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Portuguese Democracy from a Comparative and Theoretical Perspective

Since the 1970s, countries and regions throughout the world have engaged in the difficult transition from dictatorship to more liberal and inclusive regimes. Portugal led that wave of change, ending its dictatorship in 1974, slightly ahead of its southern European neighbors Greece and Spain. At that time Portugal's action was a rare instance of liberalizing change; the Soviet bloc was intact, and authoritarian regimes in Africa, Latin America, and Asia remained firmly in power. Thus, because of its relatively successful democratic transition and consolidation, Portugal was a pioneer in democratization.

The importance of the Portuguese case lies primarily in special characteristics of transition and consolidation that distinguished the country from its neighbors. In Spain the transfer of power from the Franco dictatorship to a more liberal, pluralist regime was based largely upon compromises between the traditional political elite and the opposition, thereby avoiding a sustained period of massive popular mobilization. The military, long a defender of Franco, was an obstacle to change rather than a catalyst. By contrast, Europe's oldest dictatorship ended dramatically through the efforts of the leftist Armed Forces Movement (MFA), which was followed by intensive popular mobilization. Spain's slower, more controlled

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transition contrasted sharply with Portugal's apparently radical and anarchic process. From the initial coup that overthrew the corporatist dictatorship (April 25, 1974) to the election of a functioning parliament two years later, the country followed an original and complex course that fostered both a narrow alteration in regime and a series of significant socioeconomic changes. The process of political democratization was simultaneously a crisis of participation, economic distribution, and property relations. It involved the extensive nationalization of industrial and bank holdings, the expropriation of land, the blossoming of trade union organizations, worker occupation of factories, and the emergence of more than a dozen political parties.

Portugal adopted a new constitution institutionalizing a competitive electoral system in the aftermath of these sweeping reforms and mass activity. The preamble to the 1976 constitution showed the unique effect of the country's democratization process, providing guarantees about the form of political regime as well as the socialist character of socioeconomic transformations:

> The Constituent Assembly affirms the decisions of the Portuguese people to defend national independence, to guarantee the fundamental rights of the citizens, to establish basic principles of democracy, to assure the primacy of a democratic State of Law and to open the way towards a socialist society, in accordance with the will of the Portuguese people, taking into view the construction of a country which is more free, more just and more fraternal.

While most instances of democratization involve some redefinition of the social contract, exceptional cases such as Portugal question much of the prevailing social settlement involved in the traditional relations among social classes, institutions, public opinion, and political leaders. In that sense, Portugal's experience can be called *expanded democratization.*

Unlike Spain, Portugal has not often been highlighted as a model for democratizers. As long as other transitions to democracy were largely contained within the broad pattern of economic and social organization, Portugal was largely considered an exotic, deviant case with little comparative significance. Despite two decades of democratic consolidation and functioning after the turmoil of transition, the country's experience was not fully appreciated. The study of Portugal's evolution from authoritarian

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corporatism to revolutionary populism during transition, to political and economic ambiguity during much of consolidation, and finally to membership in the EC within the paradigm of European democratic capitalism has been limited primarily to Portuguese specialists. With the collapse of the Soviet Union and the disintegration of its political bloc, however, conceptualizing a transition to democracy as a process of replacing one set of political institutions with another seems insufficient. As in Portugal, such transitions now entail a fundamental reexamination of the social settlements fostered by previous regimes. In many ways, the collapse of Soviet authoritarianism has produced a pattern of centralized dictatorship, quasirevolutionary transition, and ambiguous consolidation similar to Portugal.

The growing theoretical literature on democratization has not always been sensitive to the interaction between narrow political and broader societal levels of analysis. The political system has been covered in detail, including the causes behind the breakdown of authoritarian regimes as well as the prospects for stabilizing parliamentary democratic arrangements.[1] Schmitter (1986) has pointed to the impact of institutional variables in his discussion of the breakdown of authoritarianism and the transition and consolidation stages of democratization. Specifically, in outlining the prospects for a successful democratic transition, he emphasizes such factors as the importance of a previous parliamentary tradition; the possibilities for institutional adaptation from regional models, which benefited southern European countries surrounded by liberal democracies but created disadvantages for Latin American nations; and the viability of autonomous associational groupings in civil society. He also emphasizes links between international and domestic institutional patterns by noting the role of the European Community in supporting efforts to adopt a Euromodel, regional party links, and the types of treaty obligations that might help or hinder attempts to establish a specific political regime. Moreover, he believes institutional developments have been stimulated by appropriate developments in public opinion and culture and are a product of contacts among citizens in both democratizing and already democratic countries (as was the case in southern Europe).

