal had to form some type of relationship with the EEC, and it would have to negotiate it directly and bilaterally. Following Britain, in May 1970 Portugal requested talks with the EEC and formed an *ad hoc* commission, the Inter-Ministerial Commission for External Economic Co-operation that was charged with analysing the situation and proposing possible alternatives. The Commission's report suggested three alternative ways forward for Portugal: accession to the EEC, association with it, or the establishment of trade agreements with it. Accession was out of the question for reasons mentioned above. Asso-

ciation would be difficult given that Article 238 of the Treaty of Rome effectively prevented the EEC from compromising to such an extent for the convenience of a country such as Portugal. Establishing trade agreements with the EEC thus emerged as the only politically possible alternative. The Commission recommended that Portugal adopt a moderate and flexible negotiating position: moderate in order to avoid raising the colonies in such a way as could undermine any agreement, and flexible in the formulation of the agreements so as not to undermine any future membership application (Pinto and Teixeira, 2004).

The trade agreement with the EEC was signed in July 1972 and ratified shortly after without any problem. The room for manoeuvre in Portugal's foreign policy was too narrow to allow the flexibility required to step beyond the limits of a trade agreement, and its approximation to Europe and the weakening of EFTA required it to establish new multilateral economic relations. This being the case, an agreement with the EEC was an imperative, and a trade agreement was the formula that involved the minimum degree of political compromise.

With the breakdown of the Dictatorship and the beginning of decolonization in 1974, the European Commission granted Portugal economic assistance while the European Council made its political position clear: it was ready to begin negotiations, but only on the condition that a pluralist democracy was established. Nevertheless, the country's economic condition, the political instability and continuing uncertainty regarding the destiny of the democratic regime during the transitional period ruled out any advance from the European front.

It was the first constitutional government, led by Mário Soares that adopted the 'European option'. The first step in this process occurred in August 1976 when the Portuguese government successfully applied for membership of the Council of Europe. Once a member of this organisation—which also consolidated the international community's recognition of the new democratic regime—Lisbon began to outline its next and decisive step: application for accession to the EEC.

Following a series of successful negotiations in a number of European capitals between September 1976 and February 1977, the government made its formal application for EEC membership in March 1977. In May 1978, the Commission presented a favourable report, clearing the way for

the formal negotiations to begin in Luxembourg the following October. With the formal application made, and accession negotiations under way, the hesitations and polemics over the nature of Portugal's integration had finally been superseded, placing Portugal firmly on the European path.

The government was motivated by, and based its decision to follow this strategic option on, two main objectives. First, EEC membership would consolidate Portuguese democracy, and second, EEC assistance would guarantee the country's modernisation and economic development. Several Portuguese economists remained fearful, with the majority expressing grave reservations regarding the impact EEC membership would have on some sectors of the Portuguese economy.

A complex series of negotiations, lasting seven years, followed Portugal's membership application. An earlier step had been taken in September 1976, prior to the country's formal application, with the revision of the 1972 EEC trade agreement through the conclusion of the Additional and Financial Protocols, which Portugal interpreted as representing a form of pre-membership agreement. Despite these prior agreements, formal negotiations on Portugal's membership lasted from October 1978 until June 1985.

There are two important domestic factors that can help explain just why the accession negotiations for such a small country with a relatively weak economy were so complex and drawn out. Firstly, Portugal's economic situation immediately prior to the transition and, more importantly, the economic measures that had been taken during the revolutionary period—in particular the nationalization of important economic sectors. Secondly, continuing governmental instability and the political and constitutional nature of the Portuguese regime. Following 1976, the democratic regime was undeniably pluralist, and was generally considered as such; however, the 1976 constitution was a product of the revolutionary period, and consecrated within it the Council of the Revolution. It was a democracy, but it was a democracy under the tutelage of an undemocratic military institution. These factors weighed heavily in the negotiations, and delayed their conclusion (Teixeira, 2012).

During the early-1980s, Portugal's democratic regime overcame all of these objections. The constitution was revised in 1982 to abolish the Council of the Revolution and the National Defence Law, and the armed forces

finally accepted their subordination to the civilian political authorities. By 1983 Portugal's democracy had been consolidated, thereby eliminating all of the domestic obstacles that were preventing the successful conclusion of the entry negotiations.

One external hurdle remained, however. During Europe's southern enlargement, the EEC was also conducting accession negotiations with Spain, a country that had a much larger economy than Portugal's, and which did not share its smaller neighbour's history of close relations with European economic institutions. Portugal's diplomatic strategy was to keep its entry negotiations separate from those of Spain, in the hope of securing EEC accession more rapidly, thus giving it the important status of member state prior to Spain's entry. This tactic was not successful, however, as the Community's policy was to negotiate with both Iberian countries simultaneously, with the result that Portugal's accession was delayed a further two years, after all the dossiers on Spain had been concluded. The culmination of the accession process finally arrived in June 1985, when the new government, led by Mário Soares, signed the Treaty of Accession.

The Spanish Case

The establishment of the European Communities (EC) in the 1950s sparked a debate within the Francoist regime, between those who argued for the necessity of joining the Communities (EEC, ECSC, and EURATOM) and the supporters of joining EFTA. Finally, the Spanish government opted for the former option and in the early 1960s it made public its intention of joining the EC. This coincided with an internal process of liberalization and opening of the Spanish economy, which had started in 1959 with the adoption of the so-called National Plan of Economic Stabilization. Soon enough it became quite clear that the EC was indeed the best option as export oriented agriculture constituted an essential element of the Spanish economy and the EC established a common agricultural policy as one of its main objectives. On the contrary, EFTA did not make agriculture part of its treaties. Another strong argument in favour of the EC was that the volume of trade exchange with the six countries was 50% higher than that with the EFTA member countries. Last but not least, a potential preferential trade agreement with EC countries would suppose

an incentive to expand some of the markets which have already become important for Spanish exports, while at the same time it would drive and speed up further structural reforms, which were deemed necessary at that moment. Nevertheless, the admission to EC was adjourned *sine die* due to two basic circumstances: the non-democratic character of Franco regime, and the substantial differences in the principal economic indicators between Spain and the countries of the EC.

