“A Delicate Balancing Act: What the Economic Implications of the Upcoming General Elections Mean for the Spanish and European Identity Crisis”
Introduction and Background

The European Union, a geopolitical entity established to further democracy and to “make war unthinkable and materially impossible”\(^1\) was further fiscally and monetarily integrated by the acceptance of the euro by several of its member nations in 2002 (the number today stands at 19 of the 28 EU countries)\(^2\). Though the European Union was created on the noble principles that arose from the devastation of the two world wars, a powerful separatist movement, catalyzed by the Euro Crisis, has thrown the EU and many of its member nations in to an identity crisis of sorts\(^3\). Structural economic differences between the Euro Zone members lend themselves to inherent conflicts between the central nations like Germany, France, and Austria that boast a strong exporting and lending economy and the peripheral countries like Spain, Greece, Italy, and Portugal that find themselves struggling under the weight of exorbitant sovereign debt comprised disproportionately of obligations to the central countries\(^4\). With their inability to set monetary policy, several Euro Zone members found themselves in need of European Central Bank-sponsored “bailouts” (though the EU refuses to acknowledge them as such) to guarantee money flow and emergency financial recapitalization. The bailout conditions set forth by the ECB forced recipients to accept severe austerity measures that placed an overwhelming degree of stress on the general population. The dire economic conditions have spelled disaster for a variety of different political institutions, particularly in Greece and Cyprus, and have allowed for radical, Eurosceptic left and right wing factions to gain significant political clout\(^5\).

With the Spanish general elections just two months away, the people of Spain find themselves at a political crossroads. Since the fall of the Franco regime in 1977, Spain has maintained a two-party parliamentary system with the center-right Popular Party (PP) and the center-left Socialist Workers’ Party (PSOE). In the 2015 municipal elections that concluded just three months ago, however, the Spanish people saw the rise of several fringe groups, of which the most prominent are Ciudadanos and Podemos, that are campaigning on anti-austerity and other passionate pro-Spanish reforms\(^6\). These fringe groups have taken upwards of 35% of the votes away from the major parties and are threatening to force a deeply divided coalition government come the general elections in November. In response, the PP and PSOE have begun to deviate from their traditional political platform in order to reinvigorate their constituency\(^7\). Their political rhetoric, however, fails to explicitly outline their reformed perspectives, as they cannot, practically speaking, afford to estrange the Euro Zone and European Union. Given the Spanish political parties’ split allegiance to the Spanish people and European Union/Euro Zone (an entity that cannot fall apart for fear of unimaginable short-term economic

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consequences), the world is watching to see what the elections will mean for Spain and what they will mean for Europe as a united whole.

It is here that I kindly request that CUSE grant me the funds described in the budget section of this proposal to allow me to conduct policy and economic research on the upcoming Spanish general election. My research will focus on studying the discrepancies between the reformed political agenda of the PP and PSOE and their traditional political platforms vis-à-vis economic policy (simply to keep the project manageable and because economics is more my area of expertise). Through analyzing these discrepancies I will be able to better judge what the general elections will mean for the pro-Spain vs. pro-Europe dynamic, and better gauge whether the Euro Zone is facing an existential crisis. Following the results of the election, I will be able to revisit my research, amend my assertions, and use my more refined analysis to serve as a tool for better understanding the Portuguese and Italian cases, which are widely expected to find themselves in a similar situation as Spain come 2016 (many economists agree that Italy and Portugal more closely resemble the Spanish case than they do the Greek case). I also wish to study the hyper left, socialist group, Podemos, to better understand the major weaknesses in the PP and PSOE’s platform. This aspect of my research will also allow me to develop theories on why such fringe groups arise, and what their appropriate role is in the democratic process.

I am conducting my research under the guidance of Professor who serves on the faculty committee of the Nanovic Institute for European Studies and who has advised me several times before in the Program. Professor has spent a significant amount of time helping me to refine my thoughts and structuring my research in way such that I might come out with salient results. I am very grateful for his support, and I hope to work with him after the research portion of my project is complete so that I can publish my findings informally.

Objectives

Through this independent research project I hope to:

- Learn about Spanish politics and the general sentiment regarding the upcoming elections.
- Analyze what the discrepancy between traditional political theory and current political rhetoric of the PP and PSOE means for Spanish sovereignty and Spanish commitment to the Euro Zone/European Union.
- Develop a more nuanced perspective of the Euro Crisis and make intelligible forecasts about the future of European Union, from an identity/existential point of view.
- Explore where fringe groups like Podemos and Ciudadanos arise and attempt to understand their role in the democratic process.