According to O'Donnell and Schmitter, (1986) the vital actors in the democratization drama were rarely macrosociological in nature, but rather hard- and softliners whose identification was largely determined by their political inclinations and momentary perceptions of strategic gain or risk. As they put it, "the shorter-

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term political calculations cannot be 'deduced' or 'imputed' to such [socioeconomic] structures—except in an act of misguided faith" (1986, 5). Only rarely or incidentally were the underlying stakes in change presented as a reworking of the basic social settlement among key socioeconomic forces. The main focus of their generalizations about democratization involved a plethora of possible actors and dealt more with the political process (defined as key steps in an uncertain and reversible transition) or institutional outcomes rather than overarching socioeconomic issues.[2] Their comparative assessment of democratization led them to favor a separation of the political and social or economic moments of the democratization process, and the Portuguese experience did not follow this "ideal" course.

While this analysis suggested that countries have a choice to narrow their democratizations to political institutions and pluralist aspects, it is evident that Portugal and the former Soviet bloc have been challenged by both political renewal as well as broader social transformation. Rather than isolate their political moments, give confidence to old elites, and set limits to policy innovation as a condition for elite acquiescence, their democratizations have been more confrontational, open ended, and multifaceted. These commonalities demonstrate our need to study the larger picture of regime and societal change and seek out new frameworks for the analysis of democratization. An empirical examination of the Portuguese case is instructive, showing a country that went through a quasirevolutionary transition to democracy yet managed to become a full, if less developed, partner in mainstream European life, a relatively stable element along the southern rim of Europe.

The literature on Portuguese democratization, while varied and theoretically eclectic, has focused primarily on the political dimension of change, especially after transition ended in 1976. Thomas Bruneau and Alex Macleod (1986) are largely concerned with aspects of institutional structure and process.[3] Walter Opello (1985) provides an interesting assessment of the Portuguese political system within a modernization and political development framework.[4] Nancy Bermeo's (1986) work on the Portuguese revolution and its impact on the land tenure system places more attention on the interaction between institutional events and agrarian social relations. Nicos Poulantzas (1976) makes a concerted if cursory attempt to address the relations between state institutions and the interests or agendas of underlying social agents. He presents an

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argument about socioeconomic changes during the 1960s that created crises in the prevailing dictatorships.[5]

Beyond limitations in substantive questions and theoretical perspectives, comparativists have often failed to underscore sufficiently the unusual dynamics of state-society linkage during the phases of Portuguese democratization. Rather, in seeking to establish broader generalizations or a regionally derived framework for analysis, scholars have homogenized southern European experiences. For example, Schmitter (1986) contrasts southern European democratization as a whole with events in Latin America. He argues that southern European countries "have entered into, and can be expected to remain within, the range of institutional variation and patterns of political conflict characteristic of Western Europe as a whole" (1986, 3). This tendency to homogenize is not limited to a single theoretical tradition; even Poulantzas (1976) saw democratization as essentially similar in Greece, Spain, and Portugal because in all cases the "domestic bourgeoisie" sought a greater share of political power and stimulated a change in regime.[6] Hybrid scholars such as Salvador Giner (1986), who combines components of pluralist and class analysis, also tend to generalize about southern European democratizers, considering them instances of modernization meant to bring the periphery of Europe into the modern mode of the center, thus resulting in parliamentary-corporatist convergence.[7]

The similarity of Greek, Spanish, and Portuguese transitions and consolidations should not be taken for granted; only in Porgugal was there a need to reconcile a quasirevolutionary transition with a reformist consolidation. The inability of general models to capture the Portuguese situation can be highlighted by incorporating Stepan's (1986) discussion of routes to redemocratization, which focus largely on transition rather than consolidation phases. He argues that most recent democratizing experiences fall into one of two basic types. The first involves a "move toward redemocratization [that can] be initiated by the wielders of authoritarian power themselves" while in the second "oppositional forces play the major role in terminating the authoritarian regime and in setting or not setting the framework for redemocratization" (1986, 65).

Within the first type, three variations are possible: the initiating group can be drawn from the civilian political leadership, a military government can provoke a regime change, or the military within a largely civilian dictatorship can act to preserve its own institutional interests and depose a hostile government. The second route also includes several options: the "society led regime termina-

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tion" in which "diffuse protests by grassroots organizations" combine with "general strikes and . . . general withdrawal of support for the government" (1986, 78), the "party pact with or without consociational elements" when both the breadth of opposition as well as the consensus on the new regime are demonstrated to the authoritarian leaders, the "organized violent revolt coordinated by democratic reformist parties" in which the authoritarian leaders are defeated and the need for a carefully erected system of consociational obligations is reduced, or the Marxist-led revolutionary war in which revolutionary forces come to power after "defeating the state apparatus and a sector of the social order is displaced without waiting for the results of elections" (1986, 83).

