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# Europeanization in the shadow of the financial crisis: disruptive effects on the Spanish party system

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### **Abstract**

It is a widely held view that Europeanization is a gradual process of adaptation of domestic policies, institutions or political actors to European Union (EU) regulation or norms, frequently linked to democratization processes. There are, however, potential applications of the concept of Europeanization to situations of crisis when domestic agents have little room for manoeuvre; on these occasions, gradual adaptation may turn into pressures to implement EU norms or regulations and this may have disruptive effects on domestic political systems. This paper aims at illuminating these processes in Spain during the years of the Great Recession and evaluating their putative impact on the Spanish party system. The primary concern of this study is, therefore, to identify crucial steps in the processes of Europeanization of Spanish politics during the years 2010-2012; in a second step it analyses the articulation of a response to these processes by protest movements, and especially by the political party Podemos in its initial phase. A case-study approach is used to gain deeper insight into the context of Spanish politics in times of crisis. Official documents of domestic or EU institutions and various speeches of the political party Podemos are collected and examined. The results of this study suggest connections between Europeanization processes and changes in domestic party competition in Spain; additionally, it identifies Europeanization in Spain as a disruptive process favouring the emergence of anti-establishment discourses.

### Keywords

Europeanization processes, EU, Spain, domestic agents, Podemos, domestic party competition

### Topic

Europeanization



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# Europeización a la sombra de la crisis financiera: efectos perturbadores en el sistema de partidos español

#### Resumen

Se entiende generalmente que la europeización es un proceso gradual de adaptación de las políticas, instituciones o actores políticos nacionales a los reglamentos o normativas de la Unión Europea (UE), frecuentemente vinculado a procesos de democratización. No obstante, existen aplicaciones potenciales del concepto de europeización a situaciones de crisis en las que los agentes nacionales tienen poco margen de maniobra. En estas ocasiones, la adaptación gradual puede dejar paso a presiones para la aplicación de reglamentos y normativas de la UE y esto puede tener efectos perturbadores en los sistemas políticos nacionales. Con este artículo pretendemos arrojar luz sobre estos procesos en España durante los años de la Gran Recesión y evaluar el supuesto impacto en el sistema de partidos español. El principal objetivo de este estudio es, por tanto, identificar las etapas fundamentales de los procesos de europeización de la política española durante los años 2010-2012. En una segunda parte, se analiza la articulación de la respuesta a estos procesos por parte de los movimientos de protesta y, especialmente, del partido político Podemos en su fase inicial. Se ha empleado el modelo de estudio de casos para profundizar en el contexto de la política española en tiempos de crisis. Se han recopilado y analizado documentos oficiales de instituciones nacionales y de la UE, así como diversos discursos del partido político Podemos. Los resultados del estudio sugieren conexiones entre los procesos de europeización y los cambios en la competencia partidista nacional en España. Además, identifica la europeización en España como un proceso perturbador que favorece la aparición de discursos anti-establishment.

#### Palabras clave

procesos de europeización, UE, España, Agentes nacionales, Podemos, Competencia partidista nacional

## Tema

Europeización

# Introduction

The General Election held in Spain in December 2015 led to dramatic changes in the role of the mainstream parties, the balance between right-wing and left-wing forces, and the distribution of power and resources in the Spanish party system. Far from being an exception, the stability of the two-party system in Europe has been threatened during the last three decades: new parties – environmental focused, far right-wing or left-wing, niche parties – have emerged and challenged the usual political discourses and the distribution of electoral opportunities! Since 2009, the Eurozone crisis

has been an additional factor with variegated and significant impact on the stability of European political systems.<sup>2</sup> The nations of southern Europe have been particularly affected by the crisis due, to a certain extent, to the failed European integration process and the specialization profile of each national economy within the European common market.<sup>3</sup> The measures implemented by successive governments in Southern Europe to cope with the crisis significantly altered economic and social policies in these countries. Existing research on the Spanish case recognises the critical role played by such changes in economic and social policy to explain the emergence of protest movements and political conflict.<sup>4</sup> So far, however, there has been no detailed

- 1. See Genga (2013), Meguid (2005, p. 347) or Dahlström and Sundell (2012, p. 353-354).
- 2. About the effect of the financial crisis see the compilation of Kriesi and Pappas (2015).
- 3. Ghosh and Faber (2010); Eder (2014); Deutschmann (2014).
- 4. See Medina (2015) or Gomez Reino and Llamazares (2015).



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investigation on how Europeanization took place during the "hard years" of the crisis in Spain and how it affected the Spanish political system, even when the influence of the European Union and other EU institutions has been mentioned by several scholars.<sup>5</sup>

The purpose of this paper is to uncover the role of Europeanization processes in the rapid reconfiguration of the Spanish party system in Spain. This study argues that Europeanization was intensified during the initial years of the crisis and its relevant effects can be isolated in order to provide a new explanatory dimension for the changes in the Spanish party system. Accordingly, this study undertakes a three-fold analysis: first, it delineates specific Europeanization processes affecting Spanish politics during the years 2010-12; second, it identifies facilitating factors derived from Europeanization processes for the emergence of new political agents in Spain. In a last step, it focuses on how the anti-establishment discourse of Podemos integrates European Union or Europeanization issues.