In spite of these obstacles, in December 1964, following a formal application submitted by the Spanish Minister of Foreign Relations Fernando María Castiella, the negotiation process was initiated. These initial negotiations resulted in the signature of a preferential trade agreement between Spain and the EC on the 29th of June 1970 (Banús, 2002), followed by a Protocol signed on the 29th of January 1973. The signature of these agreements had two fundamental consequences. On the one hand, trade advantages -such as the reduction of trade tariffs- boosted commercial exchange between Spain and the EC, and, thus, allowed for a development of the Spanish economy towards the levels of the member states of the European Communities. On the other hand, the agreement also implied the opportunity for a first group of high level officials to become experts on European affairs, a group which would become key elite actors in the subsequent stages of the negotiation process with the EC.

After General Franco's death in November 1975, in a context of strong unrest stirred by political and trade union opposition, King Juan Carlos together with Prime Minister Adolfo Suárez led the return to democracy via an elite-driven transition process (Higley and Gunther, 1992; Gunther et al. 1995). The resulting dismantling of the Francoist regime in the spring of 1977 was marked by the celebration of the first democratic elections in almost four decades, and the passing of the constitution the following year, which reconstituted the Spanish state as a parliamentary monarchy. The transition also implied a renewed interest in a full integration of Spain in the international arena. The first democratic government presided over by Suárez, initiated talks regarding the complete and definitive incorporation of Spain in the European Communities. For the new democratic authorities, accession to the EC constituted the ultimate recognition of the newly reconstituted Spanish institutions. The response was positive and the accession negotiations commenced officially on the 5th of February 1979, only

two months after the approval of the new constitution in a referendum. Meanwhile, Spain became a member of Council of Europe in 1978, which was also considered a necessary (but not sufficient) condition to be able to join the European Economic Community (Díez Nicolás, 2003: 120).

Initially, EC members, and particularly France, had serious doubts concerning the convenience of enlargement towards the Iberian countries, especially as far as the admission of Spain was concerned. The issues related to textiles, fishing, free movement of workers, and agricultural policy turned out to be the most difficult to tackle during the negotiations, the latter being the source of the strongest conflict, where the defence by France of its agrarian and fishing interest constituted the principal obstacle to the advancement of the process. It was estimated that the accession of Spain would increase in 30% the agricultural area of the EC, and, thus, Spain would become a direct competitor to France in the production of fruit, olive oil, and vegetables. Therefore, the French government together with Italy (driven by the same concerns), tried to protect their products at all costs and put obstacles to the Spanish negotiations in all possible ways, while the governments of Germany, the Netherlands and United Kingdom, supported openly the accession of Spain. Germany, however, included the accession negotiations in the wider debates concerning the shape of the common agricultural policy (CAP) and budgetary issues (Royo and Manuel, 2003: 12). French objections only started to vanish which the election of François Mitterrand as President of the French Republic in 1981 and the socialist electoral victory in Spain the following year, with Felipe González becoming Prime Minister. Then German supportive stance towards Spain and Portugal became crucial. On the occasion of the European Council summit in Stuttgart in 1983, the Federal Republic of Germany conditioned their approval of the increase in community budget on the accession of the two Iberian states.⁹ Shortly afterwards, during the Fontainebleau summit, French opposition was finally overcome.

The last phase of Spanish accession negotiations was initiated in 1983. At this point the talks were divided into negotiation packages concerning different issues, the main obstacle being, in most cases, the agreement over

9 We should also take into account the link between German support for Spanish accession and the commitment of Prime Minister González to the incorporation of Spain in the European defence system, most importantly through NATO membership.

transitory periods. In spite of these difficulties, between December 1984 and March 1985 agreements were reached regarding the main negotiation topics. The remaining chapters were closed on the 26th of March 1985, being the only issues left the bilateral negotiation between Spain and Portugal concerning their special transitory regime and the specific instruments of accession. Finally, the Treaty of Accession of Spain has been signed on the 12th of June 1985, in Madrid.

During all these years of arduous negotiations, a widespread consensus existed among the principal political and social actors in Spain. Even if different conceptions of European integration coexisted, the prevailing discourse was markedly pro-European. Since the end of the dictatorship and all through the transition process, Spanish political parties, together with most representative trade unions and business associations understood that joining the European Communities constituted a guarantee for democratic consolidation in Spain. Moreover, it was believed that EC accession would not only be instrumental for obtaining a definitive international acceptance, but also for the modernization of the Spanish productive structure.¹⁰

European integration was also favoured by the full support Spanish society showed to the process right from the beginning (López Gómez, 2011). According to public opinion surveys, the perception of the European Communities exhibited by Spanish citizens was already quite positive during the last years of the dictatorship and remained that way during the whole period of negotiations between 1979 and 1985. In 1968, according to the studies developed by the Spanish Public Opinion Institute (renamed Centre for Sociological Research after 1977) 74% of Spaniards supported joining the EC (with only 2% against it). These figures remained basically constant in the subsequent waves of the survey: 73% versus 7% in 1971, 73% versus 4% in 1976, 68% versus 4% in 1979, and 70% versus 6% in 1984.¹¹ In a similar vein, in the Eurobarometer survey of October and November 1985 we can observe that the responses to the question "Do you

10 Spanish parties attitudes towards European integration are further discussed in the works of Avilés (2004:409-423) and Folguera (2012:126). For further discussion of the role of trade unions in the accession process and the strengthening of the negotiation position of Spain, see Zufaur (2007: 62).