While elements of each route exist in many cases, the degree to which they were blended in Portugal was particularly striking. After his accession to power in the late 1960s, civilian leader Marcello Caetano attempted a short-lived political liberalization seemingly a "move toward redemocratization initiated by the wielders of authoritarian power themselves." By 1974 the military felt obliged to overthrow the Caetano regime. The subsequent period followed routes in which "oppositional forces play[ed] the major role in terminating the authoritarian regime and in setting or not setting the framework for redemocratization." The society-led process did not, as Stepan's model suggests *precede* the fall of Caetano but rather developed and accelerated *after* the Armed Forces Movement had already ousted the old leadership. The construction of a grand oppositional pact occurred simultaneously but was brief and unstable, lasting only a few months during 1974.

What followed was even more complicated. Political parties played an increasingly important role, and the Portuguese Communist party (PCP) was especially strong during parts of 1974 and 1975. In some ways, the country came close to Stephan's model of the "Marxist-led revolutionary war" as the PCP, the revolutionary left, and elements of the MFA sought to establish an MFA-people alliance at the margins of the reformist parties. Reaction to this attempt could be called an organized revolt coordinated by democratic reformist parties (especially the Socialist party), but it was an effort to prevent the consolidation of a Communist regime rather than throw out the corporatist dictatorship. Finally, a kind of party pact was established that by 1976 created a broad, general consensus on the institutional characteristics of the new regime, although the social settlement defining what elements of the leftist transition were to be retained was uncertain.

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This complex pattern of developments implies that Portugal was unique among southern European systems. As Gunther et al. (1986) have suggested, Spain primarily followed the route of internal redemocratization coupled with a party pact. Greece also emphasized internal reform without a distinct break with the past. Certainly, Portugal diverged most from the regional paradigm of narrowly political democratization because it *expanded* democratization to social and economic realms rather than simply altered political institutions.

Conceptualizing Change: Theoretical Perspectives, Hegemonic Projects, and Accumulation Strategies

Political scientists have naturally posed questions about the legitimacy of governments and regimes, especially in the aftermath of a democratic transition. When the turbulence of social change has been limited during transition, this approach captures the essence of events.[8] Nevertheless, Portugal, Nicaragua, and the former Soviet bloc seem deviant when democratization is narrowly conceptualized according to orthodox scholarship. Their common experience of expanded democratization demands a conceptual approach that captures the multidimensional character of change.

Because expanded democratization involves profound questions of power, social relations, and the state, their conceptualization requires a special framework. As Alford and Friedland argue, the three dominant theoretical perspectives—pluralist, managerial, and class—each have specific "home domains of description and explanation" (1985, 3). The pluralist perspective concentrates on the "political behavior of individuals and groups and the influence their interactions have on government decision making" (1985, 4). Empirically, the key elements are citizens, representatives, and officials whose coexistence within a political system is punctuated by a constantly changing set of issues that need to be resolved. When conditions for group organization and demand articulation are present, interest groups will press their demands, which are aggregated and organized by the political parties. The perspective emphasizes the fluidity of the political scene with a wide array of broadly defined groups engaged in the political game. Pluralist analysis seems the most appropriate in situations characterized by the presence of a broad consensus on the political format—normal, nonparadigmatic politics. For the analysis of an expanded instance of

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democratization in which the basic model of state and society is unsettled, its conceptual relevance diminshes.[9]

The managerial perspective deals with "organizational structures—both inside and outside the state—and the domination of the elites that control their relationships." It focuses on how "organizational structures of power protect themselves both from unorganized participation and from the kinds of issues that they cannot manage or control" (1985, 5). The framework seems especially relevant to the analysis of party-pact or consociational democratizations where the role of organizations and institutions in negotiating the terms of democratic transition is especially important. Despite the fact that all democratization events involve some conflict over the form and function of the state, elite-dominated transitions keep these struggles to a minimum. Expanded democratization fundamentally questions those boundaries and the established patterns of elite domination, making the elite perspective less compelling as a analytical approach.[10]

The class perspective emphasizes the "relationship among capitalism, the state and democracy" (1985, 5). It directs attention to the underlying social tensions intrinsic to class-divided societies given the particular configuration of modes of production. It also posits a key role for class power in shaping the contours of the state and regime. Changes associated with democratization are determined by the ability of the dominant class (or segments) temporarily to overcome or neutralize the contradictions attendant to capitalist development and its hegemony over underlying classes.[11] This, in turn, is related to the intensity of the divisions between competing class segments (intraclass conflict) combined with the strength of antagonisms between dominant and subordinate classes (interclass conflict).[12]

These points are typical of Poulantzas's work. He argues that forms of the state "involve a different balance of forces between the various components and class fractions of this power bloc intelf." For him, the "parliamentary-democratic state" is one in which there is "an organizational framework for the organic circulation of hegemony among different fractions of the power bloc by way of their political representatives" permitting the balance of forces within the power bloc to change without a serious upheaval in the state apparatuses (1976, 91). By contrast, "the exceptional state comes into being in order to remedy a characteristic crisis of hegemony within the power bloc, and in this bloc's relationship with the popular masses" (1976, 92). This perspective has the advantage of

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linking broad macrosociological phenomena to the political system as a natural part of its home domain. Expanded democratization constitutes a crisis of hegemony that is ultimately a power struggle to establish a basic pattern of social relations. As Alford and Friedland note, "power is observed in the reproduction of hegemonic social relations, that is those that permeate every social institution and are unquestioned by most of the population" (1985, 274). Contests over the terms of hegemonic domination are the cornerstones of expanded democratization, making class analysis especially well suited to examining such cases.

