

Towards Three States...

A journey towards comfort by means of the
democratic right to decide

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(Bilbao, July 2013)

Introduction

With the presentation of the *Diada* (National Day of Catalonia) on 11 September 2012, celebrated by the democratic and festive demonstration of one million Catalans calling for the right to a referendum on the self-determination and/or independence of Catalonia, the world appeared to be waking up to the historical demand of a growing majority and wondering about its meaning, the real possibilities of an independence process and the implications for Catalonia itself and for Euskadi, Spain and the international community.

In turn, while the Catalanist movement became the centre of attention, what had been known until then as the “Basque Case” and its historical demands surprisingly appeared to fade away or disappear from view, in stark contrast to the historical position of the Basque process in the media.

The status of both claims coincided with a serious economic crisis (with a particularly negative impact on Spain), generating widespread discontent and condemnation of the “Spanish Autonomic State”, reflected in a generalised opinion regarding its unviability and the need to review it and find a new, somewhat “asymmetrical” form to meet the needs of future co-existence.

Thus, Euskadi, Catalonia and Spain seemed forced towards a political, economic and social reconfiguration, giving rise to a new status quo and reopening a permanent debate which had never been properly resolved, a debate which also affects the recomposition of the European Union itself, immersed in a profound crisis of growth (it now has 28 members, with the addition of Croatia as I write this introduction), of disaffection and a lack of governance and leadership. This is a Europe which, on the forthcoming agenda, also includes two referendums, one on whether the United Kingdom leaves or remains within the European Union, together with the collateral consequences of the possible independence of Scotland and its membership.

This complex and inter-dependent scenario requires a serene and democratic analysis and process, reviewing the multiple implications that any of these decisions will lead to elsewhere.

This article came out within this framework of debate, published with the work of other authors in a recent book compiling favourable and opposing viewpoints with regard to the claims for the possible independence of Euskadi and Catalonia (*“País*

Vasco: ¿Un Nuevo Estado?"/"Cataluña: ¿Un Nuevo Estado? ("The Basque Country: A New State?"/"Catalonia: A New State? Publisher: Oveja Negra - ELKAR 2013). Although the published book is available in bookshops, I wanted to share this work and these personal reflections with you in order to contribute to an intense process which will undoubtedly occupy our concerns for the creation of new political, economic and administrative areas at the service of our citizens.

Finally, I would like to emphasize that since the publication of the above chapter there have been a series of events which, in my opinion, reinforce its content and scope:

- The Edinburgh Agreement and the calling of a referendum on the independence of Scotland, as well as the approval by the Scottish Parliament of a new regulation on citizenship and the right to vote, with a recomposition of the electorate which will have to decide on independence in 2014.
- The request made by the President of the *Generalitat* (Regional Government) of Catalonia to the President of the Spanish Government for the holding of a plebiscite on the sovereignty of Catalonia.
- The approval by the PSOE (Spanish Socialist Party) of a proposal to reform the Spanish State upon the basis of a federal model incorporating the differential elements of the different bodies to be federalised.
- A clear intensification of the unilateral process towards the recentralization of the Spanish State at the hands of the Spanish Government with its parliamentary majority.
- Croatia joining the European Union, the abdication of the King of Belgium and the Flemish nationalist proposal for a Belgian confederation as an alternative to the current state model.
- The increasing disaffection and political crisis in Navarre, suggesting a recomposition of pacts and alliances conditioning new forms of relationship with the Basque Autonomous Community.

In short, one more piece in the intense and gripping process we are going through.

Towards Three States...

**A journey towards comfort by means of the
democratic right to decide**

1. CHASING CHIMERAS or the time to CONSTRUCT one's own new space for the future?

1.1 CATALUNYA: *Beyond the juncture.*

1.2 EUSKADI: *A long process based on the right to decide.*

2. At the Crossroads: The opportunities of the crisis in the face of new players and new solutions.

2.1 *The Spanish autonomic State in Crisis.*

2.2 *The economy in crisis.*

2.3 *Europe en crisis.*

2.4 *New Players - New Solutions.*

3. Democratic intelligence at the service of the innovative construction of the future space of co-existence and prosperity. Advancing towards the Future.

1. CHASING CHIMERAS or the time to CONSTRUCT one's own new space for the future?

As if it were an antiques fair, the image of the King of Spain, with theatrical solemnity and a lamentable and decrepit appearance, declaring the need for “all of us to row together with a level of youth unemployment that doesn't let me sleep” and reminding us that “IT IS NOT THE TIME for CHIMERAS”, in allusion to the protest movement for a new political status for Catalunya¹, perfectly reflects the MOMENT and CROSSROADS which must lead to the transformation of the unitary and single SPAIN of the past into a new model for the future.

In this way, the Spanish monarchical institution, which was rescued by the last traces of the Franco dictatorship and imposed as an artificial figure guaranteeing an *establishment* which aimed - and still aims - to perpetuate itself in the emerging democracy, immersed in its own particular self-destruction, reflects the errors of a past which, in contrast, might have been a key factor in the construction of a real and intelligent transition towards the future. Due either to the limitations and weakness of the context in which the dictator died or to the particular interests of the monarchy-establishment, or even for the convenience of the “International Community” at that time and in view of the apprehensive attitude towards the military and the so-called judicial power, it was decided to opt for a “State of Autonomies” which, beyond the enormous potential it offered, sought to dilute the national and/or breakaway demands of the historical nationalities (especially Euskadi² and Catalunya) aspiring to the exercise of their right to decide, to exercise their self-determination and to build their own models. Today, almost 40 years later, apparently, the greater part of society which did not vote for the 1978 Constitution, which did not know the dictatorship or the resistance in that period, which did not accept diffuse historical impositions, appears to be proposing a new way of designing and building its co-existence, its space for economic development and its way of life within a new Europe, different from that which is presented as untouchable and immutable.

So, with his solemn words, King Juan Carlos I would appear to be asking Catalunya (and Euskadi) to renounce any attempt to make any “secessionist” demands as well as encouraging the citizens and the political, economic, social and institutional agents to accept the current state of affairs as satisfactory and immutable, leaving any invitation to “innovative dreams” to the “localist voices who are unaware of the new global reality in which we live”, for the sake of the “*general well-being of a*

¹ Catalonia

² Basque Country

Spain which must not be distracted from its difficult economic and unemployment crisis.”

