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# Introduction

In first half of the 1900's Spain was one of the most underdeveloped countries in Europe. But Spain has made a remarkable industrial and economic recovery especially over the past twenty years. Today's Spanish economy is vibrant and quite diversified off its original agricultural base. It is now the seventh largest economy in the world. Motor vehicles & car parts are now the biggest export earners for Spain, although the food industry is still very important.

As official per capita income is still bellow the EU average, the economy benefits from very large EU "convergence funding". This is basically a transfer of EU funds to enable Spain to grow faster than other EU countries, and therefore gradually reach the EU average. Much convergence funding has gone into infrastructure developments. Over 2500 Kms of motorways have been opened in the last three years, a new high speed train line built to Seville, new airports built at Barcelona and all the major tourist centres and new ports constructed.

Extremadura too seeks to improve its economy and increase her trade and tourist industry.

Spain is the second tourism destination in the World after France. They welcome 52 million tourists per year.

Tourism in Spain includes The two largest cities of Madrid and Barcelona. Very interesting places are Cordoba, Sevilla, Granada (cultural places) and Malaga, Huelva, Cadiz, Almeria (beaches) in Andalusia. Santiago de Compostela, Salamanca, Toledo, Segovia are beautiful places in the rest of the country. Important touristics places (with incredibles beaches) are Salou, Benidorm, Mallorca, Ibiza (Balearic islands), Canary Islands, Valencia, Catalonia and The Cantabrico (north of Spain).

# Review of Spain

The familiar images of Spain is flamenco dancing, bullfighting, tapas bars, and solemn Easter processions. However these do no more than hint at the diversity of this country. Spain has four official languages, two major cities of almost equal importance, and a greater range of landscapes than any other European country.

These contrasts make Spain an endlessly fascinating place to visit.

Separated from the rest of Europe by the Pyrenees, Spain reaches south to the coast of North Africa, and has both Atlantic and Mediterranean coastlines. The country's climate and ,scenery vary dramatically, from the snowcapped peaks of the Pyrenees, through the green meadows of Galicia and the orange groves of Valencia, to the dry, barren regions in the south.

Madrid, Spain's capital, lies geographically in the center of the country. The city's inhabitants have an individualistic spirit and a sardonic sense of humor that set them apart from other Spaniards. Madrid may be the nominal capital, but it is rivaled in commerce, sport, and the arts by Barcelona, the main city of Catalonia.

After the death of the dictator General Franco in 1975, Spain became a constitutional monarchy under King Juan Carlos I. Spain's entry to the European Community in 1986 triggered a spectacular increase in the country's prosperity.

The Spanish are known for their natural sociability and zest for living. They commonly put as much energy into enjoying life as they do into their work. Many people fit their work around the demands of their social life, rather than be ruled by the clock. Eating out is an important social activity, with friends and family often meeting up in a pavement cafe or restaurant for a chat and a meal.

ALTHOUGH MANY VISITORS to Spain come for the beaches alone, increasingly tourists are drawn by the country's rich cultural heritage. The most popular destinations are Madrid and Barcelona, which boast world-class museums and a wealth of medieval and modern architecture For those with time to travel further afield, Seville, Granada, and Cordoba in the far south are the best places to see relics of Spain's Moorish past. Spain is Europe's third largest country, so getting around can be time-consuming. However, there is a reliable network of trains, as well as good highways and bus services.

Central Spain

Much of Spain's vast central plateau, is covered with wheat fields or dry, dusty plains, but there are many attractive places to explore. Spain's largest region, Castilla y Leon, has a rich history. It boasts some of the country's most splendid architecture, from Segovia's famous Roman aqueduct, to the Gothic cathedrals of Burgos and Leon and the Renaissance grandeur of Salamanca's monuments.

Avila's medieval city walls are a legacy of the long struggles between the Christians and the Moors. Dotted with windmills and medieval castles, Castilla-La Mancha is home to the historic town of Toledo, another popular destination.

