

# INSIGHT INTO THE ECONOMY OF LLEIDA

FRUIT AND STOCK-FARMING HAVE ALLOWED THE ECONOMIC GROWTH OF LLEIDA AND ITS REGION.

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**L**leida, the capital of western Catalonia, presents clearly differentiated features within the overall economy of Catalonia. These differences should be understood, not only as a characteristic aspect, but also as a contribution that brings important elements into Catalan economy as a whole. That is to say, Lleida plays a basic role in the economic diversification of Catalonia.

Catalonia, an industrial country with an enterprising bourgeoisie who built up an important industrial structure, is, along with the Basque Country, the principal industrial region of the Spanish state. It also has agricultural areas of real importance which, as has been pointed out, enrich the Catalan economy and complement it adequately, so that the economic diversity makes the best possible use of the resources available.

Morphologically, the Segrià —the Catalan region of which Lleida is the capital— forms part of the vast Ebro valley or Central Catalan Depression. The region is essentially flat (one generally speaks of the plain of Lleida) and nowadays it is supplied with the element which is fundamental for agricultural development: water. Irrigated land accounts for 51 % of the surface area of the Segrià (the total area of the region is 1,469.2 km<sup>2</sup>) and 66 % of the arable land, and constitutes the basis of its economic development.

It is important to bear in mind these con-

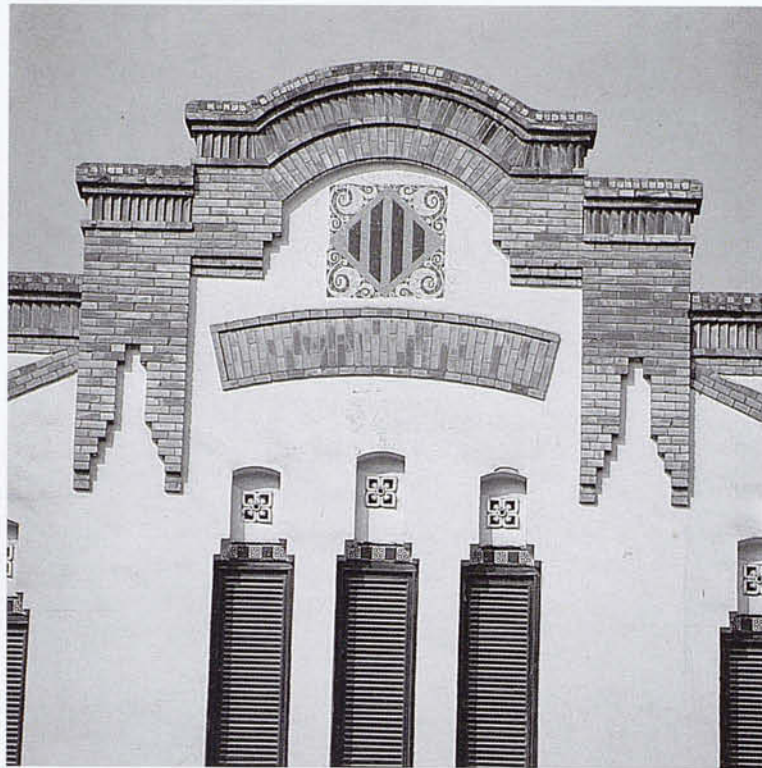


siderations so as to understand why Lleida and the surrounding area have experienced an important growth since the beginning of the Spanish industrialization process, which dates from the "Stabilization Plan" (1959), and especially after the economic liberalization that followed the plan. When the Catalan industrial market and the country's entire industrial structure started to grow, after 1960, and the internal migrations began to saturate Catalonia's most industrialized regions, Lleida integrated its agriculture into capitalist structures, specializing its production and trying to create a competitive agriculture and producing for trade. In short, it changed from a subsistence economy to a market economy. Lleida's agriculture ceased to be an economy for home consumption and integrated itself fully into an agricultural market economy.

Lleida's economic expansion was based principally on the cultivation of fresh fruit and, in particular, on specialties such as pears, peaches and apples. The

development followed in these three specialties has been characterized by remarkable leaps, regarding market prices, but following a very clear tendency: stability in peach production, growth in pears until 1975 and an important growth in apples until the last few years.

The economic potential of Lleida's agriculture has been complemented recently by stock-farming, especially fowl and pork. This stock-farming, or rather its expansion, has been possible, on the one hand, thanks to the structure of small or medium-sized agricultural businesses which, in an attempt to vary their production and not concentrate all their risk in a single activity (fruit), are looking for complementary alternatives so as to ensure their profitability. Also, the exploitation of livestock has been based on a modern form of penetration of the industrial sector in the agricultural sector. The same companies (multinational or otherwise) that produce feed, own the industrial slaughter-houses and, at the same time, transform the livestock products, supply the farmer with the animal for fattening and also the raw materials. Thus the farmer supplies the fixed assets —the farm— and the businessman supplies all the movable assets. This involves a shared risk but, also, a total dependence of the farmer on the businessman who in fact wants to make the most out of the small-scale economies, by maintaining the small production units that are characteristic of the agrarian sector.



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These two activities, fruit and stock-farming, have allowed, therefore, the economic growth of Lleida and its region. In the particular case of fruit-growing it must be mentioned that it has also allowed the possibility of an export trade of real importance. The export of fruit from Lleida started in 1955 and, with varying results, produce has been exported to international markets. It began with Germany but, at present, Europe, the Middle East and South America are the chief importers of fruit from Lleida.

One must now ask oneself if this agricultural expansion has been complemented by other productive activities, or whether, in fact, this external trade and this surplus fruit production have been inadequately taken advantage of so as to change the mono-productive nature of the economy of Lleida.

Here it must be stated that the dynamism has not been the same as in the agrarian sector. It would have been very useful if this agricultural surplus had been invested in industrial activities so as to complete the Catalan economic fabric. In fact, Lleida's industry has to play a com-

plementary role in as much as it brings variety and dimension to the Catalan industrial fabric and one cannot talk of industrial expansion in Lleida without bearing in mind the structure of the sector in the whole of the country.

Nevertheless, this has not been the response when it has come to taking advantage of the profits that have resulted from agrarian development. Lleida has become the commercial centre for the distribution, commercialization and processing of fruit products. At the same time, Lleida supplies the raw materials to the rural productive units.

This role, both of channeling productive factors and of distributing the finished products to the markets, is the basic reason why Lleida has become the most important commercial centre in western Catalonia. This has made it possible to describe it as the capital of the west. This commercial role of Lleida's has been reinforced recently by the establishment of university studies and the important part played by the celebration of different fairs and con-

tests, both national and international. A futurist analysis, looking towards the end of the century, has to consider a number of ideas that imply, basically, that Lleida's development has to change (the external side of the agricultural economy can no longer have the influence it has had until now), and without leaving aside this tertiary role, it must not be forgotten that development will have to be based on the income generated by the classic productive sectors: agriculture and industry.

It will therefore be necessary to bear in mind these considerations. Spain's entry into the E.E.C. implies a decisive challenge of adaptation and integration for the country's economy. Lleida cannot be an exception and, apart from adapting its structures to the international ones, it must realize that the new activities will have to be based on a profitable use of local resources, striving for a complementarity of Lleida's economy with the overall Catalan economy, and at the same time trying to ensure that the investments can acquire an international dimension. ■