However, today it is no longer only a question of history (everyone begins it and tells it in his own way) or institutional inheritances based on a transition which insists on magnifying itself and adapting to party interests. It is not even characteristic of legislations and supposed constitutional agreements in force. Quite the contrary; it is the democratic essence itself which materializes in the dynamic right to decide of individuals and peoples who choose their forms of co-existence and relationships, the crisis of the dominant economic-financial model and the frustration of the paralyzing institutional structure evident in the “Spain of Autonomies”, as well as the majority demand in Catalunya and Euskadi for new models of association, collaboration, self-government and independence, which appears to lead us to conclude that dreams are not only desirable but essential, in order to endeavour to transform the current reality, which seems not to satisfy the aspirations of a welfare state, into a real democratic and participatory system which stimulates a different future. A model which, in turn, provides the necessary comfort for the different peoples and nations without a State but with a history, language, roots, culture and, above all, aspirations for a differentiated future of their own.

It is evident, therefore, that the reality is something different. People need to dream of a future, to imagine the unimaginable and to make it possible. We claim the right to design and apply our own differentiated strategies, adapted to different wills and realities, in the search for a specific purpose or meaning, with an intimate sense of belonging.

It is, therefore, the time for “chimeras”. Thoughts, dreams and alternative paths which lead us towards the desired space. The road of the single thought has already brought us this far. Now we want to explore other roads and better horizons. Without doubt, in principle, they seem more difficult and winding, but they offer us the incentive of a better scenario on arrival as well as an exhilarating and motivating journey.

Those of us who think this are not ignorant. We have travelled along many roads full of difficulties and we are willing to travel along another one. Of course, we wonder whether ***it is possible to build a differentiated and successful space in keeping with the times.***

Therefore, if it appears to be assumed that, in the changing world in which we find ourselves, the different States, regions and cities, as well as the companies and all kinds of organizations, propose to configure ***new “spaces of Innovation,***

competitiveness, welfare and governance” to meet the challenges and tests of the economy, politics and society and enable us to achieve a successful future, at the service of their communities, towns and people, and, for this purpose, to require the generation of systems replacing individual actions, debating where, how, who and with whom the territorial, institutional and spatial environment to enable it should be articulated, would it not seem reasonable to extend these ideas to the search for new spaces and new players facilitating better replies to the challenges of the future? Who said the political-administrative organization is immutable? Who imposes the laying out of borders and limits to wills and the sense of belonging? Who prevents the building of new relations, assuming risks, aware of the failure of the pre-existing ones?

And it is precisely the positioning before the main challenges of our Society what would appear to determine the critical question which is transferred, in this case, to the Basque, Catalan, Spanish, European and, to the extent that they desire and opt for it, the Galician and Andalusian societies, and others; ***in a “supposedly” global world, does the existence of “independent, “local” areas, for example, have any sense (and viability)? Is there any room for positive solutions (even better than the current ones) for the challenges faced by Euskadi, Catalunya, Galicia and Spain in a new context, different from the current State?***

The initial reaction observed among those who take so much refuge in the fear of change and those who participate in the “globalizing spirit” is no other than that of putting the supposed existence of a global world replacing or cancelling out any local alternative before any movement wrongly called “secessionist”. In turn, a new “interdependent” reality is emphasized, which would limit any pro-independence aspiration to deal with the economic, social and political problems of today. Those who rush to disqualify any alternative movement by alleging that **“no independent State exists today”** and immediately afterwards insist on the continuance of the status quo which gives Spain the immobile unity of the past should reflect on their own contradiction. Advocating global solutions and governance for global challenges, demanding that Institutions and governments of global and/or supra-national governance as well as a universal disposition should surrender responsibility, power and, to a large extent, sovereignty to third parties which would watch over good judgement and the general interest, replacing the “protectionist and local” barriers, should be invited to do so not by surrendering “upwards” what they “do not want to surrender downwards”, but by reviewing the comparative behaviour of the different countries and regions which are leaders today in terms of human development, competitiveness, innovation, prosperity and good government.

This old globalising thesis which is spreading throughout the world, as if it were an unquestionable dogma, would accept that the world financial crisis (especially that

of the eurozone and the fiscal cliff in the United States), the inequality of incomes among countries and people, the lack of sustainability of growth beneath the current dominant plans, the risks of natural catastrophes and emergency situations, unemployment (especially youth unemployment and that of the population over 50 years of age withdrawn from the labour system in the face of an average life expectancy of 80), the exchange of goods and services and the necessary fiscal sustainability of countries, governments and economic blocks should demand global solutions and, consequently, the inevitable existence of supra-national international organisms to govern our world. At this point the different G-20s, the International Monetary Fund, the progressive irruption of new block authorities (like the European Union itself with its triple or quadruple Presidency), the UN and new Institutions to be invented become relevant. Perhaps a good way of summarizing the “validity” of this thesis would be to quote a couple of expressions or comments made by one of its clear defenders, Gordon Brown, the former British prime minister, who suggests the need to replace the generalized electoral motto of the Clinton era, ***“It’s the economy, stupid!”*** with ***“It’s the global economy, stupid!”***, and the need to heed the indications of former President Kennedy in the sense of complementing the Declaration of Independence of the United States with another, more current, one, which would be *“Act of declaration of interdependence”* to be followed by all the countries and nations of the planet. Continuing with this line of thought, we should ask the citizens of IOWA or Ohio in the United States, or the British in the Scottish and Welsh coalfields or the neighbourhoods of London lying beyond the City, or the French of the suburbs, or the Spaniards of the Canary Islands and Andalusia, or the Basques of Ezkerraldea and Catalans of El Baix Llobregat, to mention just a few, if they support the global economy or rather the electoral catchphrase of “candidate” Obama aimed at the American multinational companies, asking them ***“to bring back jobs to America”***.