It is beyond the scope of this study to consider all the possible factors involved in the disruption of the Spanish political system; on the contrary, this study seeks to substantiate a new explanatory dimension and thus significantly enhance the holistic analytical framework for examining and explaining such processes of change. Future research will evaluate the specific causal paths intervening in the reconfiguration of the Spanish political system, including all the necessary structural variables, party system internal drivers and agential factors.

# 1. Europeanization and domestic politics

Europeanization is generally defined as the process of downloading European Union regulations and institutional structures to the domestic level;<sup>6</sup> this definition contrasts with that of Radaelli<sup>7</sup> who emphasises the different forms of reaction and interaction of diverse domestic actors and national states with EU bodies and institutions, thereby adding complexity to the top-down mechanism of implementation. According to Radaelli, Europeanization can be defined as processes of (a) construction (b) diffusion and (c) institutionalization of formal and informal rules, procedures, policy paradigms, styles, 'ways of doing things' and shared beliefs and norms which are first defined and consolidated in the making of EU public policy and politics and then incorporated in the logic of domestic discourse, identities, political structures and public policies.8 This approach to Europeanization is an attempt to navigate across two levels of analysis: the national political systems - commonly associated with party politics and comparative politics - and the supranational level - generally confined to the area of International Relations studies.9 Certainly, this definition allows a more complex understanding of Europeanization in regards to the different ways of implementation and the array of dimensions that can be affected by these processes at the domestic level. Notwithstanding this, the main notion of incorporation of EU norms, policies or paradigms in the logic of the domestic political sphere continues to have a pivotal role in much of the literature on Europeanization.

There are two basic approaches currently being adopted in research into Europeanization. One focuses on domestic politics as a whole, and other analyses specific microprocesses of change at the level of discourse – mostly those of the political elites–. Meunier examines how globalization and Europeanization have altered French politics in terms of power, preferences and institutions. This author describes an incipient realignment of the political agents in France on the basis of Globalization and Europeanization cleavages. Other scholars utilize text-centred methodology to observe more carefully the changes in discourse and policies at the domestic level and attempt to trace these changes back to Europeanization processes.

<sup>5.</sup> see Hughes (2011) or Medina (2015).

<sup>6.</sup> Howell (2002, p, 2).

<sup>7.</sup> Radaelli (2004, 2009, 2012).

<sup>8.</sup> Saurugger and Radaelli (2008, p. 213)

<sup>9.</sup> To obtain deeper insight into the debate about the boundaries between areas of study see Jabko and Meuiner (2003, p. 2-3), Saurugger and Radaelli (2008, p. 214).

<sup>10.</sup> Meunier (2004).

<sup>11.</sup> Taniyici (2010); Senninger and Wagner (2015).

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The political system in Spain has also received significant attention from the angle of Europeanization studies. In the 1990s, scholars working in the area of comparative politics increasingly became interested in the effects of European Union institutions and regulations on Spanish politics. Borrás, Font and Gómez examine not only the impact of the EU on specific policy areas but also the degree of Europeanization for each one.<sup>12</sup> Börzel conducts a comparative study between Spain and Germany to shed light on the precise mechanisms whereby Europeanization affects national politics. She concludes that the differential effect of Europeanization on domestic institutions is partly explained by the structure of the formal rules in the particular countries and the degree of misfit between these rules and those of the EU.13 Recently, a considerable literature has grown up around the theme of the pro-European discourses of the mainstream parties as an attempt to explain the permissive consensus in Spain.<sup>14</sup> Unlike these scholars, Bourne and Chatzopoulou<sup>15</sup> focus on how social movements have been Europeanized and analyse these processes in Greece and Spain during the times of the Great Recession.

Overall, there seems to be enough evidence to indicate that Spanish politics – its political parties, institutions, policies and protest movements – has been significantly affected by processes of Europeanization in the last two decades. What is not yet clear is the impact of Europeanization in times of crisis on Spanish political competition and the Spanish party system. This indicates a need to systematically analyse the effects that Europeanization may have on this dimension of Spanish politics.

# 2. Indirect and direct impact of Europeanization

Europeanization processes impact on notably different ambits such as cultural values or economic policies. In order to represent the full picture about how Europeanization processes are connected to domestic politics - including possible feedback loops from domestic politics to the EU level - it is necessary to differentiate specific dimensions within the concept and identify the adequate area of inquiry for this case. Börzel and Risse<sup>16</sup> provide a model of Europeanization impact on domestic politics that distinguishes between three areas: policies, politics and polity.

Table 1. Areas of impact of Europeanization on domestic politics (based on Börzel and Risse, 2000b)

Policies	Politics	Polity
- standards - instruments - problem-solving approaches - policy narratives and discourses	Processes of: - interest formation - interest aggregation relations - interest representation - public discourses	- political institutions - intergovernmental relations - judicial structures - public administration - state traditions - economic institutions - state-society relations - collective identities

In a similar vein, Peter Mair<sup>17</sup> differentiates between direct and indirect impacts. He argues that there is no direct connection between the sphere of domestic politics and the EU level in terms of distribution of resources among actors in the domestic sphere. There is rather an effect on the environment of domestic politics; in the words of Saurugger and Radaelli, instead of a causal chain going down from the EU to the domestic level, we have multiple pathways through which EU pressure is refracted, and in some cases rhetorically amplified if not construed.18 Similarly, Börzel and Risse19 theorize how Europeanization may affect domestic politics, without apparent legal obligations linking national parties and EU institutions. Grounded in the work of these scholars, the observable Europeanization of national governments may produce consequent effects on the scope of national policy and the environment of domestic politics. The indirect effect manifests itself by changing domestic party competition, the political space and, eventually, facilitating

<sup>12.</sup> Borrás, Font and Gómez (1998).

