

**PUBLIC MANAGEMENT POLICYMAKING IN
SPAIN, 1982-1996:
POLICY ENTREPRENEURSHIP AND
(IN)OPPORTUNITY WINDOWS**

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ABSTRACT: *This article deals with the topic of stability and change in public management policy. Over the last two decades, substantial change has occurred in public management policy in many countries, leading to the emergence of similarities and differences in public management policy outcomes. The article aims to contribute to the comparative analysis of public management policy change by studying the case of Spain, where no comprehensive public management policy change occurred. Its task is to explain why few changes took place in public management policy in Spain's central government between 1982 and 1996, when several factors—such as active policy entrepreneurs in central agencies—could have led to a different outcome. By using historical evidence within a policymaking process analytical framework, the Spain case may help identify the factors that affect administrative reform, not only in the Iberian family of nations, but also in a European context.*

This article deals with the topic of stability and change in public management policy. Public management policy refers to government-wide institutional rules and organizational routines, the aim of which is to guide, motivate, and control public service organizations. The conventional way of categorizing these rules and routines is based on distinguishing between spending planning and financial management, civil service and labor relations, contracting and procurement, organization and methods, and auditing and evaluation. Over the last two decades, a substantial change has occurred in public management policy in many countries, and several and diverse experiences of administrative modernization and reform have been widely reported and described in the academic literature (Metcalf and Richards 1987; Aucoin 1990, 1995; Boston et al. 1991; Hood 1991, 1994; Pusey 1991; Campbell and Halligan 1992; Dunleavy and Hood 1994; Savoie 1994; Pollit and Bouckaert 2000; Lane 2000; Barzelay 2001). One

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of the reasons why the United Kingdom, Australia, and New Zealand are well-known cases of New Public Management (NPM) is that in these countries, the change affected all the conventional areas of public management.

The existing analyses of public management changes show a narrow focus on NPM as a general trend, when, in fact, very few countries could be categorized under this label—they are the exception rather than the rule. There are countries, like the U.S., Canada, Sweden, and Denmark, where changes took place, but not comprehensively across all public management areas. In other countries, like Germany and Italy, some change occurred in some areas; whereas in other countries, like Spain, little or no change occurred. The emergence of similarities and differences across countries in public management policy outcomes provides grounds for doing systematic comparative analysis of cases. However, most of the studies available tend to be cumulative descriptions of single country experiences (mostly Anglo-Saxon), with few systematic, cross-case comparisons that might build knowledge about how and why public management policy changes took place. As recent efforts show, one way to carry out such a comparative research program is to study the public management policymaking process (Barzelay 2001; Barzelay and Fuechtner 2003).

This article aims to contribute to the analysis of public management policy change by studying the case of Spain, where no comprehensive public management policy change occurred. This case is analytically significant and intrinsically interesting for several reasons. The Spain case shows a relevant property to be included in a comparative research program: stability—namely, absence of comprehensive changes in public management policy. Moreover, Spain may be an exploratory case study of public management policy change in a context that is both culturally and institutionally different from those already analyzed in the existing literature. Spain does not belong to the English-speaking family of nations, which makes it different from NPM benchmark cases. Thus, the Spain case may help identify the factors that affect administrative reform in the Iberian family of nations. In fact, the impact of contextual factors of the Spain case over the period analyzed is different from that of the Iberian family of nations, but close to the other European countries.

The task of this article is to explain why hardly any changes took place in public management policy in Spain's central government between 1982 and 1996, when several factors during this period could have led to a different outcome. A civil service reform law was approved in 1984 as an answer to the prime minister's mandate to address administrative reform. In 1986, the prime minister established a Ministry for Public Administrations (MAP) with an express mandate of addressing the need to modernize public administration. MAP made extensive efforts to elaborate the concept of administrative modernization and to place the subject on the governmental policy agenda. There were also efforts at cooperation at the director general level between the Ministry of Economy and Treasury and MAP to propose changes in government-wide financial management rules and routines, which led to the preparation of a white paper on public spending including that same proposal. Explaining the lack of connection between these events in the predecision phase of the policymaking process and the subsequent decisions provides knowledge about the politics of public management policy in Spain, based on historical or case evidence.

In analyzing the public management policymaking process in Spain, the research questions addressed in this paper are: 1) Why did initial issue momentum not lead to significant, let alone comprehensive, public management policy change? and, 2) Why did the efforts of policy entrepreneurs come to naught? Was it because of some overpowering effects of political, institutional, or other kind of force? Was it because of entrepreneurs' individual profiles and actions? Or was it because of the design of the policy development process?

The focus used in this study is Kingdon's (1995) opportunity windows, as codified by Barzelay (2001). Kingdon's framework brings together individuals' capacity of agency and the constraints derived from the structures of governmental systems. It helps analyze the impact of entrepreneurs' actions on the issue career throughout the predecisional phase of the policymaking process, taking into account the interaction between the policy subsystem and the institutional action channels (Baumgartner and Jones 1993). The explanation takes the form of analytical narrative (Bates et al. 1998) and is based on establishing links between the public management policymaking process and particularly relevant contemporaneous contextual events (Barzelay 2001), as well as institutional factors (Hall and Taylor 1996). The first include, for example, the construction of the *Estado de las Autonomías*; the second includes aspects such as the fragmentation of the public management policy jurisdiction among various central agencies, and the role and status of certain elite bodies in the Spanish civil service.

The analytical interest of this research is based on the question of what accounts for stability and change in public management policy. The aim of a comparative research program that tries to answer this question may be to produce limited empirical generalizations concerning a historically defined type of social phenomena (Ragin 1987)—in this case, regarding the institutional process in which individuals promote public policy ideas (i.e., what Anglo-Saxon literature has called policy entrepreneurship). One aspect that helps us understand the outcome of the policymaking process is the behavior of policy entrepreneurs, the functions they carry out, and the effects of their interaction with structural and contextual aspects. The literature on agenda-setting deals with policy entrepreneurship as an integral part of the policymaking process, i.e., an activity carried out by certain individuals in the predecision phase. This literature does not only analyze the ideas promoted by entrepreneurs, but also attributes an important causal role to their efforts, tactics, and strategies. These features are included in explanatory frameworks that attempt to structure complexity by considering also the impact of several factors on the players' perceptions and positioning, the influence of established procedures, or channels of action, as well as constraints derived from factors pertaining to the historical context.

This study shows that analyses based on a single explanatory factor shed little light on the dynamics of change in public management policies in particular, and on NPM in general. And, by demonstrating the analytical potential of the framework used, it also offers the possibility of pursuing comparative research on public management policymaking between Spain and other countries that could help us understand the similarities and differences of case outcomes.

PUBLIC ADMINISTRATION AND PUBLIC MANAGEMENT POLICYMAKING IN SPAIN

The creation of a merit-based civil service system in Spain dates from the beginning of the twentieth century. The Maura statute approved in 1918 abolished the spoil system that had characterized the Spanish public administration during the nineteenth century. On one hand, the statute established access to administrative posts through competitive examination, and aimed at neutrality of public administrators by ensuring their permanence and promotion on the basis of merit and seniority. Hierarchy and strict procedure regulations were the main organizational principles. On the other hand, it consolidated the rights that the elite, specialist *cuervos*¹ had been acquiring since the eighteenth century and that had been protected against several regulatory change attempts—the statutes of López Ballesteros (1827), Bravo Murillo (1852), and O'Donnell (1866). One of the main privileges of the *cuervos* was the reservation for them of most of the political and administrative directive posts below minister and secretary of state, including those of subsecretary and director general as political-administrative posts, and that of underdirector general as an administrative post.

