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## SPANISH REGIONS

### The rich tapestry of Spain

Just a year after the death of dictator General Francisco Franco, Spain's modern-day founding fathers hammered out a constitution in 1978 establishing the country as a democratic, constitutional monarchy comprised of 17 culturally diverse "comunidades autonomas" or autonomous regions (most further divided into provinces) that form the Spanish state, which also includes to city enclaves, Ceuta and Melilla, on the north African coast.

Each region boasts its own parliament and flag, can levy certain taxes, and retains control over regional investment and urban planning as well as culture and social services. Some regions control their own education and health services, while two, Navarra and the Basque Country, have the right to raise all their own taxes. This autonomous format of granting varying degrees of autonomy grew out of the need for political equilibrium in a country where a strong sense of regionalism, and in some cases nationalist instincts, still exist.



Spain is a country of enormous cultural and geographical diversity.

The northwestern region of Galicia and the northeastern region of Catalonia have their own languages and both harbor a strong regional identity, but recognize the need to work within the democratic process to achieve their political ends. All regions take pride in their internal economy, each trying to outdo the other, and as a result have contributed greatly to Spain's stellar economic growth over the past 25 years. More than 170,000 businesses are located in Galicia, where services account for 7 percent of GDP, industry for around 24 percent, construction 8 percent, and agriculture and fishing for more than 6 percent.

Catalonia, Spain's industrial giant, is now seeking to move deeper into added-value sectors like pharmaceuticals, household products, furniture, lighting, electronics, specialist machine tools, and high-tech components.

The eastern coastal region of Murcia, historically Spain's breadbasket, is currently a leader in technology, industry, finance, and tourism, while its neighbor to the north, the Valencia region, has used its reliance on highly innovative industries, agriculture, and tourism to ensure its future as a Spanish, European, and global success story.

The mountainous northern region of Aragon has made tremendous progress during the past two decades to keep in step with Spain's bid to modernize on many critical fronts, much like another northern region, Navarra, where per capita GDP rose five points above the European Union average in 1999 when Spain's as a whole finished 18 points under. And it continues to outperform both Spain and EU indicators to this day.

And finally, in the "Old Castille" region of Castilla and Leon, a boost from a maturing service sector has helped keep the region even or ahead of the national economic growth average for the past three years, with economists predicting a strong 2.3 percent growth rate for 2003 once the figures are tallied.