



**DPI Briefing Note**

**Catalonia: from 2012 to 2016**



*La Rojigualda: flag of Spain*



*Estelada: flag of Catalonia*

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## I – OVERVIEW

### Catalonia's historical position within Spain

Catalonia refers to the territory of the autonomous community located in the North-East of Spain, at the French-Spanish border. It consists of four provinces: Girona, Lleida, Tarragona and Barcelona. Its capital and largest city is Barcelona, the second largest city in Spain. A wider conception of Catalonia can be described as the *Països Catalans*, which embraces all the communities that speak the Catalan language: those north of the French-Spanish border, those in the autonomous communities of Valencia and the Balearic Islands, and smaller communities in Aragon, Murcia and the small enclave of Alghero in Sardinia, also the mini-state of Andorra where Catalan is the only official language.<sup>1</sup>



Catalonia achieved a statute of autonomy in 1932: this law is hierarchically located in second place after the Spanish Constitution and concedes self-governance to a subnational unit. The Statute of Autonomy was removed under Francisco Franco, a general who established a totalitarian state in Spain from 1939 to his death in 1975. At the same time, the Catalan language was officially removed from public life. The new Constitution voted in 1978 recognised in its preamble the “right of different nationalities and regions within the state to have substantial though differing levels of devolved government within their territories” and guaranteed their “right to use their distinctive languages on those territories, though always within the overall framework of Spanish democracy and solidarity between regions”. Spain is a highly decentralised and asymmetrical system of

<sup>1</sup> Ned Thomas, “After ETA? Catalonia, Euskadi and the Spanish Constitution”, Democratic Progress Institute, London, December 2012

“nationalities and regions” constituting the nation, where the central government retains full sovereignty. On this basis, Catalonia, Euskadi and Galicia were recognised and described as “historic nationalities”.

The Statute of Autonomy of Catalonia of 1979 states that "Catalonia, as a nationality, exercises its self-government constituted as an Autonomous Community in accordance with the Constitution and with the Statute of Autonomy of Catalonia, which is its basic institutional law, always under the law of Spain". Catalonia is politically organised through the Government of Catalonia, its President, and the Parliament of Catalonia. The Parliament is a unicameral legislature formed by 135 deputies, elected every four years by universal suffrage in lists based on the four provinces. Catalan, Castilian and Aranese are the three official languages of Catalonia, but Catalan has a special status as it is recognized as “Catalonia’s own language”. In Spain, 17 communities and two cities achieved their own Statute of Autonomy.

## 1978 Constitution

The Constitution of 1978 was shaped under the remaining pressure of Franco’s years and sowed the seeds of future problems regarding autonomous regional authorities. The preamble recognized different nationalities and regions within the state and their right to devolution. Moreover Article 2 states that the unity of the Spanish nation is “indissoluble” and that the homeland of all Spaniards is “indivisible” and through it, prevents any attempts at self-determination. Article 6 of the Constitution authorises the formation of political parties “within respect for the Constitution and the law” which means that separatist parties or parties claiming for the right to self-determination can be defined as unconstitutional.

### IN BRIEF: 1932 - 1979

- 1932: First Catalonia Statute of Autonomy
- 1939-1975: Franco Years, the Statute and Catalan as official language are removed
- 1978: Spanish Constitution
  - Preamble: recognition of different nationalities and regions and their right to devolution
  - Article 2: the unity of the Spanish nation is indissoluble and the homeland of all Spaniards is indivisible
- 1979: Second Catalonia Statute of Autonomy
  - Catalonia exercises its self-government in accordance with the Constitution and with the Statute of Autonomy
  - Political Institutions: Government, President, Parliament
  - Official languages: Catalan (special status), Aranese, Castilian

## II – POLITICAL SITUATION IN CATALONIA

### Main political actors and positions towards Catalan claims

Party / coalition	Head of party	Description	Position towards referendum	Catalonia as a State/independent
<b>Catalonia's Political Parties and Coalitions</b>				
Convergència i Unió (CiU) – ended in 2015	Artur Mas	Liberal and Catalan nationalist coalition of CDC and UDC. Breakup in 2015.	For	Yes/Yes
Junts pel Sí (JxSí)	Artur Mas	Coalition of CDC, ERC, DC and MES. Catalan independence.	For	Yes/Yes
Esquerra Republicana de Catalunya (ERC)	Gabriel Rufian	Left, Catalan nationalist	For	Yes/Yes
Catalunya Sí que es Pot (CSQP)	Lluís Rabell	Coalition of Podemos, ICV, EUIA and Equo. Alliance of Leftists, Greens, Federalists and Separatists, anti-austerity parties	Recognise Catalan right of self-determination	N/A
Partit dels Socialistes de Catalunya (PSC)	Miquel Iceta	Social Democrat. Catalan referent of the PSOE	For a legal referendum agreed with the Spanish government	N/A
Partit Popular de Catalunya (PPC)	Alicia Sánchez-Camacho	Centre-right, conservative, Catalan referent of the PP	Against	No
Candidatura d'Unitat Popular - Alternativa d'Esqueres (CUP)	Anna Gabriel	Left, anti capitalist	For	Yes/Yes
<b>Spanish Political Parties and Coalitions</b>				
Partido Popular (PP)	Mariano Rajoy	Conservative	Against	No
Ciutadans (C's)	Albert Rivera	Centre-left, post nationalist, defending a "country of citizens rather than a country of territories"	Against, unless it is approved by the Spanish government	N/A
Partido Socialista Obrero Español (PSOE)	Micaela Navarro	Social-democratic	Against	No
Podemos	Pablo Iglesias	Democratic socialism, direct democracy, left-wing populism	N/A	N/A
Unidos Podemos (Podemos IU)	Pablo Iglesias	Coalition of Podemos, United Left and Equo	N/A	N/A