Because the class analysis home domain is relevant to expand democratization, this book employs and elaborates upon several of its core concepts. I evaluate the factors that shaped Portugal's entry to and emergence from hegemonic crisis to an amorphous middle ground (which I have called *dishegemony*) and finally to the more recent reestablishment of capitalist class hegemony. In part, the Portuguese case suggests that expanded democratization stems from long-standing fundamental policy controversies not adequately resolved under the old regime. The collapse of the old political institutions meant that the entire set of institutions, policy limits, value assumptions, and favored interests associated with the policy paradigm came under critical scrutiny. Thus, aspiring parties seeking electoral support must offer generalized critiques of the old system and specify programmatic alternatives establishing support only not for liberal democracy but also a basic social settlement.

Bob Jessop has provided a conceptual framework to help bridge the gap between general concepts found in class analysis; the concepts of expanded democratization and social settlements; and empirical targets of inquiry such as parties, public opinion, trade unions, and economic structures. According to Jessop (1983), a conceptual separation should be made between an accumulation strategy and a hegemonic project. The former is associated with "a specific 'growth model' complete with its various extra-economic preconditions and outlines the general strategy appropriate to its realization" (1983, 91). These growth models span a broad spectrum of alternatives applicable to different capitalist economies. Some are strategies directed largely at marshaling higher growth rates in the Third World, such as import substitution and export promotion. Others are more typical of advanced capitalist countries with some variations on the common theme established after World War II. Jessop has postulated that "Keynsianism is a general accumulation strategy found in various capitalist economies and marking a long

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wave of accumulation from the 1930s through to the 1970s" (1983, 97). Viewed in this way, specific adjustments to that model become adaptations reflecting the particular balance of forces in each economy and resulting in militarist or welfare-oriented accentuations. For Jessop, the key function of an accumulation strategy is the integration of the circuit of capital, which involves the continued expansion of industrial capital either under its own leadership or when another segment of capital is economically hegemonic.[13]

A hegemonic project is distinguished from an accumulation strategy by its broader purpose. While *strategy* is restricted to the level of economic functions and relations, the *project* encompasses political, moral, and intellectual alternatives. Its point is to "resolve the abstract problem of conflicts between particular interests and the general interest" under the leadership of a hegemonic class or class segment (1983, 100). Moreover it involves "the mobilization of support behind a concrete, national-popular program of action which asserts a general interest in the pursuit of objects that explicitly or implicitly advance the long-term interests of the hegemonic class and which also privileges particular 'economic-corporate' interests compatible with this program" (1983, 100). In part, what legitimacy is to the pluralist emphasis on political institutions, a hegemonic project is to the class perspective: a broad agreement established around a set of institutions and norms guiding the accumulation process. A social settlement is that part of a hegemonic project that creates and sustains a dynamic agreement between and with classes regarding the institutions and policies appropriate to their continued mutual coexistence. Not quite as vast as a hegemonic project but clearly a fundamental component, a social settlement can include the character of industrial relations, the scope of workers' rights, the size of the state sector, and the emphasis on redistributive or welfare policies. Expanded democratization is characterized by the combined democratization of the political regime and the creation of a new social settlement as part of an effort to rework the prevailing hegemonic project.

Guided by these concepts, an analysis of democratization should include an appraisal of the *process* by which a viable hegemonic project is engendered in the aftermath of the collapse of the old order. While the transition from democracy to authoritarianism is typically a crisis involving a regime's legitimacy, it is not always a crisis of social settlements because no reconsideration of fundamental class arrangements necessarily takes place. When intra- or interclass antagonisms become acute, democratization may expand into

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a crisis of hegemony as the authoritarian regime proves unable to establish an effective accumulation strategy consistent with its old hegemonic project. This may lead to a crisis such as Stepan's "Marxist-led revolutionary war" or, in a less serious case, to an "organized violent revolt coordinated by democratic reformist parties."

To the extent that the crisis in the old order enables political forces to press for broad constitutional and socioeconomic reforms, the emerging hegemonic project becomes increasingly uncertain. Before the collapse of the Soviet Union, the possibility for replacing a capitalist hegemonic project with one inspired by the Soviet model appeared possible in some circumstances—for example, during certain moments of the Portuguese transition. With the collapse of the Soviet Union, however, the likelihood that a completely noncapitalist model will emerge from such a crisis has sharply diminished. More likely, and also applicable for several years to the situation in Portugal, such a crisis might result in *dishegemony*, a condition in which the dominant class cannot assert a broadly acceptable hegemonic project compatible with parliamentary democracy but in which the popular masses are unable to fashion a viable alternative.

