

Spanish Caciquism: Chronicle of an Underdevelopment Foretold?

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Abstract

This paper asks whether the Spanish economic development history has been characterized by a model of a *cacique* or despotic (under)development. This underdevelopment has four main features: authoritarianism, nepotism, fetishism and totalitarianism. The purpose of this analysis is to describe the main elements of caciquism, specially its economic growth model that defines and culminates the socioeconomic underdevelopment process in Spain and, specifically, in Extremadura (region in South-West of Spain). In this regard, the despotic processes that support and promote the social and economic underdevelopment are revised and analyzed, as well as its ecological aversion. In addition, a theoretical analysis framework is proposed and some evidences in Extremadura are analyzed. To conclude, it is explained that it is necessary a social and ecological revolution that leads the economic democracy to the very depths of caciquism.

Keywords: Spain; Extremadura; caciquism; agrarism; underdevelopment.

1. Introduction

“There is a mortal enemy, the caciquism, whose name really says it all, against which everyone protests and which nobody can talk about in the public life without applauding to battle it or in the private life without upsetting everyone who hears it.” (Mr. Moret, Government Minister, 1883).

As Marx said, the history of all hitherto existing society is the history of class struggle. In Spain and in Extremadura this history, that has been silenced and invisible, has been organized in a particular way, by a shadow government that can be called caciquism. This caciquism has been present in monarchical, republican, fascist or democratic regimes. A hybrid model which is characterized by the synthesis of feudal social conflict (servant-sir) and capitalist social conflict (labor-capital). The caciquism represents the continued existence of the power of the nobility in the ideological bourgeois awareness to maintain the established order and its hereditary continuity. It is present in the traditional facto powers (Army, Church and Banking) and in all governmental and non governmental institutions, from the Justice to the University, although it is not recognized by any law or constitution. It is the model of a secular and cultural tradition of corruption and impunity and it is questioned during the times of crisis (e.g. Pozuelo, 2013; La Sexta, 2013; Molinas, 2013 and 2012).

How has this particular phenomenon influenced in the social, economic and ecological underdevelopment in Spain and Extremadura?

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Can the current situation of Extremadura, agrarian and outlying area, be explained by a different development pattern? What does the Spain and Extremadura situation have in common with other areas and development pattern?²

This paper belongs to the co-evolution approach that emphasizes the importance of social and ecological factors as limits of the economic development based in the agricultural background. It is focused on two institutions: A) Social institutions (feudal) that have restrained the development and have encouraged the underdevelopment in Spain and the outlying areas. B) By penalizing (in a capitalist way) the ecological advantages, from the *Mesta* to Common Agricultural Policy. Among these restraining factors, two of them still prevail in Extremadura (González de Molina, 2002): The greatest relative cost of the transport in the outlying areas, which discourages the trade exchange, and the land-owning regime of the land property. Both factors make up the group of social feudal origin disadvantages that have restrained the development in outlying regions. Moreover, it can be added the ecological capitalistic disadvantages as long as the productive development not only values the sustainable management of nature, but also penalizes it. (Bowles *et al.*, 1990; Franco *et al.*, 2012).

The origin of the Spanish caciquism (bossism, despotism) is situated at the feudal oligarchy of the last quarter of the Middle Ages (13th-16th centuries) and in particular in Extremadura with the creation of the *Mesta* (in 1273 during the kingdom of Alfonso X). It reaches its maximum splendor during the 15th century with the beginning of the Spanish Inquisition and its persecution of heretics and witches. This restrained the struggle between the people and the absolutist monarchy and proto-caciquism (Costa, 1998).

During the transition from the feudalism to the capitalism, 16th-17th centuries, took place the transformation process from the absolutist monarchies to the Modern State. In Spain, the Count-Duke of Olivares promoted this process to the modernity, by attempting to abolish the power of the Catholic Church and nobility. However, the nobility rebelled and achieved that its feudal power, which was transformed later into caciquism and symbol of the Spanish backwardness in relation to the European economies, endured, mainly in the South of Spain (Rodríguez, 2013; Cruz-Artacho, 2012).

In the 19th century, the struggle between the people and the despoticisms of absolutist monarchy and proto-caciquism, which began in the 13th century, calmed down, being confronted the first, the monarchic; leaving undamaged the cacique despotism which increased its power at the beginning of the 15th century.

Finally, the 20th century status was reinforced by the Franco's dictatorship and the following Transition to the democracy. A representative democracy where has endured the oligarchic regime in the ruling elites of two-party system and where the outlying areas, like Extremadura, continue to be subject to the large state, the economic exploitation, the unemployment, the hunger, the emigration, the ignorance: to *surdie*³ (Chamorro, 1981-1984, vol. I).

A new time of splendor, characterized by the neofeudalism of the global economy, is reached in the 21st century (Baños, 2012). Here, the conflict between capital and labor has been reduced to its minimum visibility: the auto-exploitation of the individualism. The exploitation of classes rose to its rated maximum power: the vintage return to the medieval social conflict between servant and sir.

The vintage return to the environmental capitalistic conflict disguised as "sustainable development" and "corporate social responsibility" (O'Connor, 1998; Franco, 2013).

Following this introduction, a model of caciquism and its relation with the Spanish underdevelopment are defined.

² To answer these questions, this paper recovers the forgotten contribution of the Spanish farmer and intellectual, Joaquin Costa [1846-1911] about 'Oligarchy and caciquism' published in 1901-1902, where the author complains the caciques abuses and proposes measures to overcome the *cacique* regimes that exist in Spain since the 13th century.

