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TRIBUNE. PERE MIRET

Certainties and uncertainties about independence

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In the economic debate about the independence process in Catalonia it is often said that uncertainties are bad for the economy if they persist. It is true that political uncertainties hinder investment and consumption and consequently may affect the economy, although it is also true that there is always a greater or lesser degree of uncertainty in any economy.

Indeed, the Spanish state strangles the Catalan economy

As for the current phase of the process of independence of Catalonia, which took a boost from the mass demonstration in 2012 after a wave of democratic consultations across the country, no economic data show that the uncertainty of this process has adversely affected the Catalan economy. Indeed, there has been an upward trend in the net creation of companies in Catalonia since 2012. In addition to the data of a greater entrepreneurial dynamism, the recovery of the Catalan economy, with a GDP growth rate higher than the whole of Spain, reinforces the appreciation that in fact, the independence process has affected positively the Catalan economy.

Moreover, against the uncertainties about independence there are some certainties. The main one is that the continued belonging to the Spanish state, which has a debt over 100% of its GDP, pushes citizens living in Catalonia toward a very poor economic future. And not only this, but by the secular trends of the state against the Catalan economy, whatever the colour of the Spanish government in power at any time. Indeed, the Spanish state strangles the Catalan economy. Not only by draining an annual fiscal deficit of around 8% of the Catalan GDP and the financial stifling of the Catalan government, but also by an economic policy that hinders the development of the great potential of the Catalan economy.

Thus, to give only a few examples, while Spain has wasted expenditure on underused high-speed railway lines, it does not invest enough in the suburban railway network of Catalonia, with consequent effects on the thousands of daily users. It also hinders the development of the Mediterranean corridor, while trying to promote an irrational railway corridor to Europe which would pass through Madrid.

Another certainty, but in this case positive, is that independence can reverse the situation. If the Catalan government had all the income generated by the Catalan economy, the current deficit could be transformed into a surplus, which would gradually reduce the public debt. With an economic policy in favour of the Catalan economy, for example, electricity costs could be significantly reduced, which would promote the competitiveness of Catalan companies. Likewise, the removal of the Catalan fiscal deficit will increase the GDP significantly and the unemployment rate could be reduced to 7% from the 16% it is at present if the workforce remains at the current level. Thus, it would strengthen the welfare state.

In this situation, the hugely popular mobilisation of September 11, the Catalan national day, with more than a million people, after the other four in earlier years, shows not only the strength and depth of the movement, but it points to independence in the not-so-distant future. Also, the consolidation of the majority in favour of independence in the Catalan parliament at the end of September eliminates uncertainties.

In short, uncertainties have diminished: the independence of Catalonia is now in sight. And there are some certainties. One is that the dependence of Spain pushes citizens living in Catalonia into a semi-colonial future. However, independence can reverse the situation in favour of a more prosperous future and welfare for the people who live in Catalonia, and the sooner the better.

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