In contrast to this line of argument, Pascal Lamy, Director General of the World Trade Organization, indicated in a recent intervention at the World Economic Forum (WEF) in Dubai that the Institutions of global governance already exist, although they lack the necessary fuel to function properly. This fuel would be what he calls ***“the political energy” which requires democratic legitimacy, credibility, participation and control. The fuel is only to be found in the motors of governments and this legitimacy is only LOCAL, and everything appears to indicate that it will continue to be so (especially in crisis situations)***. Therefore, it is not a matter of insisting on finding solutions in new global instruments, but rather in discovering the formula for ***that which requires collaboration and coordination to be generated in sovereign local fields which make co-sovereignty, the co-creation of value, the differentiated strategy of life pursued by each society, by its own will, a shared commitment. Once again, glocalised***

spaces to design our future represent meeting places, above the global versus local controversy.

*The challenges of the future need legitimacy and confidence in the system, rethinking new models of growth and economic development, a long-term strategic thought, not subordinated to temporary crises, plans and models which are effective as well as efficient, generators of confidence and credibility, **and given that they demand different deadlines to be achieved, they must include a suitable and committed “Road Map” which guides (and obliges) us to make decisions, calendars and resources.***

This new economic (and political) context not only requires new attitudes and instruments to make it worldwide to the balanced benefit of all, but demands a new kind of governance and a different way of conceiving and organizing the political-administrative and geographical map of the “historical nation-states”, the rules of the game and the presence and protagonism of its players.

In short, a new way of responding to a series of *inputs which are to condition our future:*

- *In fact, we live in an increasingly glocalised NEW ECONOMY.* Its profile is determined by a growing globalization and internationalization of goods and services, an increase in world trade, conceptual and managerial simplification on the one hand and, on the other, the resurgence of the local factor as a differential element in competitiveness, in which speed (from the idea to the market), technology (especially information technologies and their use), convergence among industries, technology and knowledge and the generation of new spaces towards the so-called “creative economies, or those of ideas or knowledge”, with an urban population and a growing protagonism of city-regions demanding new social behaviour, better governance and inclusive development.
- *A new economy which entails co-opetitive attitudes and actions. No company, region, government or person is able to undertake the future alone. It requires the articulating of “schizophrenic” strategies allowing it to compete and cooperate (most often with the same ones) at the same time.* Frameworks and forms of relationship throughout its whole “constellation of value chains” (in the case of companies) throughout the world. Internationalization has changed dogmas and paradigms and requires generous and supportive multi-directional aid and not an “old flea market” or a bazaar in which there are winners and losers.

- ***New communities, in a network, connected at the forefront of knowledge, as well as being duly established in their own original spaces.***
- ***A growing duality of the developed and developing worlds, increasingly interrelated and requiring shared strategies and commitments*** for the eradication of poverty, the promotion or transformation of “inclusive capitalism”, active attention to climate change and its impact, a commitment to sustainability demanding shared strategies, in a double global and local space.

New spaces and times which demand, day by day, new ad-hoc instruments to plan, manage and control the new spaces to come. ***A kind of governance fully rooted in a real participatory and duly legitimized democracy.***

And, obviously, if the “expected benefit” appears evident, its distribution is not. The “global benefit” is only achievable region by region, company by company, person by person. These are the times of the micro-economy which allows the engaging of agents (in the co-opetitive model mentioned above) at the service of their own strategy, desired by the people involved, territory by territory, space by space.

This is the economy which is coming. Not an economy wrongly described as global, antithetic to natural local development, but, first and last, at the service of people.

1.1. Catalunya: Beyond the juncture.

For many, last 11 September, a multitudinous demonstration in favour of the independence of Catalunya held in Barcelona on occasion of its national holiday (*La Diada*) ***represented an “uncomfortable and disruptive awakening from stability” in a Spain in crisis, fighting against “the markets” and the “inconceivable local pressures of Germany” and “other selfish countries” which, far from thinking about Europe, were thinking about their own “local” interests.***

The rich, hard-working, responsible and pragmatic Catalunya seemed to be enraged and carried away by a dangerous virus which was leading to a growing disaffection with a Spain in crisis, the enemy or the barrier to be overcome, the result of the incompetence of its rulers, its high level of debt and the social unrest in the face of the forms of rescue and the adjustments to the public services (especially Health and Education). ***The***

reality is very different and much further-reaching, not just historical (that too) but also related to the future.

Catalunya is a nation. History, identity, political personality, language and the will of its citizens. A nation which has not renounced nor appears to want to renounce the rights corresponding to it for self-determination, day by day, in accordance with the democratic decision of its citizens.

Catalunya accepted certain rules of play to participate in the “Spain of Autonomies” which led to the transition at the end of the Franco dictatorship, agreeing to self-government within the Spanish State. Today, most Catalans and its Institutions feel disappointed and badly treated by the Spanish State and, above all, they think they know what the journey made can provide and they conclude the need for a qualitative leap towards a process which endows them with the structures characteristic of a progressive, modern, state. Spain, its politicians, institutions and establishment have not been able to understand the commitment to a multi-national State in which Catalunya could find the suitable comfort to build its own space of future and co-existence. And so, today, the Catalan people are moving forward in the construction of their own State structures within the setting of a Europe which must be inevitably reinvented. New structures not as an end in themselves, but as a means allowing it to face the economic and social challenges which are driving its Society.

Therefore, beyond the electoral result of 25 November, ***Catalunya has taken a step further towards the irreversibility of the process.*** It is a question of time, tenacity, effort and democratic intelligence based on social cohesion. It is, consequently, bad news for the unitary centralism which hopes that it is “electoral bravado” aimed at concealing internal criticisms and pressing for the negotiation of a new system of fiscal autonomy and an increase in revenue by means of the transfer of services. It is a new, unstoppable, course towards a new kind of relationship with the other peoples and nations of the Spanish state, with Spain and, above all, in and with Europe. The Catalan people and society will not allow the political leaders to go back. Their electoral reply, moreover, has been very clear: “We want a strong, solid and shared leadership”. They do not trust a single political party, although it has a full majority all over Catalunya, province by province and region by region. They want their future to be managed by a multi-party and, above all, social force, moving towards a new political status. The sooner Spain

understands this, for its own interest, the better for everyone and the process will be made easier.

In this sense, the recent declaration of sovereignty, in favour of the right to decide, approved, by majority, by the Catalan Parliament, makes this quite clear.

1.2. EUSKADI: A long process based on the right to decide.

Although it is necessary to recall that there are no two equal situations or two equal cities, regions or nations and there are no two equal strategies, we must emphasize that the Basque and Catalan processes converge and complement each other in a project for the reconfiguration of the current Spanish State and, as we will see below, the Europe of the future.