³ Play on words Spanish version: [survive vs. surdie].

After that, as a paradigmatic example, the unequal distribution of the European aids: FEGA (Spanish Agrarian Guarantee Fund) and EAFRD (European Agricultural Fund for Rural Development) in Extremadura is revised. At last, the main conclusions and political recommendations will be explained.

2. The Cacique Regime

“The nepotism, the cronyism, the influence peddling have become ingrained in the society of Extremadura, they are the ivy of a culture of domination and subordination. And the only thing which changed in the landscape of the immutable land-house was its decoration and its owners' identity, the young masters' names”. (Cañada, 2008).

2.1. Transition towards Caciquism

The European transition from feudalism to capitalism, from the 16th century to the 17th one, meant the transformation process from the absolutist monarchies to the Modern State. In Spain, the Count- Duke of Olivares, from Extremadura, faced the Catholic Church power and nobility, although in the south of Spain the nobility had been rebelled (in particular Medina Sidonia and Suárez de Figueroa), like in other parts of Spain and other European countries. Nevertheless, the consequences in the south of Spain (Andalusia and Extremadura) were disastrous because the nobility power endured, being transformed in caciquism and symbol of Spanish backwardness regarding the European economies (Rodríguez, 2013; Cruz-Artacho, 2012).

According to Chamorro (1981-1984, vol. I: 297-311), the old idea that the Catholic Kings had spoiled the nobility's power is very disputable. At the beginning of the 16th century, the income of the Duchy of Medina Sidonia came to eleven million maravedies. In order to accumulate the political power, the Catholic Kings act shrewdly without daring to touch on his economic power.

Not only the Duchy of Medina Sidonia preserved his economic power, but also it was increased with privileges and perpetuated with the entailed state (*mayorazgo*)⁴. Behind this authoritarian façade and the nobility submission to the Catholic Kings, the nobility controlled the country with its large estate and seigneuries. In addition, the nobility was strengthened with greatness concessions, land distributions and by establishing entailed states (which stabilized the family heritages by preventing their sale and distribution). Towards 1500, the Church and nobility own 97% of the Spanish peninsula. Within this percentage, 45% belongs to clergy, aristocracy and sirs. The remaining 55% belongs to nobility and its lands. Extremadura is subdued to the socioeconomic influence of Suárez de Figueroa and the Order of Alcántara. The policy implemented by the Catholic Kings involves the future of Extremadura agriculture, especially since the official protection of the Mesta.

The origin of the Mesta is a livestock private organization born to defend the interests of the stockbreeder in front of the farmers. Its official creation under the protection of Royals was in 1273 during the Alfonso X kingdom. The Mesta (12th-19th centuries) is an organization for the management of the nomadic system consisted of noblemen and priests who owned flocks with between 75 and 40 thousands heads of cattle. With the Catholic Kings, the Mesta acquires privileges that makes it untouchable. Such that socioeconomic framework makes the apparition of a small bourgeoisie impossible, which was appearing in other Spanish towns. The Mesta stops the possible progress of Extremadura during centuries. Because in Extremadura, Castile and Andalusia, the Mesta is everywhere, stopping the agriculture and braking any hint of progress. The Extremadura economy starts being based on an important axis: large estate system and extensive farming. Meanwhile, for the farmers there was only one thing left, the hunger or the emigration.

⁴ *Mayorazgo* is a legal instrument that gathers the property in an only person and it is liable to be increased by purchases and marriages of convenience. In Castile the first *mayorazgos* appeared in the 13th century. They were developed a century after and became normal when they were legalized by the Catholic Kings (Chamorro, 1981-1984, vol. I).

The Mesta is to damage the farmers of Extremadura, for instance, destroying the land clearing during the last years, the animals are to provoke a disaster in the woods, which is being glimpsed from the 13th century –by means of a grant (Fuero 1273) which grants a permission to shepherds to browse and burn trees in autumn to get better hay–.

With the Catholic Kings, a growing and indiscriminate aggression to the forest resources starts: large regions of Castilian and Extremadura woods become deserted and the erosion destroys the vegetal cover. In Extremadura the deforestation was so important that the King Felipe II had to rule its protection and conservation in 1567. But Extremadura does not give up. Badajoz is the first town starting the fight against the Mesta. Finally, the Mesta goes under in 1839, this does not imply the disappearance of the wool cattle ranch which would go on being the basis of the big fortunes in the 19th.

2.2. Definition of Cacique and Caciquism

Some definitions on basic terms as following from “Oligarchy and caciquism” by Costa (1998) can make us firstly understand the sort of idea of the kind of ecosystem of parasitic and symbiotic relationships that represent the cacique underdevelopment.

The Dictionary of Spanish Language of 1729 defines the cacique as “the first in a town or region who has the highest power and command, influenced by his arrogance that intimidates and make all the inferiors be obedient”. Afterwards the definition is softer: “Any of the main people in a town who have excessive influence on the political or administrative stuff”. So the cacique is an irresponsible person, deputed or not, who domains the region. Nothing is carried out without his will or pleasure. He is above the law. The public institutions obey him. He is a great speculator to ruin the prosperity and the richness of a whole region. The caciques are the responsible for the negative running of the Public Administration, the atrophy of the parliament function and all the vices that make the suffrage less efficient, something that discredits the Justice. “Similar to the germs that provoke the malaria that make inhabitable the places where they stay”. (Costa, 1998: 79).

