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Meghan Miller University of North Florida

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The Attitudes of Spain's Political Parties toward the European Union and the Integration of the Euro

Meghan Miller

Faculty Sponsor: Dr. David Schwam-Baird, Assistant Professor of Political Science

*A special thanks to the 8 gentlemen who granted me an interview for this research project. Their generosity and participation are very much appreciated and will certainly help others to achieve a better understanding of Spain's political culture and future. And to Dr. Schwam-Baird, whose guidance and expertise made the completion of this project possible.

With over 30 parties, Spain's political landscape seems just as varied as its geographical one. Out from under the repression of Franco's forty-year dictatorship following his death in 1975, political and social expression was captured regionally and is still represented in this form politically and ideologically. Due to these distinct cultural divisions within the Spanish state, it may be better termed a country of different nations. Spain is composed of 17 Autonomous Communities in its semi-federalized structure and each one is endowed with numerous powers, similar to our collection of states, granted to it by the central government headquartered in Madrid. Inevitably economic, social, and nationalist tensions between these very different Autonomous Communities and the central government show up in the capital's political arena. As Spain continues to take progressive steps towards unification with the much newer, larger, multi-state political entity, the European Union, it finds itself in a curious dynamic sandwiched between layers of power. What will remain of Spain if it continues to cede more sovereignty to

the EU above and relinquish more control to Autonomous Communities below?

This research endeavors to determine the ramifications of this new, grandiose, international order on a micro-political level through the study of four political parties in Spain. The parties include the People's Party (PP) and the Spanish Socialist Worker's Party (PSOE), both with a national base, and Convergence and Union (CiU) of Catalonia and the Basque Nationalist Party (PNV), which are two of the most influential nationalist parties. The following analysis thoroughly examines the attitudes of these parties towards European Union as well as the recent introduction of the euro. This paper will explain how the European and monetary union has eliminated certain elements of Spain's sovereignty and how this and integration into the EU has affected the central and regional governments.

Historical Background

The book *Spanish Politics Today*, by John Gibbons, asserts that through a machinery of repression Franco tried to develop a 'homogenized Spain.' In actuality this stimulated separatism, regionalism and a desire for independence in later years (15). Franco's brutal efforts to create a one true Spanish identity had indeed failed. Though the expressions of many people's historical and cultural roots were limited by military use of force, they were all but forgotten during the dictatorship that lasted from 1939 - 1975.

The languages and customs proved very much alive in areas such as Navarre, Galicia, Valencia, Catalonia and the Basque Country shortly after Franco's death. Moreover, these regions quickly unified themselves politically in order to acquire their rights to autonomy and independence from the Spanish central government that were denied to them during dictatorship. After the end of Francoism a significant amount of authority and control was distributed among these regions with the adoption of the Constitution of 1978, which fashioned the Autonomous Communities. As explained by Jose Alvarez Junco and Adrian Shubert in *Spanish History Since 1808*, "Sovereignty was kept by the Spanish state, which transferred broad powers to the Autonomous Communities, including legislative and executive authority in areas such as agriculture, fishing activities, transport, culture and education public health, tourism and commerce." (323)

This new democracy envisioned a pluralist system well aware of the various cultures within the Spanish state. Overall, Spain has been successful at preserving a strong state. Yet, Spanish politics has been marked by the struggle for power between the central government and Autonomous Communities, especially those of Catalonia and Euskadi (the Basque name for the Basque Country).

For the past three decades the two largest parties have been the Spanish Socialist Worker Party and the People's Party. As "leftwing" and "rightwing" parties respectively, these two parties embody political proof of a sense of Spanish identity and are considered parties of the central government. In its first four terms of government from 1982 to 1996 "the PSOE contrived to advocate and support the transfer of powers of more finances and services to the regions and nationalities... it also warned of the dangers of excessive fragmentation and the need for an overall ceiling (techo) on transfers, as the PSOE put it, to preserve the integrity of the state." (Gibbons 27) Spain was willing to grant a substantial amount of control to the regions hoping that this would quench their thirst for self-government and leave the Spanish state intact.

