

# **Child Benefits Policy Dismantling in Spain after Franco: A Non-Decision Case?**

Andrea Bianculli<sup>1</sup>, Nicole Jenne<sup>1</sup> and Jacint Jordana<sup>1,2</sup>

<sup>1</sup>Institut Barcelona d'Estudis Internacionals (IBEI), <sup>2</sup>Universitat Pompeu Fabra (UPF)

Work-in-progress - this version: 13 August 2010

---

Paper presented at the 8th ESPAnet Annual Conference, September 2-4, Budapest

## 1. The puzzle: A dismantling case

Within the European Union (EU), Spain is the country with the lowest percentage of public expenditure on child benefits and the third country as regards child poverty (Levy 2003). The lack of vibrant and dynamic child policies aimed at providing child benefits in a universal manner in order to efficiently address child poverty reduction is certainly an issue that deserves attention. As the literature has clearly shown, investing in children is one of the main challenges the welfare state faces in the 21<sup>st</sup> century (Esping-Andersen and Palier 2010).

Spain classifies as a country within the Southern European social model, which is characterised by a corporatist benefit system, fragmented coverage, and strong reliance on family support (Ferrera 1996). A tradition of coherent family policy has proven to be elusive in the country, being a laggard case also compared to other Southern European countries (Meil 2006). Moreover, when focusing on child benefits, a remarkable case of policy dismantling can be noted for the 1970s and 1980s. We understand child benefits as the financial support for individuals and couples bringing up a child, that is to say, to all income transfers targeted at families with children, regardless of whether they are provided through social security or by means of the tax system.

During its democratic transition, Spain did not engage in significant reforms regarding child benefits policy and the family policies established during Franco's rule were formally maintained, but dismantled in practice. Provisions on family allowances stemming from the early 1970s remained largely unchanged in nominal terms during the 1970s and 1980s. Without indexation rules or discretionary decisions to update them, and because of the high inflation levels experienced by Spain at that time; in 1985 they became reduced, in constant monetary terms, to a level that represented a 22% of the total amount delivered in 1975 (Iglesias and Meil 2001). At that time, no other policy instrument emerged to replace such sizeable dismantling and only a few years after, a new family policy regime started to emerge in Spain though on a different basis, more focused on combating poverty among low-income families. Still today, expenditure on children rests at one of the lowest levels within the EU (OECD Family Database).

Within the CONSENSUS theoretical framework, the non-development of child policies in Spain after Franco can be understood *a priori* as a case of dismantling by non-decision. However, in the light of multiple socio-economic environmental factors favourable to its expansion, Spain turns out to be a puzzling case of phasing out the status-quo prior to

democratic transition in the field of child benefits, without any policy substitution. Also, during the same period, and in parallel to the establishment of democracy in the country, regulatory density of most social policies expanded in Spain (unemployment and pensions, among others) both in policy and instrument density. In addition, at that time, most European countries had already established family policies including significant child allowances, increasing thus substantial stringency.

In line with scholars who have examined non-decision-making and the creation of non-issues related to the second dimension of power (Bachrach and Baratz 1962, 1963), we intend to shed light on the conditions under which child benefits policies were dismantled in Spain after Franco by the non-adjustment of its substantial stringency. Therefore, our research focuses on the constellation of actors and their policy preferences that may account for the case of *de facto* dismantling of the child benefits policies established in Spain during the dictatorship, without any replacement during the consecutive 20 years. We argue that the child benefits policy regime that existed prior to democracy was unable to maintain the previous policy arrangements during the transition – partly because it was already quite weak in late Franco’s period – and that no alternative family policy regime emerged, at least, until the 1990s. The absence of a family policy regime – involving social interests, institutions and actors – may account for non-decision dismantling, as well as a general perception among political parties at that time that the costs of non-dismantling exceeded the costs of dismantling. However, why did a renewed family policy regime not emerge in Spain the years after the transition to democracy? This is our main research question in this paper, which will also allow us to revise the non-decision character of this dismantling case and to consider the existence of some shifting-type dismantling characteristics. We argue that a set of policy confrontations within the political arena, regarding the development of the welfare state in Spain, produced a mixture of these “opaque” types of policy dismantling – which we intend to disentangle.

To better understand the specificities of the Spanish case, our research strategy is based on the assumption that political and institutional determinants may produce strong policy differences among most similar cases. Accordingly, the paper examines the institutional set-up and actor constellations that accounted for the variation in the regulatory stringency of child benefits between Portugal and Spain after their respective transitions to democracy in the mid-1970s. The two countries share several structural characteristics and historical legacies from prior to their democratic transition which make them an ideal case for comparison (Fishman 2010). Their economic differences make the puzzle even more

intriguing as it raises the question why Portugal increased regulatory density of child benefits while its more flourishing neighbour dismantled this particular policy field by reducing substantial stringency. Considering their similarities and differences, the paper asks for the factors that facilitated the maintenance of the child benefits policy regime rapidly after Portugal's transition to democracy, and those that favoured its dissolution in Spain, preventing in addition, the development of a renewed policy regime.

The structured and focused comparison builds on qualitative methodology. The first stage of our investigation presents the empirical evidence about the dismantling case in Spain, and discusses the resources available to the actors and institutions involved in the politics of child benefits in Spain after the transition, with the aim of identifying their strategies and shortcomings. Building on the first insights, the next step is to carry out a thorough research on the development of child benefits policy in Portugal and map the constellations of actors and institutions that were involved in the decision-making process, being able to maintain the family policy regime during the democratic transition. Finally, both mappings will be contrasted to assess to what extent key institutional differences and variations in actors' perceptions and preferences may contribute to explain the *de facto* dismantling of child policies in Spain after Franco.

The paper proceeds as follows. In section 2, we present a review of the existing literature on Spanish and Portuguese child benefit policies, therewith setting the stage for the case study. In section 3, based on our empirical research, we identify the relevant actors for both countries and discuss their main policy preferences, cost perceptions, and the strategies they implemented. This is followed, in the fourth section, by an analytical reconstruction aimed at explaining the dismantling case in Spain, against the background of the Portuguese case. In the fifth section, we present our initial conclusions and discuss future research challenges.

## **2. Spain and Portugal: Family policies and scholarship**

Portugal and Spain display important similarities in terms of their economic, social, and cultural developments as marked by their late industrialization processes and the strong influence of Catholic institutions. Moreover, both countries were part of the so-called third wave of democratization that took place in the mid-1970s. The institutionalisation of Spanish and Portuguese welfare states came thus at a time when other European governments were already engaging in rationalisation measures and cost-containment

policies in order to meet the challenges brought about by globalisation and changes within domestic social structures and economies.

In both countries under study, benefit systems for families were set up comparatively early and evolved in a scattered manner which extended step-wise to include different occupational groups and territorial units (Pereirinha *et al.* 2009). In Spain, social protection measures directed towards families were introduced in 1938 as a component of the new Francoist state (Jordana de Pozas 1938). Alongside monthly payments for workers' dependent family members, these included birth grants and special benefits for women who abandoned the labour market, thus defining a conservative family policy with a pro-natalist orientation. The objective to protect a traditional family model was also reflected in the fiscal system (Iglesias and Meil 2001:40-4). In the early 1960s, this policy framework was simplified to the extent that this was now only based on wage supplements granted by the social security. Though these measures constituted an important income supplement the moment they were established, inflation started to erode the real economic value of the programs in place by the late 1960s and early 1970s, just when the Spanish "baby boom" would start fading away. In the Portuguese case, a comprehensive family allowance scheme was established during the first period of the fascist dictatorship in 1942. Rather than carrying a clear-cut pro-natalist rationale, it was mainly thought as a wage supplementing policy. Provisions were slightly improved and adapted in the context of expansionary reforms passed during the 1960s and early 1970s (Capucha *et al.* 2005:206-13).

