

## **Bologna Institute for Policy Research**

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Speaker: Augustin Jose Menendez, University of Leon, Spain; ARENA and the Centre for

European Studies, Norway

Chair: Mark Gilbert, Professor of History and International Studies; Academic and Faculty Liaison,

SAIS Europe, Bologna

## "Wither the "New" Spain?: Spanish Politics Between Constitutional Unsettlement, European Disintegration and Socio-economic Crisis"

Part of the Contemporary History and Institutions of the Mediterranean series

Professor Menendez develops and defends a two part thesis in his discussion of contemporary Spain. First, he argues that Spain today faces three main challenges: socioeconomic integration, internal integration, and European integration. Then, he poses that these challenges are not solely related to economics, but that they are deeply related to the "past that refuses to pass," or rather, the history of Spain's transition to democracy after Franco.

Professor Menendez first discusses the symptoms, or the facts, of Spain's current economic crisis. On the socio-economic front, he walks the audience through various economic trends in the country, demonstrating the degree to which Spain's unemployment, and especially youth unemployment, has deteriorated in an accelerated fashion since the 2007 financial crisis. He then explains the political fragmentation of the country and the new government's precarious position due to the "crisis of common mentality." Professor Menenedez closes this section with proof of Spain's deteriorating view of the European Union. According to Pew Research, the percentage of Spaniards with a positive view of Spain's participation in the EU has fallen from 80 percent in 2007 to 40 percent in 2013. Professor Menendez expects this trend to only continue further.

Next, Professor Menendez addresses Spain's three challenges in depth. First, he begins with the socioeconomic challenge, explaining that high unemployment is in fact a structural issue. The low-wage structure of the economy will be incredibly difficult to change due to the lack of private investment as well as the capacity of the state to invest publicly because of the current restrictions from the EU. Furthermore, the population's growing fear of declining social status is directly reflected in politics, and specifically seen in the growing support for the left wing PODEMOS party in Catalonia. Similarly, considering the internal integration challenge, the ability of PODEMOS' to put forth a socio-economic agenda against austerity, instead of an agenda based on identity politics, is directly related to their popularity in the polls. However, Professor Menendez argues, there is another very important challenge for internal integration: the issue of "the other Spain." The empty inland areas surrounding Madrid hold 62 percent of the country's land, yet only 25 percent of the

population. This region that is not connected to a greater Europe and has struggled with economic modernization poses a major problem in terms of territorial organization. Unfortunately, Spain is restricted in addressing these economic issues, bringing Professor Menendez to the third challenge: EU integration. He questions whether Spain could potentially gain from EU disintegration, considering the country needs massive public investment to turn its economy around. He suggests for current political parties to consider the effects of EU implosion or at the very least, use the threat of leaving the EU as a bargaining chip.

Throughout his presentation, Professor Menendez repeats the importance of Spain's history. Here, he invites the audience to review Spain's transitional story and consider its effect of the country's position today. Simply put, Professor Menendez argues that the current issues with integration are inherently linked to the issues of integration during the 1976 transition to democracy. He explains how opposition to Franco was consistently weak, a trait that political parties attempted to hide. Furthermore, the way in which Spain democratized through backroom deals nurtured a low-intensity democracy. This is exactly why, Professor Menendez argues, that the Spanish population has remained relatively calm despite the serious issues it faces today.

In summary, Professor Menendez restates that the challenges Spain faces today are not new. While the issues have certainly changed over the years, the latent issues have only become more intractable. However, Professor Menendez concludes his discussion with procedural actions for change. To address the socioeconomic challenges, he believes Spain must seek structural solutions that are unfortunately impossible to achieve within the current rules of the Eurozone. The territorial disputes however, are relatively more simple: a referendum should be considered for Catalonia and the Basque region's exceptional tax agreement with the Spanish government must be confronted. Finally, regarding the question of the European Union, Professor Menendez urges anyone with the intention of becoming the next Prime Minister to deeply consider a plan for Spain should the European Union disintegrate.