Indeed the struggle for power between the regions and central government has plagued Spanish politics since the beginning of its new democracy. Trying to balance the two is one of the challenges for governing parties. Also, it is not uncommon in Spain's parliamentary system for nationalist parties to support central governing parties in exchange for certain concessions. For example, in 1993 PSOE was falling short of support for the upcoming elections. They strategically decided to join alliances with the main Catalan party, Convergence and Union (CiU), and in doing so they formed a minority government.

Although CiU is situated on the centerright, meaning more free-market oriented, and the PSOE is on the center-left and more labor union oriented, the alliance seemed workable because the PSOE was advocating the transference of more autonomy to the regions, which obviously fit together nicely with CiU's objectives. Yet, later in 1995 "In the face of scandal, Jordi Pujol, president of the regional government of Catalonia withdrew his parliamentary support" (Junco 344) of the PSOE government after certain internal corruption had exposed to the public. CiU then supported the PP government from 1996 on. This illustrates the love/hate relationship of nationalist parties and central government parties that is perceived from Spanish politics and an interesting aspect of how the parliamentary system can function.

Since the People's Party overtook PSOE in the 1996, and having elected current President Jose Maria Aznar, issues between the regional and central governments have not diminished. One of the major causes for unrest among them is the European Union. The Spanish state has essentially entrusted the European Union with some important powers previously handled by the state. Matters and policies that effect Spanish territory are no longer solely decided by Spain. Even though Spain, like all other members, can participate in the decision-making process, the EU has the final say. EU members have to compromise a certain amount of sovereignty in order for the collection of European states to properly function as an international entity. When the EU addresses topics that directly concern the Basque and Catalonian regions their inhabitants feel that they should be permitted to partake in this

political process. Consequently, regional and state politics collide in Spain.

The Conflict

Before joining the EU, more jurisdictions over regional outcomes was dealt to Autonomous Communities by the Spanish state. However, because the EU is officially composed of its member states, confusion over regional representation arises. Basques and Catalans feel that a large part of their previous authority has now been transferred back to the state because diplomats of the central government, not those of the regions, are usually the official participants in the EU proceedings, including those immediately affecting the regions, and thus feel that their voice is not heard. Because regional tensions have a history of being fierce in the Basque Country and Catalonia the opinions of their main political parties, the PNV and CiU respectively, seemed very pertinent to the current state of political affairs within Spain.

"At the heart of the issue of regional relations with the EU lie the constitutional and statutory ambiguities of external relations and foreign affairs. Under article 149 of the Constitution, the autonomous communities are required to conform to the over-riding principle that the Spanish state is sovereign in the matter of international relations. However, the various statutes of autonomy since 1989, have given the autonomous communities greater freedom in the conduct of international relations." Gibbons 35

In order to assess the tension between these parties and those of the central government with respect to the EU it was necessary to obtain subjective views from party members with substantial knowledge about the international matter at hand. On a mission towards discovery, I arranged interviews with members of the PP, the PSOE and the PNV in Madrid, as well as other interviews with the PNV in the Basque Country, and the CiU in Catalonia and set out for Spain.

CiU has held the majority of votes in Catalonia since 1980, and thus due to Convergence i Union's importance, I traveled to the capital of Catalonia, Barcelona, in order to speak with representatives and listen to their position on European and monetary union in efforts to understand how it effects their party and region as well as their relationship with the parties of the central government PSOE and PP.

I also journeyed to Bilbao and Vitoria-Gasteiz, the seat of the Basque presidency, in the Basque Country (or Euskadi, as it is called in the Basque language) to gather the same type of information from the Basque Nationalist Party and likewise assess relations between the PNV and the central government. "As a group, Basque nationalist parties have tended to attract a higher percentage of the Basque regional vote than Catalan or other nationalist or regionalist parties in their respective areas." (Gibbons 25) There are various nationalist parties in the Basque Country and so, regional politics is more fragmented there than in Catalonia, but the PNV has more seats in the Spanish parliament than the others. In addition, discussion with these two nationalist parties and their relationship with the central government also enable me to compare how the PNV and CiU differ with each other on these issues.