The caciquism or oligarch regime is the government in shadow, governed by a minority, but a minority of the worst but not the best, (that would be the aristocracy), whose management of the municipal stuff is corrupt and immoral: “families that do not pay for fees, majors or councilors that live perfectly doing nothing at the expense of the common frame, politicians perceiving grants for accepting those immoralities” (Costa, 1998: 76-79). This is a new feudalism, worse than the fighting feudalism in the Middle Ages. The caciquism is formed by caciques of different level: first level (central oligarchy) and second and following level (surrounding caciquism).

And the Civil Governor is the link between the center and the surroundings, who represents the central power to grant the parliament majority.

The caciquism means the deactivation of the forces that could be interesting for the country to be active and implies consequently the mobilization of forces that would be interesting not to be active. The degeneration consists of that because that deactivation and this mobilization invert the selection: the best people are relegated to a second place and the worst are placed above all (e.g. emigration and brain-drain). Mortal enemy against whom everybody is protesting and criticizing in public but not privately that is widely accepted. Finally, the caciquism means the appropriation and monopoly of all the social benefits. (Costa, 1998; Acemoglu and Robinson, 2012; Molinas, 2012 and 2013).

From the defining characteristics explained on the cacique and caciquism, four basic elements about the cacique regime are deducted: authoritarianism, nepotism, fetishism and totalitarianism. All these characteristics are understood from a moral perspective, I mean, there is no self perception of being acting criminally or immorally, rather on the contrary. For instance, according to Costa (1998: 21): “The Nepotism was not a social sin, but a moral obligation belonging to all the political bosses towards their clients (political jobbery)”.

In addition, a cacique is meant to be an authoritarian person who gets to a powerful position pretending to be totalitarian –at a local level, without entering into competition with the estate power–. From this position, he makes up client relationships based on protection and influence and favors peddling. Thanks to these relationships, he is socially respected and even revered (effect of the alienation). So these are the four basic characteristics of the cacique regime (Table 1): Authoritarianism. Nepotism. Fetishism. Totalitarianism. Each one of these defines a determining level in the configuration of the social conflict: Political, technological, economic and ideological. In turn, the cacique regime is gradually concreated in a model of social relationships (productivism), a group of strategies (synergies) and corrupt practicing (political). Then a feudal regime is set up, inserted in the framework of capitalist social relationships, with a precise hidden agenda to deploy corruption (e.g. Pozuelo, 2013; Molinas, 2012 and 2013).

Table 1: The Blackbox of Cacique Underdevelopment

Level	Regime	Model	Strategy	Practice	Authors
	CACIQUISM	Productivism	Sinergies	Policy	
Political	Authoritarianism	Statu quo	Manipulation	Coercion	Winters (2011) O'Connor (1998)
Technological	Nepotism	Uninnovation	Anti-ecological	Predation and Jobbery	Bowles <i>et al.</i> (1990) Costa (1998)
Economic	Fetishism	Accumulation	Class struggle	Exploitation	Marx (1978) Rodríguez (2013)
Ideological	Totalitarianism	Dependency	Bureaucracy	Bureaucratization	Costa (1998) Navarro (2006)
SYNTHESIS	Poverty and migration	Unsustainability	Extractive institutions	Underdevelopment	Sikkink (1991) Gómez, Franco (2014) Acemoglu, Robinson (2012)

Source: Our own from several authors.

These characteristics of the capitalist caciquism are specifically shown in several synergies that set up the hidden agenda (though well dressed in legal scientific, psychological rhetoric) which is applied by means of actions and policy towards the plan of underdevelopment and unsustainability. The agrarianism will be the main productivist model adopted in Extremadura because “the caciques never accepted Extremadura to enter in the industry circuits which could lead it to conflicts and our region was always preserved in this way” (Chamorro, 1981-1984, vol. VI: 130). Afterwards this model will go towards the agro-industrialism. Although the most recent models are non-productivist, they are speculative, they are based on the housing bubble and the changes in the financialization of the Economy, responsible for the maintenance and deepening the nowadays Spanish crisis. They are ‘extractive institutions’ according to Acemoglu and Robinson (2012).

Firstly, the caciquism is authoritarian because it establishes unequal relationships thanks to which the power is set up and strengthened. That obviously implies the censorship and prosecution of dissidents and critics for whom coercive actions must be taken. Secondly, the cacique government is a nepotism regime that provides benefits to friends and relatives who are the part of the clients’ net, maintaining the favor and influence peddling, the distribution of privileges and job posts, the appropriation and over-exploitation of natural resources.

Thirdly, the people granted by this net, respect even venerate the cacique. The cacique’s fetishism consists of believing in the cacique’s magic power when granting with jobs, economic aids, administrative licenses, etc. Thanks to the class struggle and exploitation –as the Marxism reads (feminism and ecologism too)–. Lastly this is totalitarian because it pretends to cope the whole life of the people dealing with, from the affective dimension (friends and relatives) to the economic one (money, aids, subventions, contracts, posts). In order to get all this, an important bureaucratization process is developed.

The result of an effective cacique regime is the social instauration of poverty and the removing of most of the population. To get this, he has used the conscious plan of underdevelopment as an instrument, hidden under social ignorance and a mediocre and commercialized educational system and an unsustainable economic model based on systemic crisis (which makes irrelevant whether the form of the State is a monarchy, republic, dictatorship or democracy).