## The revised Statute of 2006 and its aftermath

In the early 2000s the Catalan political parties began to discuss a text for updating the statute of Catalonia and consolidating its powers. The Catalan Parliament approved the text in 2005, before the Spanish government re-negotiated and amended it. It came into power in 2006, after the Madrid Congress of Deputies and the King of Spain signed the final text, which provides greater taxation powers, authority over judicial and immigration matters to the Catalan government and makes Catalan the “preferential” language in Catalonia. It also refers to Catalonia for the first time as a “nation”.

The People’s Party, a centre-right conservative party, one of the major political parties in Spain, contested the new Statute in the Constitutional Court.<sup>2</sup> The contestation was namely related to the violation of the constitutional principle of “solidarity between regions”. In 2010 the Court declared 14 clauses of the Statute to be unconstitutional.<sup>3</sup> This sparked a wave of protests, which led to a 2012 independence demonstration in Barcelona on 11<sup>th</sup> September, the national day of Catalonia. One year later, on September 11<sup>th</sup> 2013, Catalan people built a human chain referred to as the “Catalan Way”. The event re-opened the debate on the right to hold a referendum on the independence of Catalonia. The President of the Catalan Government, Artur Mas, announced snap elections for the Catalan Parliament to be held on 25<sup>th</sup> November in order to elect a Parliament that would offer a vote on Catalonia’s independence. These elections have been exceptional in Catalan history as the most popular Catalan party; the Socialist’s Party of Catalonia (PSC) registered the worst results in its history, whereas the separatist party, the Republican Left of Catalonia (ERC) achieved second place in terms of seats at the Parliament. The party of Artur Mas, Convergence and Union (CiU) achieved first place with 50 seats.<sup>4</sup>

The elections were forwarded by the resolution adopted by the Parliament on 27<sup>th</sup> September, confirming “the need for the people of Catalonia to be able to freely and democratically determine

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<sup>2</sup> “History”, *Diplocat, Public Diplomacy Council of Catalonia*. Available at:

<<http://www.diplocat.cat/en/barcelona-catalonia/history>> (Accessed on 27/05/16)

<sup>3</sup> “Spanish Constitutional Court cuts back Catalan Statute of Autonomy”, *Nationalia*. Available at:

<<http://www.nationalia.info/new/9216/spanish-constitutional-court-cuts-back-catalan-statute-of-autonomy>> (Accessed on 27/05/16)

<sup>4</sup> “Catalan elections point to growing polarisation in independence debate”, *The Guardian*. Available at:

<<http://www.theguardian.com/world/2012/nov/26/catalan-elections-polarisation-independence>> (Accessed on 27/05/16)

their collective future and urges the government to hold a referendum during the following legislature.”<sup>5</sup>

## Referendum on the future of Catalonia

On September 2012, Artur Mas declared that it was time for the Catalans to “exercise the right to self-determination.”<sup>6</sup> The re-opening of the debate on Catalonia’s independence led to a legal fight between the Parliament of Catalonia and the Parliament of Spain which began in 2013.

On January 2013, the Parliament of Catalonia adopted the Declaration of Sovereignty and of the Right to decide of the Catalan People.<sup>7</sup> It states that Catalonia “has the character of a sovereign political and legal entity” and that its citizens “may decide their collective political future in accordance with the following principles: sovereignty, democratic legitimacy, transparency, dialogue, social cohesion, Europeanism, legality”. This statement was part of the process towards a referendum on independence. Although the principle of sovereignty was declared void and not constitutional by the Constitutional Court of Spain, the Government of Catalonia announced a referendum to be held on 9<sup>th</sup> November 2014. It contained two questions that were seen to reflect the two-level debate on independence:

- 1) *“Do you want Catalonia to become a State?”*
- 2) *“In case of an affirmative response, do you want this State to be independent?”*

