

Catalonia's real need for investment

The Spanish State invests far too little in infrastructure in Catalonia. This lack of substantial investment harms the Catalan economy, making products more expensive and has a negative effect on work and people's mobility.

Catalonia is one of the regions of Spain with most exports, as 25% of all Spanish exports come from Catalonia. It is also one of the areas which proportionally produces more, since, with 16% of Spains' population, it creates 19% of the State's economic activity (GDP, gross domestic product).

This effort by companies and workers based in Catalonia contrasts with the central government's annual investment in the General State Budget. Based on its population, Catalonia should receive 16% of investment and, based on its economic activity, 19%. However, in the past 20 years, the average has been below 13%. This situation has been even more pronounced in the past two years, when it has not even reached 10% of State investment.

Is it serious that investment in Catalonia is so low? Yes, it is serious, as it affects businesses and individuals. Today, in the globalised economy, regions compete against each other. A product that is manufactured in Catalonia is competing with products made in France but also China or Japan.

In Catalonia, companies are striving to compete in this global economy. If energy and transport costs are cheaper in France, it is obvious that products made there will be more competitive and will sell more easily than Catalan products. In such a situation, companies have difficulty forging ahead: lower activity results in the generation of fewer jobs, taxes and contributions to social security. Public services, welfare and, therefore, people suffer.



An efficient management model for infrastructure is needed in Catalonia/ E P

Catalan workers are also seriously affected for two basic reasons. On the one hand, less investment in the rail and road networks extends the working day; there is less free time and, as transportation is more expensive, people have less disposable income. On the other hand, when a company loses competitiveness, sales drop and jobs are lost. Hence the importance of having a good infrastructure.

In Catalonia, the problem is compounded because Spain does not comply with the set budgets. Apart from setting a low investment budget, its implementation in Catalonia is much lower than the average for the State. The actual completion rate of the development ministry's investment in Catalonia is around 80%, meaning that Catalonia is one of the communities with the lowest level of execution of the set budget.

Catalonia needs public investment in infrastructure, especially with regard to the

completion of works put on hold, such as rail freight and vital transport corridors, such as the Mediterranean corridor, as well as the local rail service, telecommunications and access to industrial estates. Progress is also needed to attain a management model for infrastructure which is efficient, competitive and individualised. It should be noted that it is as, or possibly more, important that investment in infrastructure be managed locally, with the ability to decide the management model.

As a result of the low level of the Spanish government's investment and, as long as Catalonia does not have the means to administer the taxes it generates (80bn euros annually), it will have serious difficulties competing at an international level. Infrastructure is essential for production and trade, both internally and for export. An adequate investment in infrastructure and good management would stimulate the competitiveness of Catalan companies.

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"My experience in meeting prime minister Rajoy is that he is someone relatively easy to talk to [but]...when you reach an agreement it is impossible to make him stick to it." Artur Mas, former Catalan president

Mas's long political experience could be a valuable tool for supporters of the Catalan independence process, but also advice worth heeding by Spanish politicians attempting to find a solution to the problems of forming a new central government