Attitudes of the People's Party and the Spanish Socialist Worker's Party toward the European Union

I found very positive attitudes toward the European Union. Each representative interviewed claimed that his party was and had always been in favor of monetary union and the adoption of a single European currency, the euro. Joaquin Almunia, presidential candidate in Spain's 2000 elections, Representative in the Spanish Parliament as well as Secretary General of PSOE, said that joining the EU and converting to the euro was a very good idea and proudly stated, "Yes, it was the best decision our government made." He is referring to PSOE's administration of parliament preceding the current PP administration. The PSOE claims that the PP takes all the credit for the impressive economic growth Spain has at present because of the progressive economic policies the PSOE put into place and their thrusting of Spain into the European Monetary Union.

Incidentally, People's Party representative in the Spanish Parliament for the province of Alicante, Iñigo Herrera, did spend time going over many statistics with me indicating the economic growth that has taken place since President Aznar has been in office. The data he offered me proves Spain is growing leaps and bounds, economically speaking. He handed me a pamphlet printed by the PP called Socioeconomic Balance from six year of Government 1996-2002: Spain advances which boasts no public debt, lower interest rates, as well as more employment among other signs of a healthy economy. Herrera informed me, "In 1996 when Aznar was discussing the standards [that have to be met for participation in the European Monetary Union] Spain did not comply with any of them. And we were the first to complete all four." This fact demonstrates a tenacious Spain that desires to improve along with the rest of Europe.

Although both the PP and PSOE are pleased with the economic advancement, there is a lack of social data in the pamphlet I received such as average salaries and job security. It should also be noted that in 2002 the average unemployment rate for the European Union has been around 7.5% and that of Spain is significantly higher and has increased from a rate of 10.5% in 2001 to 11.2 in 2002 according to the online resources available at the OECD website (www.oecd.org). Furthermore, the economic indicators illustrated by the PP do not seem proof enough to the PSOE that everything is running as smoothly as espoused concerning the social implications of Spain's new economic approach since European and monetary union.

While I was in Madrid there was a General Strike scheduled to occur on June 20th and sure enough as soon as the clock struck midnight, as I inadvertently happened witnessed, the picketers started to parade through the center of the city. The strike took place not only in Madrid, but also within numerous cities in Spain. The World section of CBS News online reported it as follows, "The unions are protesting cuts in unemployment benefits. Their one-day nationwide protest aims to embarrass conservative Prime Minister Jose Maria Aznar as he prepares to host a two-day European Union summit starting Friday in Seville. It poses the stiffest challenge to Aznar from unions since he took power in 1996." (In efforts to escape possible bias from the Spanish media I sought out an American source to sum up the events that took place.) This public is essentially frustrated with the neo-liberal economic policies the PP administration has continued to implement in order to become more competitive with the rest of the European Union.

There were questions as to whether it was "successful" or not, as well as how many actually participated and what percent of business was actually halted by the strike. Many claimed the numbers and facts were not accurately reported by the Spanish media to discourage the workers and supporters of the strike since it is allegedly "controlled" by the Popular Party. Nonetheless, it is not necessary to analyze the exact numbers in order to infer that on a national level the mobilization and occurrence of a strike is telling of some sort of social dissatisfaction. But the fact that the Popular Party has the majority in parliament means they were obviously voted for and still favored by a large portion of the Spanish population.

In response to claims of vast economic progression, for instance by the pamphlet

printed by the PP as previously mentioned, it doesn't seem logical for people to organize such an event if everyone in Spanish society is content from the central government's economic policies. On the subject of the General Strike, Almunia was sympathetic to the cause, "The government cannot leave its workers unprotected." Herrera, in defense of the Popular Party said, "Our party has welcomed the PSOE to present us with an alternative." According to Herrera, thus far the PSOE had failed to do so giving the PP no other choice but to proceed as planned. This also illustrates quite a division among the populace concerning protection for workers, which the PSOE as well as other socialist and communist parties strongly favor, and fewer regulations for businesses, favored by the PP who seem to be progressing towards a more capitalistic system.