On April 2014 the Spanish Government rejected the Catalan parliament’s power to hold a referendum for self-determination. According to the 92<sup>nd</sup> article of the Constitution, the right to call a referendum on matters of constitutional importance is specifically reserved for the King acting on a proposal from the President of the Spanish Government.<sup>8</sup> Thus, the consultation on Catalonia’s independence was not deemed to have the legal force of a referendum. On September 2014 the Catalonia Parliament adopted the Consultation Law providing the legal basis for the President of the

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<sup>5</sup> Catalan Parliament’s proposal of Resolution on the political orientation of the Generalitat. Available at: <<http://www.ara.cat/2012/09/26/781201873.pdf?hash=6b20fed25a400d03f03cbd0f5cafc35828b3ea83>> (Accessed on 27/05/16)

<sup>6</sup> “Mas: “Ha arribat l’hora que el poble de Catalunya exerceixi el dret a l’autodeterminació””, *Ara.cat*. Available at: <[http://www.ara.cat/politica/Mas-Ha-Catalunya-exerceixi-lautodeterminacio\\_0\\_780522085.html](http://www.ara.cat/politica/Mas-Ha-Catalunya-exerceixi-lautodeterminacio_0_780522085.html)> (Accessed on 27/05/16)

<sup>7</sup> “The Catalan Parliament approves the ‘Declaration of sovereignty and the right to self-determination by the people of Catalonia’”, *Catalan News Agency*. Available at: <<http://www.catalannewsagency.com/politics/item/the-catalan-parliament-approves-the-declaration-of-sovereignty-and-the-right-to-self-determination-by-the-people-of-catalonia>> (Accessed on 27/08/16)

<sup>8</sup> Ned Thomas, “After ETA? Catalonia, Euskadi and the Spanish Constitution”, Democratic Progress Institute, London, December 2012

Government of Catalonia to hold a non-binding self-determination consultation, which was suspended by the Spanish Constitutional Court. Another alternative was proposed through a “process of citizen participation”, which the Spanish government announced it would block.

Regardless of these disagreements, the vote for self-determination took place on 9<sup>th</sup> November 2014, 80 per cent of the cast voters answering Yes to both questions.

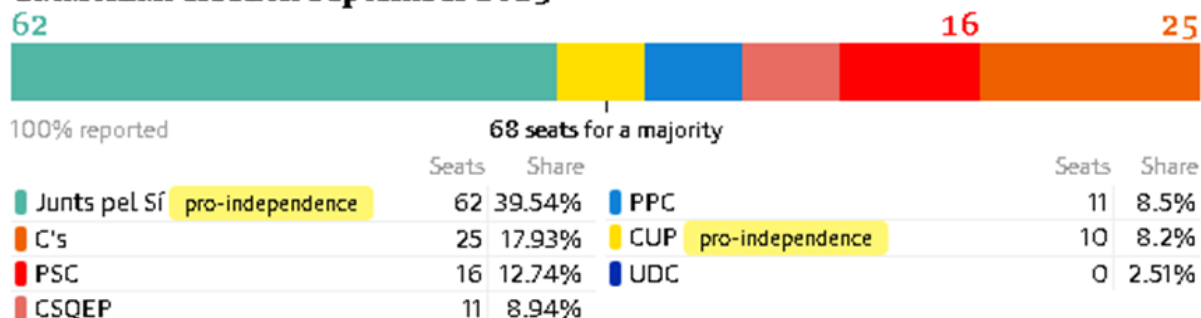
### **IN BRIEF: 2006 - 2014**

- 2006: revised Statute of Autonomy of Catalonia approved by the Spanish government and the King of Spain
  - Greater taxation powers, authority over judicial and immigration matters granted to the Catalan government
  - Catalan recognised as the “preferential language” and Catalonia as a “nation”
- 2010: The Spanish Constitutional Court declared 14 clauses of the Statute unconstitutional
- 11<sup>th</sup> September 2012: Independence demonstrations in Barcelona
- 25<sup>th</sup> November 2012: snap Catalan Parliament elections
  - CiU (62 seats) ; PSC (28 seats) ; ERC (10 seats)
- January 2013: Catalan Parliament adopts the Declaration of Sovereignty and of the Right to decide of the Catalan People
  - The Spanish Constitutional Court declared it “void and not constitutional”
- A referendum planned to be held in Catalonia on 9<sup>th</sup> November 2014
  - April 2014: the Spanish government rejects the Catalan Parliament’s power to hold a referendum
  - September 2014: the Catalan parliament adopts the Consultation Law allowing the President of Catalonia to hold a non-binding consultation
  - The Spanish Constitutional Court suspends the Consultation Law
  - Eventually the referendum is held: 80 per cent voted in favour of Catalonia self-determination