Under dishegemony, neither the historically dominant nor the subordinate classes appear able to shape an accumulation strategy that provides efficiency, a politically acceptable degree of equality, and the preservation of democratic institutions. Instead, policies may veer left and right as proponents of contesting hegemonic projects seek to package electorally accaptable solutions to economic crises and institutional ambiguities. Whether a country slips back into authoritarianism or stabilizes as a form of democratic capitalism depends on the strength, success, persuasiveness, and credibility of the proponents.

Hegemonic Projects and Democratization in a European Context

Stepan's routes of democratization and Jessop's concepts imply that a considerable breadth of variation exists in the degree to which hegemonic projects are globally assaulted and replaced during the course of democratization. As I noted earlier, however, some authors have suggested that democratization in southern Europe can be viewed from a regionally homogeneous point of view, an interpretation emphasizing the relative similarity of institutional

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change and national-popular programs across European political economies. In a post-cold war context there is a greater likelihood that even a dishegemonic situation will evolve in the direction of a hegemonic project consistent with surrounding democratic capitalist states. In Western Europe, therefore, democratizing countries will probably gravitate to what Kesselman et al. (1987) and Bornstein (1984) have called the *postwar settlement.* The term refers to the fact that after World War II, the role of the state was transformed. The "prevailing orthodoxy during the previous history of the capitalist state gave way to Keynesianism in economics and to the 'welfare state' in social policy." Governments broke with anti-interventionist precedents and used "state power for macroeconomic management with the aim of preventing a recurrence of the Depression," thereby supplementing but not supplanting markets (Bornstein 1984, 56). The extension of the state's responsibility for the provision of social services meant that the terms, if not the global nature, of the hegemonic project had been redefined. As Przeworski argues, "this combination of private property, redistribution of income and a strong state seem[ed] like an ideal package for almost everyone," capitalists and workers alike. Not only was Keynesianism a convenient political compromise, but it also positively evaluated the importance of consumption within the accumulation strategies needed to foster successful growth. Thus it made "increases in lower incomes not only [appear to be] just but also technically efficient from the economic point of view" (1986, 62).

Yet as Przeworski and Wallerstein (1985) and Bornstein (1984) have recognized, the postwar settlement was not etched in stone or homogeneously adopted throughout Europe.[14] Bornstein divides the changes in Western Europe into three periods, each pointing to the dynamic character of the postwar settlement.

> (1) 1945 to the mid-1960s, the period during which the new political and social institutions and arrangements (the "postwar settlement") came into being and flourished; (2) the period mid-1960s to 1973, during which economic difficulties and social unrest prompted efforts at rearranging some of the elements of the postwar settlements . . .; and (3) the period of severe economic crisis and political and social instability, 1974 to the present. (1984, 56)

Thus, the democratization of southern Europe (starting around 1974) appeared at a time of growing crisis in postwar arrangements among

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the countries of Western Europe. To emphasize the convergence of the recent democratizers with *the* European model at a time whan it was facing serious review overplays its static and conclusive nature.

Furthermore, it is evident that the model was never adopted crossnationally in the same manner and to a similar degree. Bornstein, who emphasizes industrial relations, argues that "the power of the state to reorganize industrial relations in ways that might reduce or at least regularize industrial conflict and facilitate smooth economic growth . . . assumed different characters and attained very different degrees of success from country to country" (1984, 56). Despite his narrow concern, his classification of countries implies significant dissimilarities in postwar settlements. He makes a basic division between countries "such as Sweden, Austria and the Netherlands where political elites managed to transform industrial relations by means of institutional arrangements that have been called 'neo-corporatist,' and those such as Britain, France and Italy where no such arrangements emerged and conflictual modes predominated" (1984, 56). Broadly speaking, the basic geographic pattern divided Europe into northern neocorporatist and southern conflict models, with Britain joining the south, Austria the north, and Germany indecisively placed in the middle.[15]

The impact of this geographic pattern upon European democratization efforts further dispels the idea that democratization should necessarily result in the implementation of a *common* postwar settlement. For Portugal, Spain, and Greece, democratization occurred in the European region in which parliamentary neocorporatism was weakest. In Spain and Portugal, dictatorial corporatism had been the prevailing orthodoxy. Hegemonic projects had evolved in a manner that structurally excluded subordinate classes from independent participation, enforcing a policy paradigm from above. Within that paradigm a limited pluralism of interests (Linz, 1973) could contest policies, but consensus or legitimacy was not subject to free and fair electoral ratification. The dictatorships' national-popular programs stressed elitist, paternal, and nationalist themes (as well as an imperial-colonial one in Portugal).