- Publish my research (informally) after I get the chance to revisit my hypothesis to further synthesize my thoughts following the results of the election.
- Better understand Spanish history and politics and experience Spanish culture.
- Acquire the ability to conduct proper independent research so that I may succeed in my upcoming “Global Inquiry” summer with the Hesburgh-Yusko Scholars Program.
- Improve my Spanish language skills, which are limited to my four years of formal language schooling.

**Credentials**

An AP Macroeconomics that I took in my sophomore year of high school first introduced me to the Euro Crisis, which was approximately three years in the making at the time. Through online news sources and print periodicals I remained engaged with the Euro Crisis until my senior year of high school, at which point I brought my interest to Dr. [Name], my AP Language and Composition teacher and expert on European relations. Dr. [Name] shared a variety of articles by notable economists like Krugman, Stieglitz, DeLong, and Summers with me, which gave me a more academic and theoretical understanding of the Euro Zone (especially in regards to Optimal Currency Area theory). During my first year in college I took a microeconomics course that introduced me to localized economies and the inner workings of firms. I also became heavily involved with a campus microfinance initiative called JIFFI and began to explore private debt and debt financing. A CUSE grant enabled me to travel to the 2014 Lend for America Summit, which further armed with knowledge about lending practices. I can confidently assert that I have a solid foundation in macro and microeconomics, and am especially acclimatized to understanding the Euro Crisis despite its many intricacies. I also have a very strong proficiency in Spanish, and a growing repertoire of knowledge about Spanish politics. Although I am far from an expert on any of the aforementioned, I believe that I have enough of a preliminary background to conduct my research appropriately and effectively.

**Relation to Academic Goals**

As a Finance and ACMS double major seeking a minor in Computing and Digital Technologies, I will be the first to admit that this research project, which focuses heavily on politics and economics, does not have a natural connection to my curricular trajectory. With that said, however, as I mentioned in the “Credentials” section, I have been very much involved with and interested in the European Union, Euro Zone, and Euro Crisis ever since my sophomore year of high school. Although I was unable to pursue any formal university activities to further cultivate my interest in international economics during my first year experience, this grant application process has certainly provided me with the perfect medium through which to do so. I hope to use the experience to rekindle my interest in international economics and global finance, which got away from me during my first year. I am certain that this research project will spark my interest in joining activities that

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advance macroeconomic study and might even convince me to bring economics to the forefront of my curricular goals (either through a minor or switching out my supplementary ACMS major with one in International Economics).

As a Scholar here at the University of Notre Dame, I am expected to spend my upcoming summer engaged in some form of “Global Inquiry,” or independent international research. While conducting preliminary research on my current topic, I came up with numerous ideas on how I might go about structuring my Global Inquiry summer around a comparative research project with Greece, Portugal, and Italy in the mix as well. This grant will enable me to test my current research design and methodology and improve my ideas and proposal to the Scholars program, which is due in mid-November. Given that I am planning on spending at least ten weeks over the summer on a topic very similar in this current proposal, I believe that this grant will give me invaluable insights to make the most out of my summer plans.

**Methods and Preliminary Work**

In order to achieve my goals outlined in sections previous, I will conduct my research through reading print periodicals located in specific libraries in Madrid and conducting informal interviews with Spanish residents, economists, professors, and politicians. There are certain specialized research centers like the **CSIC (Consejo Superior de Investigaciones Científicas)**, ministerial libraries like the one in the **Ministry of Finance and Public Administration**, and special libraries like the **European Union Documentation Center** which contain fundamental resources vital to helping me gain a more nuanced perspective of Spanish history, the Euro Crisis and its relation to Spain, and the breakdown of every Spanish political party and its traditional campaign platform. Aside from print resources, I hope to interview highly knowledgeable specialists and common citizens to survey the general political climate and garner information about sentiment regarding Spanish nationalism and Euroscepticism; the experts detailed below will answer my technical and specialized questions. My plan currently is to approach individuals who can shed light on three specific areas: domestic Spanish politics and economics, EU politics and economics, and popular sentiment/trends. The following chart will describe the many individuals I have contacted, their background, and the current status of setting up an interview (N.B. this list is incomplete—due to space constraints, I have omitted numerous individuals; my current list of contacts stands at around 30):

