

Sample Article: Spain: Catalonia's Independence Bid, One Year Later

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Summary



(David Ramos/Getty Images)

European and pro-Catalan independence flags.

Economic and political problems are undermining Catalonia's most recent bid for independence. The

region's president, Artur Mas, has struggled to reconcile the demands of his parliamentary partners, who want to secede quickly, with those of his party, some elements of which view the independence process more reservedly. In the coming months, the Catalan government will try to buy time to negotiate a political settlement with Madrid, wait for the economy to improve and delay the referendum for as long as possible. For its part, Madrid will be willing to negotiate because it wants to ease political tensions within its borders and focus on what will alleviate the economic crisis.

Analysis

Sept. 11 marks the National Day of Catalonia, known in Catalan as the "Diada." It commemorates the defeat of the Catalan army by King Philip V of Spain in 1714, during the War of the Spanish Succession, and celebrates the region's identity and customs. The holiday has been observed since the late 19th century, but it was banned during the dictatorship of Francisco Franco, who wanted to suppress [the regional identities of Spain's composite parts](#). After the new Spanish Constitution was written in 1978, Spain was divided into 17 autonomous communities and two autonomous cities, and the regional government restored the holiday.

This year's Diada is particularly significant: It marks the anniversary of the [Catalonians' massive push for an independence referendum](#). One year ago, as many as 2 million Catalonians (Madrid puts this figure at 600,000) demanded that their region had the right to hold the referendum -- something that is outlawed by the Spanish Constitution. Many Catalonians believe the current Spanish legal framework is unfair because it does not allow their region -- Spain's most prosperous -- to enjoy the benefits of its privileged economic status.

But Catalan nationalism takes many forms. All nationalists want the Catalan language to be better represented in schools and public administration. But some demand the type of fiscal autonomy seen in the Basque Country and Navarre, while others demand full independence from Spain. In 2010, the Spanish Constitutional Court rewrote several articles of the Statute of Autonomy of Catalonia, which had been approved by the Spanish parliament in 2006, thus weakening the region's autonomy. This renewed the Catalan nationalists' push for an independence referendum.



Capitalizing on the public discontent expressed on the 2012 Diada, the Catalan government, led by Mas, promised an independence referendum. Traditionally, Mas' conservative Convergence and Union party -- an alliance of the Democratic Convergence and Democratic Union parties -- has been inclined to negotiate with Madrid. Some of its members are willing to accept greater fiscal autonomy without full independence. However, believing the 2012 Diada presented an opportunity for political success, the party nonetheless called for early elections and vowed to hold a referendum.

But the region's dire economic situation, which mirrors the wider economic crisis in Spain, caused Mas to lose popular support. In early elections held in November 2012, [leftist parties saw increased electoral](#)

[support](#). This forced Convergence and Union to reach an awkward government alliance with the Republican Left, a party that is more explicit in its independence demands and that openly rejects austerity policies meant to reduce the region's deficit.

Since the last Diada, the Catalan government has dealt with several political and economic problems. Politically, there is dissonance in the Convergence and Union party – not all the members of the party federation support outright independence. There are some elements within Convergence and Union that want an accommodation with Madrid, hoping to obtain more fiscal autonomy in exchange for abandoning the independence claims. These elements believe that the referendum could be delayed and could eventually include several questions about Catalonia's political status, rather than a single "yes or no" question about independence.

The Republican Left openly rejects such views. It refuses to concede anything to Madrid, and it wants to hold the referendum as soon as possible.

Moreover, the Republican Left has strongly criticized the spending cuts the regional government has applied to reduce the deficit. This year, the Catalonian government decided to extend the 2012 budget after its failure to agree to a new budget. The regional parliament is expected to debate the 2014 budget in late October, so new tensions between the members of the ruling coalition are likely.