After democratic restoration, Portugal developed a comparatively more complex and large offer of child benefits as early as in the 1970s, which was continued and enlarged the years after. Contrariwise, in Spain provisions remained nominally unaltered after 1971 and were maintained without indexation during the years of its transition to democracy and the years beyond, until 1990, when a new rationale was established for child benefits. As a consequence, family expenses in general as well as cash benefits in particular, expressed as a percentage of GDP, rested at a significantly higher level in Portugal throughout the period examined. Table 1 shows that Portugal and Spain, together with Greece, remain behind all other countries regarding spending on family cash benefits during all the period considered (also Italy falling into the laggard group since the 1990s). What is more, Spain appears to be a special case within the Mediterranean cluster: having the smallest percentage of GDP dedicated to cash benefits for families during almost all the period examined, it only recovers the 1980 level, again in 2005. On the other hand, Portuguese spending is much

more stable and relatively similar to Italy – and also Greece since the 1990s – though all cases remain significantly below European average.

**Table 1. Total family cash benefits as a percentage of GDP**

	1980	1985	1990	1995	2000	2005
Denmark	1,07	0,89	1,41	1,84	1,49	1,55
France	2,15	2,33	1,46	1,53	1,47	1,39
Germany	1,82	1,29	1,2	1,17	1,19	1,43
Greece	0,3	0,31	0,38	0,76	0,66	0,7
Italy	0,96	0,79	0,6	0,39	0,54	0,58
Portugal	0,66	0,62	0,63	0,64	0,62	0,74
Spain	0,44	0,24	0,24	0,29	0,3	0,45
Sweden	1,7	1,76	2,1	1,94	1,5	1,52

*Source:* OECD Social Expenditure Database [Accessed on 23 May 2010].

The first substantial legislation keeping child benefit levels up with inflation in Spain after the return to democracy dates from 1990, when these benefits were updated and redefined as an instrument directed to low-income families. Contrariwise, in Portugal the right to benefit was universalised in 1979 (high-income families were excluded from eligibility in 1997). In the latter case, levels were updated and expanded throughout the 1980s and 1990s and in addition, Portuguese families benefited from a number of special benefits and the adjustment of calculation modalities decided on during the decade following democratic transition.

In the case of Spain, during the 1980s a series of policy measures started to concentrate cash transfers only on under-protected social groups, as for example, means-tested subsidies that were introduced in the late 1980s. Within this orientation, provisions on the economic protection of families developed slowly in the 1990s and remained extremely limited until into the 2000s, despite growing numbers of women entering the labour market

since mid-1990s and declining family stability. While at the national level child benefits remained out of the political debate, these developments – though limited – were mainly attributed to the more active role assumed by the regions. Accounting for this resilience to change, Esping-Andersen (1999:51) noted that a strong degree of *familialism*, i.e., the extent to which families absorb social risks, “*easily goes hand-in-hand with a very passive and underdeveloped family policy*”. Taken together, these two conditions are deemed to have created a stable situation of mutual dependence between men and women in which the former provide income and the latter family care during the 1970s and 1980s (Flaquer 2000), which ran parallel to the dismantling period. Moreover, in the 1990s, when the cases in which both men and women joined the labour market expanded (especially among younger cohorts) a new situation emerged. The new equilibrium relied on families strongly searching for alternative strategies in the private sphere (as far as no family policies existed, besides anti-poverty measures), which included most prominently women rigid part-time employment and intergenerational help by family members and mainly by grandmothers. In turn, both elements increased labour market immobility (Flaquer 2000; Gerhard *et al.* 2005), contributing thus to the high unemployment levels of the 1990s. This structural explanation might partly account for another variation observed between Portugal and Spain, regarding female employment levels. While the role the family takes on in the provision of welfare is a common feature in both countries, the development of child benefit policies in Portugal might have facilitated higher levels and more flexible female employment in Portugal since the 1970s compared to Spain. The differences are considerable (see Table 2) and still lack a comprehensive interpretation in the academic literature.

**Table 2. Female employment (in %)**

	1975	1980	1985	1990	1995	2000	2005
Portugal	45,67	45,83	49,41	55,38	54,79	60,55	61,66
Spain	31,11	28,48	25,79	31,78	32,52	41,98	51,92

Employment rates of women aged 15 to 64 years. *Source:* OECD ALFS [Accessed on 28 May 2010].

In order to explain the non-decision to set up a comprehensive benefit system after the transition to democracy in Spain, many authors have resorted to a historic-cultural explanation linking the dismantling of family policies during democracy – or even evaporation, according to Meil (2006) – to the persisting views among democratic political elites that family policies had a strong remembrance of the dictatorship times. During most of Franco's rule, these policies carried a strong ideological component regarding traditional family values and were accompanied by pro-natalist discourses. As Valiente (1996:102) notes, "*family policy was not a hidden or implicit policy but a recurrent theme in the rhetoric and propaganda of the regime*". Though pointing to important factors shaping the environment within which political decisions are made, this rather simplistic explanation based on historic memories falls short of drawing a causal line towards dismantling in this policy area.

By treating the state as a black-box, relevant actors, their strategies and preferences are neglected. Moreover, the sole reference to historic legacies overlooks two important facts. First, it does not explain why after an initial reform in 1966 the Franco regime did not promote any further increase in regulatory density of family policies to the extent that allowances lost importance already before the demise of the authoritarian regime (and its substantial stringency was revised only once after, in 1971). In this sense, it can be argued that the family policy rhetoric was quite exhausted when democracy "arrived" in Spain, not being a serious confrontational issue. Second, during the transition to democracy in Spain, what we observed in many other social policy areas – also of high prominence in the Dictatorship propaganda – was a combination of continuity and change in their policy regimes (e.g. housing policy or old age policies) but not a progressive disappearance, as it was the case with child benefits.

Given these shortfalls in the existing literature, the proposed case study seeks to enhance our understanding of the dismantling of social policies in a three-fold way. First, in contrast to most studies in this field, it looks at policy processes rather than outcomes. Second, it adds agency to the rather scarce literature on policy change and continuity in Southern Europe, moving thus beyond the study of structural conditions. Third, it conveys a policy regime perspective that includes the analytical identification of actors and institutions directly affecting policy dismantling.

### **3. Empirical evidence: Interests, preferences and institutions involved in child benefits policy in Spain and Portugal**

Based on empirical research, this section is intended to contextualize the evolution of the child benefits regime in Spain and Portugal. Thus, it proceeds through the identification of political and societal actors and the discussion of their policy preferences, their cost evaluation and the strategies they deployed.