11 REIS, "La opinión pública española ante la Comunidad Económica Europea, 1968-1985," in *Revista Española de Investigaciones Sociológicas (REIS)* (1985), 29: 289-396.

think your country membership in the European Community would be: a good thing / a bad thing / neither good nor bad thing" in Spain remain at similar levels as in Belgium and France¹².

Portugal and Spain in the European Union

Portugal

The Single European Act (SEA), signed in February 1986, one month after Portugal's accession, received a discreet welcome in the country. The political elite doubted Portugal's ability to meet the new demands.¹³ In the final Act and Declarations of the SEA, Portugal introduced a declaration on Articles 59, second paragraph, and 84 of the EEC Treaty where it was considered that "as the change from unanimous to qualified majority voting in Articles 59, second paragraph, and 84 was not contemplated in the negotiations for the accession of Portugal to the Community and substantially alters the Community *acquis*, it must not damage sensitive and vital sectors of the Portuguese economy, and, wherever necessary, appropriate and specific transitional measures should be introduced to forestall the adverse consequences that could ensue for these sectors."

In this respect, the opening of Portugal's economy meant the country's accession had to be followed by compensatory economic measures. The Portuguese government, led since 1987 by Aníbal Cavaco Silva, followed a strategy that focused on the credibility of full Portuguese membership, while at the same time seeking to profit from the economic and social advantages arising from EEC participation. Following the approval of the Delors I plan, Ireland and the countries of southern Europe received considerable levels of financial compensation to help them meet the challenges of an increasingly liberalized European market. This was decisive for changing Portugal's perception of Europe, as the Lisbon government was one of the main beneficiaries of these measures and the massive financial transfers rendered clear and visible the advantages of integration. At the

same time, during the early years of membership, Portuguese prudence and the pragmatism of Cavaco Silva's governments ensured Portugal retained its Atlanticist position. Portugal remained aligned with the United Kingdom, believing Margaret Thatcher's government were safe and prudent allies with which to face the growing supranational trends within Europe.

After the end of the Cold War and with the central European enlargement and deepening that was the result of the Maastricht Treaty, Lisbon's position evolved into a more flexible one. This became evident in 1992, when for the first time Portugal assumed the presidency of the EU, which marked a change in the process of Portugal's integration. The Portuguese success in ensuring reform of the Common Agricultural Policy (CAP), contributed to changes in the position of Cavaco Silva's cabinet, initiating a period of enthusiasm towards more active participation in the European project. While the EU entered a new stage following the signing of the Maastricht Treaty, Portugal revealed itself to be truly committed to the European process. With the end of the Cold War, Portugal's international position became increasingly Euro-Atlantic, reflecting the Europeanization of Portugal's strategic orientation.

The following ten years were a 'golden era' during which there was a large degree of pro-European consensus within the Portuguese party system, accompanied by economic growth and rising incomes as well as real social change. It was in such an environment that the proportion of the population believing EEC membership was a good thing rose from 24.4% in 1980–82 to 64.5% in 1986–90, rising to more than 70% during the early 1990s. In 1993, 65% of Portuguese interviewees believed the country's economic development had been greatly boosted as a result of EEC membership (Cruz, 1993).

Internationally, Portugal used its stronger position as a member of the EU to resolve the tensions with its former colonies in Africa. The optimism of the 1990s was also marked by Portugal's meeting the convergence criteria for adhesion to the European single currency, the Euro, and joining it in 1999–2000.

This momentum of the 1990s would be in contrast with the situation at the beginning of the following decade. The EU's movement towards institutional reform and enlargement, as well as the eventual reduction of

¹² Data from Eurobarometer n. 24, December 1985. Public Opinion in the European Community and in Spain and Portugal at the end of 1985.

¹³ We largely base this section in Teixeira (2012), and Teixeira and Pinto (2003).

EU financial support, led Portuguese public opinion to a slight but steady trend of decreasing Euro-optimism (Pinto and Lobo, 2004).

On the whole, Portuguese citizens' attitudes towards the EU have been positive, both in terms of affective and instrumental views. However, it is important to stress that the Portuguese consensus has been mostly based on a narrow instrumental view of the benefits of membership for Portugal rather than on wider perceptions of the EU as 'a good thing.'

In the internal political sphere, a large amount of pro-European consensus persisted among the parties holding government positions. The mainstream centre-left PS and centre-right PSD, who for many years shared around 80% of the electorate, remained largely supportive of European integration, being this coherent with the wide trend across European member-states that the mainstream parties concentrate the bulk of political support for the EU. It should be noted, however, that in the Portuguese case, Sanches and Pereira (2010) found a quite consistent variation within parties according to their government/ opposition status in what regards specific issues of European integration. When in government, parties have tended to be strongly in favour of European integration in all the issues, when in opposition, criticism arises here and there. This government/opposition status-based variation deviates from the wider spectrum of Southern European member-states, where such variation was found to be rather limited. The only exception to the consensual support of governing parties was the shift of the right-wing CDS (when it was in opposition) towards an anti-Maastricht Europe, which was put forward by a new generation of party leaders in 1992. This stance would last until 2002, when CDS was constrained to get back to Europhilia by PSD, as a condition to form a new coalition government.