<sup>13.</sup> Börzel (1999, p. 577-79). The concept of *misfit* is further elaborated in the next section.

<sup>14.</sup> Pacheco Pardo (2012); Vazquez Garcia (2012).

<sup>15.</sup> Bourne and Chatzopoulou (2015).

<sup>16.</sup> Börzel and Risse (2000b).

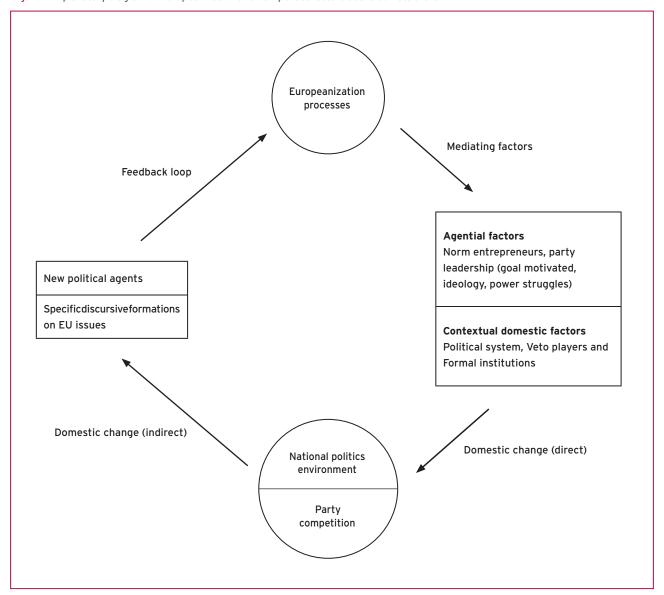
<sup>17.</sup> Mair (2007, p. 159).

<sup>18.</sup> Saurugger and Radaelli (2008, p.215).

<sup>19.</sup> Börzel and Risse (2000a, 2000b).

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Figure 1. Explanatory diagram of Europeanization and new political actors at the domestic level



the emergence of new actors competing at the domestic level. This indirect effect is mediated by national contextual factors - such as veto players or formal institutions - and agential factors - the active construction of norms and regulations by norm entrepreneurs, social organizations or political parties.<sup>20</sup> The figure above shows the set of direct and indirect effects of Europeanization on domestic politics including a possible feedback loop.

Based on the previous diagram, a relationship mediated by various mechanisms between several observable variables can be assessed. This model depicts the independent variables as EU-generated constraints that produce some type of *misfit* with domestic politics.<sup>21</sup> These constraints may be specific regulations or norms and procedures incorporated from the EU level into the domestic level. The mediating factors have to do with the particular conditions

<sup>20.</sup> Börzel and Risse (2000b, p. 8-9).

<sup>21.</sup> Börzel and Risse (2000a, p. 5-6).

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of the national political systems that produce facilitating or blocking effects on the EU-driven change. The observable effects on the domestic sphere can be assessed at two levels: firstly, by examining the direct effect on the policy space and the instruments available to competing parties, and secondly by looking at the indirect impact on the transformation of the domestic party system, party competition and the actors involved in such competition. Particularly relevant for this study is the effect produced by the policy convergence of mainstream parties since, following Ladrech, "the inverse effect of policy convergence on party competition by major centre-right and centre-left parties is to open up potential competitive space on the extremes of the party system, and it could be that referendums, as in the Netherlands and France in 2005, are examples where, released from the usual channels of party cues, voters express a reaction to the attenuated spectrum of choice".22

This process of Europeanization and its impact on domestic party competition may unfold on the basis of two logics: the logic of consequentialism and the logic of appropriateness.<sup>23</sup> Following Börzel and Risse, they often occur simultaneously or characterize different phases in a process of adaptational change. The logic of consequentialism operates mainly when the actor assumes a fixed position based on interests and values and acts on the basis of a function of utility maximization. It presumes well defined objectives, and in the case of a political party system, well-established political parties in terms of organization and operational dynamics. The logic of appropriateness is more likely to occur when the set of values, the common understandings and the very identity of the actors are questioned; this tends to be a period of self-definition of the actors and discussion about overall goals and desirable objectives in domestic politics.

# 3. Methods

This study uses qualitative analysis within a case-study approach in order to gain insights into the context and the specific case of the Europeanization of Spanish politics. Press

releases and official statements of the European commission or other EU bodies during the period 2010-12 are collected and analysed; the purpose is to show through document analysis the connections between the EU sphere and the domestic level and the putative EU pressures on Spanish politics, and particularly on the Spanish authorities. Secondary data are used to demonstrate changes in public opinion and social agents regarding Europeanization and EU issues. In order to obtain evidence about the central traits of Podemos's political discourse on EU issues, parliamentary speeches and speeches of the party's leadership during the European elections campaign in May 2014 are collected and explored.