## 2015 Parliamentary elections in Catalonia

### Catalonian election September 2015



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Parliamentary elections were held on September 2015 and won by the coalition JxSi (Together for Yes, led by Artur Mas) with 62 seats. However 68 seats are needed for a majority at the Catalan Parliament. JxSi asked for support from CUP, the other pro-independence Catalan party, which gained 10 seats, giving the coalition majority in terms of seat but not in terms of vote (48 per cent). The opposition party, the PPC, gained only 11 seats, its poorest results ever in the Catalan regional parliament. This turned in favour of the Ciutadans Party, a constitutionalist party which views are said to be more understandable than the PPC's views.<sup>10</sup>

JxSi and CUP have many differences but agree on a break up from Spain. The first disagreement appeared on January 2016 when the coalition failed to choose a leader. As a result the parliamentary assembly was due to be dissolved on 10<sup>th</sup> January but a last-minute deal ensured a separatist government with Carles Puigdemont as President of Catalonia. Puigdemont is a more radical secessionist than his predecessor Artur Mas; in a speech in 2013 he quoted a Catalan journalist executed under Franco's dictatorship saying "the invaders will be expelled from Catalonia" referring to the Spanish government. When taking the oath on 12<sup>th</sup> January 2016, he voluntarily omitted the vows of loyalty to Spain's Constitution and King. The Spanish Interior Minister remained silent on this omission.<sup>11</sup>

<sup>9</sup> "Catalan separatists win election and claim it as yes vote for breakaway", *The Guardian*. Available at: <http://www.theguardian.com/world/2015/sep/28/catalan-separatists-win-election-and-claim-it-as-yes-vote-for-breakaway> (Accessed on 27/05/16)

<sup>10</sup> Emilio Sáenz-Francés, a professor of history and international relations at Madrid's Comillas Pontifical University in "Catalan separatists win election and claim it as yes vote for breakaway", *The Guardian*. Available at: <http://www.theguardian.com/world/2015/sep/28/catalan-separatists-win-election-and-claim-it-as-yes-vote-for-breakaway> (Accessed on 27/05/16)

<sup>11</sup> "Rebel, Rebel" *The Economist*. Available at: <http://www.economist.com/news/europe/21688104-enter-carles-puigdemont-who-has-called-spanish-authorities-invaders-catalonias-new> (Accessed on 27/05/16)

## JxSi – CUP coalition’s political programme

The coalition agreed that Carles Puigdemont would run the Catalan government on an 18-month roadmap to independence, during which the regional government would draft a Constitution and create a state structure made of basic laws, a tax system, a central bank, social security services and diplomatic services. The Catalan government aims to vote for the new Constitution in a referendum by summer 2017; Puigdemont stated that “the Catalan government will not take this definitive step (independence) without democratic validation”.<sup>12</sup> But it has already met fierce opposition from Spanish Prime Minister Rajoy, and from Catalan Parties such as C’s and the PPC. On January 2016 Raul Romeva became the first Catalan foreign minister, one month later the Spanish Constitutional Court ordered him to drop his title as only the central state could legally have a formal foreign policy.

Another major step of the Catalan roadmap is the drafting of a Constitution. On May 2016 the first draft was introduced to the Catalan Parliament. It was written by a committee named “Constituïm” (“Let’s constitute”) which emerged from civil society and which is made of judges, economists, engineers and other professionals. It adopts an official flag, a national anthem, Catalan and Aranese as its official languages, provides special status for the Spanish language, and sees Barcelona as its capital. The 49-article draft describes Catalonia as “a citizen and participative republic”, based on a presidential system with elections on a single constituency. The elected President would then select the ministers along with the head of government. Other elections would be held for the Parliament to be chosen. Assuming that armies of the 21<sup>st</sup> century are unnecessary, an “Agency for Security and Defence” would protect citizens and control the borders. It plans to create an “Institute for Peace and Truce” focusing on international help and humanitarian actions.

This first draft has been sent to the Committee, the different political groups in the Parliament and to civil society associations in order to be studied, amended and debated.<sup>13</sup>

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<sup>12</sup> “Puigdemont explains Catalonia’s roadmap towards independence to the international audience at Chatham House”, *Catalan News Agency*. Available at: <<http://www.catalannewsagency.com/politics/item/puigdemont-explains-catalonia-s-roadmap-towards-independence-to-the-international-audience-at-chatham-house>> (Accessed on 27/05/16)

<sup>13</sup> “First draft of Catalan Constitution presented to Parliament’s President”, *Catalan News Agency*. Available at: <<http://www.catalannewsagency.com/politics/item/first-draft-of-catalan-constitution-presented-to-parliament-s-president>> (Accessed on 27/05/16)

## 2015 General elections in Spain

It appears that the more the proposal independence of Catalonia is rejected by the Spanish government, the more Catalans are in favour of independence. As the debate about holding a referendum dragged on between Madrid and Barcelona, the separatists' enthusiasm has swollen. According to Jordi Sánchez, the president of the Catalan National Assembly, "this has been the result, in part, of Mr Rajoy's refusal to concede any Catalan demands for greater self-government."

