

Prime Minister Zapatero backed plan

# Catalonia votes for more autonomy within Spain

BY *GEORGE ANDERSON*

**The** evolution of Spain's political system took an important step on June 18, 2006, when 77 per cent of voters in Catalonia approved a new deal between Barcelona and Madrid in a referendum. The deal was designed to reconcile Catalonia to Spain's evolving "federalism." It generated much agitation within the political class. Mariano Rajoy, leader of the national Popular Party, claimed it would be the end of Spain and made six trips to Barcelona to campaign against it. Josep-Lluís Carod-Rovira, the leader of Catalonia's nationalist party, Esquerra Republicana de Catalunya (ERC), led his members out of the Catalan government over the agreement. The deal's great defenders are Prime Minister José Luis Rodríguez Zapatero in Madrid and President Pasqual Maragall in Barcelona, both of whom are Socialists.

Despite this, the Catalan public seemed remarkably unfazed. A visitor to Barcelona saw only a few decorous campaign posters in a city that was far more caught up in the World Cup. Voter turnout was only 48 per cent, taking some of the bloom off the rose of the YES vote.

## **Catalonians negotiated with Madrid**

The package negotiated between Madrid and Barcelona was constrained by the decision to avoid the perils of making it an amendment to the Spanish constitution — which would have required a national referendum. So it tried to address some serious issues through a reform of Catalonia's Statute of Autonomy, approved by the national Cortes (Spain's parliament), the Catalan parliament and a referendum in Catalonia. Some provisions of the new statute are likely to be challenged in the constitutional court.

The new package includes provisions relating to the classic issues of identity, powers and money. Inevitably, the parts that most attracted public attention related to the highly symbolic issues, relating to identity, vocabulary and official languages.

The Catalan government had initially proposed a text that explicitly recognized the "Catalan nation," and asserted Catalonia's uniqueness and the precedence of its laws. While popular in Catalonia, such language would not sell in Spain at large. Barcelona settled for a heavily negotiated, non-judicial, preambular clause that simply takes note of two different views: that Catalonia's parliament has defined it as a "nation" while the Spanish constitution "recognizes the national reality of Catalonia as a nationality." The final text places Catalonia's self-government firmly within the Spanish Constitution, and the judicable clauses stick to the existing language of "nationality." There is no general precedence for its laws.

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Catalan nationalists march in Barcelona for the new Catalan charter.

The agreement declares, "Catalan is the official language of Catalonia," while that of Spain is Spanish. It goes on to assert that each individual in Catalonia has the "right to use and the right and duty to know the official languages." Catalonians are equally divided between those who speak Catalan and Spanish at home. Almost all Catalan speakers also speak Spanish so there has never been an issue about an official status for Catalan outside Catalonia. Some unilingual Spanish speakers in Catalonia and across the country see the new, official status of Catalan — especially as a job requirement in the Catalonian courts and civil service — as unfair, even if they are to be helped to learn Catalan. (The Catalan government provides free Catalan lessons for immigrants, but they must pay to learn Spanish.) The language regime for schools requires that all students must study in Catalan for four years, but otherwise they have a choice between Spanish and Catalan.

For politicians, the greatest practical significance of the new deal probably relates to the changes in the powers of the two orders of government. A major complaint of Spain's "autonomous communities" is that the central government has very broad powers to pass basic laws that establish a national framework for a policy area. In this regard, Spanish federalism is similar to Germany's, where the federal government establishes many basic laws that are then

implemented by the subnational governments. However, unlike Germany, Spain does not have an upper house with any kind of effective veto power by the regions on centralizing laws of the national parliament. For this reason, there has been a long debate about redesigning the Spanish upper house along the lines of the German model. In the past, Madrid passed some very detailed laws which the autonomous communities had to implement with little flexibility. The constitutional court has curtailed the worst abuses in this practice.

### Devolution or “administrative federalism”?

According to a Catalanian minister, the culture in many national ministries is to treat the autonomous communities as subordinates, not partners, in a system some call “administrative federalism.” This can be exaggerated because there has been significant devolution of decision making in areas such as income assistance, health care and education, and there has also been a significant shift of spending and taxation to the autonomous communities. That said, Spain’s system is characterized by strong policy levers in Madrid.

A large part of the new deal attempts to define the respective authorities of the central government and the autonomous communities. Typically this is done *within* a subject area — such as agriculture, water, hunting and fishing, banks, trade, corporations and professions, culture, external relations — so that the provisions tend to be very detailed. There are some surprising powers given to Catalonia for economic regulation in an era when the EU is pushing ever greater harmonization. It is also given a strong role in the sensitive area of culture.

Another big issue, as in most federations, is money and “fair share.” Catalonia is richer than Spain generally and its

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government believes it contributes disproportionately to the rest of the country. The current fiscal arrangements are not transparent and involve numerous distortions and inequities. Furthermore, the regime is complicated by EU contributions to poorer regions, which are now under review.