When the PS won the elections in 1995, the socialist government led by António Guterres adopted the European monetary union project as its main goal in the European integration process. The Lisbon government assumed the goal of placing Portugal at the head of the integration process. This strategy was reflected in the swift adoption of legislative changes outlined in the EU treaties, particularly, the Amsterdam Treaty. The zenith of this strategy was reached when Portugal met all the conditions and was accepted into the select club of European states admitted to the euro.

Table 2. 1. Portuguese European Commissioners (1986-2010)

Period	Name	Role
1986-1988		Commissioner for Agriculture and Fisheries
1989-1993	António Cardoso e Cunha	Commissioner for Energy
1993-1994		Commissioner for Development
1995-1999	João de Deus Pinheiro	Commissioner for Justice and Home Affairs
1999-2004	António Vitorino	Commissioner for Justice and Home Affairs
2004-2010	José Manuel Durão Barroso	President
2010-		

Source: *Portugal e Espanha 1986-2006, Vinte Anos de Integração Europeia*, Assembleia da República, Lisboa, February 2006.

Portugal entered its second presidency of the EU in 2000 with Europe as the priority of its national interests. Unlike in 1992, during this presidency the Portuguese government transmitted the image of a country that was comfortably integrated into the European project, and able to mobilize its peers to ensure the development and improvement of the Union. In the European Council of March 2000, the Portuguese presidency obtained approval for the Lisbon Strategy, a declaration of principles that sought to place the EU as the world's leading economy within a decade. The issue of employment was put high on the agenda by Prime Minister Guterres, and on that matter the Lisbon Council introduced the issue of new technologies and the information society, 'eCommerce' and the 'knowledge economy' (Edwards and Wessala, 2001). Portugal was successful in projecting an image of a devoted advocate of the European project (Ferreira-Pereira, 2008).

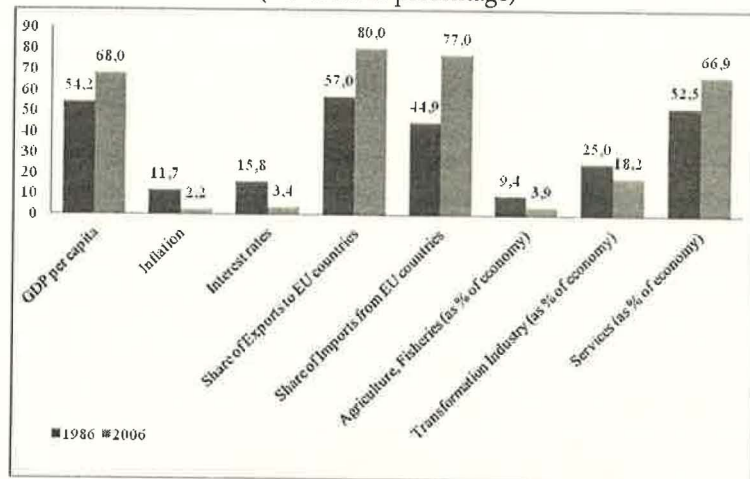
The intergovernmental conference in Nice, which sought to solve the questions left over by the Amsterdam Treaty culminated in a moment of Euro-optimism: it gave Portugal a platform upon which it was able to fulfil a leadership role in respect of the medium and smaller European states, defending their interests from the demands of the larger states. This role was paramount during the negotiations over institutional reform, at a time that

was without doubt one of the most active moments of Portugal's participation in the process of European integration (Soares, 2007).

At the external level, the Portuguese presidency sought to strengthen the EU's international presence, benefiting from Portugal's historical relations with regional areas traditionally linked to its national interest. Successes included the approval of the EU Common Strategy for the Mediterranean and the launch of the EU-India Strategic Partnership following the Lisbon Summit. The Portuguese presidency's two main goals in relation to Africa were also achieved: the EU-ACP Cotonu partnership agreement, which replaced the Lomé Convention, and the first EU-Africa Summit, which took place in Cairo.

The euro-enthusiastic climate felt until the beginning of the 2000s contrasted with the mood in the following years. With the EU's movement towards institutional reform, enlargement and the eventual reduction of EU fiscal transfers, there is some evidence of a fear that Portugal could be 'returning to the periphery,' this perception resulting in the return of 'Atlanticist' views in the country following Iraq War of 2003.

Figure 2.1. The impact of European accession in Portugal
(numbers in percentage)



Source: *Portugal e Espanha 1986-2006, Vinte Anos de Integração Europeia*, Assembleia da República, Lisboa, February 2006.

The conclusions of the Nice Treaty, coupled with the eastern enlargement of the EU, signalled the beginning of the end of Portuguese Euro-Enthusiasm. At this point, both internal and external factors contributed towards the Portuguese gaining a more realistic perception of their belonging to the European Union. On the one hand, in 2001, the resignation of Prime Minister António Guterres and the call for early elections, was accompanied by an economic and financial downturn based on the fall in domestic consumption and the loss of competitiveness. On the other hand, the new member states were more attractive to multinational corporations seeking to benefit from the lower wages and skilled labour available in Central and Eastern Europe.

Table 2.2. The Portuguese Presidencies of the EU (1992-2007)

Year	Events and Achievements
1992 "Rumo à União Europeia"	Signature of the Maastricht Treaty
2000 "A Europa no Limiar do Século XXI"	Consolidation of the Atlantic relations; Lisbon Strategy; Security and Defence policy; Accession negotiations with the 'Helsinki Six' Preparation of the Intergovernmental Conference 1st EU-Africa Summit
2007 "A Stronger Europe in a Better World"	Lisbon Treaty; 1st EU-Brazil Summit;

Source: Ferreira-Pereira (2008).