Portugal's participation in NATO notwithstanding, the Salazarist form of corporatism conflicted extensively with both northern and southern versions of the Western European settlement. It clearly jeopardized the evolving accumulation strategy based on closer economic ties to Europe and a greater distancing from the colonies. Because of the flux in European postwar settlements at the time of the dictatorship's demise, conflict between

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contesting national-popular programs might have been expected.[16] The fall of dictatorships heralded the arrival of the political centerpiece of postwar Europe's reconstruction: parliamentary democracy, the most consistently consensual element of postwar settlements. By contrast, given the balance of political forces, the social and economic content of policies within parliamentary democracy depended upon the plausibility of hegemonic projects.

Portugal's geographic location on the southern rim of Western Europe made it a likely candidate for a conflict model of postwar settlement. Bornstein's argument about the conditions stimulating the divergence in northern and southern models allows us to examine Portugal's potential relevance to either model. Bornstein offers a set of reasons explaining why neocorporatist forms emerged in Sweden and Austria. First, the union movements effectively organized a high proportion of the working population and had well-staffed and well-financed bureaucratic bodies. National leaderships could reliably exert centralized control of rank-and-file members. The union movement was composed of a single, principal peak organization or several bodies with a history of cooperation or nonideological competition. The role of communists was limited in such instances. With similar structural features, capitalist organizations were disinclined to make broad ideological attacks upon the rights and legitimacy of organized labor. In addition, the state itself had "a long tradition of welfare activities" as well as "efficient, centralized bureaucratic structures" and "a special sort of linkage with organized labor" (Bornstein 1984, 58). Either a powerful social democratic party (Sweden) or strong consociational mechanisms brought contending interests together.

The national economies of each country were strong and competitive, but due to the relatively small size of their domestic markets they tended to be export oriented. Industry's dependence upon foreign markets gave both workers and capitalists a strong interest in collaborating to improve productivity, keep costs and inflation down and keep the economy growing rapidly enough to create employment that compensated for job losses in markets facing competition from economies with lower labor costs. The closing of the circuit of capital was fostered by the limited alternatives to export-oriented growth, resulting in the effective channeling of resources to the industrial sector. This was fostered either by state policy or the banking system, largely with the acceptance of subordinate classes. The hegemony of the industrial part of the capitalist class over the accumulation policy was essentially uncontested.[17]

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The coincidence of these characteristics resulted in a relatively successful hegemonic project that not only developed methods of maintaining the framework of capitalist accumulation, but also devised a relative consensus over the nature of the accumulation strategy, policy paradigm, and redistributive outlays to subordinate classes. This was accomplished by a system that did not necessarily neglect organized labor and labor parties within the policy network. Rather, it encouraged the participation of working-class peak organizations and became an important tool for maintaining the growth model and regime legitimacy.[18] Przeworski's characterization of the democratic class compromise as combining private property, redistribution of income, and a strong state as an ideal package for almost everyone seems particularly appropriate in such cases.

By contrast, the pattern in the conflict-based regimes of southern Europe was characterized largely by the absence of northern features. Membership in trade unions was lower in comparison to the neocorporatist regime, and proportion of the unorganized working class remained significant. Rather than single peak organizations representing labor, the unions were divided along political and religious lines. The politicization of the union movement was also expressed in the important role typically played by each country's Communist party in influencing the predominant trade union confederaton.[19] The relative radicalism of the trade unions was met by a hostile bourgeoisie that did not eagerly accept the legitimacy and claims of unions. The greater radicalism of the left and the unions was further bolstered by the weaker tradition of the welfare state, although this varied according to place and time. Divided between Communist and Socialist or social democratic camps, the left's role in governing was relatively small. In Italy the Socialists occasionally joined the Christian Democrats but always as a parliamentary minority, and in France the left was out of power throughout the 1960s and 1970s until François Mitterand's successful campaign in 1981.

Bornstein also mentions the strength of the national economy as a variable, although one less easily incorporated than some others. Both France and Italy had very strong postwar recoveries, which contributed to the growing power of labor in the 1960s. The models of accumulation varied among the countries, with the state typically playing a strong role but with differences effected by large, medium, and small capital.[20] Both Italy and France were less industrialized and maintained large numbers of small and medium-sized

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firms, which contributed to the dilution of urban working-class power and a less unified hegemony among capitalist segments than in the neocorporatist cases.

To what degree can the characterization of southern European countries as polarized, fragmented, noncorporatist, and weakly hegemonic be extended to states whose democratization occurred only when the postwar settlements were themselves in crisis? More important, how has Portugal emerged from an expanded democratization, intrinsically predisposing it to a more extreme version of weak hegemony, finally to adopt major elements of a new hegemonic project mixing elements from both north and south? Using the concepts set forth in this chapter, this book investigates the conditions relevant to the collapse of the corporatist dictatorship, the expanded democratization of the transition, and the dishegemony of the consolidation of democracy. By identifying key variables and processes, I portray the Portuguese case as one option among several possible courses of democratization.