This bureaucratic elite saw this privilege preserved and reinforced over the nearly forty years of Franco's dictatorial regime, from 1939 to 1975. The Francoist regime maintained the organizational characteristics of a bureaucratic public administration—hierarchy, merit-based selection, and strict procedures—although within a dictatorial political context. Franco also consolidated the influence of the elite *cuervos* by allowing their presence in key decisional and executive posts. More than 90 percent of members of Franco's governments were elite bureaucrats and, on average, their presence in the legislative chamber represented 50 percent of its members (Bañón 1978). In 1963 and 1964, new legislation commissioned by government technocrat López Rodó created a generalist *cuervo*—the State Technical Civil Administration Corps, or TAC, which also permitted access to senior administrative positions for its members but reserved no posts for them. López Rodó wanted the TAC to compete for senior administrative positions with the specialist *cuervos*, with the aim of bypassing the ministry-focused loyalty of the latter and installing elite bureaucrats directly loyal to him (Parada 1997). In sum, in the Francoist regime, politics and policies were strongly influenced by the elite bureaucracy—either generalist or specialist.

The transition to democracy of the late seventies did not involve a massive turnover of bureaucrats. Quite the opposite, the first preconstitutional and constitutional governments² of Prime Ministers Adolfo Suárez (1976-1981) and Calvo Sotelo (1981-1982) took a continuity option in this respect. The socialist victory in the 1982 general elections created some expectations of change, but after the attempt of a coup d'état in 1981 these expectations were undercut by the need to convey an image of moderation. At the strategic level, the Spanish Socialist Workers' Party (PSOE) government created the political post of secretary of state under the post of minister, and expanded the number of directors general.³ However, 80 percent of the latter were elite bureaucrats—compared to 50 percent under Adolfo Suárez's and Calvo Sotelo's governments—and only a third were socialist militants (Parrado 1996, cited in

Villoria 1999). The socialists did undertake deep reforms in several key areas of the public sector, such as the national police, the army, the justice administration, and the diplomatic service, but relied to a great extent on the dynamics of generation turnover.

Over the period analyzed in this article, the Spanish central administration was an example of public management policy stability.⁴ Although the policymaking process in this domain was active in the period between 1982 and 1996, the impact of these efforts was comparatively limited. The change in public management policy in Spain was almost imperceptible in comparison with the three benchmark cases of NPM. In the public management policy domain in Spain between 1982 and 1996, policy entrepreneurs were active in the process of agenda setting, as well as in the alternative-specification process. But the periods in which windows of opportunity opened were very short, and beset with contextual and structural factors that either hindered decision making or diluted the possible impact of their implementation. The period chosen for this analysis (1982-1996) not only coincides with the uninterrupted mandate of the PSOE in Spain after the transition to democracy, but also with evidence of the highest levels of activity of policy entrepreneurs in these issues. This activity was diluted after 1993, and practically disappeared as a comprehensive strategy after 1996.^{5,6}

In Spain, there were two main public management policy cycles that evolved around two different issues—civil service reform and administrative modernization (see figure 1). The civil service reform issue was alive over the first legislative period under the PSOE government, from 1982 to 1986. This issue career focused on changing some aspects of civil service labor relations and career design by means of modifying the existing legal framework. The administrative modernization issue career started in 1986, at the beginning of the second legislature under PSOE government, and lasted for almost eight years. The administrative modernization issue had a wider focus and longer timeframe strategy than the civil service reform issue. It had the explicit aim of affecting all public management conventional areas by means of bottom-up discourse building and pilot projects' demonstration effects.

The two cycles were similar in that the highest political commitment was initially made explicit in both cases by the prime minister, who, moreover, appointed people of his confidence to key posts to secure action. The two cycles were also similar in the outcome: neither the first nor the second led to changes in public management policy, but rather to stability. However, the entrepreneurs involved and the strategies followed differed. The team assembled in the second cycle around the administrative modernization issue was more numerous and active than that around the civil service reform issue cycle. But neither the first nor the second group of entrepreneurs was successful in their actions. In the civil service reform cycle, the strategy was to formulate and pass a law addressing the issue. They succeeded, as the law was passed in 1984, but in the aftermath the law was (and still is) considered by key observers and scholars to have been a failure because of the absence of substantial impact on the areas of civil service and labor relations, which it was supposed to affect. The key reasons were the internal contradictions of the law, which tried to accommodate vested and new civil service interests, and the difficulties and controversies inherent in its implementation, which developed into a slow and long process.

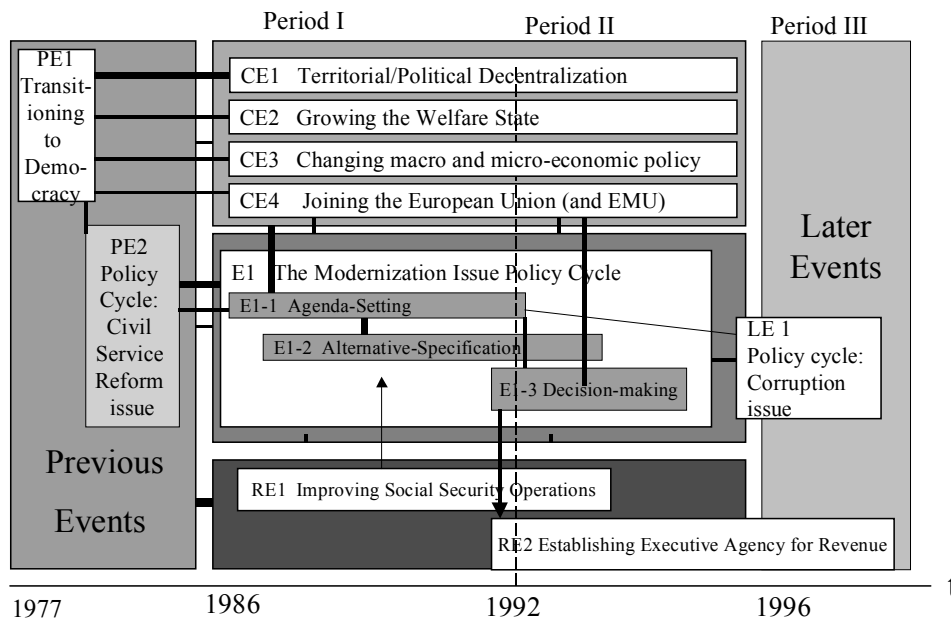


FIGURE 1. The Spain Case.

Note: Figure 1 highlights the main events that are the object of analysis in this article. The episode is defined by the modernization issue policy cycle, and is framed by previous events (PE), contemporaneous events (CE), related events (RE), and later events (LE). Among the PE taken into account is a whole policy cycle concerning the civil service reform issue, to which the second section of the article is dedicated, because of its impact on the main event studied; namely, the modernization issue policy cycle. As a later event, another policy cycle emerges around the issue of corruption, commented on in the fourth section.

The outcome of the civil service reform issue policy cycle affected the design and development of the modernization issue policy cycle. In 1986, the new entrepreneurs started from scratch by explicitly decoupling their intentions and actions from those of their predecessors. They launched a strategy based on discourse building and issue momentum building, with an explicit intention not to pursue changes through the passing of formal laws, but rather through culture change. However, after five years of discourse and issue momentum building, neither changes nor authoritative decisions had been achieved. Following changes in the entrepreneurs team in 1991, decisions were quickly made, but the changes derived were very little and were, again, widely considered by key observers and academics to be a failure in terms of public management policy change. The brief (in)opportunity window that allowed for these decisions to be made was forced to close by the interference of a third policy cycle around the issue of corruption that emerged as a later event in the period analyzed. The corruption issue fostered new legislation that made procedures stricter in some areas.

A PREVIOUS EVENT: THE CIVIL SERVICE REFORM ISSUE POLICY CYCLE

With the benefit of hindsight, political analysts tend to interpret the PSOE's victory in the 1982 general elections as a turning point toward democratic consolidation in Spain. After four decades of far-right dictatorship, the social democrats' absolute majority in Parliament opened up expectations of change in

all social, economic, and political fronts. Modernizing the country and catching up with Europe were the driving ideas in a society that had matured in spite of an oppressive, obsolete, and stultifying institutional and political context. Within this new framework, administrative reform was one of the many issues that the new socialist government decided to address as part of a general modernization strategy. Civil servants' peaceful support for the democratic transition, and the strengthening by the absolute majority of the new government of a social-democratic hue created some expectancy of support and growth of the public sector and thus the opportunity to start its reform.