And its similarity and partnership with the Francoist Fascism (Navarro, 2006) is undisputed (Table 2). "It sounds incredible that such an important problem of the Spanish Liberal State as the caciquism is has been practically gone unnoticed to the Francoist regime researchers" (Cazorla, 1998: 121). That is the reason why it is not difficult to find apologists of the Francoism among the reconverted into democrats caciques (Molinas, 2013). Such totalitarianism has normally a symbolic reflect on an action or contribution for posterity, generally ruinous -for the public funds-, but very honorable and glorious for the cacique.

Table 2: Scheme of Parallelism between Francoist Fascism and Caciquism

Characteristics	FRANCOIST FASCISM	CACIQUISM
Social conflict	Subject/dictator	Protégé /cacique
Emblematic place to exercise the totalitarian power	State	Cacique farm (<i>cortijo</i>)
Leader	Leader with superhuman characteristics	Leader from the worst part of society. Good adaptation to dictatorship or democratic regimes
Institution of control	An only political party	Clients net
Propaganda	Glorify the leader and the political party	Cacique's prestige and his favours
Control Narrative	Narrative of 'progress' to move the population	Traffic of influence and favours
Relation with society	Submission of the society to the State	Censorship of dissident. Adopt scrupulously, apparently, the legal and bureaucratic form the democratic State.
Relation with environment	Unfriendly Capitalism	Unfriendly Agrarism
Ideological expression of violence	Militarism, racism, machismo	Favoritism, cronyism, nepotism
Ideological awareness	Pro-capitalist	Feudo-capitalist
Basic capitalist dimension	Negation of class struggle	Negation of class struggle
Alliances of power	Fascist State, Church, Army and other powerful groups (banking sector and employers).	Cacique local government in the shadow, landlords and political and church representatives, bankers and other powerful people.
Extreme form of...	Nationalism	Localism, provincialism
Authors	Navarro (2006)	Chamorro (1981-1984), Costa (1998), Cañada (2008)

Source: Our own from several authors.

The 'hypothetic' modernizer objectives of the Francoist Fascism (1939-1975) have been well contested by Cazorla (1998). The identity between caciquism and Francoism is wider than we could imagine at the beginning. As Navarro (2006: 38) reads the fascist ideology is understood as: Militarism, machismo, Imperialism, "caudillism", totalitarian Catholicism, trade union corporatism, anti-communism and anti-socialism. Widespread ideology in Army, Church, groups of companies and right-wing parties.

The Francoist regime raised the cacique regime to its more military expression, more cruel and out of the control of the citizens of the Republican Spain previously to Franco's coup d'état in 1936. The strengthening of the state functions and institutions of the Francoist State was carried out in order to stop the important political mobilization of the Republic, a phenomenon with big dimensions which endangered the ruling classes' hegemony. In addition a culture based on the public was set up that put on a false moral debate, an alibi for the development or outbreak of the cacique corruption (Cazorla, 1998: 132).

In short, the basic social conflict of caciquism (slotted in/cacique) is a hybrid between the feudal (servant/lord) and the capitalist ideological awareness (proletarian/bourgeois). The *slotted in* (protégé) is like a new servant, with a labor contract. And the cacique is a bourgeois lord's frankensteinian monster. Joining the worst –and more peculiar– of each of them. The worst of the feudal “lord”: the possession of the land and his vassals' life, without any moral, following the only law of market. And the worst of the capitalist bourgeois: the freedom to exploit to slavery and asking for thanks. The cacique as nemesis of the Marxist revolutionist, guarantor of the *statu quo*.

3. Theoretical Framework: Analyzing the Blackbox of Underdevelopment

3.1. Poverty and Underdevelopment

The relation between underdevelopment and poverty is described below. We understand underdevelopment not as a “little development” situation and the poverty not as “having less” situation, but as impediments which make unworthy the human life (Almansa and Vallescar, 1996), which prevents the viability of an economic model to the service of the social welfare and they are the consequents of unequal relations among the social classes. The underdevelopment is a group of structural determinants that prevents the development of societies, countries, and specific regions which we usually call by using different euphemisms, such as: “underdeveloped”, “least developed” or “undeveloped” (Gómez and Franco, 2014). In fact, the underdevelopment tends to perpetuate itself, giving rise to the “underdevelopment culture” or, more broadly, the “poverty culture”, that it is transmitted from generation to generation, making the way out of itself more difficult⁵.

Sumner (2012) shows that nowadays the poor do not live in poor countries but in middle-income countries. Their poverty situation is perpetuated in the middle of a less adverse economic climate. The question is clear: Can the underdevelopment of a town or region be planned and designed? The answer, as hard as it may be, is affirmative. The *cacique* model of Extremadura is a living proof of this, where the agrarian reform movement has been shaped as agroindustrialism half a century after the first development theories.

In this way, paraphrasing Sikkink (1991: 8-10), we can say that in Extremadura the underdevelopmentalism proposed prioritizing agrarization, through providing incentives and subsidies for cacique development and improving financial and exchange policies to facilitate regional exploitation. Moreover, the economic and political interests of caciques helped set the limits of what was possible (underdevelopment) and also determined choice within those limits (anti-ecological underdevelopment).

The Marxist connections of the *cacique* model with the developmentalists and with the dependency theorists are evident, although they have distinctive features. Dependency theory promoted these reforms and the caciquism denies all the reform possibilities, as a result, paradoxically, it stimulates with more strength the conditions to the social revolution. Heretofore, the emigration has been the option to the population of Extremadura and the best expulsion strategy lead by caciquism to destroy the social progress.

