

## The rebirth of corruption

*The ongoing 'Gürtel' probe is just the latest in a seemingly never-ending series of graft scandals that have disgraced Spanish politicians in recent years. After building a vibrant modern democracy and economy, why has the country failed to shake off this ugly problem?*

By [Guy Hedgcoe](#)

A flick through a Spanish daily newspaper one particular day in early April made for instructive, if depressing, reading. The national news pages were dominated by the latest on a series of corruption scandals, all involving politicians.

In Catalonia, the 'Pretoria' case saw members of the Socialist Party and the nationalist CiU embroiled in a scam involving construction contracts; in Estepona, Andalusia, the town's former Popular Party mayor Rosa Díaz faced charges of illegally selling off land; in the Balearic Islands, Jaime Matas, a former Popular Party regional premier and national environment minister, had been told he needed to post €3 million bail in order to avoid being jailed ahead of his trial for allegedly masterminding a massive embezzlement network when in power; and then there were the latest details about the 'Gürtel' case, an enormous corruption ring which for years coordinated the awarding of lucrative, over-valued contracts to companies and a systematic bribery scheme, all involving dozens of Popular Party officials in different parts of Spain.

At the end of 2009, Attorney General Cándido Conde-Pumpido revealed that 730 public officials were facing criminal investigation for corruption. He announced this figure as part of an effort to counter claims by the PP that it was being victimised by the justice system. The attorney general's office, he insisted, was probing only 200 members of the PP, compared to 264 members of the Socialist Party. "The justice system doesn't go after particular politicians, it just goes after the corrupt, wherever they are," Conde-Pumpido said. "Unfortunately, they are everywhere."

Political corruption is a vice commonly associated with developing countries. Dictatorships, banana republics and failed states are usually in its grip, but Spain is none of those things. It has a three-decade-old parliamentary democracy, has been modernised almost out of recognition in that time, and is a prominent member of the EU and NATO. Corruption scandals rocked the Socialist government of Felipe González in the early 1990s and eventually helped unseat him, but the country's democracy was relatively callow then, and one party had dominated for most of that time. Why, then, has this problem returned with such a vengeance?

Sebastian Balfour, author of *The Reinvention of Spain: Nation and Identity since Democracy*, sees the decade-long construction boom that sustained the economy until 2008 as a major factor. At its peak, nearly a quarter of the EU's new homes were being built in Spain, and the country's laws ensured that local authorities – even in small towns – decided where and when those homes would be erected.

"The municipalities are the Cinderellas of the system because of the power of the autonomous regions," Balfour, Emeritus Professor of Contemporary Spanish Studies at London's LSE, told Iberosphere. "Local councils get very little funds, so they reclassify the land – either for the interests of the village... or for personal gain."

That personal gain would come through bribes paid by constructors – in the form of a "commission" – to deem the land eligible for building on, even though it might be an area of natural beauty or even environmental interest. In the Madrid region alone, senior authorities in towns such as Majadahonda and Boadilla have been investigated for these kinds of abuses.

## The post-Franco “barons”

The system of regional governance itself is also to blame. In Spain, there are 17 autonomous communities, each with its own particular relationship with the state. This semi-federal system, implemented with the post-dictatorship constitution, has allowed parties – and individuals, in some cases – to dominate politics in parts of Spain ever since.

Galicia, the conservative Popular Party's greatest stronghold, is a good example. For 22 of the last 28 years the party has governed there and former Franco minister Manuel Fraga was regional leader for 15 years. This kind of heavily consolidated powerbase creates an environment where abuse is, if not inevitable, then certainly tempting.

“At the local level there are only a few key players and usually the same people are there for a long time – maybe 20 years or more. So if you want to do business you need to have good relations with those people,” says Ramón Pacheco Pardo, lecturer in Spanish Contemporary Politics at King's College, London.

In the Gürtel case, those “good relations” meant systematic bribery and extravagant gifts for politicians, such as Louis Vuitton handbags and designer suits. It's no coincidence that the regions where the Gürtel network seems to have embedded its claws deepest are Galicia, Valencia and Madrid, all longstanding PP fortresses.

For the Socialists, Andalusia has been its own voter stronghold, while in Catalonia the CiU conservative nationalists have dominated for much of the democratic period. In the Basque Country, the PNV nationalists were unseated last year after 30 years in power. Each of those parties has faced at least a number of corruption investigations in their “home” region. A curious feature of the glut of graft cases that have erupted in recent years is how almost all of them originate at a local level, with very few national politicians being sullied. The Gürtel case may have implicated individuals who were close to the government of José María Aznar between 1996 and 2004, but the former prime minister himself was seen as an austere presence after the decadence of the González administration.

This, however, does not necessarily mean that national politics is totally clean, rather that abuses at that level rarely see the light of day, says [V́ctor Sampedro](#), a political analyst and editor of *13-M. Multitudes online*. “The two main parties have got used to a collusion that is inherited from the dictatorship,” he explains. “There hasn't been a reform of the judiciary or the police since the death of Franco in 1975. There's a lack of control of the elites.”

This antiquated state structure, Sampedro believes, means Spain lacks sufficient separation of powers between the executive, legislature and judiciary. Anyone who has followed the bizarre legal case against [Judge Baltasar Garzón for investigating Franco-era crimes knows that the judiciary is heavily politicised](#). A strong third political party on a national level might shake things up. But no group has been able to challenge the Socialist-PP duopoly since González took power in 1982.