Reorganizing the Executive

During the first democratic legislature after the Spanish transition of the late seventies, the subject of administrative reform was not only on the government's agenda, but also on the opposition's. Between 1979 and 1982, the first constitutional government of the Union of Democratic Center (UCD) sent bills to Parliament on two occasions. With Adolfo Suárez as prime minister, a bill of government, public administration and civil service was presented, and was withdrawn because it was not supported by a majority in Parliament. In the final stage, with Calvo Sotelo as prime minister, a draft civil service bill was presented, which came to nothing as it coincided with the end of the legislature. In the opposition, the PSOE presented an alternative text to the second proposal, showing its interest in the subject.

The end of the legislature put an end to these initiatives, but not to the presence of the issue on the PSOE's agenda. Over the first democratic legislature, the PSOE Executive Committee had included the issue of administrative reform on the party's agenda. The close working connection between one of its members, Joan Prats, and the PSOE's Public Administration Committee spokesman in Congress, Francisco Ramos, helped to keep the issue on the electoral program of the 1982 campaign. The issue was explicitly adopted as an electoral commitment by Felipe González, the PSOE leader. He not only argued for the need to reform public administration to improve the way it worked and to cope with the challenges of the new social context, but also linked it to the need to address the high unemployment rates of that time. In the late seventies, public employees' absenteeism was high, as the holding of multiple posts in the public and private sectors was commonplace. In some cases it was because of the low salaries they were paid as civil servants, and in other cases because of the privileged position of their professions. Thus, according to González's promises, reforming public administration would have a direct positive effect on the labor market as well.

The PSOE won the 1982 general elections with an ample absolute majority. Once in office, Felipe González initially gave priority to the issue of administrative reform on his agenda as prime minister. He upgraded the function of what had been up to that point a general secretary for public administrations by raising its rank to secretary of state for public administrations, within the Ministry of the Prime Minister (headed by Javier Moscoso). Felipe González nominated Francisco Ramos for the post of secretary of state for public administrations and gave him an express mandate to tackle reform. Trained as a political scientist and jurist, he had become a civil servant of a generalist *cuerpo*, TAC, (now the State Civil Administrators High *Cuerpo*), in 1973. He was a civil service trade

unionist, and was cofounder, president, and general secretary of the Public Administration Workers' Federation (known today as the Public Services Federation) of the General Workers' Union. Moreover, his main collaborator during his time as secretary of state for public administrations, between 1982 and 1986, was the director of his cabinet, Francisco Velázquez. Velázquez belonged to the same civil service corps as Ramos and was general secretary of the Higher Civil Service School at the Public Administration National Institute. The professional profiles and careers of Ramos and Velázquez help us understand that from the very beginning they focused on the civil service as the object of administrative reform.

In their first days in office, Moscoso as minister and Ramos as secretary of state demanded that responsibility over payment of public employees be transferred from the Ministry of Economy and Treasury to their ministry, as a necessary condition to address a comprehensive civil service reform. However, the minister of economy and treasury, Miguel Boyer, managed to block Moscoso's demand on the grounds that in a period of profound macroeconomic crisis like that one (the effects of which did not begin to abate until 1986) there was a strong need for cost containment.

However, the Ministry of Economy and Treasury had been taking actions on its own initiative to introduce changes in another area of public management—namely, in the area of budgeting and spending planning. As minister, Miguel Boyer introduced program budgeting in 1984. After in situ contacts with projects in other countries such as France and the U.S., the then secretary of budgets, José Barea, carried out program budgeting pilot projects in 1978 and 1979, a practice which was then extended to all the general state budgets. However, the evaluation of the entrepreneurs of the time and scholars of the subject is that this change was a formality, with no outstanding impact on public management, i.e., on the rules and routines of public administration (Zapico 1989, 1992, 1993).

The Strategy for Change: Passing New Legislation

Francisco Ramos made explicit his commitment to pass a new civil service law that replaced the existing Francoist legislation of the mid-sixties. The new legislation aimed to be the basic framework for both the central administration and the emerging *Comunidades Autónomas'* civil services. As an active trade unionist leader himself, Ramos intended to improve the labor conditions of civil servants. On the other hand, influenced by being a member of the TAC generalist *cuervo* himself, he intended to undermine the power of the elite (specialist) *cuervos* that characterized the Spanish administration as a first step toward structural changes such as selection and promotion processes.

To this end, he led a consultation process that involved, separately, the parliamentary opposition, the specialist *cuervos*, and the unions. The process was controversial on all three fronts. No general agreement was reached with the main party in the opposition. The right-wing had generally seen the elite *cuervos* as allies, and, at that time, was mainly worried about reducing the number of political appointments in the administration. The consultation process also raised opposition from both *cuervos* and unions. The former opposed Ramos's proposals, like the simplification of the *cuervos* system, flexible mobility

between units and posts regardless of the *cuervos* to which one belonged, and the introduction of jobs evaluation and classification as the basic instrument for selection and promotion—instead of the *cuervo* itself. The unions demanded higher wages for civil servants and rationalization of collective bargaining with government. However, this demand was opposed by Ramos on the grounds that specific civil service regulations already existed.

This consultation process led to the drafting of two pieces of legislation that were approved by Parliament in 1984—the civil service reform measures law⁷ and the Law of Incompatibilities of Public Employees.⁸ The former reflected some of the opposing interests at play: the *cuervos* system was to coexist with a new job classification system for selection and promotion; and a non-civil service contractual regime was established for public employees which was to coexist with the civil service regime. The latter regulated the holding of multiple posts by politicians, high rank political appointees, and civil servants.

However, the implementation process for these legislative measures was only partially fulfilled. The implementation of the incompatibilities law was successful. At a time of profound economic crisis, with changes in economic policy and with the beginning of profound sectoral reforms (such as industrial reconversion, which initially made the problem of unemployment more acute), the elimination of multiple post-holding by public servants in the public and private sectors was a well-received measure. By contrast, the civil service reform law was not immediately implemented to its full extent. In order to put its provisions in practice, it was necessary to further develop new regulatory and management instruments that were not only very time-consuming but also very controversial. For example, the first comprehensive attempt to carry out a government-wide job evaluation was contracted out in 1985 to a private consultancy firm under the initiative of Secretary of State for the Treasury José Borrell. The evaluation was supposed to be the basis for setting civil servants' salaries. The results were controversial, as 40 percent of the overall anticipated salary increase was assigned to civil servants of the State Administration General Controllers *Cuerpo* within the Treasury Department.

Most other aspects of the civil service reform law either were equally controversial or required new, ad hoc regulation before being implementable, such as the simplification of the *cuervos* system; the design of the salary system and all aspects upon which it was to be based, including not only the job classification and evaluation but also the design of a civil service career; the simplification of posts and scales; the opportunity to undertake joint trials for *cuervos*; and the opportunity for access transfer between *cuervos* with the same qualifications.

Adding to the controversy over this law, in 1987 the Constitutional Court issued a sentence by which some parts of it were declared unconstitutional.⁹ Specifically, the court urged the legislator to reduce the margin of discretion given by this law to each administration to decide which posts were to be occupied by civil servants and which by non-civil servants. This led to the corresponding modification of the law in 1988 that, moreover, reduced the posts in which political appointment was to be allowed—namely, directive posts.¹⁰ But this happened in the following legislature and under the pressure of another public management policy cycle.

Understanding Civil Service Reform Failure

In the first legislature under the PSOE government, attention to the issue of civil service reform was facilitated by the confluence of politicians' and civil servants' interests in changing the civil service legal framework, which was based on regulations dating back to the middle of Franco's dictatorship in the mid-1960s. Therefore, entrepreneurs on both sides—politicians and civil servants—put emphasis on passing a new law as the basis for civil service reform. The civil service reform issue policy cycle led to decisions in the form of parliamentary law. However, the Law of Measures for Civil Service Reform could not be put into practice immediately as it required, first, the development of new regulations and management tools that were controversial. For this reason, the outcome of such decisions in the form of law was stability in the public management area that it intended to reregulate—namely, civil service and labor relations. Despite the efforts of entrepreneurs over the predecisional phase of the process, implementation of the new measures was very limited, and no substantial change followed after decision. Several other factors help us understand this result.