#### **3.1. The dynamics of non-decision-making in child benefits in Spain**

This section looks at child policies in Spain after democratic restoration. Along the analysis, we examine the agendas and strategies of the various actors involved in the transition phase and at particular critical junctures, including political parties, state feminists<sup>1</sup>, family organizations, labour unions and the feminist movement. We find that the actor environment of Spanish policymaking regarding support to family policies has been marked by the absence of strong advocates. In the light of competing policy priorities and historical memories of pro-natalist and anti-feminist Francoist policies, the non-development of the policy field was perceived to be less costly than updating and renewing it on part of major political and social power holders.

##### **a) The transition to democracy (1975-1982)**

Inflation eroded the real value of the family programs in Spain by the late 1960s and early 1970s and, as early as with the onset of the transition in 1975-1976, government officials recognised the anachronism of public support to child benefits<sup>2</sup>. However, after the transition to democracy, the inherited instruments as well as benefit levels remained largely unchanged until the 1990s, when they were eventually converted into instruments against poverty through the introduction of means-tests (Meil 1994).

Spain's regime transition, which was led by reformers within the existing political system, was strongly characterised by continuity and marked by the search for consensus amongst the major political powers. The protection of the family was adopted as a constitutional

---

<sup>1</sup> *State feminists* or *femocrats* refer to those working in the institutions established in industrialized countries after 1960 to promote gender equality.

<sup>2</sup> See, amongst others, *La Vanguardia: La Seguridad Social, en fase de revisión*, (14.04.1976, p. 27); *El Gobierno francés excluye la extradición de los procesados por delitos políticos*, (25.07.19876, p. 7); *Elevar las pensiones, antes que ampliar el campo de su aplicación*, (26.11.1976, p. 30).

right without parliamentary debate in 1978. Though issues concerning the family were raised within the broader discussion on the reform of the social security system, they did not find their way on the political agenda. The White Book on Social Security from 1977, which served as basis for the Moncloa Pacts introducing reforms of the social policy system, devoted a section on the different instruments in place stating that the means directed to the family were ill-suited and insufficient. The Pacts also mandated a study about how to update and develop the allowances in place. Similar conclusions were restated in the National Economic Agreement<sup>3</sup> from 1981 and on various occasions during the process of restructuring the economy and social security provisions, which involved political parties, trade unions and employer organisations. However, none of these groups came forward with a concrete reform proposal nor developed a coherent set of policy suggestions. The elaboration of a planned White Book on the Family with a chapter on allowances lost its momentum after the publication of some Preparatory Elements by the responsible Ministry of Culture. Moreover, the new fiscal system put in place did not provide for beneficial treatment of families (Meil 2006:371-2).

During the transitory legislative period, the issue was raised several times in parliament and referred to subcommittees for elaboration without bringing about parliamentary discussion. Politicians throughout the party spectrum pointed to the necessity to reform the policies in place; however, given the obvious lack of political will, the only motion in respect of family policy presented by a centre-right deputy was not even debated.

An analysis of party positions on the matter shows a dividing line between the governing centre-right alliance, on the one hand, and left-wing parties, on the other<sup>4</sup>. While the socialist party remained silent on the family and focused on individuals' and in particular women's rights, the centre-right Unión de Centro Democrático (UCD) government's electoral programmes referred to the family as a social institution and claimed a protective role for the state. However, it missed to put forward concrete proposals and thus rhetorical commitment did not translate into policy output.

On the one hand, this is explained by the low priority family policies received in the initial transition phase, when other issues, such as the expansion of social security or the reform of public health provisions, were more salient. In addition, and regarding individuals' rights,

---

<sup>3</sup> Based on the National Economic Agreement decided on by the UCD government in 1981, a tripartite commission was created to analyze a plan for social security reform including family allowances. However, both the contents of this agreement as well as the recommendations put forward by the commission were neglected.

<sup>4</sup> Policy manifestos by Spanish political parties, 1977-2005.

equality before the law between men and women, divorce and reproductive rights occupied the political agenda.

On the other hand, the consensual character of democratisation limited political capacity of the government to the extent that contested issues were not debated. As Valiente (1996:107) noted, “*family programmes were precisely the kind of issues to be avoided, because of their high salience in the Francoist rhetoric*”. Although some sectors of the ruling party (UCD) were in favour of updating family policy, the social support they obtained was rather scarce and limited to claims issued by a small number of conservative pro-natalist associations (e.g., the National Federation of Large Families) demanding an increase of family transfers. However, most political and social actors explicitly refrained from elaborating policy initiatives and thus did not reform pre-democratic policies and more importantly, did not promote a new regulatory framework in line with new political, social and economic challenges.

#### **b) The lack of an institutional context**

Institutionalisation of family policies remained very low in Spain with no specific administrative body responsible for this kind of policies during all the period considered. Attempts to enact a new law on family protection by UCD, which put forward proposals on institutional reforms as well as on the upgrading of transfers, failed in 1979-80. On several occasions, within the Executive, the matter was referred to inter-ministerial commissions and working groups. Thus, in 1982, the Council of Ministers approved the creation of an inter-ministerial commission to analyse fiscal benefits for families. One year later, already with the Socialist party in power, a similar initiative brought together the ministries of Labour, Social Security and Economy and Finance to work on a Law for Family Assistance (*Ley de Ayuda Familiar*). However, most of these initiatives failed to bring about concrete results.

The Ministry of Social Affairs, which was established in 1988 during socialist rule and which was responsible for many of the components of family policy, was replaced by a Secretary of State within a new Ministry of Labour, Social Security and Social Affairs in 1996 (now Labour and Social Affairs). This downgrading of family policy issues was accompanied, on the other hand, by the government’s objective of preparing a General Family Plan that would draw on the work of the parliamentary committee created in 1994 and a newly established inter-ministerial committee. Today, family matters are subsumed

under the General Directorate Social Policy, Family and Children within the Secretariat of Social Policy and Consumption subordinate to the Ministry of Health and Social Policy, which assumed the competences of the extinct Ministry of Sanity and Consumption and the Secretary of State of Social Policy, Family, and Assistance to Dependants and Handicapped.

### **c) A first step towards reform (mid- and late 1980s)**

The Socialist Party (PSOE), which held office between 1982 and 1996, centred its social policies on poverty, gender equality, and civil rights while it adopted a neo-corporatist approach to meet the fierce financial pressures at that time (Guillén 1996). The first reform of family allowances after Franco was passed within the broader framework of reforming the pensions system and as an attempt to streamline and rationalise the social security system (Naldini 2000:83-84). The new design was to rely on fiscal deductions for dependent children and was therefore more a technical reform than a new family policy development.

Despite several preceding consultations within the parliament where a reform to strengthen child benefits was called for on parts of all parties, the reform did not have any real effect in terms of spending. One-off payments for birth and marriage and periodical supplements in respect of a dependent spouse were abolished and offset against the monthly payments for worker's children. In line with a general concern for groups lacking protection (Iglesias and Ussel 2001:94-5), a new but marginal supplementary payment in respect of dependent children for retired employees and families receiving unemployment benefits was also adopted. In this context, PSOE argued that family benefits did not constitute a social right as advocated by the centre-right opposition parties but were reserved for low-income families (Carlos 2000:59). Nevertheless, in broad lines the socialist party supported the claim for a stronger protection of families regarding both coverage and benefit levels. A profound debate on the allowance system, however, was missed and the socialist government delayed the advancement of further reform. As a result, benefit levels suffered from a continued loss of significance.