<table>
<thead>
<tr>
<th>Individual</th>
<th>Background</th>
<th>Contacted (Y/N)</th>
<th>Status of Interview</th>
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<tbody>
<tr>
<td>Former President of Madrid and member of the PP</td>
<td>I have reached out to Ms. and several of her aids. I have yet to make contact with her. Ms. will assist me in gaining a more comprehensive understanding of the PP. I am not confident that I will get an audience with any formal political representative, as the elections will be just 2 weeks away when I am in Spain.</td>
<td>Pending</td>
<td></td>
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<tr>
<td>Leader of the Podemos Party</td>
<td>I have reached out to Dr. and several of his aids. I have yet to make contact with him. Dr. will help me to better understand Podemos and its policy particulars. I am not confident that I will get an audience with any formal political representative, as the</td>
<td>Pending</td>
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<tr>
<td><strong>elections will be just 2 weeks away when I am in Spain.</strong></td>
<td><strong>FRIDE Member- A</strong></td>
<td>European think tank for economic action</td>
<td>I have contacted Dr. [redacted] and am in the process of setting up an interview. His paper entitled “G20 after Cannes: An Identity Crisis” focuses a lot on my topic, and he would be an ideal candidate to interview.</td>
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<tr>
<td></td>
<td><strong>FRIDE Member- A</strong></td>
<td>European think tank for economic action</td>
<td>Dr. [redacted] is unable to assist me at this time, though she has referred me to several other notable individuals.</td>
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<td></td>
<td><strong>IMF Representative</strong></td>
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<td>Dr. [redacted] has agreed to interview me via Skype both pre-departure and during my time in Spain. Dr. [redacted]’s extensive experience with the IMF (with a focus on Europe) will allow me to better understand the Spanish crisis from a European institutional perspective.</td>
</tr>
<tr>
<td></td>
<td><strong>Head of the European Council on Foreign Relations-Madrid Office and Senior Policy Fellow and FRIDE Member</strong></td>
<td></td>
<td>I have reached out to Dr. [redacted] and am in the process of setting up an interview. He is one of the most notable Spanish contributors to the identity debate in Europe, and has published a paper entitled “The Eurosceptic Surge and How to Respond to it”</td>
</tr>
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<td></td>
<td><strong>Real Instituto Elcano - A</strong> Spanish think tank that focuses on Spanish domestic policy and international relations.**</td>
<td></td>
<td>I was referred to Dr. [redacted] by several of his Elcano colleagues, and am in the process of setting up an interview. Dr. [redacted] would be able to contribute a lot of insights to my research, as he is an expert on international political economy and the Euro Crisis (Dr. [redacted] referred me to Dr. [redacted]).</td>
</tr>
<tr>
<td></td>
<td><strong>Real Instituto Elcano - A</strong> Spanish think tank that focuses on Spanish domestic policy and international relations.**</td>
<td></td>
<td>I have reached out to Dr. [redacted], who has agreed to meet me during my time in Madrid at the Institute itself. Dr. [redacted] is classified as an “expert on nationalism” and is particularly attuned to the Cold War and post-Cold War eras.</td>
</tr>
<tr>
<td></td>
<td><strong>Real Instituto Elcano, Bank of Spain, ECB, and IMF</strong></td>
<td></td>
<td>I have reached out to Dr. [redacted] as her extensive experience in both the public and private sector at a domestic and international level will allow her to contribute vitally meaningful insights to Spanish domestic policy, Euro Zone dynamics, and other such key areas. I am in the process of setting up the interview.</td>
</tr>
<tr>
<td></td>
<td><strong>Real Instituto Elcano - A</strong> Spanish think tank that focuses on Spanish domestic policy and international relations.**</td>
<td></td>
<td>Dr. [redacted] says that he will be unable to meet me during my time in Spain, though he has referred me to several of colleagues and provided me with several resources he suggests I peruse.</td>
</tr>
<tr>
<td></td>
<td><strong>Real Instituto Elcano - A</strong> Spanish think tank that focuses on Spanish domestic policy and international relations.**</td>
<td></td>
<td>Dr. [redacted] is an expert on European relations (he has published over 20 books on different countries) and is particularly interested in post-Cold War European history. He will be vitally meaningful in giving me a good exposition of the issues at hand.</td>
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<tr>
<td></td>
<td><strong>IESE and IMF</strong></td>
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<td>Dr. [redacted] is the Director of Economics at the IESE business school and also a former member of the IMF. I am in the process of scheduling an interview with him.</td>
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<td></td>
<td><strong>IESE</strong></td>
<td></td>
<td>Dr. [redacted]’s area of research expertise involves the banking crisis and the policy of information in financial markets, so he will be able to provide me with information about the specifics of the crisis, the effectiveness of austerity, and the implications of liberal and conservative policies. I am the process of setting up an interview with him.</td>
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<td></td>
<td><strong>IESE-External Collaborator</strong></td>
<td></td>
<td>Dr. [redacted] has a litany of experiences with the public and private sector both within Spain and from an international perspective. He is particularly focused on Spanish integration to the EU and Euro Zone economic theory, so he will be a great asset for my research.</td>
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<tr>
<td></td>
<td><strong>IESE</strong></td>
<td></td>
<td>Dr. [redacted] has been instrumental in my research, thus far, as we have exchanged numerous lengthy emails in which he has answered many of my questions already. Dr. [redacted] is interested in the EU, Euro Zone, and Spanish politics, which makes him a prime candidate to interview.</td>
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</tbody>
</table>
The aforementioned list contains the individuals with whom I have exchanged electronic communication for the purposes of setting up interviews. I have emailed, and plan to email, additional individuals simply to get some of my questions answered, without setting up an informal interview. Additional institutes I plan to contact include La Fundacion Alternativa (a political think tank) and Complutense University of Madrid (Father [REDACTED] put me in touch with Dr. [REDACTED], who recently relocated to Spain and who has numerous contacts in this university). In all, I hope to conduct 14-16 different interviews to comprehensively cover the three perspectives I mentioned above.