Prime Minister Mariano Rajoy holds power since December 2011. His party, the Partido Popular, lost ground during the 2015 Spanish general elections: it remained the largest political party but lost its majority in Parliament. The Parliament was so fragmented that the four major parties (PP, PSOE, Podemos and C's) have been unable to reach an agreement, one of the stumbling questions was whether or not a referendum should be held on Catalonia independence. As a result, a fresh election will be held on 26<sup>th</sup> June 2016. The PP will then face Unidos Podemos, a coalition formed by Podemos, United Left and Equo, which recently gained popularity in Spain. These parties are not in favour of Catalan independence, neither is C's and its Catalan branch. Mariano Rajoy announced he will meet with Pedro Sanchez, the head of PSOE party in order to make a coalition for the next elections against Catalonia's independence. The Republican Left of Catalonia (ERC) obtained only nine seats in the previous elections and is seen to have lost significant influence in Parliament.

Describing Catalonia's roadmap to independence at Chatham House on May 2016, Mr Puigdemont assured that his government is still willing to negotiate with the Spanish government but that it will not ask for it as this has been refused by the Spanish government and by the Spanish President many times.<sup>14</sup>

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<sup>14</sup> "Puigdemont explains Catalonia's roadmap towards independence to the international audience at Chatham House", *Catalan News Agency*. Available at: <<http://www.catalannewsagency.com/politics/item/puigdemont-explains-catalonia-s-roadmap-towards-independence-to-the-international-audience-at-chatham-house>> (Accessed on 27/05/16)

**IN BRIEF: January 2006 - present**

- Catalonia Parliamentary elections
  - JxSi and CUP made up a coalition to achieve majority in terms of seats in Parliament
  - C's (25 seats) ; PSC (16 seats)
- 12<sup>th</sup> January 2016: Carles Puigdemont became Catalonia new President
- The coalition decided on an 18-month roadmap to independence
  - Creation of a state structure made of basic laws, a tax system, a central bank, social security services and diplomatic services
  - Constitution has been drafted and introduced to the Parliament and the civil society on May 2016
- Spanish general elections
  - PP (party of Rajoy) remained first party in Parliament but lost majority
  - Parliament too fragmented, fresh elections will be held on 26<sup>th</sup> June 2016

### **III – PROS AND CONS OF INCREASED DECENTRALISATION IN CATALONIA**

#### **Culture and language**

Historically, the main reason for Catalonia's claim to independence has been to allow for its language and cultural traditions to flourish in an independent state. After Catalan and Aranese were banned from public life under the Franco Years, Catalonia fought for its historic languages to be recognised in the 1978 Constitution. As mentioned, the 1979 Statute of Autonomy recognized Aranese and Catalan as official languages and gave a special status to Catalan. As it is the case in Northern Ireland, between Irish and English languages, there is no major linguistic conflict between Spanish and Catalan, however language plays a significant role in defining a cultural identity and promoting the idea of a distinct state within a country.<sup>15</sup>

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<sup>15</sup> Ned Thomas, "Language Policy in conflict resolution", Democratic Progress Institute, London, September 2015

Since the language of minorities must be respected if minorities are to be successfully included in the state,<sup>16</sup> two key texts have been drafted with the aim of protecting minority languages.

- The Council of Europe's European Charter for Regional or Minority Languages was ratified by Spain in 2001, it protects and promotes the regional minority languages in the framework of Europe allowing separatism within a nation-state to become regionalism within Europe.<sup>17</sup>
- The Universal Declaration of Linguistic Rights (also known as the Barcelona Declaration) presented to UNESCO in June 1996, was drafted by a team of experts led by the CIEMEN Foundation in Barcelona. The Declaration was more absolute in its claims than the European Charter, but has not been adopted by UNESCO. Thus, the Declaration has no legal force but rather a moral status given the significant support it has received from nation-states and Nobel prize-winners.<sup>18</sup>

Since 84.7 per cent of people living in Catalonia speak Catalan, the 2006 revised Statute of Autonomy allocated Catalan as the "preferential language" in order to prioritize the use of Catalan over Castilian in public institutions. The first draft of the new Catalan Constitution defines Aranese and Catalan as the two official languages of Catalonia but gives a special status to Castilian as 98 per cent of the population in Barcelona speaks Castilian.

## **Economic situation**

Since an economic crisis hit Europe in 2008, economic reasons have been added to Catalonia's claim to independence. These claims are supported by those who suffer from the Spanish economic crisis and who accuse the Spanish tax system of being unfair.