The context in the Spain case provided a political stream (Kingdon 1995) that was receptive and favorable to administrative reform, in general, and to civil service reform in particular. The democratic transition of the late seventies was expected to potentially affect all spheres of social, political, and economic life, and public administration was part and parcel of the institutional structures that were to be the object of a profound renewal process. Thus, putting the issue on the agenda did not require a heroic effort by the prime minister. What was difficult, though, was to keep it as a priority in contest with many other issues. Some examples of the other issues that took up his attention include the drafting of new legislation, like the 1985 Organic Law of the Right to Education or the 1986 Health General Law, which addressed key welfare state policies and which involved long and controversial negotiation processes. There were also macroeconomic policy changes that were required to enter the European Community in 1986 which involved, for example, strengthening the taxation system, or carrying out the reconversion of industrial sectors in crisis, which led to an increase in unemployment and social protest. Moreover, the construction of the *Estado de las Autonomías* required constant political, bilateral negotiations between the central government and the emergent *Comunidades Autónomas*. The latter were all formally set up by 1983, and from then on a staggered process of competencies transfers started. Thus, agenda congestion was, in fact, what made administrative reform lose its priority status on the general agenda of the prime minister and on that of the government.

The issue kept its priority only on the specialized agenda of the secretary of state for public administration, within the Ministry of the Prime Minister. His redefinition of the administrative reform issue into a civil service reform issue was influenced by his professional career. This new issue image was much more specific and directly appealing to the interests of the whole civil service. Therefore, once this issue definition was identified and accepted by some entrepreneurs as part of the problem stream, actions could shift to a clear focus on changing the civil service legislative framework as the basis for reform. The stock solution available to the policy stream was that used in the administrative

tradition of the country—formulating and passing a new reform law to replace the existing one.

However, some factors in the context undercut the potential for change that a legislative civil service reform could produce. The deep economic crisis that affected Spain since the democratic transition allowed the minister of economy and treasury and state secretary for the treasury to refuse the concentration of all civil service aspects (particularly those concerning remuneration, under the secretary of state for public administration) as demanded by the Ministry of the Prime Minister. The need to contain costs was their main argument. The fragmentation of responsibilities over civil service among these two central agencies also affected the public management policy domain in general. Economic public management areas, like expenditure planning and financial management, and audit and evaluation, were fully under the responsibility of the Ministry of Economy and Treasury, while areas like organization and methods as well as procurement were shared by both central agencies.

The lack of coordination mechanisms to overcome this segmentation made it difficult to create a comprehensive view of the public management policy domain. Issue definitions tended to concern separate areas of public management and be defined by different groups of entrepreneurs, who might or might not eventually coordinate their actions. For example, there was a group of public management policy entrepreneurs in the Ministry of Economy and Treasury. General Secretary for Budgets José Barea and the new minister, Miguel Boyer, encouraged the introduction of program budgeting. This initiative followed its own dynamics and its origin and development had no connection with the civil service reform launched by Ramos from the secretary of state for public administration in the Ministry of the Prime Minister. By contrast, as we have seen, there was a degree of connection (for previous personal contacts) between Ramos' initiative and the first job evaluation brought about by José Borrell, the secretary of state for the treasury. Borrell explicitly linked his initiative to the framework of the Civil Service Reform Measures Law. However, there was no connection between these two central agencies (the Ministry of the Prime Minister and the Ministry of Economy and Treasury) concerning the subject that could have involved both in civil service reform—civil servants' salaries. This was a responsibility of the latter, and it did not agree to negotiate on the subject with the former. This initial position was maintained throughout the period analyzed, thereby contributing to the fragmentation of the public management policy domain and limiting the potential of civil service reform.

Beside the lack of credibility for civil service reform potential that could derive from this segmentation, substantive aspects concerning the law finally approved also raised skepticism and criticism. Skeptics claimed that laws were not the right strategy for bringing about a profound reform. From their interpretation of previous, similar experiences in Spain, passing a civil service reform law was a way to limit the scope of reform to the protection of vested interests, as any change could be arrested by the contradictions and ambiguity of the law itself—which made it difficult to implement. In contrast, critics claimed that the most important piece of a profound civil service reform—namely, a civil service statute—had not been approved, by lack of political commitment. For them, the change that was really needed in public administration was the

formulation and approval of a civil service statute that could regulate labor relations in this area, establish their duties, and protect their rights.

THE ADMINISTRATIVE MODERNIZATION ISSUE POLICY CYCLE

The general elections of 1986, in which the PSOE once again obtained an absolute majority (although losing a number of their previous seats), were the start of a new cycle in the public management policy domain in Spain. This cycle included a comparatively long predecisional period, from 1986 to 1991 (including a general election in 1989, in which the PSOE fell short of an absolute majority by just one seat), and decision and implementation phases from 1991 to 1993. In the predecisional period, many initiatives and actions kept the administrative reform issue alive. For example, the central agencies with jurisdiction in this field were restructured, with consequent changes in the institutional action channels and in the policy subsystem. Also, new policy entrepreneurs appeared who were designated to high executive posts in these agencies. There was an early and gradual redefinition of the issue that would be central to public management policy—namely, administrative modernization. Strategy followed to build momentum over this predecisional phase, focused on team and discourse building. However, it was not until 1991 when, following a cabinet reshuffle, part of the entrepreneurs team changed and authoritative decisions were finally made and implemented. Despite the different strategy and span of time, this modernization issue policy cycle had a similar outcome to the previous one—the limited scope of its impact in public management policies.

New Entrepreneurs in a New Central Agency

In his second mandate as prime minister, Felipe González apparently placed the issue on the government's general agenda by reorganizing the executive. Within his new government in 1986, Felipe González created the Ministry for Public Administrations (MAP), and assigned two areas of responsibility to it—public administration and the development of the *Estado de las Autonomías*. The first area had previously been under the control of the secretary of state for public administrations in the Ministry of the Prime Minister, and the second under the Territorial Administration Ministry. Both were integrated into MAP. With this restructuring, what was left of the Ministry of the Prime Minister was replaced by the newly created Ministry for Parliamentary Relations and the government spokesperson. At the same time, MAP emerged as a new central agency that assumed jurisdiction over part of public management policy and over part of the policy of decentralization and construction of the *Estado de las Autonomías*. It shared both of these areas with the Ministry of Economy and Treasury because of their economic component, and it shared the latter area also with the deputy-prime minister (Alfonso Guerra, from 1982 to 1991) because of its political importance.

Felipe González nominated Joaquín Almunia as minister of MAP in July 1986. Almunia, a jurist and economist, had been minister of labor and social security in the previous legislature, between 1982 and 1986, and had been a leading member of the PSOE's Executive Committee until 1984. He brought

about several laws on unionization rights, on unions' heritage,¹¹ and on social security pensions, the latter being very controversial with unions and all of them requiring a sustained and difficult negotiation effort. After that period, he welcomed his replacement (Almunia 2001).

When he was appointed, Felipe González explicitly gave him the mandate of defining a strategy to address administrative reform. In his memoirs, Almunia recalls that: "The prime minister had talked to me about the need of a reform in a wide sense, which provided the intertwining of the new autonomous administrations with the central administration, and which took into account the impact that the integration into the EEC would have upon both of them" (Almunia 2001, 205-206). Almunia considered that, to address an administrative reform under this broad formulation, they could find no valid guideline in previous experiences, neither concerning the issue focus (civil service) nor the strategy to follow (legislating). Thus, one of his first actions was to dismiss Francisco Ramos as secretary of state for public administration and nominate Teófilo Serrano, a person who shared his views on the issue, to the post. He left other changes to be made later on.

In his first days as minister, Almunia asked the directors general then in office to prepare a set of proposals for improving public management in their areas of responsibility.¹² By the end of the summer, he had a first assessment report. According to that report, a strategy for reforming public administration should include changes in organizational structures and in working rules and routines that could be needed to accommodate both devolution and integration into Europe, and to improve the effectiveness of public service management—particularly for those services derived from the foreseeable increasing development of the welfare state in those years.