The goal of this paper is not to make empirical generalizations about European countries; on the contrary, it aims at producing relevant data and conclusions to build comprehensive theories<sup>24</sup> on the basis of specific cases. This idea of theory generation of Landman coheres with the concept of typological theory defended by George and Bennett: "In contrast to a general explanatory theory of a given phenomenon, typological theory provides a rich and differentiated depiction of a phenomenon and can generate discriminating and contingent explanations and policy recommendations". 25 Accordingly, Europeanization processes are viewed in this paper as one relevant factor among others when explaining changes in the Spanish party system. In further elaborations of a full explanatory model of these processes of change, Europeanization could be, eventually, a relevant condition within a causal combination<sup>26</sup> for a case of study. This understanding of causality, as a construct describing a relationship between events and situations,<sup>27</sup> allows for specific events producing some type of EU impulse affecting Spanish politics to be identified at the EU level.

# 4. Analysis and findings

## 4.1. Identifying processes of Europeanization

Between 2007 and 2008 Spain entered the financial crisis which had commenced previously in the United States with

<sup>22.</sup> Ladrech (2009, p. 9).

<sup>23.</sup> Borzel and Risse (2000b, p. 2).

<sup>24.</sup> Landman (2003, p. 17-20).

<sup>25.</sup> George and Bennett (2005, p. 234).

<sup>26.</sup> See Rihoux and Ragin (2009, p. 8-10) for a further explanation of the configurative approach to causality.

<sup>27.</sup> In the words of Lyngaard (2012, p. 94).

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the subprime crisis. Spain was particularly vulnerable to the effects of the crisis due to its credit-based economy and housing market bubble that led to huge accumulated private debt in the country. When the housing bubble burst, it caused a severe impact on credit and prices and in consequent steps led to the closure of many companies and the rise of unemployment rates.<sup>28</sup> This situation of instability, including the dramatic increase in public debt, was addressed by the Spanish government through the implementation of a severe austerity package in May 2010 by Socialist Prime Minister Jose Luis Rodriguez Zapatero. The Socialist party (PSOE) - ruling until 20 November 2011 - and the People's Party (PP) - the winner with an absolute majority in the 2011 Spanish general election - implemented various austerity measures as the only means to cope with the crisis. On 12 May 2010 Jose Luis Rodriguez Zapatero announced spending cuts of €15 billion over two years. Mariano Rajoy of the conservative People's Party, who came into office in November 2011, persisted in these austerity programmes over the following four years. In July 2012, Mariano Rajoy announced his particular austerity measures including €660 million of cuts in government spending beyond the reductions already outlined in the 2012 budget, among which there were wage cuts for civil servants and reductions in unemployment pay.

These measures from 2010 to 2012 were accompanied by a greater Europeanization of Spanish politics. The observable evidence of this process of Europeanization, in the sense of institutionalization of norms and regulations which are first defined and consolidated in the making of EU public policy and politics and incorporated then at the domestic level,<sup>29</sup> can be traced back by looking at the essential documents, events and outcomes.

4.1.1. Economic and Financial Affairs meeting in Brussels in May 2010

On 9 and 10 May 2010 all the financial ministers of the EU Member States met at Brussels to discuss and undertake important measures to tackle financial instability in the EU zone, addressing mainly the cases of Greece and Spain. The excerpt shown below contains an explicit reference to the fiscal consolidation measures in Spain and Portugal.

Second, the Council is strongly committed to ensure fiscal sustainability and enhanced economic growth in all Member States and therefore agrees that plans for fiscal consolidation and structural reforms will be accelerated, where warranted. We therefore welcome and strongly support the commitment of Portugal and Spain to take significant additional consolidation measures in 2010 and 2011 and present them to the 18 May ECOFIN Council. The adequacy of such measures will be assessed by the Commission in June in the context of the excessive deficit procedure. The Council also welcomes the commitment to announce by the 18 May ECOFIN Council structural reform measures aimed at enhancing growth performance and thus indirectly fiscal sustainability henceforth.<sup>30</sup> [Author's emphasis]

On Sunday 10 May 2010 the Council and the Member States agreed a European Financial Stabilisation mechanism with a total volume of up to €500 billion. Two days later, on Tuesday 12 May, the United States President Barak Obama called Jose Luis Rodriguez Zapatero to talk about the *importance* of Spain taking resolute action as part of Europe's effort to strengthen its economy and build market confidence.<sup>31</sup> The same day Zapatero announced his austerity package. The general characterization of the journals of these events as direct pressures<sup>32</sup> from powerful European countries and the United States reinforced the perception of Spaniards that a clear external intervention was taking place in their country.

<sup>28.</sup> The unemployment rate increased from 9% in January 2008 to 26% in December 2012. Data from Eurostat extracted from: <a href="http://ec.europa.eu/eurostat/en/web/products-datasets/-/UNE\_RT\_M">http://ec.europa.eu/eurostat/en/web/products-datasets/-/UNE\_RT\_M</a>.

<sup>29.</sup> Saurugger and Radaelli (2008, p. 213).

<sup>30.</sup> Press release Extraordinary Council meeting Economic and Financial Affairs Brussels, 9/10 May 2010, extracted from <a href="http://europa.eu/rapid/press-release\_PRES-10-108\_en.htm?locale=en">http://europa.eu/rapid/press-release\_PRES-10-108\_en.htm?locale=en</a>>.