The main argument in favour of secession from Spain is the fiscal imbalance between what Catalonia pays to Madrid and what Catalonia receives back in the form of public spending. Catalonia is a rich and industrialised region, its GDP per capita is higher than that of Spain and of the 27-EU nation-states.<sup>19</sup> It is part of the Spanish tax system and therefore contributes to Spain's public revenue. According to Catalan's separatists, Catalonia's fiscal balance deficit is between 7.5 per cent and 10

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<sup>16</sup> DPI Brief, "Minority Culture, Language and Identity in Conflict", Democratic Progress Institute, London, March 2016

<sup>17</sup> Ned Thomas, "Enabling minority language", Democratic Progress Institute, London, February 2013

<sup>18</sup> Ned Thomas, "Enabling minority language", Democratic Progress Institute, London, February 2013

<sup>19</sup> "Arguments for and against Catalonia independence", *Debating Europe*. Available at: <http://www.debatingeurope.eu/focus/independence-catalonia/#.V0MDHvkrKig> (Accessed on 27/05/16)

per cent of the Catalan GDP.<sup>20</sup> This means that Catalonia contributes more to the federal government's tax revenue, than it receives from federal spending. Independent political parties argue that the fiscal imbalance is the reason for which this wealthy region struggles to provide public services for Catalans. As Madrid refused to grant Catalonia the fiscal autonomy achieved by the Basque Country, Carles Puigdemont sees independence as a means to allot money more fairly to "attend the needs of the most vulnerable".<sup>21</sup> In the long term, independence could allow Catalonia to reinvest the tax money sent to Madrid for its own economic growth. Some proponents of independence argue that Spain would benefit from independence too as it would be forced to become more competitive.<sup>22</sup>

Opponents of independence in Catalonia recall the Constitutional principle of "solidarity between regions", accusing Catalonia of promoting a selfish nationalism within Spain. According to opponents the fiscal imbalance measured by the burden-benefit approach reveals that a similar fiscal treatment is applied to all regions in Spain.<sup>23</sup> Moreover they argue that Catalonia's economic difficulties are due to the economic crisis suffered by Europe as well as Spain, and to a long-term mismanagement of public spending by former Catalan governments. From this viewpoint, the idea of Spain "robbing" Catalonia is a myth and an independent state would not improve Catalan economics.

Some believe that Catalonia as an independent state might face economic turmoil, at least in the short term. Firstly, the Catalan government would have to provide public services hitherto covered by the Spanish government (the costs of which are currently shared between 18 regions of Spain). Secondly, there is an uncertainty concerning new borders and trade regulations which could have a negative impact on Catalan products.<sup>24</sup> Catalonia might face a fall of its exports to Europe and to Spain, which were 65.2 per cent of all its exports in February 2016, including around 45 per cent to Spain.<sup>25</sup> Economics experts do not agree on Catalonia's case: some say that Catalonia's GDP would

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<sup>20</sup> Josep Desquens, "Europe's Stateless Nations in the Era of Globalization", *The Bologna Center Journal of International Affairs*, Bologna, Spring 2003

<sup>21</sup> "Puigdemont explains Catalonia's roadmap towards independence to the international audience at Chatham House", *Catalan News Agency*. Available at: <<http://www.catalannewsagency.com/politics/item/puigdemont-explains-catalonia-s-roadmap-towards-independence-to-the-international-audience-at-chatham-house>> (Accessed on 27/05/16)

<sup>22</sup> "Economic Impacts of Catalonia's Bid for Independence", *Yale Economic Review*. Available at: <<http://www.yaleeconomicreview.org/archives/2223>> (Accessed on 27/05/16)

<sup>23</sup> <[http://www.ieemadrid.es/userfiles/OtrosInformes/THE\\_POLITICAL\\_ECONOMICS\\_OF\\_CATALAN\\_INDEPENDENC E.pdf](http://www.ieemadrid.es/userfiles/OtrosInformes/THE_POLITICAL_ECONOMICS_OF_CATALAN_INDEPENDENC E.pdf)>

<sup>24</sup> "Economic Impacts of Catalonia's Bid for Independence", *Yale Economic Review*. Available at: <<http://www.yaleeconomicreview.org/archives/2223>> (Accessed on 27/05/16)

<sup>25</sup> Catalonia's Institute of Statistics. Available at: <<http://www.idescat.cat/economia/inec?tc=3&id=0803&lang=en>> (Accessed on 27/05/16)

fall by 14.2 per cent to 23.5 per cent, and that unemployment would reach 34 per cent, namely because of a drop in exports to Spain by 50 per cent. Others argue that Catalan economics depend more on internal work than on exports; to them, the fiscal imbalance is so big that any trade problems with Spain would be better than going on financing the central government's tax system.<sup>26</sup> What experts do agree on is that Spain would lose a very active and diversified region representing almost 20 per cent of its GDP were Catalonia to secede.