The Catalan government is also under pressure from the region's businessmen, who worry that independence would harm the region's economic strength. Brussels has said that an independent Catalonia would not automatically be a member of the European Union. Its exclusion would substantially hurt Catalonia's export-oriented economy. Indeed, the viability of an independent Catalonia largely depends on its access to the EU free market.

Lastly, the Catalan government has been dealing with corruption scandals, most of which involve alleged embezzlement in the public health sector. These scandals have only curbed popular support for the Convergence and Union party.

Room for Accommodation

The Catalan government has also clashed with the national government. Because the Spanish Constitution prohibits regional secession, Madrid has threatened to block a referendum in the Supreme Court. Relations between Spanish Prime Minister Mariano Rajoy and Mas are also strained, and Rajoy has yet to respond to a letter from Mas requesting formal negotiations over a "legal" referendum. Mas believes that Madrid could delegate powers to Catalonia to organize a referendum, similarly to how London allowed Scotland to hold [a referendum for Scottish independence](#).

However, Catalonia and Madrid have found some room for accommodation. In May, the European Commission granted Spain two more years to take its budget deficit below 3 percent of gross domestic product as stipulated by EU regulations. This enabled Madrid to allow five autonomous communities, including Catalonia, to have [deficits above the requested level](#). Madrid set a deficit limit of 1.3 percent of the regional GDP for most regions, but Catalonia was given a target of 1.58 percent. This is below the target of 2.1 percent of regional GDP that was demanded by Mas, but it is still a significant concession given the current tensions. In January, Madrid lent Catalonia more than 9 billion euros (about \$12 billion) from the Regional Liquidity Fund, which was created to assist regions in financial need. The Spanish government understands that Catalonia is a key engine of the Spanish economy and that economic deterioration there would affect Spain as a whole.

Before the summer break, the Catalan government created a "commission on the right to decide" in the regional parliament. Dedicated to researching legal options for independence, the commission currently is working on a consultations law designed to legally permit the referendum. The law could be presented to the Catalonian parliament in late October or early November.

But even if the law is approved, the referendum could still be delayed. On Sept. 5, Mas admitted that the referendum could not be held next year, as promised during the electoral campaign. According to Mas, if Madrid does not authorize a referendum for 2014, it could be held alongside the next regional

elections, which will take place during the second half of 2016. This means a two-year delay from the date that Convergence and Union agreed upon with the Republican Left. On top of the legal challenges from Madrid, Mas said that the Catalan economy may need extra time to recover before the Catalonians are asked to decide their future.

The Republican Left harshly criticized these statements, forcing Mas to promise again that the referendum would be held next year. Tensions between Convergence and Union and the Republican Left are likely to remain high in the coming months, and these will only further undermine the independence process. Convergence and Union will try to buy time to explore a potential agreement with Madrid, to regain the popularity it lost with the economic downturn and to prevent left-wing parties from taking control of the region.

In this context, public opinion in the region remains divided. According to an Aug. 5 poll by Metroscopia, 49 percent of Catalonians would vote for independence in a referendum while 36 percent would vote to remain within Spain. However, if independence meant leaving the European Union, only 41 percent would support independence while 44 percent would not. It is also worth mentioning that 63 percent of Catalonians believe they do not have enough information to make a decision. Political manipulation of the referendum increases the risk of exacerbating the friction between the Catalan nationalists and supporters of the unity of Spain.

The rest of Europe will follow the Catalan secession process closely. The European crisis is not only creating political divisions between members of the European Union but is also [inciting regionalist sentiment inside some member states](#). As with Catalonia, other wealthy regions in Europe believe their contribution to their state government outweighs their benefits, and they are advocating a renegotiation of the fiscal systems accordingly. Other regions are pushing for independence. For these regions, the evolution of the events in Catalonia will be a test case for their own political aspirations. Catalonia probably will receive additional concessions from Madrid in exchange for delaying its plans for a referendum. Other regions in Europe could employ a similar tactic in their negotiations with central governments.

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