

CHAPTER I

INTRODUCTION

A. Background

Separatism has become a severe political phenomenon within Europe, with regional secession a clear, short-term possibility in Europe. Europe has been incredibly divided for generations: The term secessionism is characterized as the call for a formal withdrawal from a central political authority based on a claim for separate sovereign status. It is the wish of the groups for an independent state. (Hechter, 1992) there are currently around twenty-five 'significant separatist movements' active in Europe. Some of these have been in existence for decades, and while some of them have violent pasts, many others have been working exclusively by peaceful means. (Borgen, 2010)

Spain, over the past few decades, has struggled to overcome the problem of Separatism in the country. In total, there are 17 regions in Spain, in general representing many of these regions are Andalusia, Basque, and Catalonia. Catalonia is explicitly one a part of the country experiencing the upheaval of nationalism. On La Diada 2012, millions of protesters took to the streets of Barcelona. What was supposed to be a celebration of Catalonia's national holiday had

become the most massive demonstration of Catalan nationalism in modern memory. Demonstrators lined the streets with banners with signs such as 'Independence now!' 'and' Catalonia: the new European state, 'as well as the Catalan national flag. On this day, the hopes of Catalan independence became a real possibility (Connolly, 2013).

Spain can be classified as a highly decentralized unitary state with an ethnically diverse population represented by territorially clustered national minorities. The Spanish contemporary society, known as a "State of Autonomies," is widely regarded as one of Europe's most decentralized (Colomer, 2017). Spain is a state with two-thirds of government national and provincial sharing constitutionally independent authorities and democratic legislative structures. Composed of 17 Autonomous Communities (AACCs), each includes a municipal organization with democratic legislative autonomy statutes. The Spanish autonomous system blends both 'self-rule' and 'shared-rule.' Also, the Spanish Constitution is a basis of justification for the right to autonomy to self-rule, where the regional authority is not simply an agent of the central government. The Spanish Constitutional Court is the ultimate arbitrator with concurrent rights and powers of government, and the Spanish Assembly

is bicameral with the Senate as the 'territorial upper chamber.' (Moreno, 2007)

Since regaining independence in 1975, Spain has grown to become the eurozone's fourth-largest economy. After the 1990s, many Spanish companies have achieved multinational status, often expanding their operations in Latin America, Eastern Europe, and Asia. Spain is the second most significant foreign investor in Latin America, after the United States. Spain's business is also expanding in Asia, especially in China and India. Global expansion has given Spanish companies a competitive advantage over other European countries. Spain's economy is the fourteenth largest in the world in terms of nominal GDP and one of the largest in terms of purchasing power parity.

Spain's economy is a combination of capitalism and socialism. According to nominal GDP figures, Spain's economy is the fifth largest in Europe behind Germany, the United Kingdom, France, and Italy, and the fourth largest in the eurozone. Spain was the world's fifteenth largest exporter and fourteenth largest importer in 2019. Spain is ranked 25th in the United Nations Human Development Index and 32nd in GDP per capita by the World Bank, indicating that it is a middle-income country with relatively high human development. The Economist reports that Spain has the tenth best quality of life in the world.

(Vardy, 2006) Spain had a trade surplus in 2013. Capital goods and the automotive sector drove export demand, with a surplus of 2.5 percent of GDP expected in 2014. Exports accounted for 34% of GDP in 2014, up from 24% in 2009. Spanish exports increased, and in the first half of 2016, the country set a new high by exporting goods worth 128,041 million euros, with nearly 67 percent of the total going to other EU countries. Spain was the country with the fastest-growing exports of the 70 members of the World Trade Organization (whose combined economies account for 90 percent of global GDP). Overall, by 2017, global sales had increased per year since 2010, with some unplanned import substitution -an unusual feat for Spain during its expansion period-, indicating systemic competitive benefits. According to the most recent statistics from 2017, about 65 percent of the country's exports are sent to other EU countries. Moreover one of the important exporting region in Spain is Catalonia.

Catalan is defined as the residents who inhabit in Catalonia region bordering France in the southern Mediterranean Sea in the east and the Spanish Aragon and Valencia in the west. Catalonia consists of four sub-provinces, namely Barcelona, Girona, Lleida, and Tarragona. Catalonia's capital city is Barcelona which is the second-largest city in Spain after Madrid. The city is also one of the largest metropolitan cities in

Europe. The Catalans never felt like a part of Spain. The Kingdom of Spain conquered the territory of Catalonia in 1714. Since then, the Catalan people have continued struggling to separate themselves and become their nation, and these efforts have even sparked a civil war.