Madrid

Madrid is Spain's capital, a city of over three million people, is situated close to the geographical center of the country, at the hub of both road and rail networks. The origins of the city date back to AD 852, when the Moors built a fortress near the Manzanares river and a small community grew up around it. It was not until 1561, however, that the city became the capital of a newly formed nation state. In the following centuries, under the Habsburgs and then the Bourbons, the city acquired some of its most notable landmarks, including the splendid Plaza Mayor and the Palacio Real. At the same time, the blossoming city attracted some of Spain's most outstanding artists, such as court painters Velizquez and Goya, whose works can be admired in the world-famous Museo del Prado.

Northern Spain

Northern Spain encompasses a variety of landscapes and cultures. In the far northwest of the peninsula, the Galicians are fiercely proud of their customs and language.

Spain's greenest region, Galicia boasts some of the most attractive stretches of Atlantic coast, as well as the beautiful city of Santiago de Compostela. Popular with hikers and naturalists, the spectacular Picos de Europa massif sits astride the border between Asturias and Cantabria.

The Basque Country is a unique part of Spain whose main attractions include superb cuisine, fashionable seaside resorts, and the cultural center of Bilbao, with its famous Guggenheim Museum.

Basque culture

Basque culture is possibly Europe's oldest race, the Basque's are thought to be descended from Cro-Magnon people, who lived in the Pyrenees 40,000 years ago. Long isolated in their mountain villages, the Basques preserved their unique language (Euskera), myths, and art for millennia, almost untouched by other influences. Many families still live in the stone buildings or farmhouses built by their forefathers. The fueros, or ancient Basque laws, were suppressed under General Franco, but since 1975 the Basque region (Euskadi) has had its own parliament. Nevertheless there is still a strong separatist movement seeking to sever links with the government in Madrid.

Bilbao

Bilbao is the center of Basque industry and Spain's leading commercial port, yet it has many cultural attractions worth visiting. In the city s medieval quarter the Casco Viejo, the Museo Arqueologico, Etnografico e Historico Vasco displays Basque art and folk artifacts.

In the newer town, the Museo de Bellas Artes is one of Spain's best art museums. The jewel in Bilbao's cultural crown, however, is the Museo Guggenheim Bilbao, which has a superb collection of Modern and contemporary art. The building that houses the museum is just one of the city's many pieces of modern architecture, which also includes the striking Palacio de la Musica y Congresos Euskalduna.

Catalonia

A nation within a nation, Catalonia has its own semi autonomous regional government. It has its own language spoken by more than eight million people. Catalan has supplanted Castilian Spanish as the first language of the region, and is used on road signs and in place names everywhere.

Barcelona is the regions, capital, rivaling Madrid in economic and cultural importance Catalonia offers a variety of attractions. The flower-filled valley, of the Pyrenees offer a paradise for naturalist, and walkers, while inland are medieval towns, Roman ruins and spectacular monasteries, such as Montserrat .

Barcelona

Barcelona, one of the Mediterranean's busiest ports, is more than the capital of Catalonia. In culture, commerce, and sport, it rivals not only Madrid, but also many of Europe's greatest cities. The success of the 1992 Olympic Games, staged in the Parc de Montjuic, confirmed this to the world.

Although there are many historical monuments in the Old Town, the city is best known for the scores of superb buildings left behind by the artistic explosion of Modernism in the decades around 1900.

Today, Barcelona still sizzles with creativity, its bars and public parks speak more of bold contemporary design than of tradition.

Eastern Spain and the Balearic Islands

¥Eastern Spain covers an extraordinary range of climates and landscapes, from the snowbound peaks of the Pyrenees in Aragon to the beaches of the Costa Blanca. The region has many historical sights, including the striking Mudejar churches of Zaragoza and the great cathedral of Valencia.

The coastal resorts of Eastern Spain are a popular destination, as are the Balearic Islands. Mallorca is the most culturally rich of the islands, while Menorca is dotted with prehistoric sites. Ibiza is chiefly known for its exuberant nightlife. Formentera remains largely unspoiled. A dialect of the Catalan language, brought by 13th-century settlers, is still widely spoken on the islands.

Mallorca and the Balearic Islands

Mallorca

The largest of the Balearic Islands is Mallorca. Mallorca has a varied landscape and a rich cultural heritage A massive Gothic cathedral is poised high on the sea wall of Palma, its capital. Completed in 1587 and known locally as Sa Seu, the cathedral is one of Spain's most breathtaking buildings. The interior was remodeled by Antoni Gaudi and a highlight is the Baldachino, his bizarre wrought-iron canopy above the altar.

