The Catalan crisis reflects the failure of Spanish federalism

Catalonia is set to hold regional elections on 21 December, but it is far from clear how the stand-off over Catalan independence will develop following the vote. Joan Costa-Font argues that the rise in support for independence in Catalonia reflects the failure of attempts to construct a federal Spanish state, and that the EU should think carefully about developing mechanisms for ‘internal enlargement’ that would both help solve the Catalan crisis and prevent future secession processes from generating instability.

Chances are, if binding regional referendums on independence were to take place in all European member states, either a federal structure would emerge or some (larger) nation state boundaries would be redesigned. This is in part because, strictly speaking, most European ‘nations’ are not the result of democratic processes.

European member state borders, on the whole, have been shaped by conflict and ‘conquest’. And more often than not, nation states are still today unwilling to accept their own multinational character. A paradigmatic example of this is the recent call for Catalan independence from Spain. The situation in Catalonia illustrates a clear case where secessionist calls have resulted from the failure of Spanish federalism.

The failure of Spanish federalism

Federalism in Spain has been a project heavily contested by the dominant Spanish right wing establishment, which associates it with the failed first republic (1873-74) led by two Catalan presidents (the last two Catalan presidents that Spain has had). Both the second republic (1931-39) and the Constitutional period from 1978 to today have witnessed a number of failed attempts to federalise the country, mostly led by Catalans. This is probably enough to conclude that the type of federalism which would satisfy Catalan aspirations is not feasible given the weak ‘federalist culture’ that exists in Spain.
The last attempt to federalise the country took place in the context of the devolution process initiated in 1980 with the transfer of health and education responsibilities to Catalonia. Devolution, which is often regarded as ‘quasi-federalism’, was perceived to be a system that would naturally evolve toward a proper federal structure via the updating and amending of the existing regional statutes. However, over time it became clear there was a lack of ‘federalist commitment’ among central level elites, and hence the false pretences of the entire federalist narrative – upheld by many Catalans – came to the fore.

At a policy level, the lack of federal commitment became obvious as early as 1981 when the Spanish government set out a law to coordinate health care responsibilities, which had only been devolved a year before. A coup d’état was staged to defend Spanish unity in the same year. A few years later, the central government attempted to pass a law to harmonise the devolution process (LOAPA), presenting further evidence that many of the country’s political elites already thought that devolution had gone too far. The Spanish central state has, since the very beginning, encroached on areas of devolved legislation, the most clear-cut case being the 2007 Spanish long-term care bill (Ley de Dependencia), but health care policy provides plenty of examples.

Although it is possible to find score card indexes positioning Spain as having a high level of fiscal autonomy, in practice, regional autonomous governments in Spain have very limited capacity to compete among themselves on corporate or income taxes. In fact, the central government has been mostly fighting the creation of new taxes as well as any modification of the tax bases of existing ones during the last two decades. So much so that the bulk of regional funding to date comes from central level block grants, many of which are conditional transfers to spend on areas that are limited by framework legislation. Even attempts to introduce a co-payment of 1€/prescription to rationalise the use of medicines has been deemed unconstitutional.

Finally, the weak commitment of the Spanish central government to financial autonomy became more salient in the midst of the economic downturn, where the central government reduced funding for key public services and access to public debt, condemning the Catalan government to the introduction of austerity reforms.

Where does support for secession come from?

At a more general level, the lack of commitment to federalism became widespread once a majority of conservative judges became established in the Constitutional Court. This aided the central state in its crusade to re-centralise devolved policy responsibilities and turn Spain into a sort of centralised France. Only when put in this context can one understand the ruling on the Catalan Statute of Autonomy in 2010, which undermined any federalist interpretation of the Spanish constitution. It was precisely following that ruling when support for secession picked up, as shown in the chart below.

**Chart: Opinion polling on how Catalans would like Catalonia to be governed (click to enlarge)**

![Opinion polling on how Catalans would like Catalonia to be governed](chart.png)

**Source:** GESOP poll

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The above figure suggests a rise in support for independence in 2010-11. This was mainly driven by federalist advocates giving up on their project after confronting the paradox that any pathway to federal reform requires the backing of an anti-federalist conservative party (PP) which holds ‘veto power’ over any constitutional reform. It is this weakening of the federalist camp (which still today includes about a quarter of the Catalan population) that is bolstering support for secession. The fact that a federal reform remains off the table will only make Catalan independence more likely over time.

**What are the lessons for European reform?**

The first lesson to learn from the recent events in Catalonia is that the failure of existing institutional structures to federalise only produces dissatisfaction among citizens (70% of Catalans are dissatisfied with their level of self-government). Identity claims and concerns over redistribution are only a manifestation of the failure of federalism, not the root of any of the secessionist calls.

Second, it appears that time has come for serious reform of the EU’s architecture to once and for all regulate a process of ‘internal enlargement’ which can prevent future secession processes from generating chaos across Europe. The history of federal states contains plenty of examples of internal enlargement, such as Maine’s secession from Massachusetts in 1820, and there will be further demands in the years to come.

Those who seem concerned that such processes will make Europe ungovernable should acknowledge that there are plenty of existing federations that are of a similar size, and one could also raise questions about the existence of states such as Luxembourg. There is no reason to fear democracy, and as some observers have noted, if the EU has no mechanism for dealing democratically with the aspirations of its citizens, then it will never have citizens.

Finally, the paradox in Spain is that although three of the four mainstream political parties oppose an independence referendum being held in Catalonia, 57% of Spaniards (and 76% of Catalans) support holding such a vote. Hence, the final lesson from the Catalan case is that if the people wish to call a vote on Catalan independence, resistance not only harms the democratic credentials of Spain as an EU member state, but the credibility of the entire European project.

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*Note: This article gives the views of the author, not the position of EUROP – European Politics and Policy or the London School of Economics.*

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