Local governments claim their space in the Spanish system

Spain’s municipalities are the last order of government to modernize

By Carlos Alba and Carmen Navarro

Cities and municipalities may be the last governments to regain their full powers in Spain’s return to democracy after dictator Francisco Franco’s death in 1975. The country’s 8,100 cities, towns and villages are still struggling for what they see as their fair share of taxes and municipal powers to carry out their responsibilities.

Over the past three decades Spain has seen territorial devolution, the creation of a solid welfare state, integration into the European Union and significant economic and social development. Yet in terms of revenue and urban development, local governments lag behind both the central government in Madrid and the governments of the 17 “autonomous communities” that make up Spain.

Local government is scarcely mentioned in the constitution, in contrast to the autonomous communities. The constitutional charter limited its treatment to the formal recognition of local government autonomy and the principle of financial self-sustainability. Yet more than two decades later, neither of these traits can be found in Spain’s municipalities. Local authorities occupy a poorly-defined political space.

Powers denied

The autonomous communities, who had the power to improve things for the municipalities, showed no interest in granting them the powers and resources that the communities had only recently acquired for themselves. In a way, they were reproducing the old centralism except that, in this case, the centre-regional conflict was being played out on the regional-local stage.

When the Spanish Local Government Act was enacted by the national Parliament in 1985, it helped to clarify local competences and responsibilities. The act also gave support to the policies and actions that municipalities had developed – in a legal vacuum – for nearly two terms of active democratic government. In the late 1990s, further reforms were implemented and local governments saw the lifting of former restrictions. Today the end of that process is in sight. To prepare for full local government, all political parties have joined in drafting a reform to the 1985 Local Government Act, the last of a number of such revisions, and the text has been submitted to the parliament for its approval. If enacted, it will mean that local municipalities will finally receive clearly defined powers and responsibilities, as well as the economic resources to carry them out. Local governments would then be given a defined and precise list of areas of competence.

Approval postponed

Until now, the list of local powers was quite imprecise and it meant that other levels of government could interfere in a number of local areas. Also, city councils did not get the resources to implement policies in those areas. With the passage of this act, necessary transfer payments would come from other tiers of government to allow municipalities to develop their well-defined powers. But the draft reached parliament extremely late in the national government’s term– only a few months before the March 2008 general elections. Thus the process has been interrupted by confrontation among the political parties. Ratification will have to wait for the new government.

Today, local governments have only 15 per cent of the total public-budget expenditure, and they want an increase to 25 per cent. A representative of a group of Spanish mayors recently declared: “We have to aspire to complete autonomy … which saves us from being poor administrations. To do that we need to work on the basis of a financial system that allows us to meet
the demands of citizens, who come to us (for services) because we are the closest administration to them.”

The challenge for local government is to improve performance, which requires autonomy and financial self-sustainability. However, local governments have to act as vehicles of democracy, providing services in response to local needs. Local governments must also reinforce the legitimacy of their actions, achieving their goals without wasting available resources. Bureaucratic effectiveness and efficiency are clearly factors here.

In general terms, Spain has levels of voter turnout similar to other developed countries. Although local elections traditionally have lower turnouts than national elections, they achieve rates close to the national level. Local turnout varies between 61 per cent and 70 per cent. These elections usually indicate what will happen in the national elections.

Confronting local challenges
In addition to holding free and fair elections, an important way to strengthen local legitimacy is to have transparency and participation in the governing process. Through participatory democracy, citizens must be able to express their preferences in designing and implementing specific policies. Election-campaign slogans and poorly debated party platforms are a one-way means of communication: governments must also seek the specific views of residents. A more intense civic engagement is needed; participatory tools such as neighborhood councils, public consultations and district boards are only now beginning to be used in municipalities. Spanish local authorities have been implementing such policies over the past decade, more rapidly in the last four years. Some municipalities, such as Alcobendas, a suburb of Madrid, have neighbourhood councils, public hearings, improved access by citizens to city councillors, and other participatory avenues for citizen involvement. Still, a view of Spain’s entire local political landscape reveals mediocre success in involving citizens in public life.

To reinforce political legitimacy through results, municipalities must confront the task of delivering services effectively and efficiently. This is complicated for several reasons. First, Spain’s network of 8,100 local municipalities, with their corresponding government structures and powers, is diverse and fragmented. About 85 per cent of them have populations of less than 5,000 inhabitants. Asking for efficiency in such small localities is not realistic. The only way of producing good outputs is for the municipalities to come together to provide at least part of their services in common, particularly for the very small communities. Second, municipalities also have to increase their efficiency and cost-effectiveness. The “New Public Management” instruments for government such as outsourcing, privatization, budgeting techniques and public-private partnerships have been introduced in many countries to modernize bureaucratic administrative machinery. They have been much less intensely adopted in Spanish municipalities than in other European countries or in the town halls of the United States. Local governments have to reinforce their levels of good organization and their capacity to provide quick and effective responses to real problems.

After almost 30 years of democratic local government, Spain’s achievements are many but so are the tasks that lie ahead. The country is witnessing the longest period of peace and political stability in its history yet the edifice of strong local democracy is still a work in progress.

How democracy returned to Spain
Free and competitive elections took place in Spain for the first time in 1979 and democratic local governments started to introduce policies and reforms that dramatically transformed the underdeveloped cities and towns of the 1970s. At that time, mayors had clear agendas for building infrastructure and introducing basic public services. Today, while the basic needs are fulfilled, the remaining challenges are not so straightforward. On the one hand, local governments must strengthen their position in relation to other levels of government, and find their rightful place in the Spanish political system. On the other hand, local authorities are confronted with the difficulty of improving performance in a world in which problems are complex, resources scarce and solutions can come only from the joint effort of public and private actors.

Modern Spain emerged out of the late dictator Francisco Franco’s highly centralized political regime. In the 1979 constitution, autonomous communities were not labelled as “states” and the system was not defined as “federal” for several reasons. First, the word “federalism” was carefully avoided throughout the transition due to that term’s association with separatism, political instability and past pro-independence movements. Second, the system is not a traditional federal one because the Spanish model is not an agreement among political representatives of its constituent units, and Spain is far from assigning a standard set of governmental functions to all the federal units. In practice, there are similarities to Belgium, Mexico and South Africa – three centralized countries that have devolved to the point where many political scientists describe them as federal.

Until recently, there was an important distinction in practice between autonomous communities that are simply “regions” and those that are “nationalities,” such as the Basque Country, Catalonia and Galicia, which have a background of autonomy and self-government as well as a distinct language and culture. Strong political entities, these communities have their own legislatures, executives and judiciaries. They enact laws that have the same force as those of the Spanish state and their administrations are not subordinate to central control. Their jurisdiction over critical policy areas such as education or health, makes them at least as powerful, if not more so, than any other subnational government in Europe. Since 1996, however, recent political and constitutional developments have given all the regions in Spain the status of autonomous communities with similar levels of autonomy and powers. Despite this change, attempts to describe all regions of Spain as equal in status is always criticized by those regions that consider themselves “nations” and believe that they should be treated differently.