Also worth visiting in Palma are the Basilica de Sant Francesc, the Moorish Palau de l'Almudaina, and the Fundacio Pilar I loan Miro. Which is a stunning modern building housing Miro's, studio and a collection of the artist's work.

Around the island, Andratx is a chic and affluent town with yachts moored along it's harbor, while Pollenta is a popular tourist resort which has remained relatively unspoiled.

The Monasteri de Uluc, in the remote mountain village of the same name, incorporates a guesthouse, a museum, and a church.

Menorca

Menorca's capital, Mao, has one of the finest harbors in the Mediterranean, an l8th century Carmelite church, and a museum, the Collection of Henandez Mora, housing Menorcan art and antiques.

The town of Ciutadella boasts an impressive main square and a delightful Art Nouveau market.

Ibiza and Formentera

Ibiza and Formentera are popular package-tour destinations.

Ibiza has some of the wildest nightclubs in Europe.

An hour's boat ride from Ibisa harbour are the tranquil shores of Formentera. The capital, Sant Francesc, has a pretty l8th-century church and a folk museum.

Costa Blanca

The Costa Blanca occupies a prime stretch of Spain's Mediterranean coastline. The main city, Alicante has an 18th-century Baroque town hall and a 16th-century castle, the Castillo de Santa Barbara. The nearest beach to the city center is the popular Postiguet, slightly farther a field are the vast beaches of Alhufereta and Sant Joan.

The massive, rocky outcrop of the Penyal d'Ifach towers over Calp harbor, and is one of the Costa Blanca's most dramatic sights. Its summit offers spectacular views.

A short drive inland, Guadalest is a pretty mountain village with castle ruins and a distinctive belfry perched precariously on top of a rock.

Also worth visiting are the whitewashed hilltop town of Altea, Denia, which has good snorkeling, and the cliffs and coves around Xabia South of Alicante.

Guardamar del Segura has a quiet beach bordered by aromatic pine woods, while Torrevieja is a highly developed resort wid sweeping sandy shores.

Southern Spain

One large region called (Andalusia) extends across the south of Spain. It was here that the Moors lingered longest and left their greatest monuments in the cities of Granada, Cordoba, Malaga, and Seville.

The eight southern provinces span a wide range of landscapes, with deserts in the east, sandy beaches along the Costa del Sol, and sherry-producing vineyards around Jerez.

From flamingoes in the wetland Dofiana National Park to flamenco, this uniquely Andalusian art form. The region has something to interest every visitor.

Costa del Sol

With its all year-round sunshine and varied coastline, the Costa del Sol attracts crowds of tourists every year and has half a million foreign residents. Its most stylish resort is Marbella, frequented by royalty and film stars, who spend their summers here in the smart villas or luxury hotels overlooking the area's 28 beaches. Puerto Banus is its ostentatious marina.

In winter the major attraction is golf. 30 of Europe's finest golf courses lie just inland.

Granada

The ancient city of Granada, founded by the Iberians and was for 250 years the capital of a Moorish kingdom The Nasrid dynasty, who ruled from 1238 until 1492 when Granada fell to the Catholic Monarchs. They left some outstanding examples of Moorish architecture here. The greatest legacy of their rule is the spectacular palace complex of the Alhambra. Under the Nasrids the city enjoyed a golden age, acquiring an international reputation as a major cultural center. Later, under Christian rule, the city became a focus for the Renaissance.

Malaga

Malaga is the second largest city in Andalusia. Malaga was a thriving port under Phoenician, Roman, and Moorish rule. It also flourished during the 19th century, when sweet Malaga wine was one of Europe's most popular drinks, and this was one of Europe's most popular seaside resorts, that continues today.

Cordoba

Cordoba with its glorious mosque and pretty Moorish patios, Cordoba is northern Andalusia's star attraction. Its name may derive from Kartuba, Phoenician for "rich and precious city". In the 10th century the city enjoyed a golden age as the western capital of the Islamic empire.