Yet, despite criticisms from dissatisfied workers and citizens, both the PP and PSOE want the recognition for Spain's economic development. Undoubtedly, it has been a result of efforts on both sides promoting further modernization. The infamous vision of Spain as a somewhat 'backwards' country until fairly recently, largely due to Franco's isolationist politics and push for a selfsufficient Spain, is constantly trying to be left behind by politicians and citizens alike. Many Spaniards look at Europe as the ideal to which Spain should progress. Alex Longhurst reinforces this concept in the book Contemporary Spanish Cultural Studies, "It reflected a blanket rejection of all that had been constructed for so many years as 'typically Spanish' as shameful evidence of the backwardness engendered and perpetuated by the Franco regime." (31)

Attitudes of the National Basque Party and Convergence and Union toward the European Union

The Catalan and Basque regions have insisted on openly distancing themselves from the rest of Spain for years since the new democracy was established, "Indeed the promotion of Euskadi and Catalonia internationally (mainly for foreign investors) began studiously to avoid the use of any terms relating to Spain preferring to refer to themselves as 'European', or 'Mediterranean'." (Longhurst 33) Because of what happened to them in the past and their negative associations with Spain and Spanish government, Basques and Catalans associate themselves with a more European image.

With the change from dictatorship to democracy these regions were able to voice their opinion and express their enthusiasm for joining with the European Community, later to become the European Union. This desire for a closer relationship with Europe has remained at the top of their priority list. The Economic and Finance Department's General Director of Economic Programming for the Government of Catalonia, Josep Pagés i Muñoz, explained that "with Franco, Spain was isolated, for Catalonia the north was the objective as well integration in the European Community. Now, the Catalan economy is very internationalist, one of the most industrialized [in Europe], composed of important services and industries." For Catalonia, membership to the European Union makes up an essential part of their economic interests and sense of self within the context of Europe.

This tendency to identify with Europe holds true for Euskadi as well according to Iñaki Anasagasti, spokesman in the Spanish parliament for the PNV. When asked if he thought that Euskadi identified more with Europe or Spain now after integration of the euro, he replied, "All the time people are thinking on a more European scale rather than on a Spanish scale." Basques seem to be looking towards Europe to increase their opportunities as a people. They have a strong desire to become more integrated with Europe as is indicated by their political orientation towards more representation in the European Union. The politicians with whom I spoke immediately stressed that they wanted to be heard on matters that

impact their region politically and economically.

At the beginning of my interview with Iñaki Rica, Director of European Affairs for the Basque government and member of PNV, I inquired about the PNV's goals, his response was that "The main objective [for the PNV] is the survival of the Basque people. The future of Euskadi is in the European Unions beginnings." These statements indicate what an important role the PNV feels the European Union is for the Basque Country and how they envision the EU as an integral part of their progression as a people. Therefore, when they feel unable to partake in the political processes within the European Union it is a very serious and frustrating matter for the National Basque Party.

Concerns about the European Union

Now under an international system, it is important to examine any concerns about this new theme in Spanish politics. The PSOE, as well as the whole Socialist Group of the European party, the communist parties and even the queen, had originally advocated that social protections as well as economic criteria be included in the Maastricht Treaty, the agreement signed by EU member countries establishing certain conditions for adoption of the euro. When asked if PSOE was satisfied with the defining elements in the treaty Almunia asserted, "We need to coordinate [our politics] better. After introducing the euro everyone believes that everything is now complete, but we need to continue improving the system and become stronger. Social concerns need to be present as well."

Almunia continued to address the importance of more political coherence and he expressed that PSOE would like to see the need for an organization within the EU that has the capacity to scrutinize control and follow-up on agreements to make sure things continue smoothly. Carles Gasóliba of the CiU, representative in charge of European politics, executive committee member of Convergence and European Parliament treasurer, was also in favor of "intensifying the coordination of monetary policies" in the European Union.

Compared to PSOE, the PP's spin on monetary union is definitely more focused on the economic benefits as opposed to social concerns. Herrera stated that one of the primary goals for the People's Party is "To integrate all of the countries in the European Union in order to form a competitive market." Yet, the People's Party also recognizes the arduousness in gathering political consensus from a body with so many diverse members and outlooks. Herrera conveyed, "It is very difficult to come to a decision on various political matters. For example, defense. A European defense would take enormous resources."

