

# WHO HARMIS THE CATALAN ECONOMY?

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**T**he Spanish government, not content with intervening and stifling the finances of the Catalan Administration, claims with its enormous propaganda machinery that the Catalan independence process has damaged the Catalan economy. But that is a blatant manipulation. Let us examine the data.

Since the start of the last wave of the Catalan independence movement, Catalan gross domestic product (GDP) grew 12% in the period 2012-2017, while the GDP of the whole of Spain in the same period increased by 10%. And what happened last year? Catalan GDP rose 3.4%, 0.3 percentage points more than the Spanish economy. The numbers of unemployed tell the same story. In the period 2012-2017, Catalan unemployment dropped 11 points, while in Spain the fall was only nine points. Thus, the Catalan unemployment rate ended last year at 13%, four points lower than Spain.

With regard to tourism, in 2017 the number of foreign tourists increased by 5% in Catalonia, despite the fact that in the last quarter the number of visitors to Catalonia experienced a year-on-year drop of 6%. But this decrease is attributable mainly to the action of the repressive forces of the



Protest for the freedom of political prisoners. ANDREU PUIG

Spanish state in its unsuccessful attempt to prevent the referendum on self-determination of October 1, and the violent images that brought international condemnation.

The arbitrary intervention of the Catalan government's finances by the executive in Madrid is paralysing economic projects that are very necessary for our economy. Added to this is the chronic deficit in infrastructure investment and the economy which has been going on for decades at the whim of central government.

And then there is the question of the so-called "flight of companies" since last October. The Spanish media rushed to say

that it meant an immediate downturn for the Catalan economy. The figures do not back this up. But there is the continuance of Spanish state policy, which has for decades encouraged the transfer of some of the largest companies from Catalonia, especially to move to Madrid. It is worth recalling, for example, that the Seat automobile factory was built in Catalonia in 1949 because the mother company, Fiat, insisted on it for economic reasons, contrary to the desires of the Franco regime.

One common argument against the independence process is that legal security is needed for the smooth running of the economy, and this is true. But does this exist in Spain? All we need do is ask the Catalan political prisoners or the Catalan politicians who have had to go into exile. That said, Spain does provide legal security for oligarchs, such as those in the banking sector, where large subsidies were given to protect them from the recent economic crisis, of which only a small part can be recovered, unlike in other developed countries. This is known as crony capitalism.

It is for these and other reasons that the majority of Catalans voted clearly and repeatedly in favour of independence in 2014, 2015, the referendum in 2017 and in the elections last December, since an independent state is needed for the development of the Catalan economy, one which works in favour and not against it as the corrupt, economically inefficient Spanish state does in oppressing the Catalan people. In fact, defending the status quo not only seriously undermines democracy in Europe, but also economic development.