A possible explanation for the reservation on parts of the left-wing parties and trade unions to engage in a debate on the distribution of the costs of children is the role of the women's movement. Spanish feminists and the feminist grouping within PSOE viewed social policies directed to the family as essentially anti-feminist and supportive of a traditional

family model in which women had an inferior position. Distancing themselves from Francoist policies, feminists rejected any form of state intervention into the family (León 2007; Meil 1994). As a former Minister of Social Affairs, Matilde Fernández, reports, feminists *“wanted to act politically on behalf of women alone, and not in the name of women as part of their families”* (in Valiente 1996:108). Focusing instead on the legal provisions determining the status of women within society, feminists moved the family as a social unit out of the realm of public policymaking. At the same time, this appeared to be in the interest of the – mainly male – leadership of the left parties and trade unions. In an attempt to set themselves apart from pro-natalist concerns embedded in Spanish traditional family policy, a serious debate on how to provide incentives for women to enter the labour market was avoided. In sum, the low prominence of family policies amongst political and social leaders may account for the almost absence of this social policy issue in the Spanish public sphere (Meil 2006).

This situation may partially explain the low institutionalization of family policies in Spain. For example, the Institute of Women’s Affairs, created in 1983 under socialist rule, did not act as a policy advocate regarding family allowances. Two elements are crucial to this. In the first place, no department in the newly established Institute was responsible for family affairs. Second, most of the Institute’s femocrats were either former activists in the feminist movement or members of the PSOE. Neither has the Ministry for Social Affairs, created in 1988, been equipped with a significant division responsible for family matters. From the point of view of feminists and femocrats, the best family policy appeared to be a non-policy. On the other hand, family organizations, which were the most obvious advocates of economic protection of the family during the 1980s, generally had a rather conservative orientation. Furthermore, their influence on policy makers was marginal given their local and regional organisational basis and their poor articulation at the national level (Iglesias in Valiente 1996).

#### **d) The 1990s reform**

It was not until 1990 that the first substantial transformation of child benefits was passed. Once again, reform was part of another policy concern regarding pension reform and a broader policy initiative to alleviate poverty. The new system entailed a non-contributory benefit, thus decoupling, for the first time, eligibility from workers status. Though the revision partly cleared the losses due to inflation, through the introduction of a means-test,

the so-called 'universalised' system henceforth targeted low income families only. In various communications the government also framed restructuring not as an issue of family policy but as a question of directing benefits to those most in need. Meil (2006:372-3) thus concludes that child benefits became essentially an assistance measure and part of anti-poverty policies.

The reform was criticised by the conservative Grupo Popular and the Catalan centre-right *Convergència i Unió* (CiU) for falling far short of providing a real support to families which would enable them to choose the number of children they wanted to have. Whereas the latter linked child benefits to demographic issues and low fertility rates and stood out raising the issue on several occasions in parliament, the conservative party's political activity remained modest throughout socialist rule. Its electoral programmes have repeatedly stated that the family is considered the foundations of society and has called for an active protectionist role of the state. However, conservative delegates have issued few legislative proposals and questions to the government in respect of family policies. A possible interpretation, according to Valiente, is the party's attempt to distance itself from Francoist symbols and policy measures and to establish itself as a "*truly democratic party*" (1996:109). Another interpretation might rely on the absence of well-organized pressure groups amongst the electorate in favour of a new framework for family policies at that moment.

Whilst observers attribute the increase of benefit levels in the 1990 reform to the influence of trade unions (Ussel and Meil 2001:113; Carlos 2000:85), the social partners appear to have had little interest in state measures directed towards the family. Moreover, after the breakup of the relations between PSOE and the largest trade union association *Unión General de Trabajadores* (UGT) in 1988, the impact of worker interests has been narrowly circumscribed as trade unions remained outside the policymaking process (Naldini 2000: 83). As a matter of fact, benefit levels increased somewhat between 1990 and 1995 due to the new progressive tax system favouring persons with family responsibilities and increased financial support directed towards large families. Strikingly, PSOE's Minister of Social Affairs, Cristina Alberdi, stressed that these measures were not adopted to increase birth rates but to enable couples to choose how many children they wanted<sup>5</sup>.

While the concern for large families' financial problems prevailed over the pro-natalist character of the debate, family policies witnessed some tentative reorientation with the

---

<sup>5</sup> La Vanguardia: *Dos millones de hogares españoles tendrán acceso al nuevo título de familia numerosa* (4.11.1995, p.36).

arrival of the conservative government in 1996. Tax treatment of the family improved slightly though the monetary effects remained behind the rhetoric of the Popular Party (Carlos 2000:61). An ambitious Integral Support Plan for families, which has been announced as early as in 1997, was finally launched in 2001 but abstained from significant changes in the existing instruments. All in all, the conservative government failed to introduce a fundamental change to the non-policy situation.

### **e) New century: Expanding childcare benefits?**

During the 2000s, support for families has increased in real terms, although spending levels remain behind most Mediterranean countries. This applies to provisions deemed to facilitate the reconciliation of work and family life as well as several means-tested benefits granted to large families and lone mothers. The socialist party, which gained power again in 2004, stated the need to recognise the challenges brought about by low fertility rates. This has led Meil to argue that a new sensibility emerged because *“new leaders stopped identifying social protection for the family with conservatism”* (2006:375-6). It is important to note that although some new family policy frameworks have emerged at the regional level, promoted either by more conservative or left-oriented governments, at the national level the policy-field remains underdeveloped and family issues have not come to the forefront of political debate.

## **3.2. The evolution of the child benefits policy regime in Portugal after dictatorship**

The Portuguese family allowance system, established in 1942, was several times changed and adapted during the 1960s and 1970s. Following the revolution in 1974 and profound changes in legal family policy, the family as a social unit kept serving as an important reference in the political discourse. As cash benefits directed towards families belonged to the non-controversial issues, the system in place was not debated until the early 1980s when an increase in benefits was decided. In the same vein, the early 1980s witnessed the establishment of the State Office of the Family and the Inter-ministerial Commission of the Family (1980) and the set up of the Organic Structure of the Ministry of Social Affairs for Family Affairs (1982). As activity in these public agencies fell behind initial expectations, several restructuring and remodelling processes were carried out so that the

General Office of the Family – under the Ministry of Social Affairs – became the main advisor and information gathering agency on family matters.

The different actors involved in decision-making after the democratic revolution, which was characterized by frequently changing governments and varying coalitions, took on a consensual attitude towards child benefits which reflected their socialist commitment to financial redistribution and social services. This applies equally to the women's movement, as family policies after the revolution were not inherently connected with the policies sustained during the dictatorship, which had interfered heavily in the lives of families. Being this different from the case of Spain, this can be attributed to the nature of the feminist movement which was concerned with children's rights as these were connected to other issues concerning women, such as reproduction rights. Rather than being concerned with themselves and their identity as feminists, the Portuguese women's movement was more out-side looking and pursued a practical approach towards the issues concerning them<sup>6</sup>.