Along a similar line of thought but conveyed to me in a more optimistic tone, Pagés said, "The next big step that we're going to see is in the direction of a European defense." It is probably no coincidence that the PP looks upon this matter as complex and cumbersome while CiU mentions it as a mere obstacle to be overcome. Efforts to relieve the Spanish state of its military power in addition to its monetary policy within any short time span would certainly be met with resistance by the central governing parties and Herrera's comment reveals a sense of this complexity that comes along with any more potential threats to Spanish sovereignty.

The euro was welcomed with open arms by and large by Spain because it offered guarantees of greater stability and economic prosperity. It seems as though they might have even felt a little relieved to turn over the responsibility to the Central Bank of Europe. But, the thought of giving up some, if not all, control over a country's prided military, and in essence their show of physical strength, is probably an idea that makes not only Spain a little uneasy. For obvious reasons, a European defense would definitely demand very solid "political coherence" among the member countries.

The Euro

The representatives of the PNV and CiU expressed their impatience for the conversion to the euro, although interestingly enough, I learned that the recently abandoned peseta originated in Catalonia. These regions have been markedly more economically progressive than other parts of Spain. Listening to representatives from the PNV and CiU made it very clear to me that they were exited and enthusiastic about the euro as well, as if switching to the euro allowed them to be set free from an old ball and chain.

They seem to have absolutely no sentimental difficulties adopting another European trait, uniting them even closer with the other countries and trading in the now obsolete national currency. In fact, several Basques emphasized to me how happy it made them to know that the Basques in the north and the Basques in the south, those in France and Spain respectively, now share the same currency. Not only is the euro bringing the Basques closer to the rest of Europe, but also proves to be strengthening emotional ties between Basques separated by the border.

At face value there is much enthusiasm for the euro, yet the professed economic advantages have apparently overshadowed some other important political and social issues. Along with the conversion to the euro came a substantial hike in prices of consumer goods. Joaquim Llimona, secretary of Foreign Relations for Catalonia and participant in CiUs International Relations Committee agrees, "The public voices many complaints because of the higher prices." Unfortunately when Spain converted from the peseta to the euro the price of just about everything increased despite government efforts to prevent such an occurrence, (some citizens even claim it was the government that started it). The fact remains, it was common for the price of some goods, grocery items in particular, to have risen 50%. This means that the average Spaniard, whose wages stayed the same as before the introduction of the euro, incurs a significant reduction in buying power.

Yet, even when addressing this issue and its possible impacts in my interviews, no one was able to foresee what the longterm effects might be. One possible inference is that if wages do not increase in harmony with this price inflation due to job creation or any other positive economic effect of the euro, despite how well the economy may seem to be doing, the classes will become more polarized. The wealthy will benefit from the new economic advantages resulting from monetary union and the lower classes will be stuck at the bottom with low wages and higher prices. Almunia from the PSOE concurred, "Citizens believe they will suffer more because of having to pay higher prices. Their buying power has diminished."

In contrast to the enthusiasm for the euro by Basques and Catalans that the representatives from the PNV and CiU had shared, according to Almunia, "Public opinion was favorable to the euro, but there was fear of change and many Spaniards wanted to stick with the peseta." This in some ways contradicts what Herrera, representative for the PP, told me, "There was never a time when the people didn't support it [the conversion to the euro]. Maybe only the older generations were afraid of change."

Representation for the Regions

The Basque Country and Catalonia feel very strongly that they should have a say on any action or question taken up by the EU that affects or might affect their region. I was informed extensively on the matter by Jose Maria Etxebarria, Foreign Affairs Coordinator for PNV in Bilbao, the Basque Country's finance capital, largest city and home to the famous modern art museum the Guggenheim. (The museum's extraordinary structural design wonderfully symbolizes Basque efforts to advance pass the old stigma of Spanish backwardness and become a more modern and Europe-oriented nation.) When asked what his party's objectives were he replied, "Our final objective is to be a political participant in the European Union, that is to say a federated state within two dozen years in the future European federation. This is the key to survival for us as a people."

It is very apparent that the nationalist component to this party is no secret. Later he told me that PNV has been around for the past 107 years and "that more than half of its existence has been prohibited" due to circumstances of the Spanish Civil War and those exiled from the country. The PNV's turbulent history with Spanish government is very much alive in the minds of members and they do not want it swept under the rug.