<sup>31.</sup> Press Release - Readout of the President's Call with Spanish Prime Minister Jose Luis Rodriguez Zapatero. 11 May 2010. Extracted from: <a href="http://www.presidency.ucsb.edu/ws/index.php?pid=89522">http://www.presidency.ucsb.edu/ws/index.php?pid=89522</a>.

<sup>32.</sup> See reports of the newspaper *El Mundo*: <a href="http://www.elmundo.es/elmundo/2010/05/12/espana/1273645595.html">http://www.elmundo.es/elmundo/2010/05/12/espana/1273645595.html</a>, *La Razón* <a href="http://www.larazon.es/historico/3691-zapatero-expone-presionado-por-la-ue-y-eeuu-su-plan-para-reducir-el-deficit-RLLA\_RAZON\_261170#. Ttt1kERZ4fd912N>, and *Expansion* <a href="http://www.expansion.com/2010/06/02/economia-politica/1275515700.html">http://www.expansion.com/2010/06/02/economia-politica/1275515700.html</a>.

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# 4.1.2. The reform of the Spanish Constitution in September 2011

The distance between the mainstream political parties and part of their electorate can be illustrated with the approval of the constitutional reform - Article 135 - on 27 September 2011 as a result of an agreement between the Socialist Party and the People's Party. This constitutional reform gave priority to deficit control over social policies or other government expenditure. Until the approval of this reform in 2011, the Constitution had only been reformed in 1992 to adapt its wording to the EU Maastricht Treaty. The reform of Article 135 consisted of a balanced budget amendment; namely, a constitutional rule requiring that a state cannot spend more than its income. It requires a balance between the projected receipts and expenditures of the government. In practical terms, it meant the priority of paying Spanish debt over social spending.

This reform was supported by the two main parties in the parliamentary chamber which had more than 90% of the seats, and therefore they did not need to call a referendum or negotiate with other political parties or social organizations. The Socialist government of Rodriguez Zapatero made this decision just before the European Commission meeting in which prolonging the aid programme to Spain and other countries would be decided. Three days after the reform of the Spanish Constitution the European Commission approved conditioned financial aid for several Spanish banks, as explained below by the EU body:

The European Commission has granted temporary approval, under EU state aid rules, to the recapitalisations of NCG Banco, Catalunya Banc and Unnim Banc by the Fondo de Reestructuración Ordenada Bancaria ("FROB") [...]. Final approval of the recapitalisations is conditional upon the submission of a restructuring plan that ensures that the banks will be viable in the long-term, that shareholders adequately share the burden of restructuring and that distortions of competitions are limited [...]. In December 2010, the Commission prolonged until the end of 2011, albeit with stricter conditions, the crisis-related state aid rules for banks and for other companies with problems accessing finance.<sup>33</sup>

## 4.1.3. The Memorandum of Understanding in July 2012

On 25 June 2012, the Spanish government made an official request for financial assistance for its banking system to the Eurogroup for a loan of up to €100 billion. During the processes of negotiation between the Spanish authorities and EU institutions, Mariano Rajoy announced on 11 July 2012 a new austerity package. A few days later the loan was approved by the Eurogroup of up to €100 billion in total and was transferred in the form of ESM notes by 12 December 2012 to the Fondo de Restructuración Ordenada Bancaria (FROB), the bank recapitalisation fund of the Spanish government. The bailout to Spanish banks was linked to a series of conditionality measures signed by the parties on 20 July 2012. The Memorandum of Understanding between the Spanish authorities and the European Council outlined the main guidelines for the Spanish banks recapitalization but also underscored the macro economic measures necessary to guarantee the success of the financial aid.

Regarding structural reforms, the Spanish authorities are committed to implement the country-specific recommendations in the context of the European Semester. These reforms aim at correcting macroeconomic imbalances, as identified in the in-depth review under the Macroeconomic Imbalance Procedure (MIP). In particular, these recommendations invite Spain to: 1) introduce a taxation system consistent with the fiscal consolidation efforts and more supportive to growth, 2) ensure less tax-induced bias towards indebtedness and home-ownership, 3) implement the labour market reforms, 4) take additional measures to increase the effectiveness of active labour market policies, 5) take additional measures to open up professional services, reduce delays in obtaining business licences, and eliminate barriers to doing business, 6) complete the electricity and gas interconnections with neighbouring countries, and address the electricity tariff deficit in a comprehensive way.34

## 4.2. Assessing the domestic impact

In the previous section several changes in national policies in Spain and even in constitutional law during the years 2010-2012 have been described. As demonstrated above,



<sup>33.</sup> European Commission - Press release. 30 September 2011: "State aid: Commission temporarily approves rescue aid for Spanish savings banks NCG Banco, Catalunya Banc and Unnim Banc". Extracted from: <a href="http://europa.eu/rapid/press-release\_IP-11-1143\_en.htm">http://europa.eu/rapid/press-release\_IP-11-1143\_en.htm</a>.