My main argument can be briefly summarized. Portugal's democratization was predicated upon deep divisions within the traditional ruling elite and dominant class. These divisions could not be overcome because of institutional reasons as well as contradictory interests within the ruling circles that prevented a clear policy direction from emerging. The fall of the dictatorship was an instance of relative state autonomy during a complete collapse of traditional leadership. This enabled the dictatorship's historic political opposition to play a paramount role in articulating a new hegemonic project.

The quasi-revolutionary transition to democracy featured particularly intense competition among political forces as leftist elements sought to expand democratic change to fundamental social and economic reforms. Unable to implant a counter-hegemonic leftist model the transition resulted in a dishegemonic impasse. As the transition ended and consolidation started, political parties played a key role in expressing hegemonic alternatives, with elections taking the form of referenda on models of society. Both left and right needed appropriate social and electoral support to pursue their policy preferences legitimately.

The consolidation of democracy proceeded through four phases of evolution, culminating in the Social Democratic party's (PSD) electoral victory in 1987.[21] The party's success gave it a relatively strong mandate for pursuing democratic capitalism with several elements of the southern conflict model in place. Nevertheless,

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residues of the revolutionary transition continued to hound the party's attempts to institutionalize its neoliberal hegemonic project rapidly. Signs of creeping neocorporatism were also evident, blunting the country's evolution toward the southern model. Structural characteristics of the Portuguese economy made the neocorporatist, northern model difficult to implement because the country's comparative advantage lay in low wages for a given level of productivity. The government, trade unions, and industrialists all showed ambiguous commitment to tripartite bargaining. Broadly speaking, the Portuguese case illustrates the difficulty of finding suitable institutional and social arrangements to consolidate a hegemonic project in the aftermath of expanded democratization. It also represents an instance in which parliamentary democracy survived despite the radicalism of the transition and the weakness of the traditional ruling circles. In my concluding chapter I compare Portuguese democratization to the process now underway in the former Soviet bloc, where substantial political and social change makes other models of democratization less relevant.

Organization of the Book

The book focuses on historical and empirical themes set forth in this chapter, although I make no sustained attempt to provide a detailed recounting of historic events. Chapter 2 reviews the outlines of the Salazarist hegemonic project and accumulation strategy, singling out the exceptional character of the Portuguese accumulation model and its contradictions before the 1974 coup. The chapter identifies soft- and hardliners within the old regime and in opposition and examines the revolutionary transition to democracy—from April 1974 when the old regime fell to the installation of the constitutional regime in 1976, a period that represented intense competition for hegemonic ascendency among a wide range of social and political forces.

Chapter 3 focuses on the character of dishegemony during the consolidation of democracy. It offers a distinct characterization of the consolidation and deals empirically with events pertaining largely to the political system. I examine the positions of the parties and parliamentary deputies on political and socioeconomic issues to identify the main lines of cleavage, and I relate the pattern of coalitions to the general theme of dishegemony. My basic argument is

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that as the revolutionary period deposed the leading segment of the dominant class and radicalized the subordinate classes, the political parties were particularly hard pressed to develop a coherent national-popular program either for channeling a revamped capitalist hegemony or for setting the terms of a substantially different arrangement based on a new counterhegemony of subordinate classes. The northern parliamentary corporatism was not immediately available as an option, in part because it was poorly differentiated from the southern authoritarian variant. The conflict-based model that discounted the left and placed the right in permanent control of the government was defied by electoral results that failed to give left or right a conclusive or sustained majority.

This chapter also argues that a strong deterrent to a transition to democratic socialism lay in political differences on the left: a polarization typical of southern European countries undermined the electoral majority that supported some brand of left politics. My examination of the composition of governments and election returns reinforces the idea that Portugal was dishegemonic: that is, unable to sustain the political conditions for an alternative to semiperipheral democratic capitalism yet incapable of finding another hegemonic project. Such a project would have been reflected in a consistent rightist electoral majority and government typical of France and Italy during the 1950s or 1960s and would have been necessary for revamping Portuguese capitalism. While signs of rightist resurgence emerged as early as 1979, only after the last revision of the constitution (1989) which allowed reprivatization of nationalized industries under the tutelage of a majority rightist government, could Portugal be said to have moved distinctly toward a hybrid version of the postwar settlement that Bornstein characterizes as a conflict-based regime.

Chapter 4 investigates the nature of the evolving hegemonic project in terms of its degree of popular consensus. This degree is largely measured with Eurobarometer surveys, which make it possible to examine relationships between variables such as the changing strength of voters' party attachments, the ideological self-placement of respondents and its tie to party vote, and the link between country goals or attitudes toward change and ideological and political divisions. The chapter is especially concerned with the period leading up to the Social Democrtic party's unprecedented single-party majority in the 1987 elections.