Other authors such as Galbraith (1971) have defined the main underdevelopment models according to the main poverty causes (Table 3). It is noticeable that the closest concept to the cacique is “non-functional class” whose privileges come from its political or military power. The most remarkable thing about caciquism is that gathers in an only place and time the main poverty causes that Galbraith studies: educative, economic and political, being the most important, the first one.

⁵ In the following subheading we will discuss the university role in these cultural values transmission in order to perpetuate the caciques, the alienation and moral illiteracy of society. Confirming the worst expectations of Chamorro (1981-1984, vol. I: 12): “Those who try to delude from now and on should take more intensive training courses and with more high-qualified teachers than those who they had in the past”.

Nevertheless, according to Hayami y Ruttan (1971), we can say that the *cacique* regimes are characterized by being adverse not only to the exogenous but also to the endogenous innovation of the system (Table 4). On the other hand, Winters (2011) classifies the oligarchy in four models (warring, ruling, sultanistic and civil), from ancient Athens and Rome to Italian mafia, including medieval Venice and Siena and feuding Appalachian families. Although he does not study the Spanish *cacique* model, it could be the fifth model.

Table 3: Models of Underdevelopment According to Causes of Poverty

Model	Countries	Exceptions	Main cause of poverty	Basic features
I: South of Sahara	Sub-Saharan countries, Haiti	Ghana, Nigeria, Kenia	Education system (cultural basis)	Exploitative and reactionary colonialism. Absence of the ruling elite.
II: Latin America	Central America, South America, Iraq, Syria, Middle East	Mexico, Costa Rica, Cuba, Brazil	Economic incentives (relation between effort and efficiency)	Wide cultural basis. Non-functional ruling elite. Low productivity. Endemic inflation. Technological stagnation in agriculture. Power sources: land ownership, good position in the army or good bureaucratic position, possession of a trade monopoly, etc.
III: South of Asia	India, Pakistan, Indonesia, China, United Arab Republic	Sri Lanka	Distribution of production factors	Wide cultural basis. Reasonable economic incentives. There are non-functional incomes, but they are not linked to the politic power. High population growth. Land and capital shortage.
<p>"Non-functional income": the income which depends more on political or military power distribution than in an economic or commercial activity in the strict sense (which would lead to the "functional income").</p> <p>"Non-functional class": landowners, army, civil servants, retirees, monopolists, etc.</p>				

Source: Our own from Galbraith (1971).

Table 4: Models of Development According to Sources of Economic Growth

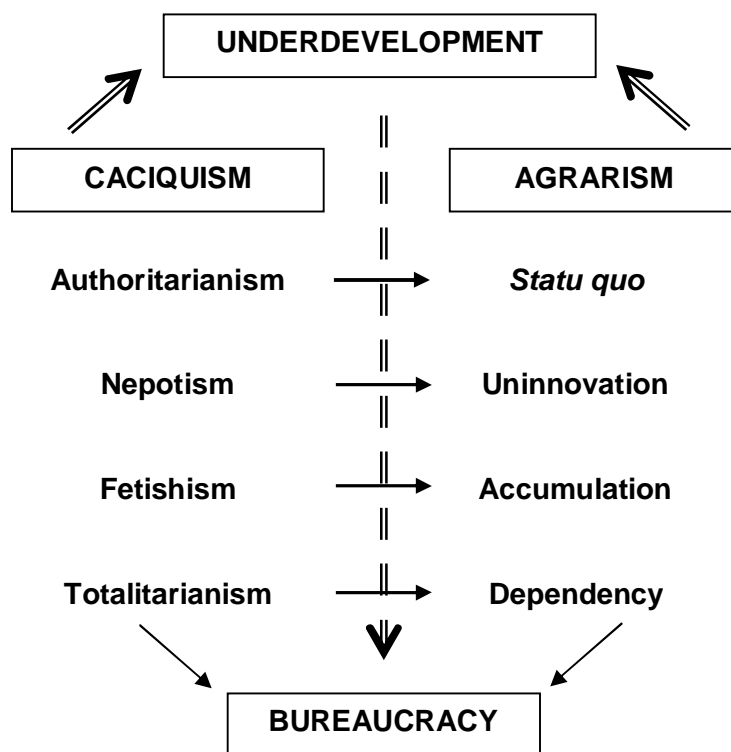
Development model	Sources of economic growth	Original phenomenon that tries to explain
Pre-Classic models: 1. Extensive production 2. Intensive production 3. Industrialization	<ol style="list-style-type: none"> 1. Geographic expansion 2. Resource conservation technologies, industrial inputs and crop varieties. 3. Non-agricultural advances and geographic varieties of environmental factors. 	<ol style="list-style-type: none"> 1. 18th and 19th centuries. European settlements in America and Australia. 2. English agricultural revolution. 3. Economic development of Sao Paulo and Goias in Brazil after 1940.
Innovation diffusion classic model (Iowa model)	<p>Innovation: exogenous to economic system.</p> <p>Dissemination of better agricultural practices and better crop and livestock varieties. More effective spreading of technical knowledge and reduction of productivity spread at an inter-individual and inter-regional level.</p>	2nd half of the 19th century in UK, US and USSR: economic analysis impulse of agricultural innovations and public research and agricultural extension programs creation.
Classic model extensions	<p>Agricultural technology: specific of a place</p> <p>Reallocation of resources in traditional agricultures: little progress in productivity</p> <p>Increasing the investment in high-yield inputs (education and investigation).</p>	<p>1960s: Asia, Africa and Latin America.</p> <p>Modern high-yielding crop varieties, suitable for the tropics</p> <p>"Green Revolution": new technology of high-yielding crop varieties.</p>
Induced innovation model	<p>Innovation: endogenous to economic system.</p>	Economic growth of Japan and USA.

