**We negate.**

**Contention one is hurting Catalonia.**

Foreign direct investment, or FDI, is the process by which international corporations set up operations in other countries. Hanane Saouli from the Carnegie Council finds that FDI presents job opportunities, advances technology, and increases GDP. Currently, Xavier Vives from the University of Navarra reports that Catalonia is an FDI powerhouse, attracting thirty-one percent Spain’s investment. Unfortunately, independence initiates a process known as capital flight, where international corporations leave Catalonia. Jeton Zogjaniof Illiria University confirms, finding that Kosovo lost sixty-two percent of FDI following its independence in 2008. Catalonia would lose investment from two sources.

**First is Spain.**

The FAES reports that Catalonia receives most of its investment from within Spain; however, they find that independence would cut off Catalonia from this vital stream. Indeed, the Spanish Institute of Strategic Studies finds that independence would result in the “border effect” where the creation of a border decreases trade due to tariffs and bureaucratic barriers. Simply put, countries trade more within borders than across them. Unfortunately, David Comerford of the University of Stirling quantifies that the border effect would reduce Catalonia-Spain trade by eighty percent. Thus, the FAES concludes, Catalonia is doomed to suffer financially not by anyone's policy decision, but because of the natural flow of trade relations. Paul Ingram of Harvard furthers that increasing complexities for trade discourages FDI.

**Second is the European Union.**

Francesc de Carreras of the Guardian explains that while Catalonia is currently a member of the European Union, if they were to become independent, they would be removed from the organization and subjected to high international trading tariffs. Specifically, France, Germany, Belgium, and Italy will all block Catalonia’s acceptance into the EU because they fear that legitimizing Catalonia would rekindle independence movements within their own countries. Accordingly, Guillermo Casanovas from the Madrid Economics Institute reports that European businesses would be pushed away from Catalonia and redirect their investment to other nations. This is devastating as Martin finds that the EU accounts for sixty-five percent of all foreign direct investment into Catalonia.

**The impacts of capital flight are two-fold.**

**First is unemployment.**

The Catalan Civil Society finds that the loss of FDI in Catalonia would double the unemployment rate, increasing it by sixteen percent.

**Second is poverty.**

Mercy Magombeyiof the University of South Africa confirms empirically that a one percent decrease in foreign direct investment increases poverty by point-four-six percent.

**Contention two is hurting Spain.**

Catalonia is vital to the long-term prosperity of the Spanish economy. Steven Johnson of the Atlantic confirms, finding that if Catalonia were to become independent, Spain would lose twenty percent of both their GDP and tax revenue overnight.

**The impact is cutting green investment.**

Andrés Cala of the New York Times reports that reduced tax revenue moves Spain to cut important green energy spending that reduces emissions. For example, he concludes that Spain drastically cut green energy spending during their 2008 recession. This is pressing, for Laura Perez of the Institute for Environmental Studies reports that Spain’s efforts to reduce air pollution save three-thousand five-hundred lives every year.

**Contention three is hurting the world.**

Granting Catalonia independence would catalyze independence movements across Europe to secede. Damien Kingsbury of Deakin University reports that there are over one hundred secessionist movements around the world. Tony Barber of the Financial Times explains that Catalan independence would inspire these movements to increase calls for their own independence. Molly Fiske of the LA Times confirms that the Catalan crisis has already begun to galvanize movements across Europe including those in Scotland, Corsica, and Flanders.

**The impact is government crackdown.**

Governments are terrified of having a secessionist movement. Daniel Conversi of the London School of Economics concludes that governments will use the domino effect as an excuse to clamp down on their ethnic minorities, political opposition, and secessionist movements to ensure that they do not see the same success as Catalonia. Jason Sorens of Al Jazeera confirms that government crackdown ends up increasing support for independence and causes the situation to further escalate into political instability and violence.

**Thus, we negate.**