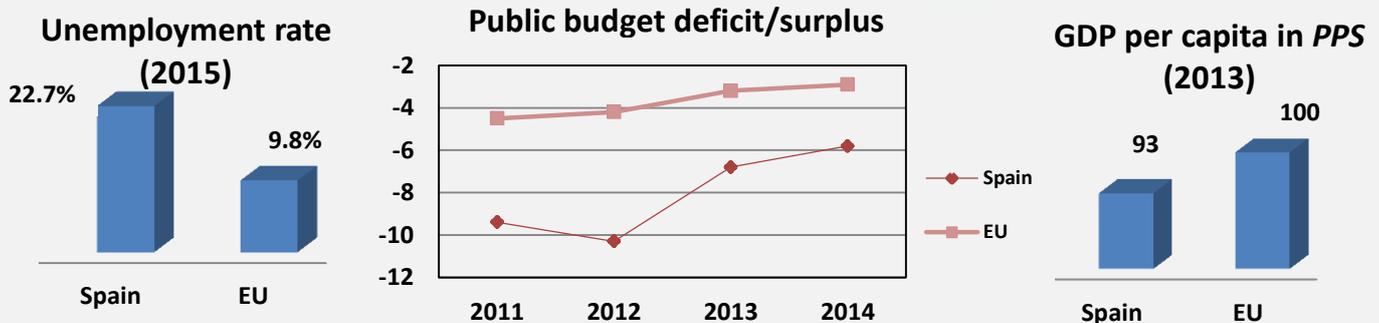


Recent history

Spain was controlled by the Fascist dictator Francisco Franco until his death in 1975. In 1978 a constitution which emphasises Spanish linguistic and cultural diversity was signed. Since then it has moved in the direction of representative democracy. The Eurozone crisis has had a strong impact on the leadership of the country.

The current Spanish government is led by Mariano Rajoy of the centre-right People's Party (PP), which won an absolute majority (186 seats) in the 2011 election. Recent general elections put an end to the two-party system of the People's Party and the left-wing Socialist Workers' Party that has dominated Spain for three decades. After inconclusive elections in December 2015, another vote was called for June 2016. Rajoy still won the most votes, but now depends on coalitions with other smaller parties to form a government.

Spain's economy has been of grave concern since the economic crisis. In August 2011 the European Central Bank announced it would buy Spanish Government Bonds so as to effectively inject money into the Spanish economy, due to its rising debts. In response, Spain introduced a 'golden rule' amendment to its constitution which set a limit on the size of its budget deficit for the future. Despite implementing severe austerity measures, a banking bailout of up to €100 billion was requested in 2012. After using about €41bn in loans, Spain exited the bailout programme in January 2014. The crisis also exacerbated Spain's unemployment problems, with around a fifth of the population out of work. The situation is particularly bleak for those aged 16 – 25, nearly half of whom are unable to find work.



Government structure

Spain is a constitutional monarchy and King Felipe VI is the Head of State. He appoints the Prime Minister (known as President of the Government) following a general election. The Spanish Parliament (*Cortes*) has two chambers: the Congress of Deputies (*Congreso de los Diputados*), with 350 members elected for four year terms, and the Senate (*Senado*), with 259 members also elected for four year terms. The first is fully elected using a **proportional representation** system, while in the second, 80% of the seats are directly elected, with the other seats filled by appointments from the regional legislatures.

Spain has 17 autonomous regions, each with their own governments, parliaments, budgets and levels of autonomy. The Basque Country, Galicia and Catalonia are particularly autonomous, with their own nationalities and languages. However, the Spanish constitution expresses Spain's indivisible unity and keeps the regions together.

Spain: key facts



❖ Capital	Madrid
❖ Population	47 million (2014)
❖ % of total EU population	9.2%
❖ Official language	Spanish
❖ Year of EU accession	1986
❖ Currency	Euro since 1999
❖ Schengen Area member	Yes, since 1995
❖ Seats in European Parliament	54

Spain and the EU

Spain had to make several changes in order to comply with the criteria for EU accession, such as improving its infrastructure and revising its economic legislation to meet the EU's guidelines. The undertaking of these changes contributed to strong economic growth for Spain over the next two decades. Spain was a founder member of the Euro in 1999.

Yet Spain's membership of the European Community was not without initial controversy. Until Greece, Spain and Portugal joined the European Community in 1986, it had been largely a club of affluent, northern European industrialised countries. The new members had much poorer and more agricultural economies. The 1980s saw a major expansion of EU regional aid to help bring poorer regions of these countries closer to the European average. Spanish membership in particular also led to alteration of the Common Fisheries Policy (CFP) to accommodate its large fishing fleet.

Spain held the 6-month EU Presidency until July 2010, the first presidency under the new rules of the Lisbon Treaty. Whilst it was criticised for being a 'low-key' presidency, Spain did make progress on Croatia's EU accession talks and tried to develop the relationship between the EU and Latin America and the Caribbean, particularly with Cuba.

Spain has been significantly affected by immigration, which has caused social and economic tension. Romanians form the greatest proportion of those migrating to Spain, and controversy was sparked in 2011 when Spain denied work permits for Romanian migrants in an attempt to improve the unemployment rate, going against the fundamental freedoms of the EU. However, the European Commission approved the move and justified it by stating that limits are permissible in exceptional circumstances.

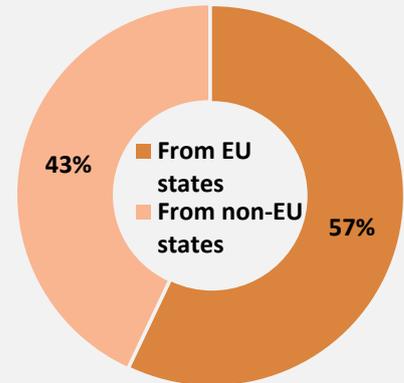
Facts and figures

- ❖ Spain also includes the Balearic Islands, the Canary Islands and two North African enclaves
- ❖ The Spanish economy relies on tourism and agriculture, although it also has a significant construction industry
- ❖ There are over 500million Spanish speakers in the world, making it the world's second most spoken first language

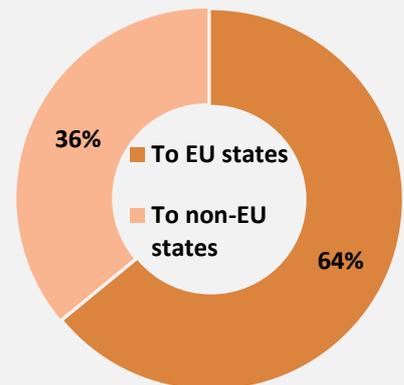
"Spain is a deeply pro-European country that has constructed its scale of democratic values and aspirations for modernity and progress by looking to the rest of Europe as an example and as an ambition."

José Luis Zapatero, former Spanish PM, 1 June 2010

Spanish imports (2014)



Spanish exports (2014)



Technical Terms

- ❖ **Proportional Representation:** an electoral system whereby the number of votes a party receives is directly proportional to the number of seats they are given in the legislative assembly
- ❖ **PPS:** GDP per head is expressed in Purchasing Power Standards (PPS) to eliminate the differences in price levels between countries allowing meaningful volume comparisons of GDP between countries

Links

- ❖ <http://www.lamoncloa.gob.es/lang/en/Paginas/index.aspx>
- ❖ <http://ec.europa.eu/eurostat>
- ❖ <https://www.cia.gov/library/publications/the-world-factbook/fields/2145.html>