



OAK INVESTMENT MANAGEMENT GROUP



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Catalonia, Spain and Europe

The independence vote in Catalonia on October 1st should act as a reminder to all in Europe and outside Europe that Europe is a patchwork of alliances and allegiances that is both ancient and new. The identity of nations (and of nations within nations) is nothing that can ever be erased, but is something that needs to be managed.

Catalonia is more than a 'part' of Spain. The union Catalonia of with Aragon in the twelfth century is the basis on which almost the entire Iberian Peninsula was united. The power of the Catalan fleet was the springboard on which Spanish territories projected their power throughout the Mediterranean in the fifteenth century, and the Atlantic from the sixteenth century. Catalonia was at the forefront of industrialisation in the nineteenth century not only making it relatively the richest part of Spain but also one that provided custom added value to the produce of the rest of the country. Its political importance critical in the Spanish civil war as well as the post-Franco settlement and modern constitutional Monarchy. The artistic heritage that Catalonia has given the Hispanic world is second to none: Salvador Dalí, Joan Miró and Antoni Tàpies to name a few as well as the influence on the output of Pablo Picasso lived in Barcelona and was influenced by Catalan culture.

The fact that the region of Catalonia today feels overlooked is a tragedy. Over eight hundred years of shared political, cultural and business heritage seems to count for nothing as the apparatus for political dialogue breaks down. The fire of populist rhetoric on behalf of the Catalan people or the indignation of the central government in Madrid calling out an 'illegal' and 'unconstitutional' referendum show that both are speaking at cross purposes, and that neither address the most important issues of the people. The most important issues of the people are always security of family, of identity and of work. All three elements are inter-dependent

The Catalan authorities need to articulate their grievances, what they want to do that is precluded to them by not being independent as well as the inequity or injustice that they feel is visited upon them. The central government needs to be committed to explaining what it does, and why what it does is good and effective for Catalonia as part of Spain. It is never too late or too serious a breach to preclude discussions. As the *de facto* power of the land it is essential for the central government to act with restraint and understanding. Heavy handed tactics of coercion will always backfire – far better to cool passions are emphasise the common ground, which is the welfare of the people that central government and the regional authority represent.

Spain or Catalonia must not rely on the European Union either to be a peace broker or to back its aspirations up. For better or worse, in this day and age power resides with the people as a result any solution to this problem must be local and endorsed by the people. Though the government in Madrid may look stronger from all sorts of attributes it must take seriously the persistent aspirations of the people. There is more than enough room to ensure the security and prosperity of the people.

Nicholas Frankopan is Managing Director of Oak Investment Management Group pan-European real estate investment manager. To contact the author please email nfrankopan@oakadvisors.co.uk or learn more about the group at www.oakimg.com. © All rights are asserted please request permission for reproduction.