Chapter 5 investigates the social basis of political differences. Essentially, the chapter has two key concerns. The first is the extent

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to which the conditions for dishegemony—divisions within the left and electoral frailty on the right—correspond to structured social differences. Using an ecological approach, I compare the relative electoral stability of the Portuguese Communist party (in a world in which Stalinist forms of socialism no longer constitute a viable alternative to democratic capitalism) to the sharply varying fortunes of the Socialist party (PS), the ideal agent of a northern settlement. An examination of the social roots of ideology and partisanship follows, using Eurobarometer and ecological data. The chapter assesses the degree to which a broad social coalition was generated behind the PSD's national-popular program, thus overcoming historic urban-rural, north-south cleavages. It also addresses the impact of cleavages such as education, gender, age, and religion upon party support and left-right ideological divisions.

Chapter 6 analyzes the relationship between party competition and trade union strategies in an effort to link the emergence of a settlement to conditions mentioned by Bornstein involving the orientation of unions and employers toward corporatist-style negotiations. The splintering of the labor movement into pro- and anticorporatist confederations corresponded to political and ideological divisions within the left. A detailed analysis of trends over the last decade shows that this division was belatedly subject to an incumbent-opposition dynamic, especially involving competition between the Socialist and Social Democratic parties. The erosion of the Communist-influenced General Confederation of Portuguese Workers–Intersindical's (CGTP) anticorporatist stances during the late 1980s corresponded to the flip-flopped conditions of the late 1970s: the Socialists, now humbled and out of power, resented the institutionalization of neocorporatist arrangements by their primary political opponent and thus moved toward the left, closer to the Communists in union affairs. In the meantime, the CGTP—having largely abandoned its hopes for a noncorporatist and more radical left hegemony reflecting the gains of the revolution—came to perceive the corporatist mechanisms as a means for bringing the class struggle into the heart of the state. This led some CGTP leaders to seek a rapprochement with the Socialists and their reformist union confederation the General Workers' Union (UGT).[22]

The consolidation of a semiperipheral democratic capitalist system under Social Democratic oversight redirected strategic thinking on the left to emphasize a defense of labor's gains in exchange for a degree of union cooperation. The atrophy of the Communist alternative and the difficulties in giving more concrete

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form to democratic socialism led to a peculiar Portuguese adaptation of the European postwar settlement that combined some of the gains of the revolutionary transitional democracy with incipient elements of northern left parliamentary neocorporatism. In this sense, Portugal has proved to be less than a pure conflict-based regime.

Chapter 7 recounts the broad themes of party policy approaches to the dishegemonic situation during the four phases of the democratic consolidation. Focusing initially upon the failed attempts at developing a socialist "third road" that was neither communist nor capitalist, it devotes special attention to the right's strategy for controlling the economy. It examines the impact that such a strategy would have had on different parts of the Portuguese economy, especially as the ascendency of the PSD's hegemonic project shifted the focus from reconciliation and stabilization to reordered relations within the capitalist class. I draw a distinction between competitive and monopolistic segments of that class, showing the conflicts between the general goals of narrowing the differences between Portugal and the rest of Europe and moving away from the low-wage comparative advantage that has proved to be a key ingredient in renewed investment and growth over the last decade.

Chapter 8 offers an overall assessment of whether or not Portugal has joined the twentieth century. It extrapolates the key variables in the Portuguese experience and uses them to develop a typology of democratization that is applied to several countries and especially to parts of the post-Communist world. It uses the former Soviet bloc's experience to highlight the importance of factors that characterized expanded democratization in Portugal. The former Communist world has faced a crisis of hegemony even more severe than Portugal's because they have very weak or nonexistent capitalist classes to lead the democratization process. Political agents have been confronted with the need to assert national-popular programs that negate the authoritarian and irrational aspects of real socialism yet reconcile the emergent class contradictions implied by the installation of capitalism. Like Portugal, they are at the edge of modern Europe, often with conditions more like those of conflict-based regimes than of northern neocorporatism.

My analysis of Portugal suggests that the dishegemonic experience will be even more acute in Eastern Europe, although this depends on how well political parties propose acceptable combinations of new institutions and policy approaches given the extant social and electoral topography. The Portuguese experience under-

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lines the fact that during expanded democratizations, weakened historically dominant classes and elites cannot rely on structural power alone to assure a transition to capitalism under conditions of political democracy. The situational aspect of power—who is in policy-making positions and under what conditions—will play an especially critical role in both creating and legitimating accumulation strategies and social settlements.

Chapter 8 concludes by restating the need to combine the social and political dimensions of analysis to understand the specific trajectory followed by a democratizing country. Undoubtedly, the range of variability among hegemonic projects and internal social settlements is limited by structural and contextual factors. Yet a complex combination of specific historical events, preexisting policy divisions, types of newly available party coalitions given the pattern of ideological and electoral cleavages, and even the timing of political business cycles may determine many elements of the democratization process. Scholarship should be directed not simply to the explanation of relatively homogeneous outcomes but also to the exploration of factors influencing divergences in process or outcome. In this book I combine specific historical analysis with structural and situational factors to describe Portuguese democratization and offer a framework for the study of democratization elsewhere.

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