Catalonia had hoped to get a financial deal similar to that of the Basque country and neighbouring Navarre. For historic reasons, these two autonomous

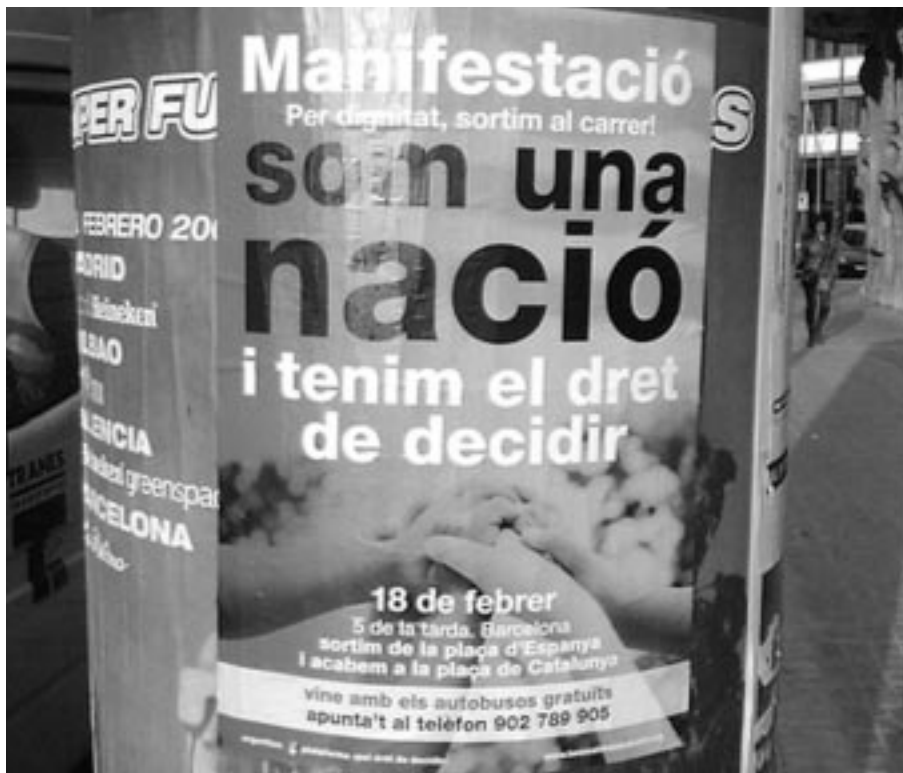
communities collect all personal, corporate and sales taxes in their areas and then transfer a part of them to Madrid. Extending a model that could make Madrid fiscally dependent on the autonomous communities was a bridge too far for Zapatero. The new deal has some modifications to the financial system, but key revenues and taxes will remain with the centre, and implementation of the new provisions will require a new law from the centre. There could be a row over whether this part of the package is constitutional. In any case, Spain’s fiscal regime will need to be revisited, perhaps after the current round of negotiations with the EU on assistance funds for 2007-11.

### Avoiding the word “federal”

While most experts would agree that Spain’s political system is now broadly “federal,” those on the right in Spanish politics remain deeply averse to the idea and symbolism of federalism, which they see as undermining Spanish unity. Thus the word “federal” tends to be avoided in official use in Spain. As well, as is the case in some other federations, Spain’s arrangements include some unusual — even non-federal — features. For example, the Constitution provides for autonomous communities, but nowhere are the seventeen communities

listed. Moreover, their powers have been largely determined not by constitutional provisions but through statutes that are negotiated by Madrid and the individual autonomous communities, of which that with Catalonia is the latest. Initially, the historic nationalities — the Basques, the Catalonians, and the Galicians — were favoured with greater powers, giving rise to “asymmetry” in Spanish federalism.

However, other regions, led by Andalusia, objected, so the principle was accepted that whatever some received, all could have (with the important exception of some key financial powers of the historic or *foral* communities of the Basque country and Navarre). Over time, all autonomous communities will want virtually all the substantive powers that go to Catalonia or the others. So asymmetry is largely unstable and tends to lead to symmetry in the long term. Even now, the other autonomous communities — led by



– Photo: Stuart Mudio

Poster in Barcelona says: “We are a nation”.

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Valencia, Aragon and Andalucia — are working to revise their statutes along the lines of Catalonia's new deal, as they did in 1979. However, even if Spain is moving towards a large measure of symmetry, many of the key federal arrangements differ slightly among the autonomous communities, making for something of a legal hornets' nest.

Polls indicate that the strongest regional identities in mainland Spain are those of the Catalans, Basques and Galicians, where the populations all identify more strongly with their local region than with Spain. These very distinctive nationalities within Spain tend to resent other autonomous communities getting the same powers that they have, because that would dilute the symbolic recognition of their distinct national character. However, it has been difficult to maintain such asymmetry, except in a few narrow and typically very symbolic areas.

Opposition to Catalonia's new charter was led nationally by the anti-federalist Popular Party and in Catalonia by the independentist ERC. (Although Spain's national government has no power to approve each region's Statute of Autonomy, national parties can and often do make them national issues.)

In this case, both parties emerged as losers. The Popular Party did not make the gains in national standing that it wished to. And polls suggest over half of the ERC's supporters favoured the deal, despite their leaders' intense opposition. The next test will be Catalan elections in November.

This agreement represents a major accomplishment for Prime Minister Zapatero, but he now confronts the more daunting issue of negotiations with the Basques. By far the most sensitive part of this is that he has undertaken to engage directly with the ETA leadership, who have made a "permanent" renunciation of violence after a long-running insurgency that left more than 800 dead. These negotiations will include how to secure the peace and how to deal with past crimes. At the same time, he is discussing a new deal with the legitimately elected Basque government, which has been advocating a "free association" agreement with Spain in which it would take control of such sensitive issues as identity cards and border controls. Having just negotiated a hard-fought package with the Catalan government, Prime Minister Zapatero will find it difficult to go much further in the Basque country. (6)