

# CATALONIA, A PLATFORM FOR FOREIGN MULTINATIONALS

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oreign investment is pouring into Catalonia. The same happens in other parts of the state, but while investment in Madrid or other autonomous communities is largely directed at transferable stocks, which can be bought and sold on the stock exchange, or else at the purchase of property, most foreign investment in Catalonia corresponds to multinational companies involved in industrial operations.

In choosing Catalonia as a platform for their production centres, they are decisively influenced by the industrial nature of the Catalan economy. A 150-year-old tradition has shaped Catalonia along the lines of Lombardy or the *land* of Baden-Württemberg, to give two examples from Europe. Catalonia has an industrial infrastructure and skilled labour, as well as the right atmosphere.

Another weighty argument in favour of Catalonia is its geographic location, on the Mediterranean coast and close to the border with France. The Catalan motorway network is directly linked to the European network. A factory in Catalonia can be a good platform, whether one is contemplating the Spanish domestic market or thinking of exporting to other communities of the Common Market.

Catalonia has lived with multinationals for many years. Pirelli, Nestlé, Bayer, Olivetti, Basf or Akzo have been established here for over sixty years, and make up part of the Catalan industrial scene, whether as a textile factory or as a metalworks. While investment sixty years ago corresponded to European companies, these have recently been joined by American and Japanese companies, of which the latter are particularly important. It is calculated that between 70 and 75 % of Japanese investment in Spain has gone to Catalonia.

Catalonia has a varied industry, led by the metallurgic sector and followed by chemicals, textiles, construction, food, etc. It is therefore no surprise to find that the multinationals that come to Catalonia also belong to a variety of sectors.

In the metallurgic sector, the multinationals play a decisive part as regards the manufacture of elements of transport: cars, industrial vehicles, motorbikes. The Japanese firm of Nissan took over the old Motor



Ibérica, formerly under the control of Massey Ferguson; Volkswagen controls Seat, the firm that motorised Spain in collaboration with FIAT; and now Daimler-Benz is buying ENASA-Pegaso, a company producing lorries and heavy vehicles, the successor to the famous Hispano Suïssa car factory. The chemical sector's leading international companies are present: Basf, Bayer, Hoechst, Dupont de

Nemours, Sandoz, Ciba-Geigy, Solvay. Artificial fibres are manufactured by subsidiaries of Akzo, Rhone-Poulenc, I.C.I. and Montedison. The food sector's principal international representatives are Nestlé and Anheuser-Busch.

Consumer electronics is dominated by the Japanese, as it is in the rest of the world: Sony, Sanyio, Matsushita, Sharp, Pioneer; while the domestic appliance sector is led by the Dutch company Philips and the Swedish Electrolux.

The multinationals have contributed technology but they have also arrived in strength as a result of their international marketing network. The Catalan economy has followed a very rapid process of internationalization, as a result of Spain's joining the European Economic Community in 1986.

In the first years of this decade, the multinationals showed much more faith in the development of the Spanish economy than the country's own companies did. Perhaps because they always work according to mid- and long-term previsions, whereas Catalan businesses were worried about the consequences that the transition to democracy might have over a period of one or two years. Generally speaking, the arrival of the multinationals took place through the purchase of a Catalan company already in existence, which allowed them to rapidly consolidate their activities. Afterwards, with a more settled economy and a few years of plenty, sales of Catalan firms have continued, thanks to the offers of the multinationals, who fight amongst themselves for a platform in our geographical area. The multinationals play a decisive part in the Catalan economy, with all the advantages and inconveniences that this implies. □

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