In the same way as we explained the Catalan Nation in the previous point, Euskadi-the Basque Country is a nation in/by/for Europe. The Basque people aspire to their “own differentiated road and space” and mostly support the exercising of their right to self-determination (approved by their Parliament, that corresponding to their Autonomous Community in the Spanish State, decades ago) and the right to decide their own destiny.

Many expert observers appear to be distracted by the “Catalan hoo-hah of the moment”, believing that the Basque Country has moved on to a more moderate position, renouncing a “pro-independence process like the one in Catalunya”. Quite the contrary.

As far as the Spanish State is concerned, the Autonomous Community of Euskadi-the Basque Country agreed to its self-government at the hands of the Statute of Gernika and formed its first Parliament/Autonomous Government following the post-Franco return to democracy in 1980, recovering and updating its historical rights and, above all, contributing its future will. We should point out two key parts of the said Statute:

- 1) In its first article, it is stipulated how Araba, Bizkaia, Gipuzkoa and Nafarroa, if appropriate, may form the Basque Autonomous Community.

2) In its final provision, it is established how “the acceptance of this Statute does not represent any renouncement by the Basque people of their rights which, in accordance with their history, may correspond to them.

3) The Statute of Gernika itself envisages the suitable mechanisms for extending cultural, linguistic and economic relations throughout the whole “Basque” space, beyond the current physical borders, in clear reference to the so-called French Basque Country (*Iparralde*).

With this latter basis of recent history, the road travelled along throughout more than 30 years within the framework of the “Autonomic State” is only part of a long process towards a single, different, space, similar to Catalunya in the confirmation of a positive, as well as incomplete and unsatisfactory, path, the Basque people regard it as necessary to make another qualitative leap towards the configuration of new State structures which allow it to face the challenges of future societies, meeting the aspirations of Basque Society, which was preceded by other meeting places, among them that corresponding to the failed “LOYOLA AGREEMENTS”, with the aim of replacing a political framework as well as enabling the end of ETA violence and facilitating normalization and pacification processes in the country which, with the broad participation of Basque Society, assumed an “intermediate space as a new European euro-region”, exploring concepts of interdependence, co-sovereignty and unequal and asymmetric periods for the configuration of a single “Basque State” on both sides of the current border (Spain-France), within a future Europe of fledgling towns, regions and nations. It was an agreement which, despite its appearances, did not go beyond the scrupulous parliamentary process and was in accordance with the so-called “*Plan Ibarretxe*”, scorned by the Spanish establishment, duly protected by the PSOE-PP combination, allies in their conservatism and particular interests, unconcerned by the unstoppable democratic process which gives Society, at each moment, the option to choose its own destiny. Today, a few years later, Catalan society is mobilizing its political body to undertake a similar process, for which “Spanish power” is preparing to use similar replies. A question of time.

So, following the last elections to the Basque Parliament (October 2012), with a new government and the clear and resounding majority support of Basque Society for a “NEW POLITICAL STATUS”, we are moving forward along that differentiated but convergent “Road Map”

towards our own different space, in accordance with the “legality in force” that the Statute and the Spanish Constitution envisage for their reform. A project for a “NEW POLITICAL STATUTE” which, as the rejected proposal did, will offer, to Spain too, a step forward towards a different model allowing successive decisions for the new generations, based on a new model of relationship. The bilateralism, the “asymmetric and confederal” development of the State will be intertwined with other legitimate independence options, with the full democratic exercise of the right to decide, as well as the evolution of peace and the normalization of the country, the definitive end of violence and a progressive change in the structuring of the future post nation-state Europe will reinforce and/or remodel the process and the “road map” to be followed.

- 4) The fettering and abduction of ideas, demands, and free process have ended. The end of ETA will lead to the free exercise of our right to decide, in democracy.
- 5) Euskadi today and tomorrow is and will be a Nation with its own differentiated voice in Europe. Although it has before it a long and complex journey to complete. It is a long road, as the “Basque case” contains a series of differential characteristics conditioning a complex process:
 - The future “Basque Space” must resolve the great challenge of integrity or territoriality and shared institutionalization in that the final scenario should find a solution to the three pieces which are currently differentiated:
 - The Autonomous Community of the Basque Country (Araba, Bizkaia and Gipuzkoa) in the Spanish State.
 - The Autonomous Community of Navarre, with its own system, organized like any other Autonomous Community of the Spanish State.
 - The “French” Basque Country, in the department of the Atlantic Pyrenees in the French State.
 - The three “territories” are in unequal political, economic and sociological situations. Their “co-opetence” (or commitment to move

forward in competition and cooperation at the same time, in modern economic terms) for a COMMON and/or shared space will require a long journey as well as a “new political-administrative instrument” that the new Europe and the International Community, as a result of Basque will, are capable of generating. It will be, as ever, what the Basque Society decides on at each moment. The intermediate spaces, the times, the rhythms, and the intensity of the political-administrative frameworks and instruments must arrive upon the basis of that great instrument which is no other than the democratic right to decide. The arrival station is unclear. The current sovereign majority indicates the course, the successive generations will define the different FRAMEWORKS with which they wish to be endowed.

Normality will enable adult societies to make their own decisions, without fears or constraints or inherited immobilism; a Basque “trans-regional European” space, the result of an orderly and changing process, among these three different spaces and states:

1. The Basque Country-Euskadi, which has done its homework very well. Today it is a leader in terms of income per capita in the State which it forms part of and a leader in the world rankings of human development (after Iceland and Norway). It has recomposed its business fabric with a diversified basis, a significant internationalized weight and a solid technological and innovational platform. It has endowed itself with instruments, strategies and value programmes allowing it to face the future with challenges and difficulties, but also with hope.
2. Nafarroa-Autonomous Community of Navarre, with greater dependence owing to its concentration around a few leading companies and its peculiar political-institutional relationship, a determining factor of its own economy and the sustainability of its extraordinary current level of welfare, with uncertainty regarding its natural nearing/moving away from the Basque Autonomous Community, beyond political considerations. It shares with the Basque Autonomous Community a significant differentiated positioning, a framework of power and political legitimacy and a clear aspiration to self-government

and belonging to the first level of the “Spain of several speeds”, with a high level of welfare and development.

