



President Mas: “The European assistance to the financial sector is the least traumatic way of being helped”

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- **Artur Mas stresses that the agreed financial assistance “is not a gift, but a loan that has to be repaid”**
- **The President warns that “if the problems are not faced resolutely and with courage, but are concealed instead, in the end the consequences will be worse for everyone”**

The Catalan President, Artur Mas, considers positive the financial assistance to the Spanish financial sector, which he qualified as “the least traumatic way of being helped”. According to the Head of Government “if a full bailout of the Spanish State had occurred, extremely tough conditions would have been imposed on the population, which has now been avoided”.

Artur Mas, who made a public appearance to evaluate the result of the Eurogroup meeting, supported the decision of the Spanish government to ask their European partners for assistance to the financial sector because “the Spanish government was unable to sort out the situation by itself, nor could Catalonia as part of Spain under the present conditions, because the imbalances are important, and at present we do not possess the mechanisms to cover or correct them”.

In this respect, the Catalan President celebrated the European decision “because ultimately the problem is concentrated basically in the financial sector, whose imbalances can now be corrected”. In his view, the assistance should help the banks perform “a very important function at this moment in time, which it is not doing or at



least not sufficiently, namely to let money circulate”. **“To recover the flow of the economy and stimulate growth, the financial sector needs a further improvement of its capital base”**, he indicated.

Artur Mas stressed however that the agreed financial assistance **“is not a gift, but a loan that has to be repaid”**. “It constitutes support from our European partners which we truly appreciate, but it is not assistance ‘à fonds perdus’, because to the extent that it constitutes a loan, it will have to be repaid with the corresponding interest”, he added. He considered that “Surely the interest will be favourable enough to avoid the cost of these debts being too high, being excessive, which will definitely help this restructuring process, which should have been carried out a lot earlier”.

In this respect, Artur Mas showed himself critical with regard to the delays incurred before reaching the present solution. **“Other countries have found themselves in more or less similar circumstances, facing major imbalances in their financial system, but they dealt with the situation right from the start”**, he stated. **“The Spanish government did not stop the bleeding from the start and continued to pretend the problem did not exist. And now, finally, as always happens, the problem has manifested itself in its full force”**, Mas observed. Nevertheless, Mas believes that “it’s better late than never”, because “if these imbalances are not corrected, the Spanish economy as a whole will suffer the consequences”.

“Evidently, nobody wants a situation like this to happen, because after all we are talking about correcting imbalances, and important ones at that, but it is better to handle it like this than not taking action”, the President added. The President concluded that “if the problems are not faced resolutely and with courage, but are concealed instead, in the end the consequences will be worse for everyone”.

During his appearance, Mas also wanted to point out that “within the Spanish financial system, and I say this thinking of Catalan banks, there are many which are in a well enough condition to not necessarily request financial assistance”. For this reason, the Catalan President considers that “the assistance that will now be made available through the Spanish government should be concentrated on those financial institutions that have the biggest problems, in order to restructure them and thus send a message of confidence and security to the international markets”.



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