Another question on which experts do not agree is whether an independent Catalonia would be admitted into the Euro zone. If not, this would trigger questions regarding a new Catalan currency and on which financial institution would accept its debt which is 22 per cent of the Catalan GDP.

## International context

Whereas opponents to an independent Catalonia claim that there is "no denying that Catalonia would leave the EU",<sup>27</sup> Catalan pro independence politicians affirm there is "no reason Catalonia should leave the EU".<sup>28</sup>

Accessing the European Community requires the agreement of all of its members, which Catalonia may face difficulties in achieving. But the commercial integration of a state into the European Union only requires the agreement of a majority of States in the EU.<sup>29</sup> Carles Puigdemont states that Catalonia "represents two per cent of the European GDP, has a strong potential in terms of entrepreneurship, knowledge and a strong brand which is Barcelona"<sup>30</sup> upon what he assures that "Europe will show its big ability to adapt". Pro independents do not speak about setting borders: according to them, Catalonia could be a State without being independent from Spain, and could be independent without resettling borders within the EU.

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<sup>26</sup> "Une Catalogne indépendante est-elle économiquement viable ?", *Econostrum*. Available at: <[http://www.econostrum.info/Une-Catalogne-independante-est-elle-economiquement-viable%C2%A0\\_a19168.html](http://www.econostrum.info/Une-Catalogne-independante-est-elle-economiquement-viable%C2%A0_a19168.html)> (Accessed on 27/05/16)

<sup>27</sup> José Luis Feito Higuera, "The pitfalls of Catalan independence's economic postulates" in *The political Economy of Catalan Independence*, Instituto de Estudios Economicos, Madrid, September 2014

<sup>28</sup> "Puigdemont explains Catalonia's roadmap towards independence to the international audience at Chatham House", *Catalan News Agency*. Available at: <<http://www.catalannewsagency.com/politics/item/puigdemont-explains-catalonia-s-roadmap-towards-independence-to-the-international-audience-at-chatham-house>> (Accessed on 27/05/16)

<sup>29</sup> "Une Catalogne indépendante est-elle économiquement viable ?", *Econostrum*. Available at: <[http://www.econostrum.info/Une-Catalogne-independante-est-elle-economiquement-viable%C2%A0\\_a19168.html](http://www.econostrum.info/Une-Catalogne-independante-est-elle-economiquement-viable%C2%A0_a19168.html)> (Accessed on 27/05/16)

<sup>30</sup> "Puigdemont explains Catalonia's roadmap towards independence to the international audience at Chatham House", *Catalan News Agency*. Available at: <<http://www.catalannewsagency.com/politics/item/puigdemont-explains-catalonia-s-roadmap-towards-independence-to-the-international-audience-at-chatham-house>> (Accessed on 27/05/16)

Pro-Europe Catalan employers represented Catalonia in Brussels from 1986 to 2006, when it became the Delegation of the Generalitat Government following the revision of its Statute of Autonomy. In 1996 an agreement between the Spanish President and the Catalan coalition CiU recognised the right for an advisor in charge of the autonomous communities to sit in the Permanent Representation of Spain at the EU. Since 2004 the autonomous communities have named two advisors for a three-year mandate on the basis of rotation between regions. These advisors take part in the Committee of Permanent Representatives (COREPER), committees and working groups of the European Commission and in the Councils of Ministers related to Agriculture and Fishing; Environment; Education, Youth and Culture; Employment, Social Policy, Health and Consumers.<sup>31</sup>

The European Union does not express its views on the question of independence, apart from reminding us of what was said concerning Scotland in 2004:

*“When a part of the territory of a Member State ceases to be a part of that state, e.g. because that territory becomes an independent state, the treaties will no longer apply to that territory. In other words, a newly independent region would, by the fact of its independence, become a third country with respect to the Union and the treaties would, from the day of its independence, not apply anymore on its territory.”<sup>32</sup>*

However some argue that the overall outlook of Europe is not in favour of secession of Catalonia as it may promote other calls for secession within Europe, as seen in Scottish, Flemish and Corsican examples.

In 2012 Artur Mas, the former President of Catalonia, gave a speech in Brussels, invited by the think tank Friends of Europe, to declare that Catalonia is a State which has belonged to Europe since the Carolingian era.<sup>33</sup> At Chatham House in May 2016, Carles Puigdemont assured the public that the Catalan government “will adopt the 3,363 international treaties which Spain has signed in order to know how the Catalan state will be able to relate to the rest of the world”.<sup>34</sup>

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<sup>31</sup>“L’indépendance de la Catalogne, un débat européen d’abord politique”, *L’espace Politique*. Available at: <<http://espacepolitique.revues.org/2828>> (Accessed on 27/05/16)

<sup>32</sup> Question by Eluned Morgan (PSE) to the Commission, *Official Journal of the European Union*. Available at: <<http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:92004E000524&qid=1464185040718&from=EN>> (Accessed on 27/05/16)