Both clearly form part of the regions and economies situated within the “state of Innovation”, at the forefront of the European and world affairs.

3. Iparralde-Pays Basque (French Basque Country) has become the most straggling companion, without its own project within the framework of another State which is no less centralist than the Spanish State, as France is today, a state which will also have to evolve towards a new configuration in keeping with the times, and without any significant institutional-territorial articulation, in need of an important transformation, more characteristic of an *economy of the factors* (basic investments) to prepare for the complex and challenging future of the so-called economies of knowledge.

THE LOGIC OF THINGS GUARANTEES A DEVELOPMENT WHICH IS MORE HARMONIC THAN CONFRONTATIONAL, MORE COLLABORATIVE THAN ISOLATED, WITH CLEAR STRENGTHS FOR THE CONFIGURATION OF A SHARED SPACE. Its own essence and moment requires clearly asymmetric confederal mechanisms for normalised evolution, far removed from attempts at “dominant fusion”. The current political-administrative frameworks of the Basque Autonomous Community and Navarre facilitate this process in the inevitable recomposition of the autonomic Spain. The weak framework of the French Basque Country entails a prior phase with the intense endowment of a minimum status enabling an orderly evolution based on its own strategy. It is a movement which, although it may seem unthinkable for many in the France of today, the “new Europe which is coming” will be the trigger of the inevitability of the transformation of old positions.

Such are things; focussing on the case of the Basque Autonomous Community-Euskadi, we must draw closer to the true CROSSROADS which leads to the proposal of this book: ***Are we moving towards THREE POST-SPAIN STATES, viable within the new EUROPE? Will Euskadi, Catalunya and Spain form a triple European space?***

2. *At the Crossroads: The opportunities of the crisis in the face of new players and new solutions.*

2.1 *The Spanish autonomic State in Crisis.*

The generalized context of economic crisis and the prospect of a long and growing world recession, along with a long sequence of different electoral processes (the Basque Country, Galicia and Catalunya in the Spanish State, Quebec, United States-Puerto Rico as a free, associate, state and the already agreed referendum in Scotland, Flanders, and the announcement of a potential referendum regarding the exit of the United Kingdom from the European Union), to mention a few recent and representative examples, has led to a kind of dichotomy between opportunity and the priority of the economy and politics, assuming that the latter option is somewhat alien to the former or characteristic of “matters of tomorrow” associable to welfare models, social policies, political-administrative frameworks, governance, etc., and seems to aim to postpone any debate of an identitarian, institutional nature or an organizational model questioning the status quo in the Spanish State. Not to mention the serious disaffection of Spanish society with regard to its politics and institutions.

It is the autonomic Spanish State itself, the “Spanish national” authorities (PP and PSOE) which have governed and govern both the “Central Government” and all the Autonomous Communities (except for EUSKADI and CATALUNYA) who have blamed this “nonsensical and dysfunctional” model for the excessive level of debt and the Spanish public deficit, the artificiality of its organization and presence, going as far as demanding from its own “parliaments and regional governments” the “INVERSE DEVOLUTION” of competences and powers to the Central Administration, the self-dissolution of their legislative and controlling organs and the “re-starting” of a pedagogical work to “*convince the citizenship of the error of the autonomic model created*”.

Amid such nonsense, it is precisely the Basques and Catalans those who claim the value of this decentralized model, which has been one of the essential keys to the rapid modernization and transformation of the Spain which has developed in less than 30 years from the espadrille to modernity and well-being. The artificial invention created to dilute the nationalist demands of Basques and Catalans offering the so-called “*Coffee for everyone*”, the poor and slow management of the

process of self-government, the centralising establishment and the “Spanish nationalist pact” to guarantee the “old unity of an out-of-date Spain” have ended up causing the need for new solutions to reconfigure a new State model. And who would have said it, far from the clamour of politics; ***it seems that it is the economy which, in the face of the economic and financial crisis and the clear threat of the suppression of the incipient welfare state, has ended up “obliging” us to rethink the State.***

So, today, the age-old Basque and Catalan demands bring to the fore of the political-economic debate the proposals for independence, an asymmetric federal Spain, a Confederation of three States or new formulae of co-sovereignty facilitating co-existence, satisfying the legitimate aspirations of peoples and citizens, encouraging competitive development at “n” speeds to exit the crisis and fitting into a future Europe, governable and guaranteeing the welfare of its citizens, the competitiveness of its companies and regions or “socio-economic spaces” and the eradication or progressive reduction of its different intra-state regions, in a “global” world in which the once emerging economy seems to be displacing the aging white, European, economy.

Within this context and the real debate which can no longer be put off, the economic forecasts (above all for employment) indicate a black landscape for Spain. A potential way out of the recession will take place at three or four speeds: a primary Basque, Catalan and, possibly, “Madrid Centre-Capital” level, followed by two or three distant planes. 30% unemployment, with a generation less than 30 years of age bearing the harsh label of the “lost decade or generation” and the non-existence of an alternative economic fabric to the lost boom of the construction-tourism past in full international competition will require differentiated strategies and policies. Those on the first level do not need the same as those on the third, for example. Different strategies, the allocation of differentiated resources, different instruments of government, different times... ***in short, “Distant neighbours”.***

Therefore, ***it is the moment for a serious far-reaching POLITICAL debate: Autonomy, Co-Sovereignty, Independence? Behind it is also the “what for”, which is no other than PEOPLE. The false Politics-Economy dichotomy with which some seek to avoid the debate to focus on budgets without strategy is nothing but a simplistic***

smokescreen. Filling bookshelves with reports of the “Cost of the NO Spain” with absurd hypotheses from the past (barbed-wire and borders, tariffs, the army and different currencies, customs...etc.) only serve to terrify the population or perpetuate immobilism.

WHY can a modern and “globalising” Europe be built with absolute naturalness with and based on 27 or more States, including “new actors” which have accessed their statehood or independence approximately 20 years ago, have an income per capita of around 60% or 70% of that of the Basque Region, with a similar territorial size and population, for example and, in turn, question new pro-independence states like Euskadi, it seems to us that time will lead to a new Pro-independence Country, integrated with full right into the European Union in Construction? If the free Right to decide we propose here does not pre-judge future frameworks or models which will have to be chosen (and configured) by the citizens and their representative institutions in a comprehensive democratic game, these decisions will also be conditioned by the evolution of the European Union itself, the economy, other general movements of new platforms in our environment, why should they be aborted in anticipation of a certain final setting?

