Article | 15 May 2018

Spain: Election of new Catalan president could resolve many political problems

Five months after the elections, Catalonia has a president. This could settle three big political questions in Spain



Source: Shutterstock

New elections avoided

After the regional elections in December 2018, pro-independent parties who got a majority in Parliament tried to select a new president. But each time they proposed a candidate that faced prosecution over the unilateral independence push. Yesterday, Quim Torra was finally elected, although the Catalan parliament is extremely divided (66 were in favour of Quim Torra, 65 against and 4 abstentions).

The pressure to select somebody was increasing over the past few weeks. If no president had been elected by 22 May, there would have been new Catalan elections. This has now been avoided.

Possibility to lift Article 155

Due to the independence referendum in October 2017 and the tensions afterwards, the central government invoked Article 155 of the constitution, leading to direct control by the central government of Catalonia. This was all done on the condition that it would be revoked once a new Catalan government is installed. Now, Quim Torra can form a government and start to push for lifting Article 155.

3 Smoothing the path to approve the 2018 Budget

Last year, the normal approval of the budget had to be postponed as the Basque Nationalist Party (PNV) withdrew its support to protest against the government's management of the Catalan crisis. But now, there is initial parliamentary support for the budget from several political parties. The PNV agreed to proceed with this after a deal with the government to boost public pensions in 2018 and 2019. Even though this first step has been taken, the PNV continued to say that it will not back the budget until the central government removes its direct control over Catalonia. Now that lifting Article 155 is a possibility, the 2018 budget is another step closer to getting approved.

Author

Alissa Lefebre

Economist alissa.lefebre@inq.com

Deepali Bhargava

Regional Head of Research, Asia-Pacific Deepali.Bharqava@inq.com

Ruben Dewitte

Economist +32495364780 ruben.dewitte@inq.com

Kinga Havasi

Economic research trainee kinga.havasi@inq.com

Marten van Garderen

Consumer Economist, Netherlands marten.van.garderen@ing.com

David Havrlant

Chief Economist, Czech Republic 420 770 321 486 david.havrlant@inq.com

Sander Burgers

Senior Economist, Dutch Housing sander.burgers@ing.com

Lynn Song

Chief Economist, Greater China lynn.song@asia.ing.com

Michiel Tukker

Senior European Rates Strategist

michiel.tukker@ing.com

Michal Rubaszek

Senior Economist, Poland michal.rubaszek@ing.pl

This is a test author

Stefan Posea

Economist, Romania tiberiu-stefan.posea@ing.com

Marine Leleux

Sector Strategist, Financials marine.leleux2@inq.com

Jesse Norcross

Senior Sector Strategist, Real Estate jesse.norcross@ing.com

Teise Stellema

Research Assistant, Energy Transition teise.stellema@ing.com

Diederik Stadig

Sector Economist, TMT & Healthcare diederik.stadig@ing.com

Diogo Gouveia

Sector Economist diogo.duarte.vieira.de.gouveia@ing.com

Marine Leleux

Sector Strategist, Financials marine.leleux2@ing.com

Ewa Manthey

Commodities Strategist ewa.manthey@ing.com

ING Analysts

James Wilson

EM Sovereign Strategist James.wilson@ing.com

Sophie Smith

Digital Editor

sophie.smith@ing.com

Frantisek Taborsky

EMEA FX & FI Strategist

frantisek.taborsky@ing.com

Adam Antoniak

Senior Economist, Poland adam.antoniak@ing.pl

Min Joo Kang

Senior Economist, South Korea and Japan min.joo.kang@asia.ing.com

Coco Zhang

ESG Research

coco.zhang@ing.com

Jan Frederik Slijkerman

Senior Sector Strategist, TMT jan.frederik.slijkerman@ing.com

Katinka Jongkind

Senior Economist, Services and Leisure <u>Katinka.Jongkind@ing.com</u>

Marina Le Blanc

Sector Strategist, Financials Marina.Le.Blanc@ing.com

Samuel Abettan

Junior Economist samuel.abettan@inq.com

Franziska Biehl

Senior Economist, Germany Franziska.Marie.Biehl@ing.de

Rebecca Byrne

Senior Editor and Supervisory Analyst rebecca.byrne@ing.com

Mirjam Bani

Sector Economist, Commercial Real Estate & Public Sector (Netherlands) mirjam.bani@ing.com