However, Almunia argued that in order to address administrative reform along these lines, MAP lacked a key tool. Thus, he asked Felipe González—as did his predecessor—to allow MAP to take over the area of public employees' payment, which was under the jurisdiction of the Ministry of Economy and Treasury. Almunia intended to include this measure in the budget law for 1987. However, after opposition from the new minister for economy and treasury, Carlos Solchaga, the agreement reached was the creation of an interministerial commission to deal specifically with this area—namely, the Interministerial Commission for Remuneration.

In the first months of 1987, Almunia asked Teófilo Serrano to bring about changes at the directors general level under his area. Of the previous three directors, only one, Javier Valero, continued in his post of director of the General Inspectorate of Public Administration Services. Serrano appointed María Teresa Mogín as director general of civil service, and Ángel Martín Acebes as director general of organization, jobs and computer technology. Valero was a political scientist, and before being nominated for this post he had been a permanent member of the Higher Staff Commission. Mogín was an economist and was new to the post but not to the field, as she had been a cabinet advisor to the previous secretary of state for public administration, Francisco Ramos. And Martín Acebes, also an economist, was named for his post after having been director general of autonomies development in the Ministry of Territorial Administration, and, previously, an economic advisor to the Ministry of the Prime Minister.

These people and their collaborators were the architects of the initiatives carried out in the predecision phase of this policy cycle.

The Strategy for Change: Discourse Building and Pilot Experiences

From the very beginning, Almunia shelved the theme of civil service reform of the previous period. In order to successfully pursue an administrative reform, Almunia thought it necessary to broaden its scope and avoid reducing change to civil service and labor relations. Moreover, he disagreed with the traditional idea that passing a law was a panacea for carrying out a reform, as, in fact, the memory and flavor of failure of previous civil service reform attempts in Spain showed. According to Almunia, a reform could not be a top-down and one-off process, but would need the involvement of civil servants, small demonstration effects, and a long-term cultural change (Almunia 2001). But at that time, political and administrative elites admitted to being short of ideas on how to carry out this reform and improve public management.

In 1987 Almunia created a commission led by a private consultant, which was composed of top bureaucrats of several ministries and some academics, and which over several months worked on how to use new human resources management techniques. From their work followed publications in the form of handbooks on information management systems about public employees and on selection and promotion processes (MAP 1989, 1990a). These proposals were presented partly as the required development of the 1984 Law of Measures for Civil Service Reform, with special emphasis on the elaboration of job evaluation and classification. Also as part of the development of the 1984 law, MAP negotiated the Law of Representation, Labor Conditions and Participation of Public Administration Employees, which was passed in 1987.¹³

By the same time, the MAP's General Inspectorate of Public Administration Services contracted the services of a private consulting firm to train them in auditing. After that, Javier Valero set up and started to carry out service operative inspections, which attempted to introduce the dynamics of administration auditing in various areas of the government and across several ministries. This helped not only to identify areas where improvement was needed, but also to involve civil servants in the assessment and the proposals for change. The inspections had such success that by the beginning of the nineties, administrative units' demands to be audited surpassed the inspectorate's capacity.

Also in the second half of the eighties, the Direction General of Organization, Jobs and Computer Technology fostered the computerization of numerous procedures across ministries. They also published several handbooks and reports on this area, and this activity led to the organization of a first symposium in 1989 (see MAP 1990b). The conclusions of most of the contributions to that meeting argued that the introduction of information technology was proving the most effective investment in administrative modernization.

Meanwhile, top bureaucrats were sent as observers to visit in situ experiences of public management change in other countries, like Great Britain, the U.S., and Sweden. Those contacts and the activities carried out in those years were the basis for a paper, *Reflections for the Modernization of the State Administration*, commissioned by Almunia and Serrano, and elaborated by the three directors general between 1988 and 1989. This paper included proposals for a government-

wide reform that would cover the areas of organization and methods, spending planning and financial management, contracting and procurement, civil service and labor relations, and auditing and evaluation. Some proposals included the introduction of agency-like structures and of measures that led to more efficient and effective management, as well as the development of a full incentive-based, civil service career.

Almunia used this paper as a basis for discussion, and for building discourse and support for administrative modernization. First, he organized two discussion seminars with all the secretaries of state and undersecretaries—sixty people—the highest political posts of each ministry, below the ministers. Although participants were very cautious in these two sessions, it appeared that in the Ministry of Economy and Treasury there were two different stances: those in the taxation branch would be, in general, more favorable than those in the budgeting and spending branch. Even so, the secretary of state for the treasury, José Borrell, showed a strong disapproval towards the modernization strategy.

Over the next few months, weekly discussion seminars were also organized so that all directors general—around 300 in total—could participate. Nonetheless, because of congestion of the agenda (due to political and fiscal subjects related to the decentralization process of the *Comunidades Autónomas*), Almunia was not a regular participant in those meetings. Instead, the highest-level post representing MAP was his secretary of state for public administration, Teófilo Serrano, whose political position was not as strong. These meetings provided clues about who would be eventually ready to commission pilot experiences in their respective areas of responsibility: the Direction General of Traffic, the Meteorological Office, the Secretary of State for Sports, and the would-be National Agency of Spanish Airports, State Agency of Taxation Administration, and the Postal Service Autonomous Organism.

In July 1990 a three-day open symposium was held on the modernization of public administration, in which MAP's proposals were presented and discussed, as well as the British and Swedish experiences (see MAP 1991d). That same year, after the long discussion process and the identification and initiation of the pilot experiences, MAP published *Reflections for the Modernization of the State Administration* as a book (MAP 1990c). In its introduction, Almunia still insisted that:

[B]ecause of the nature of its reflections, it offers proposals for debating, orienting, testing and evaluating. It is not, therefore, about a closed model or the blueprint of a legal norm for the regulation of a new organization of the administration. . . . [W]e call this ongoing process modernization and not reform, in order to differentiate it from others that, in the past, aimed at changing reality by simply passing reform laws. . . . The strategy of change has to be oriented, above all, to produce a cultural change” (11).

Also in 1991, MAP published a *Delphi Study on the Modernization of Public Administration Procedures* (MAP 1991b), which had been commissioned by Director General Javier Valero over the preceding year in parallel to the reflections, and which received the praise of the specialized economic press (see *La Gaceta*, 6 July 1990, and *Actualidad Económica*, n.1687, October 1990). This study, aimed at collecting and systematizing empirical data on opinions, partly showed his disagreement with Almunia's idea, spending more time and effort in

producing a general reflection on the whole modernization process instead of collecting objective and quantifiable evidence. In 1991 MAP also published a report on the assessment of common services within ministries and proposals for their improvement (MAP 1991e), and a *Handbook of Administrative Language Style* (MAP 1991f), following the ombudsman's recommendation of making administrative language more oriented to citizens.

In spite of all these efforts, the experience of administrative modernization with the greatest impact during this period was not led by MAP and its modernization strategy, but by the National Social Security Institute. In 1988, this agency, within the Ministry of Labor and Social Security, launched a process of change in its organization and methods that, at the beginning of the 1990s, was considered the greatest success (and in some ways, the only substantial change) in central government management. Although MAP also participated in this process, it was the institute's high level of financial and administrative autonomy that facilitated this change.

While MAP's ideas on administrative modernization were, in general, not supported by the Ministry of Economy and Treasury, it was the latter that carried out the initiative that had the greatest impact of change in public management in the following years—the creation of the Taxation Agency. Initially, it started as a pilot experience within MAP's modernization strategy, but toward the end of 1990 the secretary of state for treasury, José Borrell, decided to speed up the process and included its creation and design as a provision of the 1990 Budget Law for 1991.¹⁴ On one hand, the decision to create the Taxation Agency was a result of one of the issues that was a priority on the Ministry of Economy and Treasury's agenda—the tax reform announced in the *White Paper on Personal Income Tax* (Ministerio de Economía y Hacienda 1990). For it to be successful, the need to change the tax collection management system to make it more efficient was considered. The alternative selected was the creation of this agency, which was finally set up in 1992. On the other hand, the Taxation Agency served the interest of the corresponding specialist *cuervo* of tax inspectors in improving labor conditions within the central administration.