Child benefits were updated on a yearly basis throughout the period under study and several times increased. Besides, several extra benefits targeted towards disadvantaged families were established. A clear singular advocate of child benefits, however, has also been absent in the Portuguese case. Though all actors took on a favourable stance on the issue and no ruptures accompanied changes in government, it was arguably trumped by more controversial issues regarding the family and later on by other social policy measures in the context of severe economic pressures. After several years of silence over the matter of family allowances, parliamentary debates on family support related heavily to the provision of services as the Social Democrats (PSD) and the Socialists (PS) and the centre-right Party of the Social Democratic Center (CDS) agreed on the objective to favour women's full-time employment. This was supported by the trade unions, which advocated gender equality in matters related to employment though did not have a programmatic stance on family allowances until the mid 1990s, when child benefits became to be seen as an instrument against poverty.

Rather than pushed for by public demand, the then existing benefit system was a policy driven by the political elite<sup>7</sup>. This again was in line with the socialist ideas prevailing after the end of the dictatorship that led the ruling elites to feel that the state had to take care of

---

<sup>6</sup> Interview with Ana Prata, California State University, Amadora, 20.07.2010

<sup>7</sup> Interview with Karin Wall, ICS, Universidade de Lisboa, Lisboa, 21.07.2010.

the socio-economic wellbeing of its people. Though the feminist movement was weak and women's influence within the political parties narrowly circumscribed, a small number of female politicians such as Maria de Lourdes Pintasilgo were crucial in putting the issue of state support to families with two earners on the agenda. However, child benefits were not linked to the assistance of working mothers nor to support a traditional family model according to which the mother would stay at home. Until the early 2000s, neither can the application of a frame related to fertility be observed.

Rather, child benefits were essentially seen as a measure to combat poverty and thus universalized as early as in 1979 within the context of the establishment of a non-contributory system. This is also evident taking the introduction of a means-test in 1997 and finally the restriction of the scope of beneficiaries into consideration. When child benefits ceased to be universal in 2003, there was little debate as all actors seemed to have accepted that in circumstances of economic pressures the system did not meet its policy objectives.

#### **4. Analytical reconstruction: An explorative search for a more nuanced explanation of dismantling by non-decision**

Within the framework for the analysis of policy dismantling put forward by the CONSENSUS theoretical approach, this study focuses on one of four dismantling mechanisms; namely non-decision patterns. In doing so, it seeks to contribute with a more nuanced approach to the study of this phenomenon which tends to be elusive due to the difficulty to observe a non-event.

The theoretical implications put forward by Bauer and Knill (2009) fit the proposed dismantling case of Spanish child benefits. Accordingly, non-decisions occur in situations when policy change is costly for political actors and at the same time is exacerbated by political and/or institutional constraints which favour the status quo.

Within the context of the establishment of an initially rapidly expanding new welfare regime and the economic crisis at the end of the 1970s and early 1980s, competition for resources amongst the different social policy fields was particularly high. Government officials acknowledged that priority was given to other schemes such as pensions at the cost of adjusting or renewing the then existing family allowances<sup>8</sup>, following agreements

---

<sup>8</sup> La Vanguardia: *Seguridad Social: hacia una mejor retribución de los 'puntos' de ayuda familiar* (29.02.1976, p. 11).

reached in social pacts since 1977. In ideational terms, and as it has been outlined above, the Southern familialism and the historical legacy of the dictatorship have created rather unfavourable conditions for the development of vibrant family policies.

While Spain magnified these difficulties, however, Portugal seems to have found a way to circumscribe them. To determine *how* the political willingness and capacity to engage in policymaking in the field of child benefits were affected differently in the two countries, the following analysis looks at the factors located at the level of decision-making. More precisely, it focuses on the actors and institutions accounting for the maintenance of the child benefits regime in Portugal in order to map a most-similar comparative framework to discuss the conditions for non-decisions in Spain.

#### **4.1. Policy dismantling and non-decisions**

Given the limited occurrence of retrenchment and the fact that it is often hidden and not straightforward, explaining events of policy dismantling turns out to be a challenging task. Bachrach and Baratz (1962, 1963) were the first to dispute the bias towards the study of decision-making through the recognition of what they termed the “second face of power”: the power of non-decision making. The argument put forward claims that power and influence have traditionally been associated to positive political action even if, in fact, these can also be directed to *“limiting the scope of actual decision-making to ‘safe’ issues by manipulating the dominant community values, myths and political institutions and procedures”* (Bachrach and Baratz 1963:632). Thus, and building on Schattschneider, the authors develop the idea of ‘mobilization of bias’ which assumes that in all forms of political organization, *“some issues are organized into politics while others are organized out”* (in Bachrach and Baratz 1962:949).

However, studying agenda exclusion and non-decisions involves a particular methodological problem as the focus is on a non-event. Nevertheless, Bachrach and Baratz (1962:952) argue that the process of non-decision-making can be captured by a particular research method investigating the mobilization of bias upon a latent issue in a specific institutional setting. In order to make non-decisions observable, the ‘rules of the game’ and the dominant values and ideas need to be taken into consideration. Therefore, and in order to understand how child policies have been organized into politics in Portugal and organized out in Spain, our case study examines the established political procedures and institutions in both countries. In doing so, we aim to identify the respective actors and groups that benefit from the exclusion of this policy issue in Spain.

## 5. Some initial conclusions

A popular argument in the literature on Spanish family policy has referred to a lack of input on parts of the social and political actors and to the prevalence of strong normative legacies from the Franco era. Having faced extremely low pressures from other actors, both right-centre and leftwing parties were able to organise the issue of family allowances out of the political agenda. The culturalist argument of historical legacies accounts for the unfavourable policy-environment that rendered the upkeep of the child benefits policy regime costly. However, from our preliminary results it is far from clear that it can explain more than twenty years of non-decisions on family policy in Spain. In fact, the lack of significant initiatives until into the 2000s – most of which stem from the regional level – should not be considered aside from the particular characteristics of the Spanish labour market in the 1980s and 1990s. The high unemployment levels Spain faced during most of the period examined as well as the low rate of female labour market participation (see Annex 2) were recurrent topics with a strong influence in many policy debates.

For the case of family policy, child benefits may have been understood as resources competing directly with other social policy provisions such as unemployment benefits or active labour market policies. In a similar vein and referring to female penetration of the labour market, child benefits could have been seen as a stimulus for women to take up paid work, an effect which exacerbates pressures on the employment situation as more women would enter the labour market (as in fact happened during the 1990s). Independently of the actual causal effects, these perceptions and fears could have prevented the leftwing leadership, both within trade unions and parties, from reframing and reorganizing measures directed towards families. On the other hand, the benefits of family policies were still strongly associated with traditional pro-natalist policies, defended in the public sphere by conservative associations, although with modest success.

In Portugal, political actors did not raise the topic of child benefits during a short period after the transition to democracy, though no evidence can be found that this was linked to historic legacies stemming from the dictatorship. This may partly be due to the fact that during Salazar's rule it was the Church rather than the State which developed a policy of 'natural fertility' and dependency of women. More importantly, however, this can be attributed to the fact that the family allowance scheme belonged to the uncontroversial issues in the post-revolutionary years when many other family issues were up for grabs and

to be debated, such as gender equality and divorce. In the area of social security, wages and pensions occupied the political agenda.