"Vivimos juntos pero no revueltos," Etxebarria happily asserts, a common saying meaning we live next to each other but are not the same. He obviously realizes that geographically the Basque Country will always neighbor the rest of Spain and believes that the PNV could have a better relationship with the central government if it were more open to communication. Unfortunately, the PNV has not been able to escape the bad reputation of the Basque terrorist group ETA.

The PNV speaker, Anasagasti, believed that Aznar's government used ETA as an excuse to vilify the Basque Country and the PNV in efforts to capture more support from the public. He did not support these acts and stressed that "ETA's violence destroys everything" including negotiation efforts with Madrid, (the central government is often referred to as Madrid because it is the heart of Spanish authority).

In addition, Rica claimed that "talking badly of the Basque Country" works in the Spanish government's favor because it "distracts the people" from more important issues that are not as easy to simplify as a plain case of good vs. evil. While discussing these matters in Vitoria-Gasteiz, where the Basque presidency is situated, he also expressed that there is "very strong" tension between them and Madrid and with an air of discontent added, "But Madrid does not have any interest in solving the problem."

The Basque Country is not the only region having troubles with the central government. Catalonia also has a history of separatist, nationalist politics and a long revolutionary (though anarchist) tradition. In his book Divided Nations: Class, Politics, and Nationalism in the Basque Country and Catalonia, Juan Díez Medrano compares the two, "Despite strong similarities between the two nationalist movements, which are consistent with the strong similarity between the socioeconomic structures of the two regions during this period, nationalist organization that were both separatist and revolutionary garnered more support in the Basque Country than in Catalonia." (113)

Catalans tend to see themselves in a European light, yet identify with their Catalan heritage and language, as do the Basques with theirs. The efforts to promote the acquisition of the Catalan and Basque languages within their respective regions demonstrate attempts to revive this sense of nationalism. Therefore, it is questionable if usage of these languages will flourish. "Survey data collected in 1988, for example reveal that ability to speak the regional language in the Basque Country (20 percent) than in Catalonia (52 percent)." (Mendrano 20) The total population of Spain is 39.6 million, the Basque Country has 2.2 million and Catalonia has 6.2 million. Out of the country's population this means that only about 1% speaks Basque and a little over 8% speak Catalan.

Even though Catalan is more widely spoken in Catalonia, increasing the bilingual population seems to be a very slow process; *Catalonia: Nation Building Without a State* estimates that "in 2026 it could reach 54 percent." (McRoberts 159) Catalan is spoken by a substantial amount of people in Catalonia. However, this data shows that within almost a 40-year period, speakers of Catalan "could" rise only 2 percentage points. It is doubtful that all inhabitants of Catalonia would speak Catalan even within the next two centuries at this pace, but within this same time period Catalan speakers would definitely be a *considerable* majority within the region.

After examining the situation in Catalonia, assessing the possibility to revive the Basque language in Euskadi to a point where the majority of people living in the region spoke it would prove a far greater challenge. The current effort by Basque nationalists to promote the teaching of Basque in schools does not seem practical when looking at the numbers. Yet statistics and centuries aside, in the short run it might result in a successful attempt to unite the Basque people politically by reminding them of the heritage they share and should continue to share, (and at the same time a reminder of those who are different from them). Understandably, both the Basque Country and Catalonia do not want to see an end to their language because it symbolizes part of their distinct identities.

Concerned for the general welfare of Catalonia, Carles Gasóliba declared the goal of his party "is to gain the maximum amount of self government for Catalonia as possible." This nationalist goal, similar to the Basque one, may not be feasible in the immediate future although they too are working hard for more representation in the adequate EU forums in Brussels. Like other regions of Europe, CiU would like to have more involvement in matters impinging on the territories of Catalonia. This would maximize their autonomy by regaining a say on matters that affect Catalonian lands in the decision making process, instead of leaving them to diplomats of the central government who, according to the PNV and CiU, do not adequately represent their interests. Gasóliba affirms, "We insist on being a greater presence and having more direct participation in the European Union."