Regarded from various perspectives, such as society, economy, a history that looks very different from Spain. In terms of history, Catalonia is an autonomous territory of the Iberian Peninsula (Spain and Portugal) which has its language, legal laws, and traditions. During the marriage of Petronilia, Queen Aragon and Ramon Berenguer IV, a nobleman from Barcelona, created a dynasty that made his son inherit all the regions of Aragon and Catalonia. The success of the Spanish War ended with the loss of Valencia in 1707, of Catalonia in 1714, and finally the loss of the last island in 1715, when modern-day Spain was born. The next ruling king then forced the use of the Spanish language and the rule of law in the region. However, this attempt was abandoned in 1931, and the Generalitat government (Catalan National Government) was restored. General Francisco Franco, then planning to kill Catalan Separatism, took over the region with his victory in the Ebro war in 1938. (Montserrat, 2014)

Catalonia has a self-government structure called the Generalitat de Catalunya; it has its flag, its literature, traditions, and culture which are

markedly different from Spain. Former kingdoms in Spain appear to have high nationalism in their territories, much as they do in Catalonia. Catalonia itself is a former kingdom of Aragon that became an integral part of Spain in 1714. The people of Catalonia believe like they are not part of Spain, that they are not inhabitants of Spain, that Catalonia should be allowed to stand alone and separate from Spain. This is what contributed to a nationalist movement or secession, and a demand for freedom and independence for Catalonia from Spain.

Figure 1 Catalonia MAP



(SMITH, 2017)

Local dissatisfaction and separatism were caused by the 2008 financial crisis and cuts in Spanish government spending. The perception is that the Central government collects more revenue

than it pays out. However, because of the complexities of expenditure allocations, it's impossible to say how much more Catalans contribute than they get from spending in programs like schools and hospitals. The referendum on independence in Catalonia has taken place many times, this wish has existed for a long time, but it still leads to disappointment. Many political groups and groups want the full freedom of Catalonia. Initially, Catalonia's nationalism was defeated, but obviously, it did not last long until the separatists returned and carried out another separatist campaign. Several Spanish politicians have attempted to prohibit the use of Catalan for hundreds of years to discourage undue nationalism in the region of Catalonia. Separatist campaigns for the liberation of Catalonia can be seen since the 19th century, the rise of the *Renaixença* movement or the rebirth of culture aimed at reviving the culture of Catalonia and reusing the Catalan culture.

Every year, pro-independence groups in Catalonia have risen. Many Catalans, particularly young people, look back on their heritage with pride and resentment, and see no other way but to secede, implying that the Generalitat's efforts to promote Catalan identity through language and history lessons, as well as supporting Catalan-language media, are working. At the 2012 National Day of Catalonia, the groups publicly

took to the streets again, as many as 1.5 million people gathered in the streets of Barcelona and proclaimed that they were a new country in Europe. They asked the Spanish Government to allow them further access to their financial arrangements. However, the response of the Spanish Government remains the same. Spain refused, as it had done before. In the past of the Kingdom of Aragon and Spain, Catalonia has always had a degree of constitutional autonomy. The long history of Catalonia supports in understanding the new independence movement's deep origins. Catalans argue that their region was historically autonomous prior to 1714, and that they are entitled to the independence they once enjoyed.

The Spanish Prime Minister has dismissed all plans or demands relating to the financial laws. Furthermore, in 2014, following what had been done by one European country, namely the United Kingdom, Catalonia submitted a petition on the granting of legal powers from Spain to allow Catalonia to hold a referendum, but the Spanish Government's response remained the same. The outcome of the referendum in Spain on the request from Catalonia claimed that the majority disapproved of the legal powers granted to Catalonia to hold a referendum.

Pro-independence Catalonia has never stopped fighting for the independence of

Catalonia; in 2015, the Separatist Party won the most votes in the regional elections. Moreover, as if to give fresh air to the Catalonia pro-independence. Catalonia has started to propose a mechanism of secession with Spain, but the Constitutional Court has rejected this.