In this respect, Portugal was unquestionably one of the most affected countries by the relocation of companies to the east. At this point, it should be noted the financial constraints deriving from economic and monetary union and adhesion to the euro, as well as the ongoing economic issues affecting Portugal, were aggravated from 2008 by the global financial crisis. During the first decade of this century, Portugal's GDP diverged from the EU average and from those of its cohesion partners. In 1999 Portugal's

GDP per capita was 68 per cent of EU GDP per capita and by 2008 it had fallen to 63 per cent.

Despite these circumstances, Portugal was committed to playing a more important role in the EU. The 2007 Presidency of the EU represented an excellent opportunity with José Manuel Barroso as President of the European Commission. The second EU-Africa Summit and the first EU-Brazil Summit are clear examples of that.

Spain

The admission of Spain in the EU coincided with the signature of the Single European Act. As a consequence, Spain confronted a double challenge upon its accession. On the one hand, the country had to fulfil the requirements of bilateral economic liberalization, as stipulated in the Treaty of Accession. On the other hand, it had to simultaneously go beyond that and move forward together with the rest of EC member states towards the construction of a single market. At that point, there was much debate about the results of the accession negotiations and the toughness of the conditions imposed upon the country. As Jordan Galduf recalls, "in 1985, after a decade of a profound economic crisis, the situation of the country was very difficult" (2003: 114). Until then, the country's attention was focused on political transition and democratic consolidation. However, at that moment it became necessary to broaden the scope of the process and apply economic measures which could not be postponed anymore. Integration of Spain in the European Communities constituted a formal path to achieve the necessary economic changes, in spite of having to accept and endure tough conditions imposed by the new European partners.

As mentioned above, the first phase of Spanish participation in the European project commenced with the accession of Spain in January 1986 and ended with the European Council of Maastricht in 1991. During these years, the primary objective of the Spanish government was to formulate a coherent approach to the EC, which would maximize both internal and external benefits of the newly achieved status of member state. Three governments of socialist majority, presided over by Felipe González, a fervent defender of the European project, were entrusted with the task of defining the position of Spain within the European Communities. It is important to

note that in spite of some criticism from the sectors most severely affected by the newly accepted conditions, the accession of Spain and the process of defining its role within the European Communities were always accompanied by a steady support from all social sectors, as well the most prominent political figures, a situation very different from that in Portugal. Specifically, since the beginning of the Spanish political transition, European integration remained the point of reference in terms of the international recognition of the newly reinstated democratic regime for all democratic political parties. Therefore, one could observe a perfect continuity in main parties' aims and objectives in this respect (Powell *et al.*, 2005: 29-30). A clear example of that is the unanimous support for the passing of the Law for the authorization of ratification of the Treaty of Accession in the Spanish parliament by both lower (Congreso de los Diputados) and upper (Senado) parliamentary chambers (Congreso de los Diputados and Senado) the 26th of June and the 17th of July 1986, respectively. Moreover, as mentioned above, this was accompanied by a positive evaluation on part of the Spanish citizens.

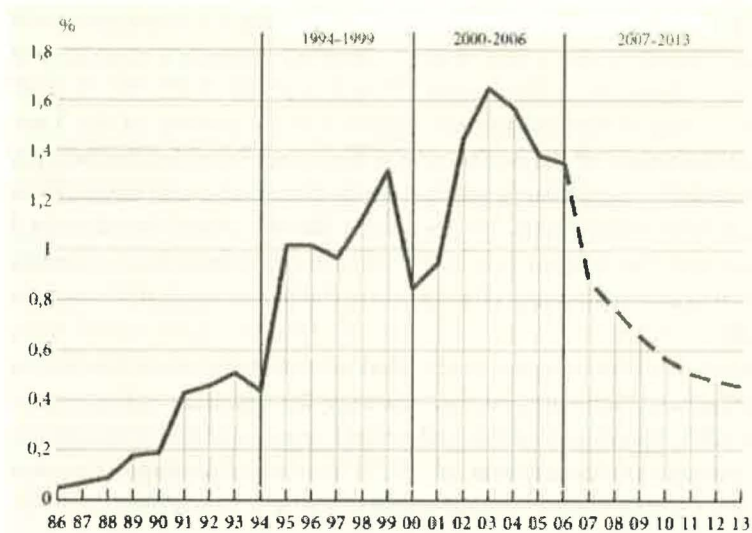
In order to overcome the doubts that some member states had expressed regarding Southern enlargement, following the signature of the Single European Act, Spain made a clear effort to demonstrate that it would assume a constructive position within the EC.¹⁴ This initial predisposition crystallized in a steady support for all initiatives which would contribute to the advancement of European integration.

Such a constructive attitude succeeded in portraying Spain as a responsible partner, capable of commitment to further advancements in the European project even beyond its vested interests. This was accompanied by an understating of the country's difficulties by European institutions. The enactment of the single market coincided with the transitory periods following the accession, and, thus, during this time Spanish industrial products, as well as a large part of its agricultural production became exposed to its European competition. This is why the European Commission, in the 1988-1992 financial perspectives (the so-called 'Delors I Package') duplicating the budget allocated to the previously existing structural funds (the European Regional Development Fund and the European Social Fund)

¹⁴ The Organic Law authorizing the ratification of the Single European Act by Spain was passed by the lower chamber of the Spanish parliament on the 2nd of October 1986.

(Morata, 2000: 150), which made it possible for Spain and other under-developed members states to adjust more easily to the reality of the single market.