Program Itinerary

October 16th, 2015 – Last day of school and afternoon departure for Madrid from South Bend, IN.

October 17th, 2015 – Early morning arrival in Madrid; explore the surrounding area and city; visit CSIC and read different articles for several hours to further solidify my background and cultural/historical understanding of Spain; refine my research questions (if necessary) and prepare for my interviews.

October 18th, 2015 – Visit the library in the Ministry of Finance and Public Administration; conduct two interviews at the IESE business school (Dr. [REDACTED] and Dr. [REDACTED]); potential coordination with [REDACTED] (see “Additional Note” section)

October 19th, 2015 – Visit the European Union Documentation Center; conduct two more interviews at the IESE business school (Dr. [REDACTED] and Dr. [REDACTED]); potential coordination with [REDACTED] (see “Additional Note” section)

October 20th, 2015 – Conduct three interviews at the Real Institute Elcano (Dr. [REDACTED], Dr. [REDACTED], and Dr. [REDACTED]); potential coordination with [REDACTED] (see “Additional Note” section)

October 21st, 2015 – Conduct two interviews at FRIDE (Dr. [REDACTED] and Dr. [REDACTED]); conduct two interviews via Skype with two different foreign correspondents (Dr. [REDACTED] and [REDACTED])

October 22nd, 2015 – Conduct two interviews at the Complutense University of Madrid (TBD); conduct one interview at La Fundacion Alternativa (TBD)

October 23rd, 2015 – Day of Reflection. Using the interviews I will have conducted by this time, I will rework my interview questions, begin writing my reflection piece, and begin synthesizing all of my information.

October 24th, 2015 – Day of sightseeing and completely relaxed cultural immersion; I will avoid holding anything formal on this day so I can simply taken in my final day in Spain and experience all that it has to offer.

October 25th, 2015 – Early morning departure from Madrid back to South Bend, IN; work on paper en route.

Budget

<table>
<thead>
<tr>
<th>Expense Type</th>
<th>Estimated Expense</th>
<th>Estimate Source/Details</th>
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<td>Travelocity: <a href="https://www.travelocity.com">https://www.travelocity.com</a></td>
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<tr>
<td>Housing</td>
<td>$57.00/night for 8 nights = $456.00</td>
<td>Hostel World: Way Hostel <a href="http://www.wayhostel.com">http://www.wayhostel.com</a></td>
</tr>
</tbody>
</table>
| Food           | $35/day = $280.00 | CUSE Food Cost Guidelines
|                |                   | http://cuse.nd.edu/undergraduate-research/cuse-grants/budget-guidelines/ |
A junior Political Science and French double major, , is planning a fall, independent research project in Madrid and Barcelona. Our itineraries converge upon three dates in Madrid (October 18th, 2015 – October 20th, 2015) after which point she will travel to Barcelona to further focus on her project. Her research, which concentrates on the immigration patterns of Senegalese immigrants to Spain, involves several notable interviews with academicians from Complutense University of Madrid and politicians from both the ruling parties and fringe groups. Though my research has little to do directly with Senegalese immigrants, because I am studying the economic aspects of the party platforms, it would be vitally useful for me to study labor reforms in regards to immigration as immigrant unemployment rate stands at 37%, which is 54% higher than the Spanish national average\footnote{11 Shedlock, Mike. "Pessimism in Spain: 83% Say Economic Situation is Bad; Podemos Takes Huge Lead in Latest Poll." Mish’s Global Economic Trend Analysis. Mike Shedlock, 14 Feb. 2015. Web. 30 Aug. 2015.}. Although it is not absolutely necessary that I sit in on some of ’s interviews (interviewing Dr. is one interview that would be quite useful), it would add notable insights and interdisciplinary collaboration to my project. I am also planning on sharing some of my interviews with , as her project might benefit from insights contributed by individuals like Dr., Dr., and Dr.