In fact, the lack of collaboration by the Ministry of Economy and Treasury with the pilot experiences, which did not enjoy the autonomy either of the National Institute of Social Security or of the Treasury, created a sense of frustration. MAP lacked incentive-based tools to convince potential candidates and manage the corresponding projects. On one hand, the Ministry of Economy and Treasury was not ready to allow for more freedom to manage—namely, the suppression of pre-audit controls. On the other hand, it did not approve budget increases that might have been required for reorganizations and investments in the pilot experiences.

The perception that there were too many obstacles to the modernization of public administration was commonplace within MAP in 1991, when a cabinet reshuffle took place in March that affected MAP and other ministries, including the deputy prime minister, Alfonso Guerra. The reasons for these changes were external and internal. External reasons concerned the impact of the union-led general strike on 14 December 1988, the general elections in October 1989, and the corruption accusations that affected Alfonso Guerra's brother shortly afterward. Internal reasons concerned the increasing tensions between internal political streams in the PSOE—*guerristas* (more left wing-oriented, and

sympathizers with Deputy Prime Minister Alfonso Guerra) and *renovadores* (more center-oriented, and sympathizers with Felipe González), Almunia himself being a *renovador*.

Decision Making: Government Agreement and New Laws

In March 1991, less than two years after the 1989 general elections that renewed the PSOE's mandate, Felipe González replaced Almunia with Juan Manuel Eguiagaray as MAP's head. The new minister made some changes in the previous team. He named Justo Zambrana as secretary of state, and Javier Valero was replaced by Ángel Arruz as director of the General Inspectorate of Public Administration Services. With Valero's departure, various professionals and experts that he had selected for his team also left the inspectorate.

In his first address to Parliament in April 1991 (MAP 1991c), Eguiagaray praised MAP's modernization strategy until then, and stated that, "As for the administrative modernization policy, the previously existing MAP's projects, some of which you knew, will have their continuity. We will go on with the pilot experiences as regards organization. We will go on, therefore, carrying out studies that help adopt alternatives for better organizing administrative units, and applying the results of these pilot experiences to new departments, to new areas of the administration" (48). And, he insisted that modernization was a gradual strategy for change with a long-term cultural dimension.

Thus, the discourse-building process went on. In June 1991, the National Institute for Public Administration (INAP) within MAP organized an international symposium on the training of top executives for the modernization of public administration, with the contribution of practitioners from the public and the private sectors and of academics (MAP 1992b). Four months later, INAP organized an international seminar, again on training and administrative modernization (MAP 1993b).¹⁵ In both of them, Eguiagaray established explicit links between MAP's initiatives and those going on in other countries. However, he insisted that public administration was an essential actor for the political, social, and economic modernization of a country, and that, in that respect, Spain still had to develop a public administration to the standards of its European neighbors. Thus, an administrative modernization strategy had to combine their focus on economy and efficiency with a special focus on service effectiveness and quality.

With these ideas, and after several conversations with Felipe González, Eguiagaray persuaded him that it was possible to tackle the administrative modernization issue in such a way that visible and relatively quick results could be obtained. He gained González' permission to present his ideas to the cabinet, and obtained his support to place it on the executive's general agenda. After some discussion sessions, Eguiagaray obtained a Ministers' Council Agreement in November 1991 to develop a modernization plan for the state's administration (MAP 1991a). Parallel to the preparation of this agreement, MAP had been negotiating with the unions about how to link the improvement of public employees' working conditions to the modernization strategy. They reached an agreement that was approved one day after the cabinet decision (MAP 1992a).

On this basis, two committees were created for the formulation of the plan: 1) the Committee for Management and Coordination, headed by the deputy prime

minister, and including the minister for public administration, the minister for economy and treasury, the minister for parliamentary relations and the government secretary, and other members of the government who would attend according to the subject under discussion; and, 2) the Committee for Analysis, Monitoring and Evaluation of Programs, headed by the minister of public administration, and including the secretary of state for public administration, the secretary of state for treasury and the subsecretaries of the various ministries. At the same time, a technical committee was established, consisting of medium- and high-ranking officials from MAP and other ministries depending on the subject under discussion, for participative formulation of proposals for action.

The document derived from the contributions of these groups included 204 projects in the form of pilot experiences throughout the state administration, to be carried out between April 1992 and December 1993. The projects covered three strategic areas: improvement of information and communication with citizens, improvement of service quality, and increase in management effectiveness. The document was approved by the Council of Ministers in April 1992 as the Plan for Modernization of the State Administration (MAP 1992c). The plan was presented to the media by Narcís Serra (the deputy prime minister who replaced Alfonso Guerra in 1991), which gave it an unprecedented political impetus.

However, once the plan was approved, and the issue went on to the implementation phase, it lost its status on the government's generic agenda and on that of Eguiagaray. The subject of the *Comunidades Autónomas* congested both their agendas during this period, and in Eguiagaray's case led to his absence from the technical committees of director- and under-directors general, where the secretary of state, Justo Zambrana, took his place to supervise the pilot projects. Finally, the Ministry of Economy and Treasury did not include the subject on its agenda, meaning that it was not considering giving it resources, either. Even so, after the several positive evaluations of the plan¹⁶ (70 percent of projects had been implemented), MAP approved a second phase of the Plan for the Modernization of the State Administration in 1994 (MAP 1994). This phase included 165 projects distributed along the same strategic lines as in the first, but added a line of cost reduction and productivity increase, and the creation of a quality laboratory.

Parallel to preparation of the first plan for modernization, and as part of the same modernization issue, Eguiagaray commissioned the drafting of the Public Administration Juridical Regime and Common Administrative Procedure Law, which was passed by parliament in 1992.¹⁷ The drafting of the law did not start from scratch, but was built on studies done under Almunia's mandate, with the collaboration of administrative law academics. The aim of this law was to orient some administrative procedures to the citizen, by means of simplification, flexibility, and openness. The formulation process of this law was controversial, because some prestigious academics criticized possible juridical uncertainties arising from some of its proposals—for example, 'positive administrative silence.' In fact, after it was approved, it was followed by some decrees which exempted some procedures from being covered by this law. During that time, MAP was also involved in the drafting of the Law for the Reform of the Civil Service and of Unemployment Benefit, which was passed in 1993. This law introduced employment plans as a management tool to rationalize the selection and promotion of public employment. This was an answer to the restrictive public

employment offers (a tool which had been introduced by the 1984 civil service reform law), which had been in place since 1991.

In the meantime, and for a short period, the issue of modernizing public administration was a reason for cooperation between MAP and the Ministry of Economy and Treasury's Institute for Fiscal Studies, an internal think tank. Miguel Ángel Lasheras had been appointed director general of this institute in 1988, after graduating from the Harvard Kennedy School of Government. Almunia and Lasheras had shared some ideas for changes in budgeting and financial management similar to those of NPM. At that time, the issue gained status on the agenda of the general secretary for planning and budgeting, Antonio Zabalza. After the cabinet reshuffle of March 1991 when Zabalza replaced José Borrell as secretary of state for the treasury, he asked the Institute for Fiscal Studies for a white paper on public spending. Zabalza meant it to be of the same importance as the recently published *White Paper on Personal Income Tax* of 1990, the initiative of José Borrell.

Previous to the writing of the paper, Zabalza and the Institute of Fiscal Studies (IEF) led a discussion process in which the key directions general of the Treasury were involved: budgets, planning, budget computing, personnel costs, and the Controller Office (IGAE). After that, the IEF worked with MAP, particularly with the General Directorate of Organization, Jobs, and Computer Technology, where Almunia's collaborator, Ángel Martín Acebes, remained. The IEF proposals were aimed at extending the margin of public executives' discretion in spending decisions. This was consistent with MAP's proposals in *Reflections for the Modernization of the State Administration* that was published in 1990. However the proposals limited the *ex ante* checking powers of the State Administration General Controllers *Cuerpo* (the IGAE), who, for this reason, opposed the initiative. The draft version, completed in 1993 after two years' work, was not published as a white paper—only in 1996 was it published, as an Institute of Fiscal Studies document (IEF 1996). In this predecision process (as it did not reach the Council of Ministers' agenda), it was interrupted and blocked by another subject, in another area of public management policy—corruption, which affected various high-ranking politicians and civil servants.