Hereby, the different pathways towards democracy in Portugal and Spain explain important variations regarding their child benefits policy regimes. The stepwise transition experienced by Spain stands in sharp contrast to the rupturist character of the Portuguese revolution, which opened up for new ideas in the public sphere. Differently from the case of Spain, the Portuguese political landscape changed fundamentally and developed into an essentially left-wing party system supportive of socialist ideas. Within this context and taken into consideration that the Portuguese family allowance system was explicitly developed as a wage-supplementing policy, the maintenance of the child benefits policy regime can be explained by the fact that the ruling elites felt responsible for the socio-economic well-being of the people. In discursive terms, the family was hereby referred to as the constitutive unit of society.

Whilst the role of trade unions and the Church in regard of financial support to families seems to have been similar in the two countries under study, an important difference occurred on part of the women's movement. Spanish feminists, on the one hand, turned away from the family as a reference point for the entitlement to rights and benefits, focusing instead on the individual. In Portugal, a number of women's organizations included children's rights in their programmes and framed issues relating to the family as of general relevance rather than a women's issue only. The influence of these actors, however, has been narrowly circumscribed in both countries though a small number of prominent figures certainly influenced policy developments.

From a comparative perspective, it has been argued that there is a significant difference in institutional terms. Portuguese Insurance Institutes (IPEs, *Institutos de Seguros de Portugal*), which was set up to manage family allowances and with which governments have had to negotiate benefit levels on a yearly basis, became an important advocate of families as well as the Commission for Citizens and Gender Equality (CIG, formerly the Commission for Equality and Women's Rights). On the other side, Spanish administrative office for family affairs (*Subdirección General de la Familia*) was closed down in the early 1980s.

As regards the actors involved in specific decision-making processes, from a first approach the partisan hypothesis does not seem to hold in the proposed case. Left parties have more frequently governed in Spain and Portugal. In line with the argument of declining ideological differences, Carlos (2000) has demonstrated that family policies did not differ

substantially according to the Spanish government in place. Similarly, though Portuguese political parties deployed slightly different discourses related to families, policy outcomes as well as policy outputs did not differ significantly. However, family support remained as a consensual policy for Portuguese parties, whereas consensus on these issues was difficult to build in Spain, while left parties did not act as strong supporters of these policies.

Finally, we acknowledge a potential problem that needs to be controlled for. As the dependent variable relates to child benefits only, it excludes a number of other instruments such as benefits in kind and services but also leaves policies and child care financing, which might serve as substitutes for child allowances. Based on existing evaluations of the development of different measures directed towards the family, however, it appears that there are no such replacement effects (Meil 2006; Naldini 2000; OECD 2007).

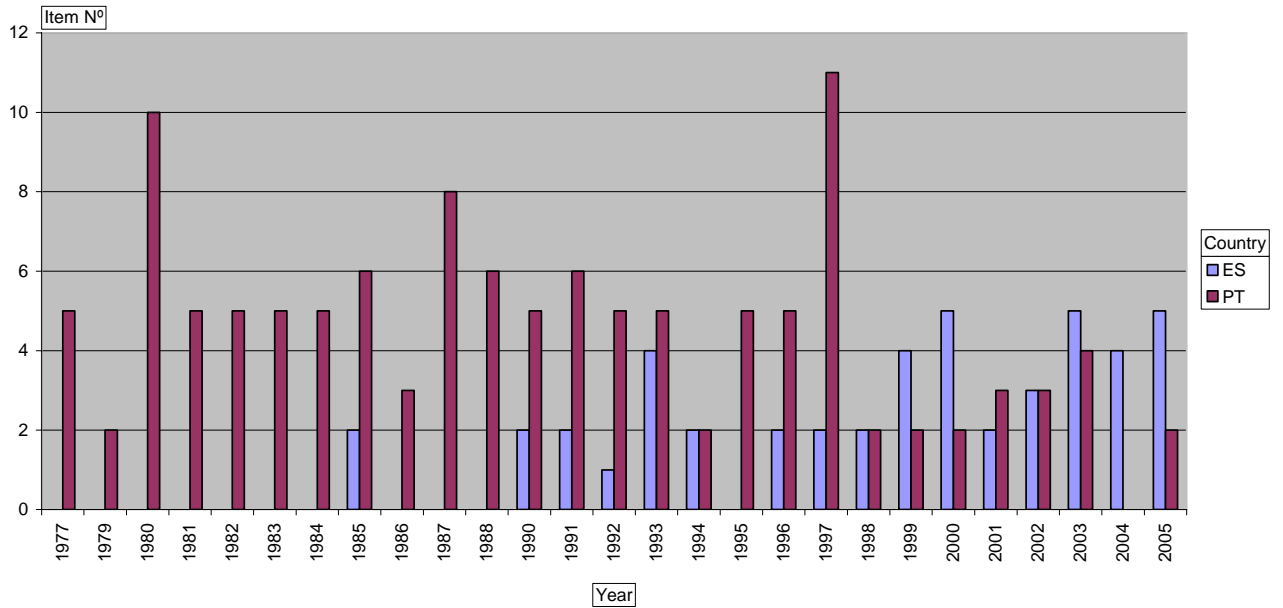
As seen, the question then is what political and institutional elements account for this non-decision making in the area of child benefits in Spain. We believe that the answer lies in opening the black box of decision-making and in identifying the institutional procedures after the return to democracy, and more importantly, the policy preferences, motives and strategies of the actors. As social policies are the outcomes of political bargains, the weak agendas and strategies of the actors involved in the Spanish case and the disaffection of the left parties and social movements from family concerns, may offer a first and necessary approach to see how a *window of opportunity* was not opened. Thus, actors failed to break up the non-decision pattern in the field of child benefits and promote policy changes aimed at providing further and larger investments in children. This can offer substantial future benefits to society as a whole in respect of education, capacities, and social cohesion, all of which are necessary elements to sustainable development.