While discussing matters of the constitution he told me that there are some

parties that are suggesting a revision of the constitution with the purpose of allowing more representation for the regions in Spain. Gasóliba rejected the idea of any such constitutional reform, "We think it is not necessary. But we do propose a more comprehensive, friendlier application of the constitution towards the demands Catalonia makes for more self-government." Gasóliba seemed convinced that, as he put it, "a more open and flexible reading is possible within the constitution."

Opposition from the Central Government

The People's Party opposes this more open reading and claim it has nothing to do with the regions in and of themselves but instead for the sake of efficiency and for the good of Spain as a whole. Herrera maintained that there was no need for further representation of the regions in the European Parliament, "They are represented in the Spanish Parliament. That is where they draw conclusions concerning the regions, and they are in turn represented in the European Parliament." Herrera considers his work to be very centered in the area of the EU and international politics. He agreed that they are important areas of historical identity and assured that no one was trying to take away their identity from them, but concluded, "To pretend that each Nationalist Parliament and region deserves representation in the European Parliament is impractical."

Llimona disagreed with this stance taken by the central government, "We are not asking to have embassies, nor peace treaties, nor to modify borders." This statement depicts the general Catalan position that advocates more *autonomy* rather than *independence*. He further addressed the troubles between Catalonia and Madrid, "The state is not in favor of substantiating claims made by the regions. There is a very strong government in Madrid with a very clear majority in parliament. It seems very restrictive to us in the area concerning self-government and particularly in the area of the European Union." I came across this impression from *all 6* of the representatives I met with from the PNV and CiU. There seems to be a very strong feeling of discontent toward the "restrictive" central government.

Even though the European Union permits representation from different regions of Europe the Spanish state is not willing to go along with this and it is a matter that is subject to the will of each member state of the EU. The PNV's stance on this issue according to Rica was that "Article 203 of the Maastricht Treaty allows representation for entities other than states where decision can be made." Rica added, "The problem is not in Brussels, it is not in the Maastricht Treaty, the problem is in Madrid."

The PNV is very unhappy with the way the PP has handled this element of European and monetary Union in Madrid. When I inquired how the PNV is currently represented in the EU he stated, "We don't have official representation. We have a delegation, an office, in Brussels. We cannot be present in the common forums; this includes Galicia, Catalonia, Extremadura, and all Autonomous Communities, because it is impeded by Madrid. Madrid even wanted to stop us from setting up our office in Brussels. This is not right, these are our rights that Madrid does not permit us."

The Backdoor to Representation

Spain does not allow for the explicit representation of the regions in the EU by their corresponding nationalist party; however one of the ways Catalonia's CiU has seemed to circumvent the obstacle is through its affiliation with a European political party called the Group of the European Liberal, Democrat and Reform Party. According to its web page on the Internet, the "ELDR Group brings together Members of the European Parliament (MEPs) from the liberal parties of the Member States of the European Union (EU)." There are currently three MEPs from Spain whose liberal parties have elected to be placed under this conglomerate European party, two are from Democratic Convergence of Catalonia and one is from the Coalition of the Canary Islands. In fact, Mr. Gasóliba is one of these three representatives, as well as current treasurer for the party, and has been a MEP under the ELDR Group since 1986.

Likewise, the PNV is represented by Josu Ortuondo, the previous Mayor of Bilbao, but again is representing regional interests under the auspices of a conglomerate party. The web page for Ortuondo on the PNV site states: "So as to be able to develop its political objectives more effectively in Europe, the PNV has joined the so-called European Free Alliance - in the Parliament." This web page later claims the "Nationalist Coalition" that they joined with other nationalist parties "obtained a historical record in votes and won two seats in the European Parliament." Although the MEPs from Catalonia and the Basque Country do not explicitly represent their regions in the European Parliament, this certainly puts CiU and the PNV in a better position to advance their political goals, rather than waiting for permission to represent themselves from the Spanish central government.

Spain' Sovereignty

The structure of the European Union is a multi-state entity and thus, can only handle matters on a state level. Its powers are limited and as mentioned before will not interfere with internal affairs of its member states, this management is seen as the states responsibility and is outside of its official parameters. The regions of Catalonia and Euskadi realize that the EU cannot provide them any support in wanting to formalize their participation with the EU because it is technically a state matter. Pagés asserts, "It's a fight between different forces; on the one hand it cedes sovereignty to Brussels, it has ceded [sovereignty] to the Autonomous Communities, but in specific cases it recovers sovereignty... the role of the state continues to be very relevant. The state hasn't weakened, not at all. The state is taking over competences, which we believe do not belong to it, so it can maintain its position."