Timothy Rahill

Credit Strategist

timothy.rahill@ing.com

Leszek Kasek

Senior Economist, Poland leszek.kasek@ing.pl

Oleksiy Soroka, CFA

Senior High Yield Credit Strategist oleksiy.soroka@ing.com

Antoine Bouvet

Head of European Rates Strategy antoine.bouvet@ing.com

Jeroen van den Broek

Global Head of Sector Research jeroen.van.den.broek@ing.com

Edse Dantuma

Senior Sector Economist, Industry and Healthcare edse.dantuma@ing.com

Francesco Pesole

FX Strategist

francesco.pesole@ing.com

Rico Luman

Senior Sector Economist, Transport and Logistics Rico.Luman@ing.com

Jurjen Witteveen

Sector Economist jurjen.witteveen@inq.com

Dmitry Dolgin

Chief Economist, CIS dmitry.dolgin@ing.de

Nicholas Mapa

Senior Economist, Philippines nicholas.antonio.mapa@asia.ing.com

Egor Fedorov

Senior Credit Analyst egor.fedorov@ing.com

Sebastian Franke

Consumer Economist sebastian.franke@ing.de

Gerben Hieminga

Senior Sector Economist, Energy gerben.hieminga@ing.com

Nadège Tillier

Head of Corporates Sector Strategy nadege.tillier@ing.com

Charlotte de Montpellier

Senior Economist, France and Switzerland charlotte.de.montpellier@ing.com

Laura Straeter

Behavioural Scientist +31(0)611172684 laura.Straeter@ing.com

Valentin Tataru

Chief Economist, Romania valentin.tataru@ing.com

James Smith

Developed Markets Economist, UK <u>james.smith@ing.com</u>

Suvi Platerink Kosonen

Senior Sector Strategist, Financials suvi.platerink-kosonen@ing.com

Thijs Geijer

Senior Sector Economist, Food & Agri thijs.geijer@ing.com

Maurice van Sante

Senior Economist Construction & Team Lead Sectors <u>maurice.van.sante@ing.com</u>

Marcel Klok

Senior Economist, Netherlands marcel.klok@ing.com

Piotr Poplawski

Senior Economist, Poland piotr.poplawski@ing.pl

Paolo Pizzoli

Senior Economist, Italy, Greece paolo.pizzoli@ing.com

Marieke Blom

Chief Economist and Global Head of Research marieke.blom@ing.com

Raoul Leering

Senior Macro Economist raoul.leering@ing.com

Maarten Leen

Head of Global IFRS9 ME Scenarios maarten.leen@ing.com

Maureen Schuller

Head of Financials Sector Strategy <u>Maureen.Schuller@ing.com</u>

Warren Patterson

Head of Commodities Strategy Warren.Patterson@asia.ing.com

Rafal Benecki

Chief Economist, Poland rafal.benecki@ing.pl

Philippe Ledent

Senior Economist, Belgium, Luxembourg philippe.ledent@ing.com

Peter Virovacz

Senior Economist, Hungary peter.virovacz@ing.com

Inga Fechner

Senior Economist, Germany, Global Trade inga.fechner@ing.de

Dimitry Fleming

Senior Data Analyst, Netherlands <u>Dimitry.Fleming@ing.com</u>

Ciprian Dascalu

Chief Economist, Romania +40 31 406 8990 ciprian.dascalu@ing.com

Muhammet Mercan

Chief Economist, Turkey muhammet.mercan@ingbank.com.tr

Iris Pang

Chief Economist, Greater China iris.pang@asia.ing.com

Sophie Freeman

Writer, Group Research +44 20 7767 6209 Sophie.Freeman@uk.ing.com

Padhraic Garvey, CFA

Regional Head of Research, Americas padhraic.garvey@ing.com

James Knightley

Chief International Economist, US <u>james.knightley@ing.com</u>

Tim Condon

Asia Chief Economist +65 6232-6020

Martin van Vliet

Senior Interest Rate Strategist +31 20 563 8801 martin.van.vliet@ing.com

Karol Pogorzelski

Senior Economist, Poland Karol.Pogorzelski@ing.pl

Carsten Brzeski

Global Head of Macro <u>carsten.brzeski@ing.de</u>

Viraj Patel

Foreign Exchange Strategist +44 20 7767 6405 viraj.patel@ing.com

Owen Thomas

Global Head of Editorial Content +44 (0) 207 767 5331 owen.thomas@ing.com

Bert Colijn

Chief Economist, Netherlands bert.colijn@ing.com

Peter Vanden Houte

Chief Economist, Belgium, Luxembourg, Eurozone peter.vandenhoute@ing.com

Benjamin Schroeder

Senior Rates Strategist benjamin.schroder@ing.com

Chris Turner

Global Head of Markets and Regional Head of Research for UK & CEE chris.turner@ing.com

Gustavo Rangel

Chief Economist, LATAM +1 646 424 6464 gustavo.rangel@ing.com

Carlo Cocuzzo

Economist, Digital Finance +44 20 7767 5306 carlo.cocuzzo@ing.com