# Annex 1

## Distribution of change introduced in policy instruments across time in Portugal and Spain

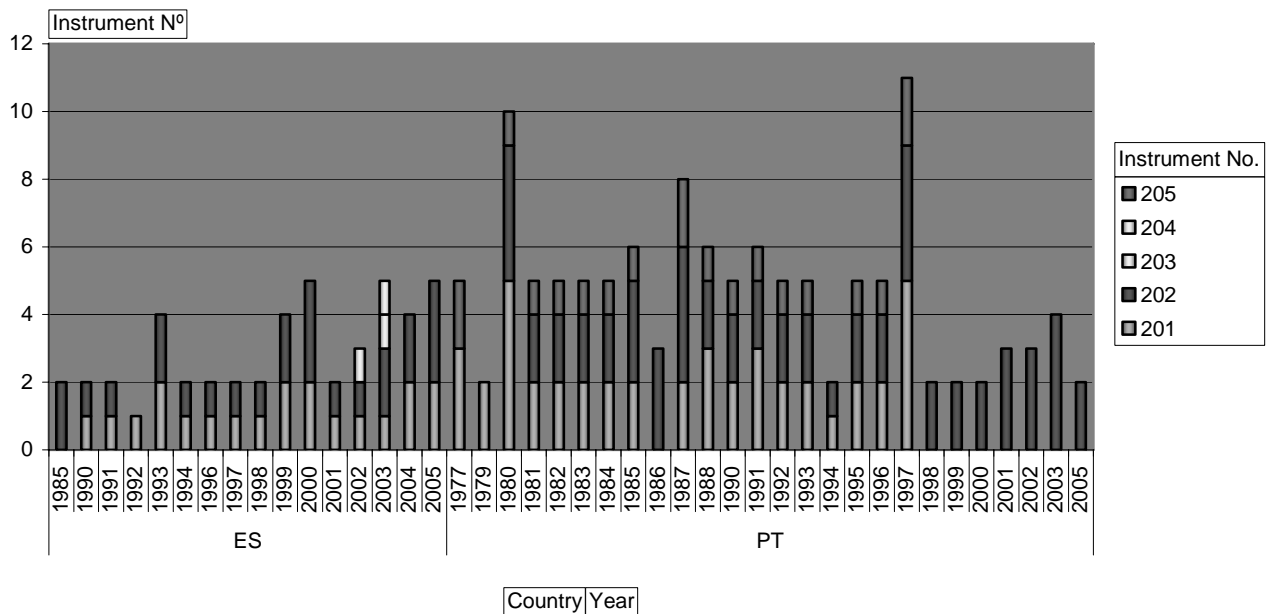
Coding category 2

**Policy Instruments:  
Variation across countries and across time**



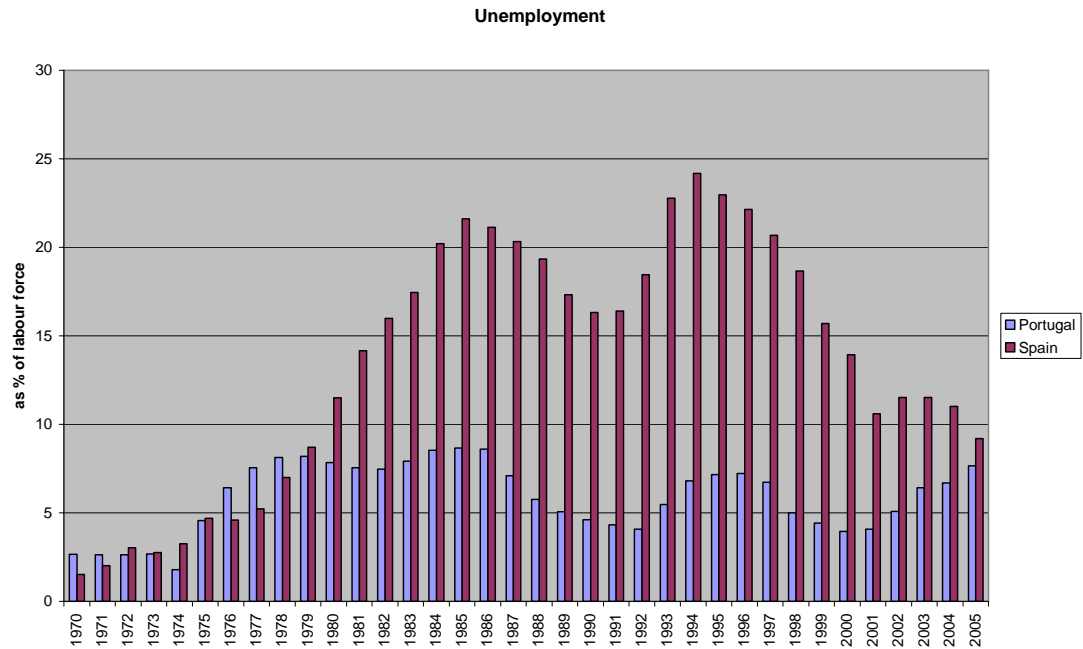
Coding category 2

**Type of Policy Instruments:  
Variation across countries and across time**

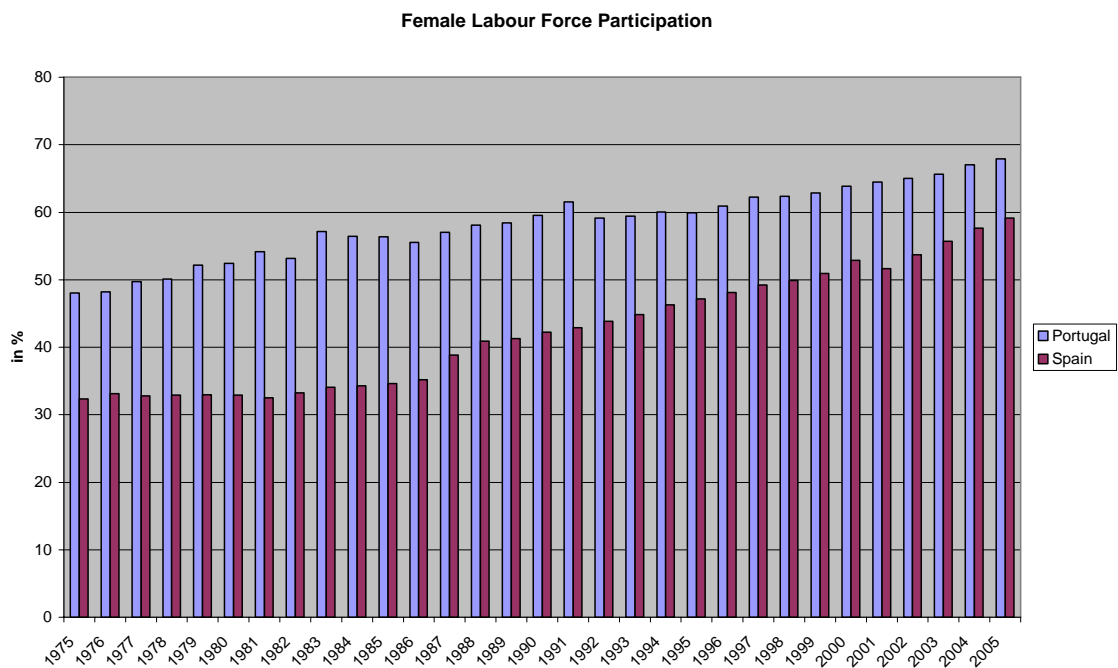


## Annex 2

### The labour market in Portugal and Spain

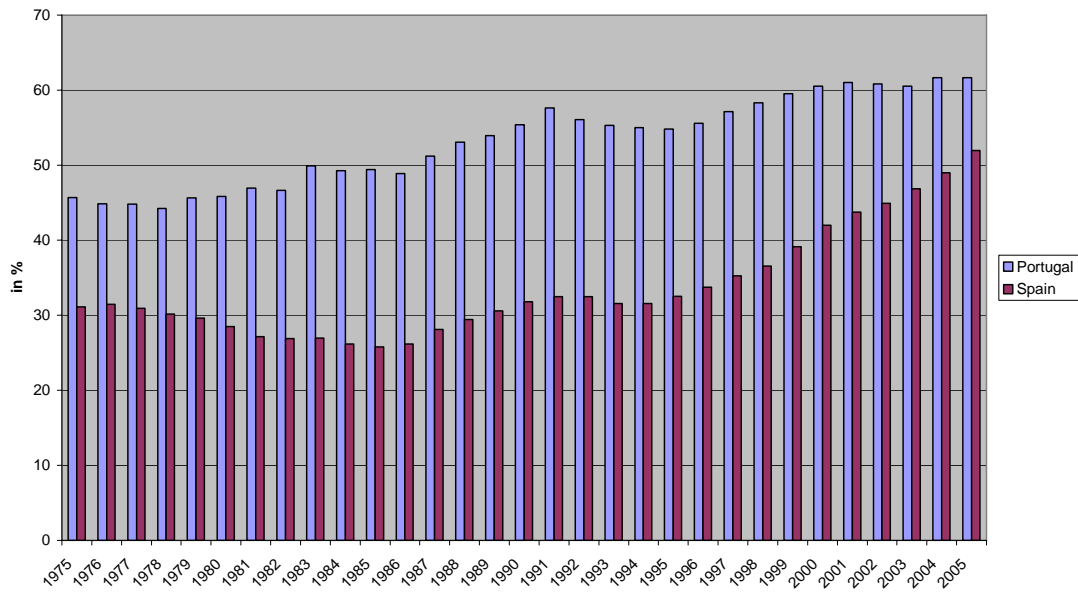


Source: OECD ALFS [Accessed on 28 May 2010].



