

# lingua business

## Spain: Economic Driver or Falling Star

By Paul Gibson



*The Business Weekly Letter* analysts proceeded to do an experiment. We went out on the prowl to find out the real impact Spain's economy has in the world. Our methods are questionable, but revealing. What is the real impact of Spain in the business world?

Fact: If you enter the words: "Why invest in Spain?", in the browser of a well-known business periodical, *Business Week*, at [www.businessweek.com](http://www.businessweek.com), the first article which comes up is from 2004. Surprised?

Fact: We placed a different search word in another fairly popular business periodical, in this case, *Forbes* magazine ([www.forbes.com](http://www.forbes.com)), but this time we used the key words "Invest in Spain". The search produced a better result, this time pulling up an article from December 26th of 2007 about investments in high-speed train lines. Not exactly your green-loving Spain, is it? But popular....

Next we visited yet another major business magazine, *The Economist* at [www.economist.com](http://www.economist.com). This time we made reference to the impact of the Spanish Economy. We used the search word of a popular telecommunications company: "Telefonica". The result pulled up a shocking article published on February 8th, 2007. The title of the headline: "Not what it was.." It seemed to be an interesting article which points out the strengths and weaknesses of the European vs. The U.S. Economy. The article points to an economic comeback for Germany, but it also cites the important contribution of companies, commenting that "Nokia, Sony Ericsson, Vodafone and Telefonica are global forces in mobile telephony."<sup>1</sup>

To be fair, we also entered the terms we used before about "Investing in Spain". This brought back some interesting articles on the effect of the European Central Bank on the Spanish Economy, related to the interest rate policy, whereby lower interest rates dictated by the ECB favour the Spanish economy (no doubt because it lowers mortgage payments). But there were more results... there was an article about the public domain projects (sponsored by the EU) which included a pilot program for some 10,000 moroccans imported to Spain to do "less-skilled" work on farms (all in the name of progress). Am I missing something here?

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<sup>1</sup> "Not What it Was.." February 8, 2007  
Howard Read [www.economist.com](http://www.economist.com)  
The Economist, Online Version

To make matters worse, we also thought we would include some even better search words: “Spanish Economy”. The result was both surprising and unnerving: the first article which appears makes reference to the USA. But we overlooked the first result to see number 2. This result talked about a “bear fight” involving the Spanish prime minister Zapatero and his bid for reelection. The article references a housing bubble that “bursts” and increasing inflation.

So now that we were completely depressed, we chose to go to [www.bloomberg.com](http://www.bloomberg.com). Surely there was good news to be had in Bloomberg!

But it was certainly not to be... The news of Iberdrola criticising yet another takeover bid for another Spanish energy company, Solaria Energy y Medio Ambiente, by another EU member country seemed anything but surprising.

So alas, exhausted, but optimistic for some breathing room, we delved into the halls of the Wall Street Journal at [www.wsj.com](http://www.wsj.com). This was in fact the biggest surprise of all: we entered in the key word: “Spain” and to our dismay, we faced a screen that said “*Spain does not match any company symbol.*” Ha ha! But this only revived our determination. And finally our satisfaction was replenished at the sight of the headline: “Dubai Investor Eyes Spain’s Colonial.” There are still investors out there willing to bet against the odds.

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