

Spanish Prime Minister José Luis Rodríguez Zapatero (r.) helps José Montilla campaign for president of the region of Catalonia in October 2006. Montilla was elected.

Autonomous communities and municipalities take on more responsibilities



Spanish regions gain power

BY ROBERT AGRANOFF

IN SPAIN, THE CONTEST BETWEEN THE CENTRAL government and the country's 17 regional governments can become volatile. The debate reached a fever pitch in mid-2007 with regard to Basque demands for greater autonomy, when opposition leader Mariano Rajoy of the Popular Party accused Prime Minister José Luis Rodríguez Zapatero of having negotiated with Basque ETA terrorists "behind the backs of the Spanish people and playing with the structure of the state as if it was a Meccano set." Yet according to popular opinion polls in August 2007, Zapatero's popularity has actually gone up since the ETA cancelled the cease-fire on June 6.

No country has moved toward an intergovernmental system as rapidly as Spain in recent decades. Shortly after the death of Spanish dictator Francisco Franco in 1975, democracy was restored and the political system became federal in virtually all but name, bringing autonomy to regional and local governments, with powers divided between the central authority and 17 regional governments, called "autonomous communities" in Spain. The division of jurisdiction has evolved through framework laws, Spain's Constitutional Tribunal and day-to-day intergovernmental relations.

Ambitious subnational leaders have mainly sought further decentralization and devolution of powers to autonomous community and local levels. Besides its 17 autonomous communities, in 2005 Spain had 50 super-municipal provinces (seven merged with autonomous communities), 81 county-level entities, 8,107 cities or municipi-

pal corporations, 909 consortia (vertical partnerships between municipalities, provinces, autonomous communities and the state), 988 intermunicipal services and about 3,700 sub-municipal units and government corporations. Many joint bodies made up of representatives from the central government and autonomous community bodies have evolved through transfer of powers and concurrent programming. Spain's entry into the European Union in 1986 has affected policy in such areas as land use, solid waste disposal, coastal zone management, employment and immigration.

How governments interact

Spanish intergovernmental relations, or IGR, take place at three levels:

- **Macro IGR** includes political interactions between regional and national leaders, as well as major issues concerning territorial division or concurrence of powers.
- **Meso IGR** refers to less visible but important routines of official-to-official contact, the negotiation of grants and contracts, establishing governmental partnerships and so on.
- **Micro IGR** is the hidden-from-public-view operational level at which projects are negotiated, regulations and standards are enforced, contracts are managed, land is zoned and building permits are issued.

Macro IGR. This form of interaction includes issues of regional strife, usually involving identity, powers or financing, which attract attention outside Spain. As well, regional parties often negotiate deals in the central parliament when forming coalition governments. Political conflict always draws attention, and these struggles are significant and do define IGR, to some extent. But broader concerns of territorial politics come into play.

Framework laws passed by Parliament in Madrid also animate a dynamic IGR. Most powers are not neatly compartmentalized, but rather have an impact on two or more

SPECIAL SECTION

Unity in Diversity

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Robert Agranoff is Professor Emeritus in the School of Public and Environmental Affairs, Indiana University-Bloomington and Senior Professor, *Instituto Universitario Ortega y Gasset*, Madrid. He is completing a book on Spanish intergovernmental relations.

levels. One study of about 74 non-defence, foreign and domestic policies indicated that 17 involved exclusive central jurisdiction and 19 exclusive autonomous community authority, with the remaining 38 having a mixed nature. This last group contains most core policies, including education, health, social services, income assistance, economic and commercial development, transportation, local government and environmental management. The operation of the education and health systems is shared between Madrid and the autonomous communities. Local government is made operational by country-wide laws affecting elections, financing and basic organization and services.

Meso IGR. Spain's extensive interlocking arrangements – with central framework laws complemented by further legislation and regulation in the communities – means that both orders of government have strong interest in the implementation process in many areas. Spain's system of parliamentary and cabinet government permits much of this activity to be conducted within the executive branches by administrators and contacts with their counterparts are extensive. At the political level of ministers and heads of government, Spain has less contact than in such parliamentary federations as Australia, Canada and India. However, a Council of Autonomous Community Presidents was recently formed and it has biannual meetings with the prime minister; these focus on broad policy design, leaving other issues primarily to bilateral contacts.

Policy design issues are also important in generating IGR at the meso level. For example, the rules of urban planning and zoning are only broadly regulated by Madrid. Each autonomous community has its own laws dealing with urban development, permits, construction and regulations. Each municipality is required to file and update a 10-year plan for development, approved by the autonomous community, including exceptions that are allowed. The same planning and operational processes are applicable to autonomous community-local affairs in terms of providing infrastructure, social services, income maintenance, health services and education. In all these areas, middle-level intergovernmental issues have largely shifted from Madrid-autonomous community to autonomous community-local government.

As a result, more of the “action” in a number of these areas focuses on the autonomous community capitals. Mayors and their councillors negotiate with regional agencies over matters such as financing and policy interpretation, review and approval. Similarly, the main public interest organization for governmental units, the Spanish Federation of Municipalities and Provinces, relies more on lobbying by its autonomous community-level affiliates, along with the autonomous-community-level advocacy of its non-affiliated counterpart associations in the Basque Country and in Catalonia.

Micro IGR. This level, not seen by the public, includes the negotiating of projects, enforcing of standards and management of contracts. Many small Spanish municipalities do not



A representative of Batasuna, the illegal Basque independence party, speaks at a news conference in San Sebastian in September.

have the population and revenue base to offer the full array of such required services as water and waste-water handling, refuse collection, access roads and sanitation. They have three choices if they do not directly deliver each service: allow the provincial government to provide the service, form a special district with nearby municipalities to deliver the services or arrange a service contract with another municipal government or a private vendor. Each of these types of arrangement is intergovernmental in nature and all require autonomous community approval. Municipalities engage in interactions with autonomous community education officials on such matters as sites for new schools.