Catalonia held a referendum on independence from Spain on October 1, 2017. Catalonia, in the north-east corner of Spain, has a population of seven and a half million. At the beginning of September, the Catalan Parliament introduced a referendum on self-determination to govern the vote. At the request of the Spanish Government, which found the law to be unconstitutional, the Spanish Constitutional Court repealed it and held a referendum. Yet the Catalan government has gone ahead nonetheless. Also, the Spanish authorities have taken steps to avoid the referendum, including the detention of several Catalan government officials. On the day of the referendum, through the use of the police force, the Spanish authorities were unable to prevent large-scale participation. The President of Catalonia declared a referendum on the self-determination of Catalonia, to be held on October 1, 2017. The President of Catalonia postponed the declaration of independence to wait for mediation and a diplomatic settlement from the international community. On October 6, the Catalan Government declared that 2,3 million citizens had

voted out of the 5 million registered. Two million people voted in favor of democracy. (Field, 2017)

According to the suspended referendum rule, this result will trigger a declaration of independence. In the background of a highly mobilized Catalan independence campaign, the threat of a unilateral declaration of independence brought together different sections of society that had not previously been mobilized. Some called for mediation between the Spanish and Catalan governments. Others have supported the unity of Spain. Many businesses have moved their legal headquarters from Catalonia. Also, minority voices within the Catalan government tried to delay the unilateral declaration of independence, which was rejected by the bulk of the Junts pel Sí (Together for the Yes) Government and its parliamentary partner, the Popular Unity Candidacy (CUP).

The pro-independence groups signed a declaration of independence on October 10, 2017. On the other hand, The Spanish central Government rejected the referendum and declaration of independence of Catalonia, in line, The United States and the European Union refused the outcome of the vote and supported a united Spain. (Erkan, 2010)

B. Research Question

Based on the background already elaborated above, I can formulate a research question, which is: "**Why did The Spanish Government not approve The Catalan referendum?**"

C. Research Purposes

This research has the following objectives:

1. Knowing the motives of the Spanish Government resisting the referendum of Catalonia
2. Knowing and describing the factors of the Catalan separatism movement
3. To enrich the study of International Relations, particularly in the scope of International Relations about Catalan issues.

D. Theoretical Framework

To answer the questions of the problem will be used the Theory of Political Economy to secessionism and Domino Effect theory.

1. Political Economy to Secessionism

This thesis adopts a theoretical framework, based on the literature on the political economy of secession, to analyze the ongoing separatist movements of the Autonomous Region of Catalonia in Spain. According to this theory, regions work based on a measure of the maximization of wealth; they secede, merge or preserve a status quo based on the presence or perceived presence of a difference between their current economic performance and optimum economic performance. (Wittman, 1991) Separatism is favored when economic policymaking is centralized, but there are substantial regional variations in economic performance. (Jenne, 2007)

The economically advantaged region, such as Catalonia, is pressing for secession to avoid subsidizing deprived regions in the state. On the other hand, more impoverished regions support secession as a way of ending competition with wealthier regions for public resources and job opportunities. In short, one-size-fits-all policymaking contributes to political instability as regions realize that they might be better off on their own.

Dissatisfaction with the national political climate can have a profound impact on the Catalans' ability to vote in favor of secession. Secession is typically a last resort choice, an alternative considered only when all other alternatives under the existing framework have been excluded. (Buhaug, 2011) Given that the review of the proposed new Statute of Autonomy in Catalonia in 2006 defined parts of the Spanish Constitutional Court as unconstitutional, the Catalans may feel that they have reached an impasse in negotiations with the central Government. All efforts to function within the system have been overlooked and deviated; political reform is the perceived solution to economic decline.

Moreover, economic and political tensions intensified following the global financial crisis of 2008-09, when the Spanish housing bubble burst and unemployment soared to record levels. Disparities in economic performance across regions have also widened. This put a more significant burden on the advantaged regions, which had to take up the slack of increasingly deprived regions while being unable to raise their taxes as a result of horizontal fiscal imbalances.

The conceptual framework of the political economy predicts that:

- 1) the more significant the perceived stability of Catalonia compared to the rest

of Spain, the stronger the support for secession, and
2) the more substantial the support for the Catalan government to take charge of fiscal policy, the greater the support for secession.

Buchanan and Faith referred to an "internal exit." This is defined as 'secession from an existing political unit by a coalition of people, followed by the establishment of a new political unit that will then provide public goods to those who defect from the original unit.' The threat of internal exit can be a convincing strategy for limiting the ability of the central government (the "sharing coalition") to exploit peripheral communities for the sake of the entire population. In order to prevent secessionist campaigns, the central government is forced to implement a tax and transfer scheme that results in areas being better off within the state than they would be otherwise. Nonetheless, the central government often sets a rate that results in peripheral areas being only slightly more prosperous than if they seceded.