Understanding Similar Outcomes from Different Strategies

The creation of MAP in 1986, and the appointment of a high-profile political figure like Almunia as minister, raised expectations that Felipe González might keep administrative reform as a priority issue on the government general agenda. However, several factors like general and specialized agenda congestion, disenchantment over too long a period without substantive change actions, and interference effect from the context in motion, help us understand the stability outcome that characterized this administrative modernization policy cycle.

In relation to the administrative reform issue, the creation of MAP has been interpreted in two ways by the policy entrepreneurs involved. On one hand, it was seen as a reaction to Felipe González's interest in improving the functioning of public administration. The creation of a ministry specializing in this field was considered to be a demonstration of a political commitment at the highest level. This was accentuated when Joaquín Almunia was appointed minister of MAP, both due to his reputation in the party as a person capable of successfully dealing

with the public management field, as well as his explicit indication of his availability to perform this task.

On the other hand, the creation of MAP has been interpreted as an expression of the relationships between the PSOE's internal political streams, which already had been drawn up (though not as explicitly as in later years) along *guerristas* (i.e., supporters of Alfonso Guerra, deputy prime minister) and *renovadores* lines. From this perspective, the creation of MAP was the proposed solution to the tension that had arisen between the *guerristas*, who had made clear their preference for dismantling the Ministry of the Prime Minister, and the *renovadores*, who hoped to tighten their links with the prime minister by taking up positions in that ministry. In fact, some key informants have stated that Joaquín Almunia, a well-known *renovador*, had hoped to be minister for the prime minister, and that Alfonso Guerra had opposed this. The creation of MAP opened up a new area for the *renovadores* after the abolition of the Ministry of the Prime Minister.

Whichever interpretation of the creation of MAP is given more emphasis, it was thought that administrative reform was a difficult, complex, and controversial process, whose results were so long term that its immediate political benefits were very few. Key informants also agreed that, for all these reasons, naming Joaquín Almunia as minister for public administration gave the issue a last and definitive opportunity to successfully tackle public administration reform. However, they also argued that in 1986 Felipe González had lost faith in the possibility of reforming public administration. At the beginning of the 1990s, the issue of administrative modernization had also lost priority on MAP's specialized agenda (Baumgartner and Jones 1993). Faced with the difficulty involved in the predecisional phase of the late 1980s, Almunia gradually dropped the subject. The entrepreneurs of the time acknowledged that they were to some extent exhausted and frustrated by the prime minister's lack of political commitment—according to Almunia, Felipe González never brought the subject up after initially making him responsible for it. Moreover, MAP could not tackle any reform as they lacked the necessary incentive tools that Treasury refused to transfer to them.

Almunia's replacement by Juan Manuel Eguiagaray in 1991 did not lead to a change in the definition of the field, but changes did take place in channels of action and the results of the process. Almunia spent most of his time in an alternative specification process, trying to involve high and middle ranks in a participatory, discourse-building process and in getting ideas from academics and external practitioners. He helped define a problem stream and a policy stream (Kingdon 1995) without being able to lead it to an opportunity window that was backed up by a favorable and receptive political stream. In contrast, Eguiagaray's actions developed within the political stream since his first days in office. By convincing Felipe González and the government of the feasibility of specific pilot projects with immediate results, he placed the issue on the top of the agenda for a short period of time, which allowed for an authoritative decision—the modernization plan, whose projects were mainly confined to the public management area of organization and methods.

However, in both Almunia's and Eguiagaray's specialized agendas, the issue with most priority and the one that took up most of their time was not the modernization of public administration, but rather the consolidation of the *Estado*

de las Autonomías. Both made the former issue a priority on his own initiative. The latter was, for both of them, the most important explicit mandate from Felipe González. Almunia dedicated most of his efforts to the negotiation of competencies transfers from the central government to the seventeen regional (autonomous) governments—each with different timings and power ceilings derived from the constitution. Eguiagaray dedicated most of his efforts to negotiating an autonomic pact (1992) with the parliamentary opposition, which established the basis for a gradual homogenization of the upper limits of the autonomous communities' powers, almost a decade after the *Comunidades Autónomas* were created.

Moreover, there is no evidence that the issue of administrative modernization was ever on the specialized agenda of the Ministry of Economy and Treasury. For example, José Borrell, secretary of state for the treasury, publicly declared in one of the conferences organized by MAP in the late eighties that the Ministry of Economy and Treasury would not support MAP's initiatives in those areas. Also, in 1988, Lasheras found that high-ranking officials in the areas of budget and financial administration showed no interest in becoming involved in the administrative modernization initiatives launched by MAP. In 1993, Pedro Solbes replaced Carlos Solchaga as minister of economy and treasury, and this ministry continued to oppose MAP's proposals. In spite of this, they launched the initiative that brought about the most important changes to public management in that period: they set up the Taxation Agency in 1992. As in the case of the National Institute of Social Security, the organizational and financial autonomy of this agency is the main factor facilitating comprehensive changes within.

If financial and management autonomy proved favorable for carrying out reform, and if MAP did not have the necessary incentive tools to promote reform where that autonomy did not exist, then the rest of potential change experiences depended to a large extent on MAP-Treasury collaboration. However, an executive action channel of this nature only existed on two occasions: first, for the formulation of the 1992 plan for modernization of state administration, which mainly affected one public management area (organization and methods in pilot projects); and, second, for the drafting of a white paper on public spending that never reached the Council of Ministers and, therefore, never become a white paper because of the interference of the corruption issue.

A LATER EVENT: THE CORRUPTION ISSUE

After the 1993 general elections, when the PSOE had a minority government, the corruption issue took an overriding priority both on the prime minister's agenda and on that of the new minister of economy and treasury, Pedro Solbes. Over the previous legislature, several scandals involving the PSOE, as a political party, and high-ranking government officials, had been uncovered by the mass media—initially by periodicals close to the Popular Party (PP) in the opposition. Some of the most persistent and widespread coverage included illegal financing of the PSOE's electoral activities, black money¹⁸ dealings by the governor of the Spanish Central Bank and his links to a corruption case that originated in the private sector (the Banesto Bank), black money dealings with public funds by the director general of the Civil Guard State Security Corps, and the illegal use of

reserved funds by the Ministry of Interior for anti-terrorist and anti-drug activities.

The context of close media scrutiny and generalized suspicion of government corruption affected the outcome of Zabalza's proposal of a white paper on public spending. The top ranks of the Controller Office (IGAE), within the Ministry of Economy and Treasury, opposed his proposals to widen public executives' discretion in spending decisions. Their argument was that this could make it impossible to comply with the European Union Maastricht criteria on debt, inflation, and deficit, approved in 1991. The IGAE strengthened this argument with the warning that it would leak its position to the press—at a difficult time for the government because of the controversy over corruption.

In this last legislature of the PSOE, Eguiagaray was followed by two more ministers at the top of MAP—Jerónimo Saavedra until 1995, and Joan Lerma until 1996. Jerónimo Saavedra changed the team at the top of MAP, including the three directors general, as well as the secretary of state. Joan Lerma, minister from 1995 to 1996, changed them all again. Under these two ministers, the subject of administrative modernization had fallen from the agenda as a priority area. The corruption issue overshadowed, for several reasons, any other priority in almost any other governmental area. For example, some threats arising from the corruption issue influenced a decision-making process concerning changes in the contracting regulations of the public administration. This process had initially been proposed by the Ministry of Economy and Treasury as an answer to the new requirements of 1992 and 1993 European directives on public administration and public-sector contracting.¹⁹ The adaptation of Spain regulations on this matter culminated in 1995 with the approval of the Law for Public Administration Contracts. However, the pressure of the corruption issue led legislators to take advantage of this decision-making opportunity, and provide for strict checks on some contracting procedures to reduce the level of government officials' discretion, in order to reduce corruption.