<sup>33</sup> “L’indépendance de la Catalogne, un débat européen d’abord politique”, *L’espace Politique*. Available at: <<http://espacepolitique.revues.org/2828>> (Accessed on 27/05/16)

<sup>34</sup> “Puigdemont explains Catalonia’s roadmap towards independence to the international audience at Chatham House”, *Catalan News Agency*. Available at: <<http://www.catalannewsagency.com/politics/item/puigdemont-explains-catalonia-s-roadmap-towards-independence-to-the-international-audience-at-chatham-house>> (Accessed on 27/05/16)



**IN BRIEF**

- Culture and language
  - Since 2006, Catalan is the “preferential” language in Catalonia
  - 84.7 per cent of people living in Catalonia speak Catalan
- Economics
  - Fiscal imbalance: Catalonia contributes more to the federal government’s tax revenue, than it receives from federal spending
  - Catalonia’s economics represents 20 per cent of Spain’s GDP and 2 per cent of the European GDP
  - Catalonia’s debt is 22 per cent of the Catalan GDP
  - Uncertainty concerning trade regulations with Spain and Europe which could have a negative impact on Catalan exports
- International context
  - Catalonia is represented in Brussels by the Delegation of the Generalitat Government of Catalonia
  - In the case of secession, Catalonia would have to apply for its integration into Europe
  - Accessing the European Community requires the agreement of all of its members
  - Commercial integration requires the agreement of a majority of EU states
  - If Catalonia were to secede, the Catalan government would adopt the 3,363 international treaties which Spain has signed

## IV – CONCLUSION

This working paper has examined the ability of a community to call for further decentralisation using the political means at its disposal. Catalonia offers a very specific case study of a community seeking greater autonomy within a nation State. Since the revised Statute of Autonomy of Catalonia in 2006, Spanish democracy has faced a new question in a post Franco era, within the sphere of governance, that of decentralisation.

While civil society movements are by no means an alternative to government action, the efforts of local people that are needed in the context of national governments are also needed when it comes to local governance.<sup>35</sup> Decentralisation processes are a way of reinforcing citizen participation in democratic societies and can force improvements to local democracy and the understanding between central government and regional communities. To achieve this, civil society and law makers may create new ways of communication and systems of political representation. These processes and efforts may be observed in Catalonia:

- Civil society set up the “Catalan Way” in 2013, a human chain of 1.6 million people throughout Catalonia in the context of the “National Day” demonstrations for independence.
- The Catalan parliament adopted diverse declarations and laws, also establishing a roadmap to achieve its goal of increased political representation at a local level.

Devolution is one means of protecting and acknowledging diverse minority languages and cultures within a nation State; it is a significant aspect of democracy that can be achieved through an inclusive and accessible process of governance. Catalonia aims to protect and ensure the survival of its own traditions and languages; the use of both Catalan and Aranese is currently ensured by the Statute of Autonomy and there are ongoing aims to add to this protection. Devolution can also be a means of achieving fiscal autonomy, a question which continues to be debated between Madrid and Barcelona.

While devolution can be seen as a medium for democratic progress, it can also present complex issues, which require debate and negotiation between central government, regional communities and the citizens of each, in order to find a democratic solution which satisfies the interests of all. An

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<sup>35</sup> Degrees of Governance: A Study of the Decentralisation of States in Enabling Democratic Progress, Democratic Progress Institute, London, 2015

absence of structured negotiations between the central government and the regional communities in question can lead to misunderstanding and potential polarisation of political views.

Key questions in terms of the practical feasibility of devolution processes often arise. An example of this is whether Catalonia could feasibly become an independent State within Spain's borders or a third country in Europe. The first scenario may be seen as a case of internal self-determination, which can be described as the realisation of the demands of a people for greater self-determination within the borders of an existing State, with no secession. This would involve the granting of increased autonomy and devolution by the Spanish central government to Catalonia, giving it further political and social rights. The second scenario would be that of external self-determination: secession and a declaration of independence of Catalonia from Spain, creating a new state in the process.<sup>36</sup> Many of the proponents of independence for Catalonia stand for the creation of an independent State, but recent events demonstrate that such an outcome must be discussed and analysed more deeply as discussed in this paper.

The current scenario in Spain regarding Catalonia's prospective independence or at least increased powers demonstrates that processes of devolution present challenges and complex questions and are by no means straightforward. However, while decentralisation does not necessarily promise a straightforward route to democratic advancement and the rule of law, it can be seen as an important means of enhancing democracy by allowing communities to claim further rights and recognition, and to achieve cultural, economic and geographical representation for different groups within a State.

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<sup>36</sup> Degrees of Governance: A Study of the Decentralisation of States in Enabling Democratic Progress, Democratic Progress Institute, London, 2015