Source: Our own from Hayami and Ruttan (1971).

3.2. The Blackbox of the Cacique Underdevelopment

Figure 1 shows the main characteristics of the blackbox of the *cacique* underdevelopment model from the point of view of the agrarian developmentalism. Thereby, at a political level, the *cacique* authoritarianism favours an agrarian model to the service of the established order, which has developed to an increasing anti-environmentalism (that has finished with the burst of the real estate bubble). At a technological and institutional innovation level, the nepotism was an insurmountable obstacle for the R&D and innovation, where the landowner had the best lands. Economically, the institutional leadership of the *cacique* promoted the processes of capitalist accumulation under the conflict between protégé/cacique, in which the politic corruption and the embezzlement of public funds were not the discordant note. All of this was joined through a totalitarian ideology based on dependence relationships, whose more remarkable examples are the censure and reprisal against the dissidents and the extremely well-known “subsidy culture” promoted by a huge bureaucratic system.

Figure 1: The Blackbox of Underdevelopment in Extremadura



Small dissenting initiatives with an ecologist character have arisen as reactions to this anti-ecologist agrarian model. These initiatives range from citizen protest platforms to ecological consumption associations. However, their social impact is still small, being strange these neo-rural and agro-ecologist tendencies by the commercialization of the nature in the form of Natural Parks, uprooting the native population and avoiding in this way the settlement and consolidation of the new rural models as a replacement for caciquism. Obviously, without disregarding the legislation when it is a gain for caciques and oligarchs. Examples in Extremadura are the next (Cañada, 2008: 39): illegal constructions in Valdecañas, the oil refinery project, the thermal power central installation projects in the county of Mérida, the installation project of a radioactive repository in Los Ibores, the shady real estate dealings in Proserpina dam, etc.

In this way, the non-industrialization model followed in Extremadura was a model of agrarism or agrarian productivism. An agrarism that reflects the caciquism in its image of progress paralysis and activation of economic relationships against general welfare interests of the population. The agrarism was later become in agro-industrialism, where the "factory" is the cacique's country house (cacique farm or *cortijo*), where the exploitation process characteristic of capitalism is produced, generator of dependence relations and all of this drawn together with the bureaucratic ideology (unaware responsible for the "poverty culture").

The bureaucracy is the main idea in which the *cacique* underdevelopment model is established. For instance, the EU bureaucracy in terms of ecological agriculture, which is paralyzed and discouraged, is tripled regarding the conventional agriculture (Franco, 2009). We need to take into account that it is unsuccessful to restraint the caciquism by the fight against the three vices of Public Administration (Costa, 1998: 109): Bureaucracy, political jobbery and bureaucracy. So, we wonder: How is the bureaucratic axis assembled with the other elements of the black box? How can the bureaucratic ideology be impervious to the non-capitalist and non-*cacique* development ideas?

4. The Cacique Evidence in Extremadura

4.1. The 3 Extremaduras

Why Extremadura? Because, according to Cazorla (1998) from the 19th century the worst episodes of caciquism occurred in this region, which makes him stand that, after that, it is not surprising that the cacique policy was more intense in Extremadura, although such policy was daily even in the most modern Spanish provinces (e.g. Valencia, Valladolid) and other European countries (Cruz-Artacho, 2012). As Chamorro (1981-1984, vol. I: 11-12) reads there are three Extremaduras: the cacique, the emigrant and the farmer or *Third World* one.

1) Cacique Extremadura: The Extremadura belonging to the powerful, Orders, Entailed State, the Mesta and Caciques. It still persists, living together with the capitalist oligarchies of the country; it allows the depredation in our region. It is formed by a minority of landlords and bourgeois. The land is theirs and they underuse it. They own an imperial philosophy, from the 19th century and reactionary. They are a few but high-handed because they know that the power never diminished any of their privileges.

2) Emigrant Extremadura: The majority. More than a million people from Extremadura had to emigrate, were obliged to sell their work in the hardest working conditions. Parts of these Extremenian feel a silent rejection to their land because of the lack of rationalization and discernment on the reasons that obliged them to emigrate.

3) Farmer or Third World Extremadura: Except half a dozen of towns where the service sector prevails, Extremadura is illiterate, without basic public services, with one of the lowest per capita income in the country, with high level of unemployment, with bad communications and –unfortunately– ecologically rich, which has meant its undoing, object of the most unfriendly and antisocial cacique ambitions.

4.2. The Bureaucratic Oligarchy

The process of bureaucratisation in Extremadura starts in the 60's of the 20th century, generating a disproportionate sector in comparison with the real needs of the people who had started the way to their desertification.

This process starts with the restructure of the economic sectors: in the period 1960-1964 the primary sector goes from 69% of the Extremenian labor force to 60% and the service sector goes from 18% to 27% (Chamorro, 1981-1984, vol. VI).

The paradigmatic example of the bureaucratic and unfriendly nature of caciques can be well seen in the granting aids system of Common Agricultural Policy (CAP), particularly in the South of Spain.