<sup>34.</sup> Spain Memorandum of Understanding on financial sector policy conditionality, 20 July 2012. Article 31, page 15. Extracted from: <a href="http://europa.eu/rapid/press-release\_MEMO-12-486\_en.htm">http://europa.eu/rapid/press-release\_MEMO-12-486\_en.htm</a>

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in the area of economic policies and austerity measures the Socialist party (PSOE) and the People's Party (PP) both followed the same path indicated, to a certain extent, by EU institutions through several recommendations or memorandums of understanding. These political dynamics impacted on the political space and led to a convergence of the *winning coalition*<sup>35</sup> – composed of the PSOE and PP-to implement the measures under pressure from the EU institutions. The reform of the Spanish Constitution is a good illustration of the consensus of Spanish political elites to implement EU-driven changes – PSOE and PP had more than 90% of the seats in the Spanish parliament at the time of the reform.

Before the impact of the financial crisis on Spain and the acceleration of Europeanization processes in Spanish politics between 2010 and 2012 there was practically no direct opposition to Europeanization processes within the Spanish party system. Some scholars characterize the party system in Spain during these times as a Europhile system.36 It is necessary to differentiate between the party system and Spanish civil society: whereas the party system showed an almost homogeneous and positive position on Europeanization issues, 37 Spanish civil society showed rather a mixture of high disaffection and an abstract positive evaluation, as the turnout in the European constitution referendum indicates.38 Europe represented for Spaniards an abstract idea associated with positive issues, but with a little impact on political discussion in the national arena. The permissive consensus of the party systems that in the words of Robert Ladrech<sup>39</sup> characterized the first three decades of the European integration process persisted in Spain without being politicized until the Euro crisis.

The social impact of the economic crisis on Spain began to erode this solid base of political consensus around EU issues. While the Spanish political system and especially what has been called above the winning coalition did not show apparent disagreement or tensions with the processes of Europeanization and implementation, a strong anti-austerity movement emerged from civil society. The 15-M movement or Indignants movement on 15 May 2011 was the first organized response to the Euro crisis and its social and political consequences in Spain. This social uprising in many streets and squares of Spain - with demonstrations and camps - expressed the political articulation of collective understandings in a different way, in contrast to those expressed by the political elites and the two-party system. Polls at that time showed 80% of Spaniards agreed with the demands of the 15-M movement.40

Parallel – and probably in correlation – to these movements, the general opinion of Spaniards on EU issues was changing as shown below in Figure 2. Data provided by Eurobarometer polls show a dramatic decline of trust in and the positive image of the EU. Spain had in 2004 one of the highest levels of trust in the EU – around 60% – and it dropped particularly between 2009 and 2012, a period in which the above described Europeanization processes took place in Spanish politics.

Likewise, the positive image of the EU also declined; as shown in Figure 3, Spain is the country, among the 27 Member States, where the percentage of the public with a positive image of the European Union dropped most between 2004 and 2012.



<sup>35.</sup> Börzel and Risse (2000b, p. 8-9).

<sup>36.</sup> Vazquez Garcia (2012, p. 110-111).

<sup>37.</sup> Only the Communist Party, later integrated into Izquierda Unida (United Left), had a critical position that might be called *federalism maximalism* (Vazquez Garcia, 2012, p. 115) rather than Euroscepticism; it was only critical about some economic policies and political procedures (lack of democracy of international institutions) but not about the Europeanization processes as a whole.

<sup>38.</sup> The turnout was just 41.8%, the lowest since the end of the Franco era, in contrast to the 63% in the Netherlands, 69% in France and 88% in Luxemburg.

<sup>39.</sup> Ladrech (2009, p. 4).

<sup>40.</sup> See a survey by Havas Media on 1 June 2011. Extracted from: <a href="http://recursos.anuncios.com/files/428/77.pdf">http://recursos.anuncios.com/files/428/77.pdf</a>>. See also the research on public opinion about the 15 May mobilization (Calvo et al., 2011, p. 5)

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Figure 2. Percentage of Spaniards who trust in or have a positive image of the EU (2004-2015)<sup>41</sup>

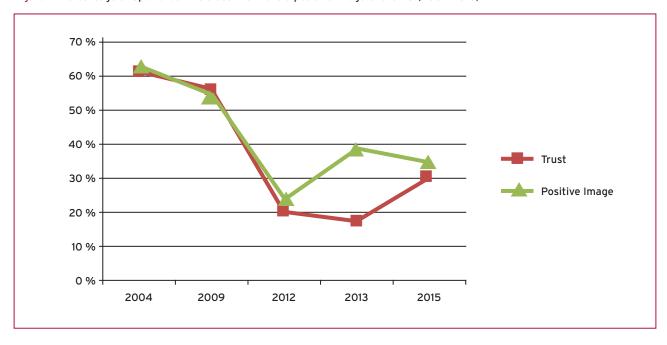
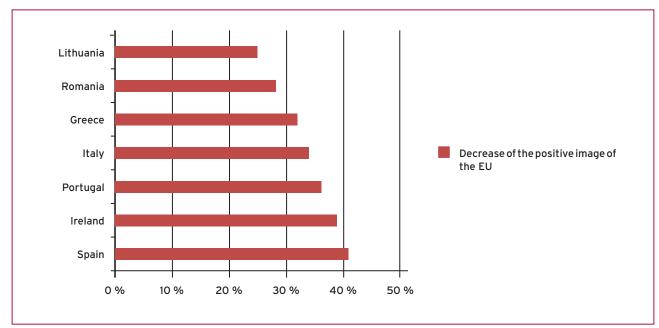


Figure 3. Decrease in the positive image of the EU (2004-2012)<sup>42</sup>



<sup>41.</sup> This figure was prepared by the author with data extracted from the European Commission website: <a href="http://ec.europa.eu/public\_opinion/archives/eb\_arch\_en.htm">http://ec.europa.eu/public\_opinion/archives/eb\_arch\_en.htm</a>.