## A career in politics

Blaming corruption on “cultural” factors is always contentious and can easily lead to lazy stereotyping, such as the notion that southern Mediterranean countries are somehow by nature more prone to breaking the law. However, the political culture of a country can undoubtedly help explain the phenomenon and is crucial in understanding the reasons for abuses by public officials.

In Spain, politicians commonly get involved in politics at an early age, often in their twenties, and remain there until they retire. This idea of politics as a career is more embedded than other countries, such as Britain, where the exercising of another profession outside the political arena has only recently come under scrutiny. This clearly means that financially, these career politicians are relying purely on their public service for income. It also means that they are that much more determined to cling to their posts, despite the scandals that surround them.

This was the case in Valencia last year, when the number two of the region's PP government, Ricardo Costa, initially refused to step down despite orders to do so from party headquarters in Madrid due to his implication in the Gürtel case. This illustrated not only how regional politicians can shore up enough power to defy the national leadership, but also the lack of a resignation culture in Spain.

Pacheco Pardo compares this to the British MP expenses scandal, which has seen dozens of representatives refrain from running for re-election despite not technically breaking the law. "With the expenses scandal, MPs actually gave money back; in Spain this doesn't happen," he says. "If you look at the PP right now, they're trying to defend those involved (in Gürtel) – and those involved are not stepping down."

This determination to ride scandals is also related to a degree of tolerance on the part of voters. While left-leaning Spaniards shouted abuse at Costa and his boss Francisco Camps as they arrived at public events during the Gürtel storm last year, PP voters screamed their support, despite the headlines staining the reputations of the men.

### **“Leave the business to me”**

Sampedro attributes this puzzling refusal of voters – particularly right-wing ones – to punish their representatives for corruption to what he calls “sociological Francoism.” “Franco indoctrinated a large section of society with the notion that the exercise of power implies a certain degree of corruption,” he says.

Perhaps the paradigm of this school of thought was Jesús Gil y Gil, a right-wing populist mayor of Marbella and president of Atlético Madrid football club. Frequently under investigation and indeed arrested in 2000 for embezzling his own club, Gil was nonetheless a popular figure among many Spaniards, particularly in Marbella. The implied philosophy of this politician, says Sampedro, was “leave the business to me, because under me we're all going to do well.”

This chimes with a theory held by Balfour that the Spanish transition to democracy in the late 1970s and early 1980s was never fully completed. At the time, the process was widely lauded as an example of cross-party consensus-building, as groups from both the Franco and Republican camps worked together to put the traumatic recent past behind them and create a democracy. The relative smoothness of the transition, however, left gaps.

“There was an incomplete assimilation of democratic rules and protocols – particularly by the right – due to an incomplete transition,” says Balfour.

Part of any healthy democracy, of course, is a rigorous and probing media. Few countries have both a press that is truly free of political influence and politicians who are not in thrall to the media (just think of New Labour and Rupert Murdoch's NewsCorp), and Spain is particularly prone to the former vice. Newspapers, radio and television are, for the most part, heavily politicised and their reporting of corruption scandals reflects this. The right-wing daily *El Mundo*, for example, did its best to avoid covering the Gürtel case until the story became overwhelming. Incidentally, the paper's editor, Pedro J. Ramírez, was part of the cabal of on-side journalists that surrounded Jaime Matas, the PP's former Balearic premier before his fall from grace.

### **The ‘Berlusconización’ of Spain?**

One way in which Spanish newspapers differ enormously from their counterparts in many other countries is their lack of investigative journalism. In the United States, a deep tradition of uncovering politicians' crimes and misdemeanours – from Richard Nixon to John Edwards – is seen almost as a fourth power of state, helping ensure lawmakers don't step out of line and exposing them when they do. In Britain, a frenzied tabloid press leads the charge to do the same, albeit amid the search for salacious celebrity news.

“To launch an investigation at a newspaper you need lots of people, lots of time and lots of money,” says a journalist who has worked at a Spanish national newspaper since the 1970s. “It’s not just a lack of money in Spain, it’s a lack of interest – there is no tradition of investigative journalism.”

When newspapers do get an exclusive on a scandal, it is more often than not due to a leak from a member of the investigation rather than down to laborious legwork at the source of the case.

Novelist Juan Goytisolo has lamented what he calls the *Berlusconización* of Spain – a slide towards an Italian-style lack of respect for the law on the part of those who govern. That may be an exaggerated view. Spain does not have a national leader who is constantly facing corruption allegations or ducking them with questionable political manoeuvres; nor is it in the grip of a mafia. Its media, despite its faults, is less politicised than it was two decades ago. Moreover, its democracy is balanced and stable.

But the country does clearly have a major problem, one that its express-speed modernisation has failed to tackle adequately. The structure of the Spanish state, a massive housing boom, the remnants of a pre-democratic mindset and a lack of rigour in the media have all allowed corruption to flourish.

However, ordinary Spaniards will also have to look at themselves as they wonder how they can stop their country from resembling Berlusconi’s Italy. A large portion of the Spanish economy operates on the black market, reflecting a dangerous tolerance of corner-cutting. Writer and broadcaster Josep Ramoneda has warned that “the totalitarianism of indifference” threatens to govern the country. Its citizens can at least make sure that does not happen.