Figure 2.2. European funds in relation to GDP, (measured according to prices in 2004)



Source: Monthly report, La Caixa Foundation, December 2006.

It was also during this initial stage when Spain identified its principal European allies. It was commonly thought that the main objective was to obtain influence in the European Commission. This was the reason why Felipe González, even while in the opposition, cultivated his good relations with the president of the European Commission, Jacques Delors (1985-94), whose vision of the European project González fully shared. In addition, the years of tough accession negotiations, taught the Spanish government that the best way of gaining influence in the EC was through keeping good bilateral relations with the governments of Germany and France.¹⁵

¹⁵ During these years the frequency of international summits and bilateral meetings increased, especially with Germany and France, but also with Italy and Portugal.

Therefore, during these first years of membership, the Spanish government did everything that was possible to maintain its position within the margins of the Franco-German axis.

Relations with France experienced a clear improvement after joining the EC, in spite of initial objections to Spain's accession. Regarding Germany, prior to Spanish accession, Felipe González supported conservative leader Helmut Kohl in his decision to deploy Pershing missiles on German soil, in spite of an open and clear opposition of a significant part of the members of the fellow German Social Democratic Party (SPD). In return, Kohl became one of the main advocates of Spanish accession.¹⁶ In parallel, perceptions of Spanish public opinion aligned with this strategy during these years. Thus, while opinions regarding Germany and the Germans were stable during all this time, the improvement of the perceptions of France and the French was substantial.

In the first semester of 1989, Spain held the rotating Presidency of the European Communities for the first time. At that moment, the rather successful functioning of the single market reactivated the ambitions to create an Economic and Monetary Union, as it was established by the Single European Act. Upon the conclusion of the Spanish presidency the Delors Plan was approved.¹⁷ Thus, in a way, the Spanish presidency witnessed the outset of the process which would lead to a more intense political and economic union. Furthermore, Spain contributed to the creation of an atmosphere of stability and trust which made possible the signature of the Treaty of Maastricht two years later. Most importantly, some of the greatest

¹⁶ The importance of nurturing the relations with Germany can be further understood when we are reminded of how Kohl correctly identified the link between Spanish membership in the NATO and its accession to the EC. Kohl understood that by means of putting pressure on the French government to lift off its opposition towards the Iberian enlargement, he was helping González to win the vote in the controversial referendum over the permanence of Spain within the NATO, to be held in March of 1986.

¹⁷ The famous Delors Plan was designed to facilitate the progress towards a monetary union in three phases, with the creation of a common currency as its final objective. Its initial phase was completed in 1993 with the agreement on free movement of capitals and the establishment of convergence criteria for the countries which intended to join the common currency. The second phase was completed in 1998 with the evaluation of those countries which complied with the convergence criteria and the creation of the European Central Bank (ECB). The last stage was initiated in 1999 and finalized on the 1st of January 2002 when the single currency began to circulate.

advancements of the treaty, such as the concept of European citizenship and the development of the European policies in the area of Justice and Interior Affairs, were introduced thanks to the Spanish input.

In economic terms, the balance of this initial period of Spanish membership was, in general, positive. In this sense, between 1986 and 1990, its GDP increased at a pace of about 4.8% annually, a growth much stronger than that experimented in the years prior to the accession. Moreover, the volume of trade between Spain and other EC member states grew substantially, from 30200 to 69200 million Euros (Forner and Senate, 2012: 270).

Table 2. 3. Spaniards in EU institutions

Position	Term in office
Enrique Barón Crespo	From 25 July 1989 until 13 January 1992
José María Gil-Robles y Gil-Delgado	President of the European Parliament From 14 April 1997 until 19 July 1999
José Borrel Fontelles	From 20 July 2004 until 16 January 2007
Manuel Marín González	Commissioner for Fisheries, Development and Cooperation, and Relations with Mediterranean Countries From 1 January 1986 until 15 March 1999
	President of the European Commission From 15 March 1999 until 16 September 1999
Abel Matutes Juan	Commissioner responsible for EC relations with Latin America, Asia and Mediterranean countries and Commissioner for Transport and Energy From 8 December 1988 until 21 April 1994

Position	Term in office
Marcelino Oreja Aguirre	Commissioner for Transport and Energy and Commissioner for Institutional Relations, Culture, and the Audio-visual Sector From 27 April 1994 until 15 September 1999
Loyola de Palacio y del Valle Lersundi	Vice-President and Commissioner for Relations with the European Parliament, Transport, and Energy From 1 November 1999 until 22 November 2004
Pedro Solbes Mira	Commissioner de for Economic and Monetary Affairs From 16 September 1999 until 10 April 2004
Joaquín Almunia	Commissioner for Economic and Monetary Affairs, Vice-President and Commissioner for Competition 24 April 2004 until 10 February 2010, and currently
Javier Solana de Madariaga	High Representative of the Union for Foreign Affairs and Security Policy From 18 October 1999 until 30 November 2009
Gil Carlos Rodríguez Iglesias	President of the Court of Justice of the European Union From 7 October 1994 until November 2003
Pasqual Maragall i Mira	President of the Council of European Municipalities and Regions, and Vice-President of the Committee of the Regions From 10 March 1994 until February 1998
Carlos Ferrer Salat	President of the European Economic and Social Committee From 16 January 2002 until January 2005

Source: own elaboration.