Although this discourages separatism, it does not return a fiscal surplus total income less the cost of supplying public goods – to peripheral regions, which is instead retained by the central government. To put it succinctly, central governments incentivize the periphery just

enough to prevent it from seceding. Buchanan and Faith's advice on how to avoid internal exit is analogous to Le Breton and Weber's partial equalization principle. According to Le Breton and Weber, if the central government's ultimate goal is to maintain territorial integrity, it must develop a fiscal transfer policy that encourages regions to remain within the state rather than secede. It should devise a scheme in which advantaged regions subsidize disadvantaged regions in order to prevent the latter from seceding, while reducing the latter's necessary contributions in order to prevent the former from seceding. This principle of partial equalization reduces but does not remove disparities between advantaged and disadvantaged areas in order to achieve what they call "Secession-Proofness" (J Buchanan, 1987)

2. The domino effect principle

The universal parable evoked by the falling dominoes is used in both social and exact sciences, where several competing metaphors with slightly different interpretations can be found: chain reaction, forest fire models, avalanche dynamics, branching process. The Domino Effect Theory put forward by the 34th President of the United States, Dwight D. Eisenhower, is stated like having a row of dominoes arranged. We drop one domino, and what will happen to the latter is that it will

undoubtedly fall very quickly. So that if disintegration occurs, it will have a powerful influence. This theory was put forward by President Dwight D. Eisenhower to make an analogy about the spread of communism in Southeast Asia. At that time, he considered that if one country adopts communism, the countries in one region will adopt communism one by one, just like dropping one domino which results in the fall of another domino one by one. This theory is used as a justification for US intervention in preventing the spread of communism in Southeast Asia.

President Dwight D. Eisenhower stated that the Domino Effect Theory:

"You have a row of dominoes set up, you knock over the first one, and what will happen to the last one is the certainty that it will go over very quickly. So, you could have a beginning of a disintegration that would have the most profound influences.
" (Eisenhower, 1960)

According to Horowitz, a separatist movement can incite new separatists to violence by demonstrating that such struggles can be successful, or, if not entirely successful, can result in concessions being granted (Horowitz, 1985). If an ethnic group successfully mobilizes for secession and other kinds of political action, it may increase the motivation for other ethnic groups to

mobilize politically as well. Political action by one group may generate strategic advice on how to successfully pursue group aspirations elsewhere. Such as Spain, which is inspired by circumstances as a multicultural nation or a nation with different ethnicities and cultures. Being born with ethnicity in the place of birth, making them accustomed to living with the local community and having a tendency to have a sense of preserving the existence of their respective ethnicities, and typically manifested in the form of nationalism.

Figure 2 Domino Effect Illustration



(doodles, 2017)

Most ethnic groups in Spain are reluctant to use Spanish, want to make their ethnic language the main language used to communicate with others, even in terms of education and law, or, in other words, nationalize their regional languages so that they can be accepted as a country. There is one region called the Basque, which has been struggling for independence as much as Catalonia

for a long time. When Catalonia held a referendum, some Basque protesters took to the streets in support of Catalonia. They support the separation movement with Spain because they also have the same goal.

The Basque protesters expressed their support for Catalonia's actions. They wanted to think of themselves as a Basque Country and declare themselves not Spanish citizens even if they have a Spanish nationality and identity card. (Pareira, 2017) This is sufficient to explain that if Spain recognizes Catalonia's declaration of independence and allows Catalonia to separate from Spain, it will motivate the other ethnicities one by one to do the same.

E. Hypothesis

To answer the questions above which based on the background and Theoretical framework, the writer hypothesized that the reason behind Spain disapproval Catalonia referendum because :

1. Catalonia is one of the wealthiest and most highly developed regions of Spain and it will have a short-term impact on the economy and politics of Spain
2. To prevent a domino effect in the form of expanding the separatist movement by other

ethnicities who also want independence and separation from Spain.

F. Research Methodology

The research methods used within this research were library research technique and qualitative data approach.

1. Library Research Technique

Library Research is a step-by-step process used to gather information to write a paper, complete a project. It also collects primary and secondary material-related data. They can be accessed from books, papers, official websites, trustworthy websites, and so on.

2. Qualitative Data Approach

Qualitative data is a non-numeric analysis and interpretation of results to discover the underlying meanings and patterns of relationships. This approach is most representative of the field and historical studies. In other words, qualitative analysis is a method for examining social research data without converting it to a numerical format.

As a result, both the library research technique and the qualitative data approach are used as research methods. Also, the data collected is then processed qualitatively on a problem,

objective and theoretical basis, which can be concluded later on.

G. Organizing of Writing

Chapter I is the introduction of research which consist of background, the formulation of the problem, writing purpose, theoretical framework, arguments, the scope of research, research methodology, and writing systematic.

Chapter II elaborates the Spanish government transition and the position of responding to the Separatism movement interest.

Chapter III which is the contents of this study, explaining about the analysis behind the Spanish Government disapproval The Catalan referendum

Chapter IV consist of this study conclusion and summary of the previous chapter