If the Spanish government accepts economic interdependence, the configuration of a European Fiscal and Monetary Banking Union, with a considerable transfer of sovereignty as natural and inevitable, if it knows perfectly well that neither they nor the citizens they represent value the current autonomic system and, moreover, the parties with a national alternation of government (PP-PSOE) determine a markedly different electoral and geographical map in Catalunya and Euskadi, ***why don't they facilitate the peaceful, democratic and intelligent reformulation of the State?***

2.2. The Economy in CRISIS.

We have already indicated black spots in the crisis suffered by Spain, as well as Europe and, very partially, although sufficiently far away if there are no military-strategic surprises, the world economy.

Within this gloomy scenario we should emphasize two very serious elements:

- a) The growing inequalities between the different nations (more, if possible, within the current Nation-States, than between different Countries).
- b) The growing unemployment (above all, youth unemployment), with an alarming GAP of more than 200 million missing jobs for the next decade in the OECD countries.

Both effects resulting from the current state of affairs will demand, of course, global proposals and solutions but, above all, “specialized regionalized and/or local strategies” which should be built over a public-private, micro-economic, commitment, with the narrow and unequivocal alignment of the educational and training capacities with the real demand of companies in each territory. ***The greater the “globalization of the economy”, the greater the importance of the local effect.***

This reality inspires the current proposals of the different international organisms, the 2020 strategy of the EU, the recommendations of the B20 and G20 and the business demands, as well as the acting reality of the different emerging countries, oasis and paradise destination of the European (and Spanish, Basque and Catalan) economies, which offer a way out of the crisis and future development.

In this vein, if we observe the countries leading the world rankings in human development, competitiveness and innovation, we will find a series of common characteristics:

- Highly decentralized countries with models of government of a confederal nature, with comprehensive and coordinated “plans and policies”, with measurable execution and direct control and NOT at a great “statistical distance”.
- Sufficiently stable policies and strategies, the result of direct interaction between the different institutional levels and companies, in long-term projections.
- Regionalized spaces supported by an institutional framework, adapted to the next sociological reality.

- A feeling of identity and belonging, commitment and passion among Society and people in order to undergo the complex change that every transformation process involves.
- Active and committed, as well as shared, leadership, based on the legitimate co-protagonism of all the agents involved.
- Comprehensive, inclusive and integrative strategies for economic, social, cultural and interdependent policies.

In this way, it seems evident that “de-concentrating” the Autonomic Spain into a real CONFEDERATION would enable it not only to respond better to the challenges of society (and its companies and regions), but to find COMFORTABLE formulas of interdependence and CO-SOVEREIGNTY for the final state and setting that Society, the times and the unsuspected evolution of critical variables determine. Provoking the future with a live process and not an inexact final scenario.

In short, the ECONOMIC CRISIS requires NEW MODELS of GROWTH and DEVELOPMENT which demand NEW MODELS of GOVERNANCE.

2.3. Europe in CRISIS.

In addition, Europe itself is in crisis.

Nobody is any longer unaware of the poor decision-making ability of its informal system of governance, offering the perception of a system hindered by the notorious “democratic deficit” inherent in its “executive” forums of government and the zero real control of its Parliament, Member Parliaments and Civilians. And what can be said about the anti-democratic example of imposing “technocrats” based on the agreement-pressure of four leaders to govern those countries whose difficulties are growing and whose democratically chosen leaders are not to their liking. Or what can be argued when a referendum in a Country does not “approve” its plans, “Constitutions” or deadlines for the application of its directives.

Our exemplary Europe of democracy, human rights, welfare and peoples has been put to one side and reconverted into a civil service bubble, for the distribution of quotas (people and money) among Member States, ex-governors and an exchange of interests and commitments which are far removed from the general and common interest.

At the same time, its progressive aging, not only due to the age and life expectancy of its inhabitants, with increasing competition from new emerging countries which are becoming adults, and its slow and exasperating response to “European and neighbouring” countries which can expect long and uncertain queues for the “new enlargement” and their incorporation into the club. The essentially political Europe which we hopefully embraced in the past, appears to be letting us down, subordinated to financial plans which are managed and controlled by systems of indicators in which the most important thing is not the objective but the indicator.

In this sense, its governance being enormously complex, the solution is not to limit the number of players and votes, but to incorporate all the real voices which have something to say and contribute. Europe will belong to everyone or it will not be.

Having said that, we should ask, in this small place where the oldest language in Europe originated, if the Europe of today and the one which is apparently to be built is that of the Nation-States, ***why can't Euskadi, or Catalunya, for example (within the context of this book) be one more Member State, just like Slovenia, Slovakia, Czech Republic, the Baltic Republics, Luxembourg, Croatia and so on, with similar sizes, comparable economic magnitudes (in most cases with a positive balance for Euskadi)?*** If, in order to sit in the European decision-making forums it is necessary to be an Independent State, LET'S BE ONE! And with that condition of INDEPENDENCE, we can decide on spaces of interdependence and Co-sovereignty.

If, on the contrary, we are to replace the nineteenth-century Nation-State and the new Europe is to be the result of a process of full CO-SOVEREIGNTY, we will advocate this status and cross spaces where, with our full right to decide, we will form, as a European people and nation, a NEW EUROPE.

EUROPE has to face up to its particular and profound crisis with the foresight that the founders of the initial Economic Community and the "NEW EUROPEAN TEAMS" SHOWED. THE CURRENT ABSENCE OF LEADERSHIP, AS WELL AS THE MODEL OF NON-GOVERNANCE DEPOSITED IN THE UNILATERAL DECISIONS OF A FEW WITHOUT THE DUE INSTITUTIONAL LEGITIMACY, HAS LED TO THE TRANSMITTING OF DESPONDENCY, DISAFFECTION, INEQUALITY AND INEFFECTIVENESS, PERPETUATING A CRISIS WHICH IS DIFFICULT TO OVERCOME.