The PSOE was a minority government during these years, with the ad hoc support of the Catalan nationalists (CiU) in Parliament. A sense that an era was coming to a close after more than a decade of socialist government permeated the entire dynamics of the political stream, closing any window of opportunity for making decisions (Kingdon 1995). In fact, the Law of the Government, which aimed at differentiating the government as a political body and the public administration as an instrumental body, was prepared during this period but was not approved until the following legislature under the PP. The reason was the persistent disagreement between MAP and the Treasury on the content of the law. Similarly, the Law for the Organization of the State General Administration, which was also prepared during this period by MAP, was finally approved by the PP government in the following legislature, with no significant changes. However, this law was not a decision that belonged clearly to the field of public administration modernization, but rather to the field of consolidation of the *Estado de las Autonomías*. As far as the first issue was concerned, it sought the depoliticization and professionalization of government management posts; in terms of the second, it restructured and rationalized the state's peripheral administration.

CONCLUSION

Policy entrepreneurs were effective in setting the agenda and in specifying alternatives in their corresponding areas of jurisdiction over public management, but only in a few cases did these predecisional phases lead to a decisional phase. In the case of the civil service reform issue, authoritative decisions were made in the form of a new law, but the implementation process derived from it was considered to be a failure as a reform, because of its inherent contradictions and difficulties. In the modernization issue policy cycle the process of issue definition was comparatively long—from 1986 to 1991. This process was based on a discourse-building strategy that took too long to build momentum. The opportunity window opened too late—after the initial MAP entrepreneurs were replaced—and for too short a period. This was when the 1992 plan for administrative modernization, launched by Eguiagaray, was approved. This decision was supported both by the discourse-building effort of his predecessor over a long predecisional phase, and by the opening of a (very brief) opportunity window. But its implementation outcome was stability in public management, instead of change. The two successful decision and implementation cases were actually related events—the Taxation Agency created by José Borrell in 1992, and the experience of the National Social Security Institute since the late eighties—which were favored by the special economic (and therefore managerial) autonomy status of these two administrative units.

A structural factor that diminished the potential for change in public management policy in Spain was the lack of governmental joint action channels that could have overcome the fragmentation of the jurisdiction over this domain between several central agencies—the Ministry for Public Administrations and the Ministry of Economy and Treasury. Contextual factors also diminished the potential for change. The Ministry of Economy and Treasury perceived the agenda priorities of the Ministry for Public Administrations as a menace to its own priorities. In turn, these perceptions may have been strongly influenced by the interference of economic-related, contemporaneous events that characterized the whole period analyzed, and of the corruption issue at the end of the period. The latter issue interfered with some public management change proposals by the Ministry of Economy and Treasury as a result of a contextual factor. Particularly, reform of financial management could have taken place had it not been for the process of integration in the Economic and Monetary Union within the framework of the Treaty of Maastricht, as it was this contextual factor that enabled certain players, such as the Controller Office (IGAE), to use the subject of corruption as a deterrent for financial management policy proposals. In this respect, an academic key observer of the time acknowledged that:

Many people joke that ‘In Spain, governments are always coalition governments—of the party that rules and the Treasury.’ He who controls the Ministry of the Treasury largely controls the functioning of public administration . . . The channels of influence of the Controller Office are very effective. They have an agent in each ministry who controls expenditures completely. Releasing this control terrorizes them, because in reality they would lose their capacity to control the system.²⁰

We have also identified congestion effects that derived from context. Over the whole period, the building process of the *Estado de las Autonomías* was an

undisputed priority in the specialized agenda of the Ministry for Public Administration, ordered by the prime minister. In contrast, there is no evidence that, after some initial post-electoral momentum, public management was ever a priority in the general agenda of the prime minister and, therefore, of the government. Their agendas were, instead, topped by other issues, such as integration in the European Community and NATO in 1986, integration in the Economic and Monetary Union in the 1990s, the creation of a welfare state by the universalization of social rights (not only in a formal juridical framework, but also in real economic terms), the modernization of infrastructures, and the foundation for everything else (that is, macroeconomic policy reform in monetary and fiscal terms).

Finally, the issue image built up by the policy entrepreneurs of this period also had an impact on the Spain case outcome. Reflecting on Almunia's administrative modernization, an ex-underdirector general of MAP recalled that:

It was a problem of culture: the administration was not there to give service to citizens, but to enforce the law upon them. Modernization involved the idea of the need to change the administration culture, and to that end it was necessary to develop projects that could improve the efficiency, the effectiveness, and the closeness to citizens, to foster better attention, introduce new technologies . . . It is difficult to put a name to all this.

The image was not only ambiguous but also fragmented, as the initiative for change came from different public management areas. There was no generic formulation of a public management problem requiring radical action over government-wide rules and routines. In fact, the ambiguity of the term, modernization, used to define the issue was chosen for historical-cultural reasons in order to avoid both reminiscences of failed reforms and opposing attitudes. However, this ambiguity also contributed to the dilution of its efficiency as a basis from which proposals for action could arise.

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NOTES

1 A *cuero* is defined by a common personnel selection procedure, regulatory framework, and tasks and activities. The elite *cueros* in the Spanish central administration include those that require an advanced university degree. These specialized *cueros* include state lawyers, jurists of the State Council, diplomats, treasury inspectors, state controllers and auditors, state economists and commercial specialists, and work inspectors.

2 The present Spanish constitution was approved in 1978.

3 The number of directors general in 1973 was 76, in 1983 was 179, in 1991 they numbered 227, and in 1996 there were 316 (Villoria 1999).

4 This case outcome refers only to the central administration and is based on the definition of public management policy domain provided. There was no comprehensive

change covering the five management areas affecting government-wide institutional rules and organizational routines.

5 Over the period analyzed in this article, and from 1996 onward, changes in public management avoided and bypassed the core administration and have mainly derived from the deregulatory trend by which some administrative activities in sectoral policy domains have been restructured into semi-autonomous organizations with a wider margin of managerial discretion.

6 At the end of the first PP government in February 2000, the Council of Ministers approved a *White Paper for the Improvement of Public Services*, an initiative of MAP Minister Angel Acebes. However, this paper did not preserve a clear definition of the public management policy domain, but mixed up some of its areas with areas of substantive, sectoral domains. It described the new social, economic and informational challenges facing the public administration, and provided a mixture of general recommendations and specific actions to be taken, organized under the labels of quality management, administration-citizen relations and communication flows, redefining human resource policy both in general and at the executive level, designing flexible and effective organizations, integrating public administration with the information and knowledge society, and facilitating competitiveness in the economic system and a sustainable development. This paper did not lead to an implementation process. With no connection to this white paper, in December 2002, Javier Arenas, the new MAP minister, announced that a parliamentary subcommission would be created to reach a political consensus on the modernization of public administration, and that a document would be elaborated by an expert commission as the basis for the reform of administration. He also announced his intention to expand electronic administration, simplify some procedures, increase the number of single-window points, and improve the wages and working conditions of public employees. In fact, he signed an agreement on these aspects with the unions in November 2002.

7 Law 30/1984, 2 August.

8 Law 53/1984, 26 December.

9 Sentence 99/1987, 11 June.

10 Law 23/1988, 28 July, Modification of the Civil Service Reform.

11 Referring to monetary and physical assets of their ownership (buildings, etc.).

12 According to a top bureaucrat interviewed: “[Almunia] said: ‘You have ten days to propose projects in your directions general that are related to these political objectives: how the ministry is going to achieve the political objective of agile processes, the political objective of a civil service career, the political objective of simplification, and the political objective of making it [the public administration] more accessible to citizens . . .’ Transparency was the other one. And off we went. I remember summoning up my under-directors general (I then had, like, twelve of them) and told them: ‘Look, let’s start from scratch. The objectives stated by the minister have nothing to do with what we have doing so far.’”

13 Law 9/1987, 12 June, which was modified in 1990 and in 1994.

14 Article 103, Law 31/1990, 27 December, General Budgets for 1991.

15 In 1991, INAP launched the first training program for public employees within the modernization strategy.

16 MAP carried out six evaluations of the first plan over 1992 and 1993 (see for example, MAP 1993a).

17 Law 30/1992, 26 November.

18 Illegal money—money not declared to tax authorities.

19 These directives were 92/50/CEE, 93/36/CEE, and 93/37/CEE.

20 All interviews (nineteen in all) conducted in the preparation of this article were confidential. All were conducted, recorded, and translated by the author.

