

Active labour market policies in Biscay during the Second Spanish Republic (1931-1936): The promotion and failure of public works projects

Las políticas activas de empleo en Bizkaia durante la Segunda República (1931-1936): el fomento y el fracaso de las obras públicas

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ANALYTICAL SUMMARY

The years of the Second Spanish Republic coincided with the economic crisis of the 1930s, which caused high levels of unemployment in agriculture and also affected industry. Public works were one of the primary tools used by Republican authorities to improve public infrastructures and tackle unemployment. The use of public works in Spain was not new, but it took on new dimensions in the 1930s. In Biscay, as in the other provinces that had fiscal and financial autonomy thanks to an economic agreement (*concierto económico*), it was the provincial government (*Diputación*) that was responsible for implementing anti-unemployment policies and the main public works projects developed with this aim. The crisis brought to an end to the first phase of the industrialization process in Biscay, which had driven economic and population growth in the preceding decades. The province's main industries, and particularly those that employed the greatest number of workers, were strongly affected by the crisis. The greatest impact was felt in mining, shipbuilding, steel, metallurgy, and construction. Biscay came to have the highest industrial unemployment rate in all of Spain.

This article analyses the use and the limitations of public works as a means of tackling unemployment in Biscay during the crisis of the 1930s. It focuses on the role of the provincial government and how it worked with local municipal governments and the government of the Spanish Republic. It examines the differing priorities in dealing with the crisis of the three successive Managing Commissions that were at the helm of the provincial government during this period. The article's hypothesis is that constant changes in government and criteria had a detrimental effect on the effectiveness of public works as an anti-cyclical measure. With regard to primary sources, it draws on the proceedings of the provincial government from the period of 1931-1936, which have been analysed in their entirety, and further documentation from the Bilbao district employment office (*Oficina de Colocación Obrera*).

By presenting a case study focusing on the use of public works in the province of Biscay, this article aims to fill a gap in the literature on the response to the economic crisis in Spain. The study of public works as an anti-cyclical measure is essential to understanding the crisis and the effectiveness of the fiscal policies that were implemented in response. Nevertheless, the existing literature discusses public works only to a limited extent, generally to explain the limitations or failure of other measures (such as unemployment insurance and benefits).

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