Thus, the current challenges demand a new kind of governance, difficult to configure, which gives a democratic and participatory response to all the co-sovereign "organisms" which aspire to form part of much more than a market. Beyond the generation of a "fiscal and financial unit" which calms the markets and makes saviour pennants out of the integration of centralised economic policies, ***EUROPE must fortify its heart of freedoms, welfare and solidarity, reinventing the already outdated "model of market social economy" which inspired the successful policies of the nineteen eighties. EUROPE must "re-ideologize" itself and build a new model which offers the world differential elements which enable it to resurge and be regarded as a desired companion in the economy, innovation and technology, business organization, the participation of the worker in the company, equality of opportunities, solidarity with the weak and a guarantee of justice, equity and democratic security.***

All this complex process requires the confronting of a new governance, a real new voice of the peoples without a State and differentiated and single, as well as convergent, strategies, far removed from "single" thoughts, "I order and command" or relationships of unilateral decision and control. The asymmetric Confederation is the complex but natural model to follow, to be built through time but adapting the reality to the legitimate aspirations of its parts. It is the moment for co-sovereignties, but based on free adhesion and the will of the nations which wish to choose this path.

2.4. New Players - New Solutions.

The world, Europe, Spain and Euskadi must, at each changing moment, adapt to a desired and provoked reality. This does not entail renouncing

any principle or aspiration, or “perennial pragmatism” or paralyzing accommodation or “possibilism”.

Nowadays, the context of economic globalization strengthens, in turn, the local communities in a new order of relationships, encourages economic interdependence (based on free decision and adhesion, if appropriate), makes the weaving of new common frameworks essential, favours and demands new management instruments and political-administrative frameworks beyond historical and current structures, recommends new forms of administrative innovation and government and new kinds of political participation and allows us to redesign new smaller but perfectly viable bodies from an economic and welfare point of view. This viability of the small players makes it perfectly realistic to aspire to an independence in which all kinds of commitments, agreements, links, supportive relationships and the accompaniment of other similar free units are established. This relational world entails a new co-opetitive mental model, in which competition and collaboration co-exist between the parties in accordance with the objective, the field of action, the configuration of new spaces and the challenges of welfare and development.

Having said that, “aggiornamiento” is possible with multiple intermediate stages (autonomy, co-sovereignty, etc.) which respond to the will of the citizens and depends on the changing frameworks of each moment. It is and will be the Basque society (like the Catalan and Spanish societies) which decides, at each moment, on its best option. Based on this decision, the correlation of forces, the times and the contexts in which it takes place will make its practical translation possible in one or other more or less extended manner. In the same way that democratic Basque nationalism, for example, encouraged Basque non-statehood, within the context of support for the construction of a Europe of Peoples which appeared to entail the abandonment of the Nation-State in favour of the interior market and the suppression of borders, the single currency, the “interior” foreign relations and the single European defence force, in a reasonable proposal suited to the reality which was being shaped, today, with the re-invention and strengthening of the old and out-of-date nation-states which insist on building a Europe of the States, it claims a new political-administrative status.

And Catalunya today, similarly, proclaims its conception as a European Nation and demands the building of the structures of its own State.

In other words, *beyond words and labels, the future is built on new mental models, individual and collective aspirations, motivation, effort, shared projects and leadership. A long path to complete, in a political, economic and social context such as the current one, favourable to these ideas.*

The desirable new framework contains the minimum instruments necessary for responding to the future, key instruments for designing a space and strategy for success in matters demanded by the real Society: active policies for employment, finances, insurance, banking and the stock markets, social security, science and technology, large infrastructures, the public-business sector, exterior action, trade, state purchases, ports and airports of general interest, the public business sector of the State, as well as a recovery in international decision-making forums and differentiation in basic laws of the State (the civil service, employability in social areas, migration, University, labour organisation, energy, telecommunications, etc.).

We know that we have followed a route with successful results, but with the same clarity we have to say that it is not the time to remain at the back of the queue for a unilateral distribution of competences depending on trade-offs and electoral interests or unilateral decisions made by the State. Time, models and aspirations have been exhausted. The desired future requires new paths. It is the moment to facilitate top-level “political” agreements which shape a new space to be covered and the frameworks and ways of doing it. The short-sighted messages of the current leaders which shelter behind a certain Spanish Constitution or a regulatory procedure which regulates the membership of a club with criteria and statutes of the past are no longer enough. The reality is different. If the Spain that offers itself to the future is that of yesterday or even today and the promised Europe is that which England abandons to make room for Scotland and that which will have to respond to the new Flanders in a new Belgian confederation, for example, neither that Spain nor that Europe will be the point of reference of the new Euskadi or the new Catalunya.

Going through the “European Agenda” or “Active globalization and internationalization” which the EU as a whole offers its Member States requires “regionalized”, close positions, based on their own

differentiated strategies. It is the only way of building our own innovative, competitive and welfare space.

It is up to us to “provoke” the future. To build it. We want and can go along a long road of efforts and rewards upon the basis of new, voluntary, guarantee-based and non-unilateral frameworks which reduce or eliminate the constant uncertainty of our own power and competences, with the authentic economic-financial shield of the economic agreement, with presence in any significant international forum of discussion. It is a dynamic agreement which may, in turn, offer stability and certainty, facilitating the decisions and the changing spaces of Society through time.

The Right to Decide and the possibility of choosing different roads also entails an economic model, at the forefront, in keeping with the times and modernity. We only have to dare to go along the right course.

Today, we must remember, Europe is already a new map of new players. Fully normalized phenomena such as the independence of the Baltic Republics (Estonia, Latvia and Lithuania) do not prevent them, with their sovereignty, from building a “Baltic economic Space” which also integrates regions of Russia, Poland, Germany and Scandinavia, with complete normality. They establish their own political and government structures, resources and shared objectives. Not to mention the new States (Czech Republic, Slovakia, Croatia, Slovenia, etc.) with their own roles, generating, in turn, convergent spaces. And the potential Flanders, Wallonia and Scotland, with new associative formulas to come.

Beyond the European Union, its proximity to other realities appears to recommend incorporating a flexible notion for the future in view of the wealth that the diversity of peoples offers. We should remember that there are 124 peoples - only 40 sovereign ones - in Europe, with a greater or lesser degree of self-government and at different stages of the path towards a differentiated future model. They are emerging voices demanding new forms of relationship and the exercise of a democratic right to decide their own futures.