Source: OECD ALFS [Accessed on 28 May 2010].

### Female Employment Rates



Employment rates of women aged 15 to 64 years. *Source:* OECD ALFS [Accessed on 28 May 2010].

## References

- Bachrach, P. and M. S. Baratz (1962): Two Faces of Power. In: *The American Political Science Review* 56:4, pp. 947-952.
- (1963): Decisions and Nondecisions: An Analytical Framework. In: *The American Political Science Review* 57:3, pp. 632-642.
- Bauer, M. and C. Knill (2009): Case Study on Policy Dismantling: Theoretical Reflections and Implications for Empirical Research. Consensus Project, 13 December 2009.
- Capucha, L., T. Bomba, R. Fernandes and G. Matos (2005): Portugal – A Virtuous Path towards Minimum Income? In: Ferrera, M. (ed.): *Welfare State Reform in Southern Europe. Fighting Poverty and Social Exclusion in Italy, Spain, Portugal and Greece*. London and New York, Routledge, pp. 204-265.
- Carlos, M. (2000): The Politics of Family Policies: Greece, Spain, and Portugal Compared. In: Pfenning, A. and T. Bahle (eds.): *Families and Family Policies in Europe. Comparative Perspectives*. Frankfurt a.M., Peter Lang, pp. 49-69.
- Daguerre, A. (2000): Policy Networks in England and France: the Case of Childcare Policy 1980-1989. In: *Journal of European Public Policy* 7:2, pp. 244-260.
- Esping-Andersen, G. (1999): *Social Foundations of Postindustrial Economies*. Oxford, Oxford University Press.
- and B. Palier (2010): *Los tres grandes retos del Estado del bienestar*. Barcelona, Ariel.
- Evers, A., J. Lewis and B. Riedel (2005): Developing Child-Care Provisions in England and Germany: Problems of Governance. In: *Journal of European Social Policy* 15:3, pp. 195-209.
- Ferrera, M. (1996): The ‘Southern Model’ of Welfare in Social Europe. In: *Journal of European Social Policy* 1, 17-37.
- Fishman, R. (2010): Rethinking the Iberian Transformations: How Democratization Scenarios Shaped Labour Market Outcomes. In: *Studies in Comparative International Development*, 45:3, forthcoming.
- Flaquer, Lluís (2000): *Family Policy and Welfare State in Southern Europe*. Universitat Autònoma de Barcelona, Working Paper 185, Institut de Ciències Politiques I Socials. Barcelona.
- Gerhard, U., T. Knijn and A. Weckwert (2005): *Working Mothers in Europe: A Comparison of Policies and Practices*. Cheltenham [etc.], Edward Elgar.
- Gonzalez, M.J., S. Vidal (2004): Where Do I Leave my Baby? Demand and Supply Factors in the Development of Early Child Care in Spain. Paper presented at the ISA Annual Conference, Paris, 2-4 September 2004.
- Guillén, A. (1996): Citizenship and social policy in Democratic Spain: The Reformulation of the Francoist Welfare State. In: *South European Society and Politics* 1:2, pp. 253-271.
- Guillén, A., S. Álvarez and P. Adão E Silva (2003): Redesigning the Spanish and Portuguese Welfare States: The Impact of Accession into the European Union. In: Royo, S. and Manuel, P.C. (eds.): *Spain and Portugal in the European Union: The First Fifteen Years*. London, Portland OR: Frank Cass, pp. 231-268.
- Häusermann, S. (2006): Changing Coalitions in Social Policy Reforms: The Politics of New Social Needs and Demands. In: *Journal of European Social Policy* 16:1, pp. 5-21.
- Iglesias de Ussel, J. and G. Meil (2001): *La política familiar en España*. Barcelona, Ariel.
- Jaumotte, F. (2003): *Female Labour Force Participation: Past Trends and Main Determinants in OECD Countries*. Economic Department Working Papers No.376, OECD, Paris.
- Jordana de Pozas, L. (1938): *Política Familiar del Nuevo Estado*. Aldus, Santander.

- León, M. (2007): Speeding Up or Holding Back? Institutional Factors in the Development of Childcare Provisions in Spain. In: *European Societies* 9:3, pp. 315-337.
- Levy, H. (2003): La reforma del sistema de protección por hijo a cargo en España, en un contexto europeo. Trabajo preparado para el Encuentro de Economía Pública, Tenerife, 6 y 7 de febrero de 2003.
- Matsaganis, M. et al. (2006): Reforming Family Transfers in Southern Europe: Is there a Role for Universal Child Benefits? In: *Social Policy & Society* 5:2, pp. 189-197.
- Meil, G. (1994): L'évolution de la politique familiale en Espagne. In: *Population* 4-5, pp. 959-984.
- (2006): The Evolution of Family Policy in Spain. In: *Marriage & Family Review* 39:3, pp. 359-380.
- Michel, S. and R. Mahon (2002) (eds.): *Child Care Policy at the Crossroads. Gender and Welfare State Restructuring*. New York, London, Routledge, pp. 1-27.
- Naldini, M. (2000): Family Allowances in Italy and Spain: Long Ways to Reform. In: Pfenning, A. and T. Bahle (eds.): *Families and Family Policies in Europe. Comparative Perspectives*. Frankfurt a.M., Peter Lang, pp 70-89.
- OECD (2007): *Babies and Bosses. Reconciling Work and Family Life: A Synthesis of Findings for OECD Countries*. Paris, OECD.
- Pereirinha, J. A., M. Arcanjo and D.F. Carolo (2009): *Prestações Sociais no Corporativismo Português: A Política de Apoio à Família no Período do Estado Novo*. GHES Working Paper 35, Gabinete de História Económica e Social, Lisboa.
- Portugal, S. (2000): Retórica e acção governativa na área das políticas de família desde 1974. In: *Revista Crítica de Ciências Sociais* 56, pp. 81-98.
- Sánchez-Mangas, R. and V. Sánchez-Marcos (2008): Balancing Family and Work: The Effect of Cash Benefits for Working Mothers. In: *Labour Economics* 15, pp. 1127-1142.
- Valiente, C. (1996): The Rejection of Authoritarian Policy Legacies: Family Policy in Spain 1975-1995. In: *South European Society & Politics* 1:1, pp. 95-114.
- (2002): The Value of an Educational Emphasis: Child Care and Restructuring in Spain since 1975. In: Michel, S. and R. Mahon (eds.): *Child Care Policy at the Crossroads. Gender and Welfare State Restructuring*. New York, London, Routledge, pp. 57-70.