<sup>42.</sup> This figure was prepared by the author with data extracted from the European Commission website: <a href="http://ec.europa.eu/public\_opinion/archives/eb\_arch\_en.htm">http://ec.europa.eu/public\_opinion/archives/eb\_arch\_en.htm</a>. It was also inspired by an article in *El Diario*.es: <a href="http://www.eldiario.es/piedrasdepapel/Espana-europeismo-euroescepticismo\_6\_88601155.html">http://ec.europa.eu/public\_opinion/archives/eb\_arch\_en.htm</a>.

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In sum, Europeanization processes affecting domestic policies caused a shift in Spaniards' opinions on EU issues that, due to a lack of a reliable political alternative within the Spanish party system, was in principle expressed through social mobilizations. On the basis of a logic of appropriateness, it can be argued that the conflicting social scenario from 2010 to 2012 was a clash of different social expectations and collective understandings with the aim of redefining the general values and identities of the political actors. An organised civil society showed its disagreement with the austerity measures and its opposition to an increasingly closed political class. The identities of the political actors were questioned and redefined during these years since the 15-M movement was also a long discussion about the left, the alternatives and the adequacy and desirability of the political tools and actors, e.g. political parties.

## 4.2.1 Indirect effects on the Spanish party system

The crisis of the two-party system was not evident until a credible alternative - based on previous debates and redefinitions of values, goals and tools (actors) - emerged. The political party Podemos was launched in January 2014 and gained five seats in the 2014 May European election with 7.98% of the vote as the fourth most popular political force. This unexpected result was followed by a dramatic increase in its popularity, as shown in the opinion polls.<sup>43</sup> Figure 4 compares the fluctuations in voting intention for the People's Party (PP, the party in power) and Podemos from the results in the May 2014 European election until the results in the General Election in December 2015.

The two main parties' combination vote (PSOE and PP) was below 50% in the last European elections, the first time in post-dictatorship Spain's democracy; in this vein,



Figure 4. Voting intention and electoral results<sup>44</sup>

<sup>43.</sup> The last electoral report of the CIS (Centro de Investigaciones Sociológicas) in October 2014 show that Podemos was the first force in voting intention while the third in voting estimation, taking into account certain correctors to make the predictions.

<sup>44.</sup> Figure 4 was prepared by the author with data from the CIS (Centro de Investigaciones Sociologicas) corresponding to various opinion polls. Data can be extracted from the following website: <a href="http://www.cis.es/cis/opencm/ES/1\_encuestas/TiposEncuestas/EncuestasElectorales/encuestaselectorales.jsp">http://www.cis.es/cis/opencm/ES/1\_encuestas/TiposEncuestas/EncuestasElectorales/encuestaselectorales.jsp</a>.

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in the December 2015 General Election the percentage of vote of the PSOE and PP only came to 50.73% as shown in Table 3. The effects of the rise of Podemos - along with other emergent political parties like Ciudadanos - can also be noted in the political agenda of the two main parties by attempting to incorporate new demands into their political programmes.

Table 3. Percentage of vote in 3 general elections in Spain

	2008 (%)	2011 (%)	2015 (%)
People's Party (PP)	39.94	44.63	28.72
Socialist Party (PSOE)	43.87	28.76	22.01
Podemos	-	-	20.66
Ciudadanos	-	-	13.93
United Left (IU)	3.77	6.92	3.67

It can be argued that the launch of the political party Podemos in January 2014, whereby a group of political activists took advantage of the structure of opportunity opened up in the country, operated primarily under a logic of consequentialism. This stage of the political process is characterised by the well-defined competing actors and the fixed preferences distributed along the political landscape; this new scenario for party competition produced *a resource redistribution*, 45 establishing a new power balance in the Spanish political landscape as shown in Table 3.

## 4.2.3. The political discourse of Podemos on EU issues

In contrast to the Europhile political system that characterized Spain before the Euro crisis and its political and social consequences, Podemos showed a direct appeal to the European problem. Nevertheless, this party addresses the topic of the European Union in different terms from the classical Eurosceptic parties in Europe. The launch of Podemos's European election campaign took place in Berlin, with a clear discourse by Pablo Iglesias, the leader of the party, against the elites. The depiction of Angela Merkel and

more generally the European elites as opposed to democracy and social rights was part of the anti-establishment discourse articulated by Podemos and especially by Iglesias.

The discourse of Podemos has been constituted on the basis of a clear critique of the current European Union but, at the same time, it shows a clear defence of the putative true values of Europe. There are two crucial features of the political discourse of Podemos on EU issues that represent a tension between a hard critique of the current state of the EU and the necessity to preserve and strengthen the European level against the regression to exclusive national contexts. The first aspect of the political discourse of Podemos on EU issues was expressed by Pablo Iglesias in the following terms in the European election campaign:

[...] that's what they want us to be, a colony of Germany and that's what we will say in Europe, that we do not want to be a colony of Germany, that we are a people who want dignity with other countries and peoples of the south, we will say no.<sup>46</sup>

On 1 July 2014 during the first speech by Pablo Iglesias as an elected MP in the European Parliament, he expressed the same criticism of the model of Europe that, in his opinion, negatively affects the peripheral countries and is based on *unelected powers*.