Llimona comments on any worries there might have been about Spain's sovereignty before the monetary union came into effect. "A state defines itself by certain elements. To renounce a part of its sovereignty is an important decision, but there weren't any reservations about it." Later he explains some deeper concerns due to the loss of one's monetary policy, "To lose this capacity to utilize money as an instrument in order to adjust foreign trade or monetary inflation is very important, it helps guarantee stability. Yet there was no serious reflection on the matter."

I encountered no obvious differences between the PNV and CiU with reference to the loss of sovereignty Spain has incurred, both appeared to recognize the utility of a state's monetary policy and treated Spain's sovereignty with a general indifference. Any worry over giving this responsibility over to the Central Bank of Europe was far outweighed by their delight to be integrated into the European community for what they viewed as greater stability for their region and diminished dependence on the Spanish state.

The Popular Party according to Herrera is not worried about Spain losing any sovereignty either, but that's because he denies Spain has lost any, "We are not going to lose any sovereignty, I'm sure about that. We don't lose it just because of having common markets and trade." Later, we discussed other possible concerns for his party with respect to the EU and the euro and there seemed to be nothing overwhelming from that end. He then alluded to the difficulties with ETA: "The only big problem we have right now is terrorism."

This paper shows that European and monetary union have caused Spain to technically lose elements of its sovereignty as a state. I originally assumed this would have caused the central governing parties to view the EU in a more negative light compared to the nationalist parties, figuring the PP and the PSOE would not be happy about relinquishing former responsibilities of the state on behalf of integration. To my surprise it has in some ways enabled the central governing parties to gain a certain advantage over nationalist parties due to the official status the state holds within the EU and the direct participation that it denies the PNV and CiU.

Yet, the nationalist parties, and the regions they represent, look favorably upon the EU and the euro because it enables them to be less dependent on the Spanish state and more open to opportunities with the rest of Europe. This research also demonstrates how integration into the EU did not necessarily reduce the central government's influence, but instead prompted Spain to shift its weight, therefore creating a new set of tensions between the parties of the central government and the nationalist parties.

For now the state is the central component in the European Union and this will serve to reinforce Spain's power over its Autonomous Communities. Even though the form of sovereignty seems to have taken a different shape in this international conglomerate it still is able to assert itself effectively in the international arena. While the displeased regions of Euskadi and Catalonia may not directly threaten Spain's authority, there is serious tension between these nationalist parties and the central government (particularly towards the current administration of the People's Party under President Aznar).

The regions have grown very protective over their people as well as the territory they have worked hard gaining control over and do not want this power taken away from them again. Rica maintains, "We don't mind granting authority to the European Union over our competences for the common good, but we want to participate in the decision about them and not just watch them fall into Madrid's hands."

All eight of the representatives interviewed conceded at one point or another during the conversation that there was tension between the political parties, and although it may be the very nature of politics it should not be dismissed. Catalonia and Euskadi as separate nations do have very distinct ideas about their identity and a tendency to distance themselves from Spain. They continue to succeed in doing this by continuing to conserve their own languages and customs locally as well as by believing themselves to be more European rather than Spanish. Therefore, it is still very important to balance and maintain the pluralist model that Spain has seemed to successfully function under up until the present. Even though in favor of the European Union and the euro, the Basque Nationalist Party and Convergence and Union currently sense Spain as inflexible. It appears as though Spain wants to withhold representation in efforts to conserve authority because a number of its powers have slipped away towards the European Union.

Spain, like many other countries, is dealing with a very curious dilemma. The functions of the 'state' have undertaken a sort of metamorphosis and the big question is then, 'What will become of the state?' Anasagasti put it very succinctly, "The concept of the 'state' is too small to accomplish big things, and too big to achieve small things." Currently amid the Autonomous Communities and the European Union, for now Spain will be faced with serving the interests of those above and below while continually challenged to determine the role of the state, even as the worldwide definition of sovereignty becomes increasingly obscure.

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