According to Franco *et al.* (2012: 121), several studies have shown the negative influence that the EU's policy of subsidies has had on the sustainability of farms in general and of pastures of Extremadura (*dehesa*) in particular. In this sense, SEO/Birdlife and WWF (2010) report which shows a positive correlation between higher payments and decreasing environmental status. This is because holdings based on intensive systems (in land and water, fertilizers, and pesticides) are those receiving the bulk of the European aid. Systems such as *dehesas* and others of high natural value receive only a small fraction of the EU budget earmarked for CAP subsidies. Also is very important the lesser dependence on European subsidies of more sustainable Extremenian farms.

The most significant case of fraud on public subventions is Alfonso Gallardo's. In 1975 he got from the Government of Extremadura a subvention of more than 700 thousands euro to create employment. The Court of Auditors denounced him because he only did a transfer of staff among his companies simulating new contracts. In 2005 Gallardo's Cement producer, Cements Balboa, got 73% of the subventions for PYMES (small and medium sized companies). Table 5 summarizes the main milestones of the Extremenian caciquism of late 20th and beginning of 21st.

Table 5: Alfonso Gallardo's cacique Emporium in Extremadura with the Support of Regional Government (Junta de Extremadura)

Year	Firm	Zone	Subsidies and injustices
End 80s	Fundiciones Gallardo	Jerez de los Caballeros village	-Strike on low salaries -Non-payment extra work -Water pollution -Increasing cancer cases
1992	Siderúrgica Balboa	Ardila river	-Land expropriation -27 million euro -PSOE diputed's uncle
1995	Gallardo Companies	Extremadura	-Court of Auditors denounce -700 thousands € for employment -Transfer of staff to simulate new contracts
90s	Dicogexsa (actionist)	Extremadura	-Lunch at Ricardo Leal's farmhouse. Attended by himself, Gallardo and the President of the Government of Extremadura for the concession of the regional water distribution.
2005	Cements Balboa	Alconera mountain	-Land expropriation. -Concession of 73%of subventions for PYMES -Mining Rights of over 14 million €, sold by 36 thousands €
2005	Canal Sur Extremadura (actionist)	Extremadura	-Public Funding -Restrained criticism
2005	Refinery of petroleum	Tierra de Barros district	-360 million € -Alliances with BBVA, Iberdrola, Shell, Caja Madrid, others.

Source: Our own from Cañada (2008).

More recently, some official data coming from the aids of EAGF and EAFRD in the period 2010-2013 in the Spanish provinces (FEGA, 2014) are studied in Table 6 for the case of Extremadura. The Spanish Agrarian Guarantee Fund (FEGA, Fondo Español de Garantía Agraria) is an Autonomous Organisation under the Spanish Ministry of Agriculture, Food and Environment, whose main mission is to manage the Common Agricultural Policy subsidies, they are financed by the European agricultural funds: European Agricultural Guarantee Fund (EAGF) and European Agricultural Fund for Rural Development (EAFRD).

Table 6: Distribution of European aids Classified by Quartiles of Entities

Province	Year	Quartile 4	Quartile 3	Quartile 2	Quartile 1	Total entities	Total aid €
Cáceres	2010	75,42	17,40	6,25	0,93	1.052	57.849.440
	2011	74,11	16,76	7,48	1,65	1.012	56.867.060
	2012	76,50	15,91	6,34	1,26	1.037	57.153.706
	2013	74,27	16,83	7,15	1,74	988	54.643.610
Badajoz*	2010	70,11	20,79	7,86	1,24	1.926	91.767.456
	2011	70,35	20,04	8,06	1,56	1.868	99.381.494
	2012	74,40	17,31	6,99	1,30	1.893	113.281.179
	2013	70,88	19,25	8,11	1,77	1.856	101.427.964

*Except Regional Government of Extremadura.

Total: EAGF direct payment, EAGF other payment and EAFRD Public Spending.

Entities: Agrarian companies and local administration.

Table 6 shows the big concentration of aids either in Cáceres or Badajoz during that period. The Government of Extremadura (Junta de Extremadura) was annually the most important aid perceiver: 24%, 18%, 10% and 17% respectively. If we do not care of the regional aids, the following results are got: About 75% of European aids are shared out among 25% of the entities (public and private) receiving more funds. Meanwhile 25 % of those which receive lesser funds do not reach 2% of the total of the annual incomes.

In the province of Cáceres, North of Extremadura, the council of Aldeanueva de la Vera is one of the entities, public, which receives more funds in that period. In Badajoz, South of Extremadura, with the exception of the Government of Extremadura whose seat is in this province, two of the entities that more funds receive are ACOREX and ACOPAEX agrarian cooperatives. The concentration is even higher if we observe that 1% of the entities that get more funds, means 20% of the total quantity.

4.3. Towards a New Model of Development

“Down with the caciquism! Long life the working class! (...), that freedom is an empty word, full of wind while the caciquism still persists”. (‘El viva de Gijón’. Heraldo de Madrid, 21/08/1900)⁶.

The people of Extremadura is defined by Chamorro (1981-1984; vol. I: 10) as following: “Our most ancient gen is the belonging to a nomad nation one, who used to travel through different lands. We have suffered from injustices and confronted them with scepticism, never with resentment. All these circumstances and many more, have been contributing to make a civilized nation although they show a very low percentage of people who read books. It is a peculiar view, instinctive and intuitive of what the human relationships should be”.