The second period which can be discerned in Spanish membership in the EU commenced in 1993, after the signature and passing in Spain of the Treaty of the European Union, and lasted until the end of Felipe Gonzalez's last government, in 1996. During these years, the socialist leader knew how to compensate his growing internal discredit, with a strong presence in the European political scene, remaining in line with the Franco-German axis. This was a phase of maturing in Spanish participation in the European integration process. It is at this point that Spain was able to combine its steady support for the development of the European project, with a defence of its legitimate interests as a country. Therefore, even though in the previous years Spain occupied positions relevant to the European project, it is in this period when its presence was intensified.

Table 2. 4. Economic change in Spain, 1986-2009

Indicator	1986	1991	1996	2001	2006	2009
1. GDP growth in Spain (annual change %)	2,3	2,5	2,4	2,8	2,7	-3,6
2. GDP growth in the EU (annual change %)	2,5	1,8	1,6	1,7	1,9	-4,2
3. Per capita income convergence (EU-27=100)	85*	90*	93,3	98,1	104,6	102,6
4. Unemployment in Spain (%)	17,3	13,2	18,1	10,6	10,3	18,8
5. Unemployment in the EU (%)	9,3	7,6	10,1	7,2	8	9,5
6. Inflation in Spain (%)	9,3	6,4	3,5	3,3	3,6	-0,3
7. Inflation in the EU (%)	3,5	5,6	2,6	2,3	2,2	1
8. Short term interest rates (%)	10,6	11,7	7,5	4,7	3,1	1
9. Public deficit (% del PIB)	6,2	4,3	6,6	0,9	-2,0	11,2
10. Public debt (% del PIB)	42,3	44,3	68,1	57,8	39,6	53,2
11. Financial balance with the EU (millions of Euros)	-109	3709	6952	6026	4998	3028
(*) estimated						

Sources: Elcano Foundation, Piedrafita *et al.* (2006), Eurostat, and Spanish National Statistics Institute (INE).

The second Spanish presidency of the EU took place during this second phase, between June and December 1995. During this Presidency, and within the framework of the EU Mediterranean policy, Spain organized in Barcelona the Euro-Mediterranean Ministerial Conference where EU member states met with the principal Mediterranean non-member countries, in order to discuss the economic stability and prosperity of the region.

Last but not least, in this period Spain progressively changed the direction of its economic policy. Marked in the initial years of membership by high levels of inflation and public deficit, the conditions imposed by the Treaty of European Union, which aimed at forging an Economic and Monetary Union, obliged the Spanish Government to shift the direction in its economy policy to achieve a reduction in both indicators.

The third period of Spanish membership in the EU covers the two terms José María Aznar was president of the government, between 1996 and 2004. During these years Spain faced important new challenges, of which joining the Monetary Union undoubtedly constituted the most significant one. In order to meet the Convergence Criteria established by the EU, the first government of the Popular Party (PP) made an effort to reduce inflation, public deficit, interest rates, and public debt.¹⁸ As a result, Spain joined the common European currency in 1999 and on the 1st of January of 2002 after meeting the tough criteria. The introduction of Euro notes and coins into circulation coincided with the second Spanish Presidency of the EU.

The other two milestones of this period were the signatures of the treaties of Amsterdam and Nice. The former was ratified by the lower chamber of the Spanish Parliament on the 1st of October 1998 and came into force in May 1999. The treaty implied the strengthening of the role of the EU in some policy areas, such as the establishment of an employment policy and the creation of the Area of Freedom, Security and Justice. In addition, the Treaty aimed at addressing the issue of the distribution of power among the

18 The success in meeting these objectives was partly due to the policies of liberalization and deregulation. These policies resulted in privatizations, already initiated by the previous socialist government; land market liberalization, with the consequent increase in public income due to the parallel growth of the construction sector; as well as a decrease in taxes for companies and, to a lesser extent, families, among other measures. Nevertheless, the general fiscal pressure did not decrease in comparison to previous periods. Credit expansion caused by a reduction in interest rates which accompanied the introduction of the common currency was the key factor which triggered the real estate bubble.

different member states in the decision-making structures of the Council of the EU; however, it only did so in a vague and provisional manner. One of the institutional innovations introduced by the Treaty of Amsterdam was the figure of the High Representative of the Union for Foreign Affairs and Security Policy, who at the same time held the position of Secretary General of the Council of the European Union. Javier Solana, who previously served as a Spanish Minister and NATO Secretary General, was appointed to the newly created position in 1999. The Treaty of Nice, on the other hand, was ratified on the 6th of November 2001, and came into force on the 1st of February 2003. By approving the Treaty of Nice, Spain accepted the redistribution of power in all democratic institutions of the EU. The Spanish government attained a favourable position in terms of the new power distribution in the Council; nevertheless, it was achieved at the expense of a relative loss of power in the European Parliament—from 64 to 50 seats, which represented a decrease in the relative weight from a 10.2% to a 6.8%. Besides, Spain (like other large member states) lost one of the two seats in the European Commission.

The second term of José María Aznar as prime minister entailed a radical shift in Spanish foreign policy and a transformation of its policy towards the European community. Transatlantic relations, especially with the USA, became prioritized over relations with the EU and, especially over the traditional allies of the Franco-German axis. Thus, the integrationist position which traditionally had characterized Spanish participation in the European project was substituted by an intergovernmentalist stance. During the first semester of 2002 Spain took over the EU Presidency for the third time, coinciding with the issuance of the Euro.

This review of Spain's membership in the EU closes with the period initiated with the socialist victory in the 2004 parliamentary election and concludes in the late 2011 with the formation of the new government presided over by Mariano Rajoy Brey. This last stage was characterized by a new strategic shift aiming to recover good relations within the EU, especially with Germany and France. Moreover, the new socialist government became one of the firmest supporters of the Treaty Establishing a Constitution for Europe. Thus, Spain became the first country in which the Constitutional referendum was held with a result of a 76.7% of the vote in favour of the Constitution. Both main national parties, PSOE and

PP, together with the Catalan nationalists of *Convergència i Unió*, and the Basque Nationalist Party called for a favourable vote on the treaty. On the contrary, most of the formations on the left of the PSOE opposed the treaty and, thus, campaigned for a negative vote.