Intergovernmental dealings occur within the larger frameworks of *meso* and *macro* IGR. This is where government ultimately works – or doesn't – in federal systems.

Where governments meet

Four additional mechanisms help hold together the system of intergovernmental relations:

- Sectoral conferences, or multilateral meetings and issues forums focused by policy area for autonomous community-Madrid mutual exchanges and problem-solving.
- Bilateral co-operation commissions, essentially project-oriented negotiating bodies comprised of first- and second-level management from state and autonomous community administrative bodies. These bodies initially negotiated the

transfer of services “downward” and later dealt with the latest power transfers in health and education for some regions.

- Joint plans and programs between Madrid and autonomous community governments, especially in areas of joint or overlapping competencies, including those related to EU implementation.
- Most numerous are bilateral and multilateral collaboration agreements: contracts linking two or more governments. More than 5,000 collaboration agreements have been signed by Madrid and regional governments, as well as countless others between provincial and municipal governments, and special units of government.

The building of Spain’s “State of Autonomous Regions” (*Estado de las Autonomías*) has depended heavily on these four types of agreements and commissions.

Fiscal links are also fundamental in a system that is vertically unbalanced. The latest studies reveal that “own source taxes” – taxes imposed locally – of autonomous communities in 2005 amounted to only 0.9 per cent of all revenues. The autonomous communities receive 50.3 per cent of their revenues as a fixed share of various taxes levied by the central government on their behalf. They receive another 46 per cent in the form of various transfer payments from the central budget (apart from the special fiscal regime for the Basque and Navarre autonomous communities).

Municipalities fare somewhat better, inasmuch as direct and indirect taxes, charges and fees, and other revenue sources in 2002 amounted to about 65 per cent of local revenues. Another 13 per cent comes from state transfers, and the remainder from provincial and autonomous community transfers. Only a portion of these are unconditional, and the others are dependent on completion of specific projects.

Forces that drive intergovernmental relations

Several important factors appear to animate IGR dynamics:

- Constitutional and institutional frameworks of the state, particularly guarantees of autonomy and a share of state revenues, assure that the levels interact.
- Framework laws in many core policy areas, plus the basic structure of autonomous community and local governments, lock in interdependence among levels.
- Europeanization means areas such as employment, immigration, urban waste, landfills, public procurement, employees’ work time and environmental impact involve a fourth tier of government.
- Electoral competition, coalition governments and the rotation of political parties in office have strengthened autonomous communities and, to some extent, local governments, and insulated them from top-down control, creating a “politics of place,” unit by unit of government.
- Spanish political culture feeds on the importance of place and individualism leading to the tradition of multiple unilateral contacts to supplement or complement any multilateral activity.
- Following subnational traditions of deep administrative involvement in intergovernmental relations, administrative and executive federalism are the prevailing interactive modes. These reinforce the federalizing nature of Spanish intergovernmental relations. 

ETHIOPIA [FROM PAGE 16]

administration. Moreover, even if the majority residents of Addis Ababa are the Amhara, Addis Ababa is the capital, not only of Ethiopia, but also of Oromia regional state.

Nomads blur demography

The effect of diversity within one region in Ethiopia can be seen in Gambella regional state, located in southwestern Ethiopia bordering Sudan. An ethnically heterogeneous regional state without a dominant ethnic community, Gambella is host to about 253,000 people from the Anywaas, Nuer, Mezengir, Opio and Komo, plus settlers from Tigray, Amhara, Oromia and Southern Regional State. The Nuers constitute the largest group, 39.7 per cent, while the Anywaa make up 27.4 per cent of the total population.

Gambella has both settled and nomadic populations, so it is influenced by the seasonal migration of the nomadic Nuers, which has an effect on demographic and other aspects, such as power sharing and conflict over resources. As a regional state with a porous international border with Sudan, Gambella has inhabitants in areas where ethnic groups are divided across a border. There was fighting between different ethnic groups there in 2003 and 2004, and the situation is still volatile to this day.

The ethnically-based power-allocation system set by the federal Constitution has affected the relationship among the ethno-cultural communities and led to violent conflicts at the local level as different groups vie for what they see as their rightful share of power and control over resources. Lessons will surely be drawn from this unintended result.

Pragmatists support ethnic federalism

Unfortunately, Ethiopia does not benefit from a broad-based consensus among the political class about the role and brand of federalism that is right for the country. The political reaction to the ethno-linguistic federalist arrangement in Ethiopia can be summarized into three views. First are those who support ethno-linguistic federalism as a matter of the ethno-linguistic communities’ human right to self-determination, up to and including secession. They support federalism even at the cost of unity. Second are those who see ethno-linguistic federalism as regrettable but the only way to prevent disintegration. This is a calculated version of unity: inherently they are opposed to secession but they support ethno-linguistic federalism as a necessary means to unity, not for its own inherent merit.

A third view is held by those who are totally opposed to ethno-linguistic federalism; they want to do away with it and replace it with either another form of federalism or a unitary system. It is this author’s position that if this view was to be implemented it could turn the country into bloody civil war. Moreover, it could lead ultimately to the disintegration of the country – the very outcome the holders of this view abhor. In other words, this position is blind to the essential Ethiopian reality – which is that only a system that politically and legally guarantees and explicitly celebrates Ethiopia’s diversity can achieve durable peace and unity. Ethiopia has the constitutional framework to accommodate diversity. The task now is to apply that framework fairly throughout all of the country. 