[...] in the European periphery the situation is tragic: our countries have become almost protectorates, almost new colonies, where unelected powers are destroying social rights and threatening the social and political cohesion of our societies.<sup>47</sup>

Despite the clear opposition to the European *powers*, this fierce criticism of a model of Europe is combined with a clear defence of an abstract idea of Europe, another Europe, some type of authentic Europe based on the original values.

Some say that we are Eurosceptics. We love Europe if Europe means freedom, equality and fraternity, we love Europe if Europe means social rights, we love Europe if Europe means human rights. The problem is not Europe, the problem is that

<sup>45.</sup> Risse and Borzel (2000a, p. 13)

<sup>46.</sup> Speech by Pablo Iglesias on 23 May 2014 in Madrid in the European election campaign. Translated directly by the author from a transcription of a video extracted from: <a href="https://www.youtube.com/watch?v=DipcspGXx7k&list=PLaW8IgjEn4d04xcsbVT1w\_QfLTGmukHqB&index2">https://www.youtube.com/watch?v=DipcspGXx7k&list=PLaW8IgjEn4d04xcsbVT1w\_QfLTGmukHqB&index2>.

<sup>47.</sup> Speech by Pablo Iglesias on 1 July 2014 in the Election of the President of the European Parliament, author's translation, extracted from <a href="http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+CRE+20140701+ITEM-004+DOC+XML+VO//ES&language=es&query=INTERV&detail=2-009-000">http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+CRE+20140701+ITEM-004+DOC+XML+VO//ES&language=es&query=INTERV&detail=2-009-000>.

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the European Central Bank president is called Mario Draghi and was a representative of Goldman Sachs in Europe... Europe's problem is called Durau Barroso... that's why we say along with other southern Europeans that we want to recover the dignity and the future of our peoples and our countries.<sup>48</sup>

Likewise, the vindication of Europe on the basis of different values and powers than those regulating EU institutions at present can be found in the first parliamentary speech by Pablo Iglesias at the European Parliament:

The expropriation of sovereignty and the submission to the rule of financial elites threaten the present and the future of Europe... it must demonstrate sensitivity and become the epicentre of a democratic jolt in the European Union, a jolt that stops the authoritarian drift of the Troika.

# Concluding remarks

The document analysis and content analysis conducted in this study reveal the transformation of the political space in Spain after the intensification of Europeanization processes in the country. These Europeanization processes have been documented with several official statements and declarations that indicate the causal links between EU norms and regulations and Spanish economic and political measures to cope with the crisis. In addition, the empirical findings in this study suggest that Europeanization processes affected not only economic and social policy in Spain but also the political space and Spanish party competition; this study identifies a two-fold effect of policy convergence of the mainstream parties and political convergence in a broader sense (reform of the Spanish Constitution and change in the general perception of the electorate).

The political convergence and the unpopular measures implemented by the Spanish authorities caused a reaction in Spanish civil society that can be analytically divided into two stages: first, a stage of expression of divergent

social expectations and values and redefinition of identities through protest and mobilization; then second, a group of political activists attempted to use the new map of identities and social expectations by bringing it to the competition for political power in a more strategically-driven stage. Therefore, this contribution also seems to confirm that the two logics - the logic of appropriateness and the logic of consequentialism - operated in a sequential way but also overlapped on several occasions and certainly reinforced each other during the whole process. Several mediating factors permitted the implementation of a real change in the political landscape, such as the lack of veto players, the uncontested power of the winning coalition and the presence of norm entrepreneurs able to persuade a wide public.

Despite its exploratory nature, the analysis of the political discourse of Podemos on EU issues offers some insight into its salience and direction. On the one hand, EU issues seem to play a central role in the articulation of Podemos's discourse in its initial phase, that is, the 2014 European Election campaign, but on the other hand the findings suggest an ambivalent appeal of the political discourse of Podemos on Europe and EU issues. Whereas the depiction of European leaders as *gangsters* indicates a strong rhetoric against Europeanization processes, the defence of authentic European values is also a constitutive part of Podemos's discourse on EU issues.

Quantitative analysis of comprehensive data of the political activity of Podemos is required to determine the precise characteristics of its discourse on EU issues. Likewise, future research will conduct full analysis of the political processes involved in the emergence of the party and the complex causal connections will have to be represented in detailed explanatory diagrams. These explanatory models should be confronted with alternative explanations that can be incorporated or rejected on the basis of extended empirical evidence. The feedback loop of the political discourses of Podemos on Europeanization processes would also be a fruitful area for further work.



<sup>48.</sup> Speech by Pablo Iglesias on 22 May 2014 at Seville in the European election campaign. Translated directly by the author from a transcription of a video extracted from: <a href="https://www.youtube.com/watch?v=Uw7\_GrvxBPk&list=PLaW8lgjEn4d04xcsbVT1w\_QfLTGmukHqB&index=6">https://www.youtube.com/watch?v=Uw7\_GrvxBPk&list=PLaW8lgjEn4d04xcsbVT1w\_QfLTGmukHqB&index=6</a>.

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