Following a definitive rejection of the constitutional Treaty as a consequence of the negative Dutch and French votes, the European Union was forced to change its objectives. After long debates which went on for more than two years, finally on the 13th of December 2007 the Treaty of Lisbon was signed, amending the Treaty on European Union and the Treaty establishing the European Community.

Table 2.5. Spanish and Portuguese Presidency of the EU

1 January 1989	Progress in directives regarding the establishment of the Single Market and the Economic and Monetary Union Adoption of the Community Charter of Fundamental Social Rights of Workers Progress in Common Foreign Policy
1 January 1995	Name for the Common Currency Establishment of a schedule for the introduction of the Common Currency
1 January 2002	Introduction of Euro notes and coins in twelve countries Announcement of the Convention for the future of Europe Foundations for a common policy on illegal immigration Ratification of the Kyoto protocol
1 January 2010	European Financial Stabilisation Mechanism and European Financial Stability Facility (better known as bailout or rescue fund)

Source: Based on Ferreira-Pereira, 2008. (<http://www.scielo.oces.mctes.pt/pdf/ri/n20/n20all.pdf>, available 01 December 2013)

This last period concluded with the fourth Spanish Presidency of the Union in the first semester of 2010. The development of the different sections of the Lisbon Treaty and the introduction of some changes which would contribute to the improvement in the efficiency of the EU consti-

tuted the principal objectives of this period. Moreover, one of the major goals was to provide the EU with instruments which would allow it to play a more relevant role in the international arena, for example by means of creating a European External Action Service.

In sum, in the course of its 25 years of membership in the European project Spain became an active participant of the EU decision-making process. All these years constituted an opportunity for the country to complete a process of profound economic, social and political development, which brought it closer to the rest of its fellow European member states, allowing for a real convergence with them.

Final Remarks

Table 2.6. Milestones of Spanish and Portuguese Participation in the European integration process.

	Spain	Portugal
Membership Application	28 July 1977	28 March 1977
Signing of the Treaty of Accession	12 June 1985	12 June 1985
First Election to the European Parliament	10 June 1987	19 June 1987
Entry into the European Monetary System	19 June 1989	6 April 1992
Accession Protocol: Schengen Agreement	25 June 1991	25 June 1991
Ratification of the Amsterdam Treaty	8 October 1998	6 January 1999
Economic and Monetary Union	3rd stage: 1999	3rd stage: 1999
Ratification of the Nice Treaty	27 December 2001	18 January 2002
Ratification of the Treaty Establishing a Constitution for Europe	20 February 2005	Referendum postponed indefinitely
Ratification of the Treaty of Lisbon	8 October 2008	17 June 2008

Source: own elaboration.

Portuguese and Spanish accession to the EEC took place at precisely the moment Europe was seeking to strengthen and intensify its integration through the SEA.

Through European structural funds and the introduction of cohesion policies, Portugal's economy and society set out on a process of economic and social change. During the first decade it resulted in its convergence with its European partners, and its growing divergence since the end of that first decade. Politically there was a process of Europeanization of Portuguese institutions and public policies. The transposition of European legislation resulted in significant changes that shaped public institutions and policies to the practices of European institutions and their decision-making processes. During the course of this process, the costs in terms of sovereignty transfer within the various affected sectors seem to have been widely compensated by the economic benefits obtained.

As far as Portugal's foreign policy is concerned the impact of European integration was central, even determining the emergence of a new model for the country's international insertion. It changed the contradictory perception between Europe and the Atlantic to one of complementarity. While the Europe-Atlantic equation remained, priorities were inverted: traditionally Portugal had prioritized the Atlantic and the African colonies while looking for European compensations; from 1986 on, Portugal's priority was Europe and the European Union, seeking to take advantage of its Atlanticist position and post-colonial relations (Teixeira 2012).

In the case of Spain, on the other hand, in the course of the 30 years which have passed since its accession to the European Union, the country has experienced a significant development in the economic, social and political realms. This process brought it closer to its fellow European states and allowed for a genuine convergence with them. EU membership brought about the opening of Spanish economy, in spite of the persistence of differences in some important areas. These differences, however, have been reduced progressively with the help of structural funds received from the Community, among other measures applied. Participation in the European integration project has also triggered a profound transformation of the Spanish society: political culture of Spaniards has been strengthened and a number of stereotypes regarding the country has been overcome. Finally, Spain proved to be able to assume an active role in the EU decision-making

process, even if not always successful in its endeavours, but determined to remain an active player in the process. Moreover, Spain has certainly managed to leave its own mark on some of the most significant achievements of the European integration process. From the beginning it has supported the creation of the common market and contributed to its establishment in practice; the country became a member of the Economic and Monetary Union and adopted common currency when it was first introduced. Spanish authorities have also supported the creation of the European area of freedom, security and justice, as well as the idea of a strong European voice in the globalized world which meant strengthening the EU as a unitary actor in foreign policy. Spanish membership also facilitated, as mentioned before in the case of Portugal, the strengthening of a Mediterranean and Latin-American dimensions to the EU, in its cultural, economic and political aspect. Without a doubt, Spain is nowadays more politically stable and socially dynamic. The current crisis situation, however, obliges us to be more careful when making statements on whether the country is more economically prosperous than before the accession.