Let us not forget that:

1. *We live in a Europe in construction which will mean, among other things, the configuration of new spaces, including physical ones, replacing the current political-administrative frameworks which do not correspond to socio-economic reality (neither the current one nor the one to be hoped for in the future) and, much less, to a certain political will.*
2. *The new spaces (of which we can observe new evidence) must be conceived as inter-dependent competitive platforms participating in this new global and local dialogue in which the Local factor is the difference, guaranteeing a connection to the vanguards of knowledge and innovation.*
3. *New spaces generating as well as being an active part of Networks (people, governments, companies, regions, organizations, talent, transport, etc.).*
4. *New spaces demanding new forms of governance, participation and decision.*
5. *New spaces “dominated” by new players, with new rules of play, new political-administrative frameworks and new instruments and strategies for their competitiveness and welfare.*

3. Democratic intelligence at the service of the innovative construction of the future space of co-existence and prosperity. Advancing towards the Future.

Having analyzed the different elements to be considered in the face of the hypothetical viability of a symbolic space of “THREE STATES” resulting from a convergent democratic process for the reconfiguration of a new “Spanish State”, we should emphasize the importance of the “democratic intelligence” with which the process is managed and, above all, led.

The key challenges to be faced, above all, by Spain, Catalunya and Euskadi, as well as the political parties taking part in any democratic transformation, the social and economic agents involved and the International Community and, especially, the changing Europe, require a permanent interdependence which will condition not alone the resulting final model but also the benign nature, normality, aggressiveness and duration of the process. The accumulation of the benefits or costs of the process lies in its “intelligence and magic”.

The sociological, economic and electoral evidence in force at the moment emphasizes the non-conformism, discontent and disaffection with the status quo and accelerates and intensifies the demands for a new model. The sovereign majorities - with the required accent - demand immediate movement by the Spanish government. Extreme defensive positions based on “a form of superiority and resistance to change” will end up, after a long and costly deterioration, increasing the disaffection. The holding of a democratic consultation and its endorsement and agreement are no longer inevitable but essential and desirable. A new political status for Euskadi and Catalunya is unavoidable. In addition, it could also be reformulated for other nations which demand it.

The envisaged process and scenario will not be improvised, nor will they be subtly defined and absolutely shared. We must expect an aggressive reaction “from Madrid” and the establishment, with high-flown episodes which will only lead to greater Catalan and Basque disaffection towards Spain. In this way, the Basque and Catalan aspirations-pressures will be reinforced against another current, which will push for a central element in the Unity of Spain with the majority parties of the State, the involvement of the Judiciary and the State media, as well as a prominent and intensive campaign by the Spanish foreign service. The economic-business centres of power will attempt to stir up fear. Moreover, of course, movements will occur, legitimately convinced of the convenience of a model of Spanish unity such as the one currently in force.

However, despite all this movement, the reality of things, the democratic progress and the desire for a different future will spread in both countries and, sooner or later, Spain will react by seeking a “lesser evil” with a relationship model of a confederal nature, leading to a new framework which makes the survival of the Spanish state compatible with new forms of political-administrative organization for Euskadi and Catalunya in Europe. The deadline for a final model is, a priori, unforeseeable, but it does require a credible and measurable “Road Map”.

Throughout the whole process, a series of key elements will accelerate or delay the final scenarios:

- The final result of the management capacity of the Catalan government and the agreements to lead the process towards a consultation and the full exercise of the right to decide, following the recent Catalan elections and the pro-independence pressure or formulas of “alternative” sovereignty.
- The consequences of a minority and a clear loss of political power for the PP and the PSOE in both Catalunya and Euskadi.
- The “base” model with which each of the different Communities undertakes its approximation to the proposal for a new political status and its definition (independence, co-sovereignty, self-government, etc.).
- The evolution of the economic crisis and the different “micro-economic and regional” strategies which seek a solution for it.
- The management excellence of the new governments and their comparison with the functioning of the central and autonomic governments, distant from the model of real and differentiated self-government.
- The dynamization of the social movements and their involvement in the envisaged route.
- The decomposition and/or regrouping of the political parties in play (BILDU-SORTU, PSE-EE and the internal divisions in the PP in Euskadi; CIU, PSC in Catalunya, PSOE in Spain and PP in its autonomic apparatus).
- The international presence and support for the process.
- The definitive end of ETA and the progress towards normalization and pacification.

- The evolution of the models of governance in Europe and the referenda which are envisaged or the new ones which are still to arise.
- The results, the processes initiated in Flanders and Scotland and the reconfiguration of strategic proposals in certain European nation-regions.
- The intelligence or ineptness of the Spanish State, especially its dominant establishment, with a view to reconfiguring a post-autonomic model with an asymmetric federation or confederation.
- The manipulation, filth and use of the “sewers of the State”, as has been observed in the latest electoral episodes in Catalunya, and the current generalized trail of multi-directional corruption, which has revealed *“the benign lie of an exemplary Spanish transition” which obliges us to save democracy and co-existence and to undertake a real, transparent, democratic and modern transition, in which democracy reaches Justice, civil power lies above military power, the real economy plays an essential role in guaranteeing the generation of wealth and the welfare state and the political-administrative structure meets rational criteria based on the free decision of its citizens.*
- The positioning with regard to the rapid erosion of the Monarchy or a recomposition of a new role for it, either to maintain an already surmounted position or to undertake a reinvented confederal monarchy, at the gates of the inevitable end of the period of Juan Carlos I.
- The quality of our rulers, business, social and academic directors and true leaders.
- Luck and/or non-envisaged circumstances.

In short, it is a long and complex process. Its essence and democratic practice turns the right to decide into an essential fuel which, in the hands of a free society, will lead to the thrilling exercise of the freedom to choose. The changing world demands new mental models, new attitudes, new commitments. The solutions to the challenges of our societies also have much to do with the political-administrative frameworks we provide ourselves with. The intelligence of some and others will enable an inevitable and irreversible movement towards a different space to offer the necessary comfort of “three or more States”, different but not necessarily distant European nations. The more this natural development is extended or obstructed, the greater the distance will be, with manifest disaffection and uncontrollable negative consequences.

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