

Catalonia is a European problem demanding a European solution

The Catalonia crisis is an opportunity for Europe to re-define sovereignty, statehood and European democracy

The EU's response to the crisis in Catalonia has been *hypocritical* and *logically incoherent*.

- It is *hypocritical* because, while opposing explicitly the undermining of the independence of Poland's judiciary, as well as the curtailing of civic freedoms in Hungary, the EU remained silent *viz.* the systematic violation of civic liberty (and, indeed, the Rule of Law) in Catalonia during and after the disputed October 1, 2017 referendum (e.g. violence against voters, arrests of officials).
- It is *logically incoherent* because, by barricading itself behind the argument that the EU is a Union of States, not of peoples or of regions, the EU is arming the Catalan independence movement with a powerful motive to create a... State!

Moreover, the EU has been responsible for stoking the discontent that led to the current crisis in at least two ways:

1. Under the policies of swingeing austerity, mixed in with massive bailouts for bankers, the EU sought to contain the crisis of its own variant of punitive neoliberalism by curtailing its member states' sovereignty. In that context, the Madrid government (whose own sovereignty was curtailed by the EU) exploited these policies to diminish the autonomy Catalonia had recovered after Franco's death.¹
2. Before the Euro, Catalonia had a trade deficit with the rest of the world and a large surplus with the rest of Spain (even after fiscal transfers were taken into account). But, following Europe's mishandling of the Euro crisis, and the austerity ('internal devaluation') measures imposed across Spain, Catalonia's trade deficit with the rest of the world turned into a 5% GDP surplus while, at the same time, its trade and fiscal position *vis-à-vis* the rest of Spain caused wages to fall and big business profit margins to rise across Spain. In short, Catalonia was 'Germanised' in a manner that boosted the tensions between the region and the rest of Spain.

In summary, the Catalonia crisis is Europe's responsibility as much as it is the

¹ For example, the Spanish constitutional court annulled Catalan Parliament policies including a guaranteed basic income, poverty reduction measures, a tax on nuclear waste and sugarised beverages. More recently, Madrid imposed punitive restrictions on the right of the City of Barcelona to use its budget surplus carry out social projects, and prohibited the housing of refugees in facilities that the City had built for that purpose.

responsibility of the people of Spain/Catalonia. DiEM25 rejects all nationalisms and every variety of authoritarianism. Instead of taking sides on the Catalonia Question, or repeating well-meaning but unhelpful calls for sanity, DiEM25's view is that this crisis is a formidable opportunity for a new, progressive pan-European policy framework for dealing with such crises.

Four principles

First Principle: A democratic EU cannot tolerate the criminalisation and persecution of peaceful political activities in support of a region's independence.

Second Principle: A region's authorities cannot proclaim independence merely on the basis of a simple or absolute majority.

Third Principle: The Westphalian notion of sovereignty and citizenship (e.g. one nation, one sovereignty, one citizenship) is no longer consistent with a democratic EU and must be re-defined in a manner that permits multiple sovereignties and citizenships.

Fourth Principle (For regions of member states in the Eurozone): A functioning European Monetary Union requires (a) more fiscal transfers (not fewer) to fund investment in the poorer regions, and (b) lower trade deficits/surpluses. Thus, for a region's independence to be sanctioned by the EU, measures must be agreed that (a) reduce deficits/surpluses between regions and (b) increase fiscal transfers with which to fund investment projects (in particular green energy, transport and transition projects) in the poorer regions/states.

A Policy Framework for a European Regions' Independence Process

Catalonia may be in the news today but it is unlikely to be the last such case Europe will have to face. Scotland has previously exercised its right to debate independence and may soon do so again, in a manner that is intertwined with the Brexit process. Other regions will, undoubtedly, follow. The EU, therefore, must develop a policy for approaching independence campaigns within its member states in a manner that respects the four principles above. In putting together such a policy framework, the Catalonia question will become easier to answer as well.

A well-established process, sanctioned by the EU for all regions in Europe, should respect the four principles above. The proposed process comprises six conditions that achieve this. Any regional government requesting the EU's support in staging a legally binding independence referendum must comply with these six conditions:

1. A necessary prerequisite for an independence referendum to be considered is that the region's elections are won first (with an absolute majority of the voters

(not just of the members of the regional parliament) by a party (or a coalition of parties) proposing such a referendum.

2. Any subsequent referendum should be held, in coordination with the Council of Europe, the European Commission and the European Parliament, at the earliest one year after that election, so as to allow for a proper, sombre debate.

For the EU to sanction the referendum, and for continued membership of the Union by any new state emerging from such a referendum, the constitution of the new state must commit to:

3. Guaranteeing freedom of movement between the new state and the rest of the EU, including of course the rest of the 'old' country
4. Affording its citizens the right to (but no imposition of) citizenship of the new state, the 'old' country and/or the European citizenship.
5. Working together with European authorities to maintain at least the same level of fiscal transfers to the rest of the country in the form of investment funding that is channelled, under the supervision of European institutions (including the European Investment Bank, and its offshoot the European Investment Fund), into the poorer regions of the old country.
6. Working together with European authorities to eliminate any trade surplus or deficit with the 'old' country.

Summary

No-one has the right to prohibit citizens of a European region from aspiring to statehood. At the same time, no region can aspire to statehood and, at once, to membership of a democratic, well-functioning EU without respecting the basic principles of a democratic, well-functioning EU.

Continued membership of a democratic EU must be made conditional on genuine inter-regional solidarity, freedom of movement, multiple identities/citizenships, and a commitment to ironing out economic, financial and social imbalances while investing in a green future. These are also the principles upon which DiEM25's European New Deal is built for every country and every region across Europe.

The fact that the EU has failed, due to its commitment to punitive neoliberalism, to foster each of the conditions that must typify a democratic EU is no reason for progressive Europeanists to give up. Would it not be splendid if the Catalonia crisis, and the desperate need to address it *via* an appropriate policy framework, motivated European democrats to reconfigure the EU as a democratic European Union? At DiEM25 we believe so!

— Yanis Varoufakis, DiEM25 co-founder