### Conclusion

The support of CUSE would enable me to conduct an independent research project that has the potential to impact my short-term academic trajectory and long-term career interests. Although I understand that my track record thus far in college has had little to do with international economics, as I hopefully made clear earlier, I am very interested in European Union dynamics and the Euro Crisis. This project will allow me to further cultivate an interest that I developed almost four years ago, and will help me to make my plans for my “Global Inquiry” summer with the Scholars program. Your consideration to fund my proposal is greatly appreciated, and I thank you very much for taking the time to read my work. I hope you consider granting me the funds to conduct my research, as I am certain it will be a fruitful and intellectually stimulating endeavor!


NOTICE OF APPROVAL FOR HUMAN RESEARCH

DATE: September 18, 2015
TO: [Name]
FROM: [Name]

PROTOCOL TITLE: A Delicate Balancing Act: What the Economic Implications of the Upcoming General Elections Mean for the Spanish and European Identity Crisis
FUNDING SOURCE: Internal Funding pending

The Institutional Review Board (IRB) for the protection of human subjects has reviewed the protocol entitled: A Delicate Balancing Act: What the Economic Implications of the Upcoming General Elections Mean for the Spanish and European Identity Crisis. The project has been approved for the procedures and subjects described in the protocol. This protocol must be reviewed for renewal on a yearly basis for as long as the research remains active. Should the protocol not be renewed before expiration, all activities must cease until the protocol has been re-reviewed.

If approval did not accompany a proposal when it was submitted to a sponsor, it is the PI's responsibility to provide the sponsor with the approval notice.

This approval is issued under University of Notre Dame's Federal Wide Assurance with the Office for Human Research Protections (OHRP). If you have any questions regarding your obligations under Committee's Assurance, please do not hesitate to contact us.

Please direct any questions about the IRB's actions on this project to:

[Contact Information]

Approval Period: [Approval Period]
Review Type: [Review Type]
IRB Number: [IRB Number]
NAME:  
UID NUMBER:  
EMAIL ADDRESS:  
PROJECT TITLE: “A Delicate Balancing Act: What the Economic Implications of the Upcoming General Elections Mean for the Spanish and European Identity Crisis”  
PROJECT SEMESTER/DATES: October 17th, 2015 - October 25th, 2015  
Do you have Direct Deposit info on file with Notre Dame?: Yes

<table>
<thead>
<tr>
<th>Amount Anticipated</th>
<th>Source</th>
<th>Reasoning</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Travel Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><em>ie airplane tickets, train travel, tolls, car rental, mileage, parking, travel to/from airport</em></td>
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<tr>
<td>Airplane ticket</td>
<td>$1,090.00</td>
<td>Kayak and Travelocity</td>
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<td>Taxis</td>
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<td>Taxi Fare Finder</td>
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<tr>
<td><strong>Lodging</strong></td>
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<td><em>ie hotel costs, rent paid</em></td>
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<tr>
<td>Hostel Cost</td>
<td>$456.00</td>
<td>Hostel World and Way Hostel</td>
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<tr>
<td><strong>Conference Fees</strong></td>
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<tr>
<td><em>costs paid to attend or present at an academic conference</em></td>
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<td><strong>Meals/Food Items</strong></td>
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<td><em>must only account for meals for grantee, have an itemized receipt included (not just credit card receipt), include any tip, and not exceed $35/day for short term projects or $80/week for long term projects.</em></td>
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</tr>
<tr>
<td>Food</td>
<td>$280.00</td>
<td>CUSE Food Cost Guidelines</td>
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<tr>
<td><strong>Other Expenses</strong></td>
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<tr>
<td><em>ie health insurance costs, vaccines, poster printing</em></td>
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</tr>
<tr>
<td>Telephone/Internet</td>
<td>$50</td>
<td>Madrid Travel Blogs and Forums</td>
</tr>
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</table>

**Total Amount Requested to Complete Above Project**  
$2,292.00

**LIST ALL OTHER ON CAMPUS UNITS/CENTERS/INSTITUTES YOU ARE APPLYING TO FOR PROJECT FUNDING**  
CUSE, ISLA, and the Nanovic Institute for European Studies  
NOTES: If I am granted the $1500 CUSE is willing to provide students, I will figure out how to cover the additional $792.00. The experience is well worth it to me!