Deepening in this “peculiar view” on development as the Extremenian nation thinks, the reference we should take is the main results on the Social Accounting Matrix of Extremadura in 1990 (De Miguel *et al.*, 1998) and those from the report on the Ecological Footprint of Extremadura in 2005 (Junta de Extremadura, 2011). The increasingly empirical evidence shows us how the development model of the peripheral regions is stopped by the capitalist process of accumulation itself. In this way, the Social Accounting Matrixes are observed with the corresponding methodology precaution that the conflicts between labor and capital are always solved in favour of the last one, as the economic relationships established among the different sectors and accounts of the regional account of Extremadura tend to increase the incomes of the capitalist class rather than the labor one. It is also observed that the agrarian sector, together with the banking one are more responsible in the growth of the Macroeconomics of Extremadura, although the microeconomic impact on the welfare of Extremadura is quite minor.

⁶ Cañada (2008: 28): “The day laborers from Extremadura, who suffered and combated the prevailing despotism could distinguish between the caciques and little (...) and other categories in the same semantic family on servitude and disgrace”.

A priori the Primary Sector could be boosted if its connections were closest to the industry, with a historically low economic impact in Extremadura.

The scarce industrial development, except that linked to the agrarian one, explains that the regional per capita income is nearly a third inferior to the Spanish one during the period 2000-2008. It is the only region classified as "Objective 1" by the European Union, due to the special conditions of economic fragility, underdevelopment and poverty.

Perhaps this eventual negative situation of the industrial sector in Extremadura can be read in a positive way. As the region has lower energy consumption than the Spanish average (in 2005 the respective averages were 59% and 68%), this means a minor ecological footprint.

Particularly, the difference between the Extremenian ecological footprint and the Spanish one has increased during the period 1990-2005, going from 64% to 107%. In conclusion, the way of life of a person from Extremadura needs a minor ecological footprint than an average Spanish. This positive effect on the life quality is neither accounted nor paid nor stimulated explicitly which could become an indicator of the need of not only redirect the economic policy but the same economic theories on development. This more friendly way of life is even not promoted, but punished from the European institutions (SEO/BirdLife and WWF, 2010; Franco *et al.*, 2012).

What is the evaluation of the developing model based on industrialization? Is the industrialization really a necessary step in development? In this sense, the population of the industrialized countries meant 20% of the world population; consume 10 times more energy than the developing countries, produced 70% of the world CO² emissions and the 68% of the world industry waste. Fifteen years later, in 2010, the European Year against Poverty and Social Exclusion was declared. Nevertheless, the Foessa reports by Cáritas asked for less rhetoric and more help, they asked for an alternative to GDP indicator in order to measure the social welfare in three ways of participation: in the occupation, social product and social rights (Cáritas and CyJ, 2010). With other words, more economic democracy was claimed –an entire social revolution– prerequisite for the political democracy and the economic and ecological sustainability.

5. Conclusions

"...while the cacique is not extirpated, the revolution will not have taken place; while that illness, worse than misery and ignorance, is not cured...; we will not be, neither with monarchy, nor with the republic, a free country, European worthy: we will be less than a tribe, a conglomerate of servants..." (Costa, 1998: 102).

The caciquism in surrounding regions as Extremadura is a synthesis between the limit social factors of the agrarian feudal kind development and the contention of the ecological advantages by means of the economic liberalism that punishes the friendly environment management.

Several conclusions can be taken from this study, at a theoretical level and political recommendations (global and local level).

At the theoretical level a model of planned underdevelopment has been explained (caciquism) opposite most of the development theories. We understand underdevelopment as a negative prolongation of the development and not as its opposite. The Marxist connections among the cacique model, the developmentalists and the dependency theorists are evident, though with particularities. Dependency theory promoted structural changes. On the contrary, the development theory was unable to promote these changes. The caciquism denies any possibility of change that is the reason why paradoxically it generates strongly the conditions for the social protest, the civil disobedience and the social revolution.

Until now, the emigration has been the escape for most of the population of Extremadura and the best strategy of directed expulsion by the cacique oligarchy to stop the social revolution. At the level of global political recommendations are still valid the three strategies suggested by O'Connor (1998: 234-254): More democracy, more ecological view and more strong unions.

About the local political recommendations it is important to express the importance of a gradual transition to a model of democratic socialism or economic democracy. The "democratic socialism" shows that the returned to surrounding regions migrant population should look for class alliances to face a change of regime peacefully. As an intermediate step to the "democratic socialism" the university elites must stop being the "baby-sitters" of caciquism (Castelao, 1931) and start attending the social demand, using their knowledge to help the common good and not against the citizens spreading the thought and economic dogma opposite the empirical evidence.

In a synthetic way, for each one of the policies the caciquism and its dynamic to underdevelopment is characterised, some of different sign can be opposite. Fading the coercion policy, policies of bigger citizen mobilization and ecological awareness are needed. Fading the nepotism policies (waste and pollution) economic policies of common management of the public goods have to be promoted. In front of exploitation policies, action for the workers and union organisations have to be favoured and an integral economic policy which creates the Universal Basic Income.

Moreover, a major tax control is very necessary, it is related to a more progressive fiscal regulation.

Future lines of research will study deeply other aspects and variations of caciquism. More comparative with other surrounding regions of Europe and other continents studies are necessary.

"Forget it, Jake. It's Caciquefarm"⁷.

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⁷ In homage to the famous 'Chinatown' movie end.

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