Cordoba's most impressive Moorish monument is the mighty Mezquita.

Spain the land of sun, sand and sangria, is much more than a beach. Experience the rich diversity of Spanish culture and the majestic sites that Spain has to offer the adventurous Tourist.

# Tourist industry in Spain

Tourism is Spain’s largest industry. It accounts for 10.1% of employment and 12.1% of GDP according to the Tourism Satellite Account.This is the result of the huge numbers of tourists that visit Spain every year, which totalled 52 million in 2002, 3.3% more than a year earlier, despite the global climate of political and economic instability and uncertainty.

Spain is one of the most important tourist destinations in the world and undoubtedly the leading country for beach holidays. It is the second largest destination after France in terms of the number of visitors and the second in terms of revenue generated after the USA. Both revenue and visitors have increased significantly over the last few years. Spanish tourism today is a solid, well-founded sector which has learnt to grow, consolidate and undertake large investments to improve quality at the right stage of the global economic cycle.

The sector has also known how to perform better than the competition in difficult situations such as the period following 9/11, demonstrating its capacity in terms of quality and competitiveness.

In the words of World Tourism Organisation General Secretary Francesco Frangialli: «Spanish tourism stands out for both the variety of activities it has to offer, which are no longer centred around beach holidays, and its regional diversity, which means that demand is not centred on the same locations any more».

Since demand for beach holidays in Spain has been consolidated, a policy of diversification in the tourist sector is being undertaken. This combines with new tendencies for more frequent, shorter holidays and different modes of transport to lead people to discover other itineraries and seasons in which to enjoy their leisure time and contribute to easing the seasonal effects of the tourist industry.

The Comprehensive Plan for Quality in Spanish Tourism The leadership of the Spanish tourist sector is based on quality. The Comprehensive Plan for Quality in Spanish Tourism (PICTE 2000) is the result of the many efforts made by both private and public sectors. The plan consists in the creation of demand for new products ranging from complementary activities to complete holidays, as well as renovating existing offers and generating public investment in infrastructure. The aim is to ensure that the concept of the «quality holiday» is a factor that makes Spain stand out from other destinations on the international markets.

The plan intends to give a response to the challenges facing tourism in Spain from 2000 to 2006. The time schedule of the plan has been designed to coincide with other EU programmes and initiatives so that some of the tasks of PICTE can benefit from EU community funds.

PICTE focuses on ten clear programmes:

—The Programme for quality in tourist destinations

—The Programme for quality in tourist products

—The Programme for quality in business sectors

—The Programme for quality training

—The Programme for R&D

—The Programme for the internationalisation of Spain’s tourist industry

—The Programme for international co-operation

—The Programme for statistic and economic analysis

—The Programme for promotion

—The Programme for support in marketing

The «Programme for quality in tourist destinations» gives the clearest view of the initiatives taken at various tourist destinations. It includes the «Plans for Excellence in Tourism», which deal with the recovery and regeneration of developed resorts, as well as the «Plans for the Activation of Tourism», which economically stimulate and boost emerging tourist destinations. The Programme also includes «Comprehensive management models for tourist destinations», which co-ordinate efforts in the various commercial sub-sectors so as to achieve a homogeneous standard of quality throughout a particular tourist destination. This year, 22 Plans for Excellence and Activation have been approved, reflecting investments of 53.1 million euros and bringing the total number of plans approved since 2000 to 88, in a campaign which has cost 172.2 million euros.

«The Programme for quality in tourist products», works on the provision of products for the tourist sector, with the aim of diversifying Spanish tourism and reducing seasonality.

Sports holidays: Spain’s climate, its nearly 5,000 kilometres of coastline and its mountainous topography make it a privileged destination for the practice of sporting activities. Water sports such as sailing (mostly in the Mediterranean Sea), sport fishing, diving and windsurfing have been practiced fanatically for many years in Spain. The great contrasts of its rural areas are conducive to sports such as trekking, rock climbing, descending rivers, and air sports.

Mention should be made of golf and skiing, due to the size of the infrastructure catering for them. Golf can be played all year round thanks to over 200 courses, most of which with 18 holes, offering in total over half a million hours of playing time. From the Pyrenees to the Sierra Nevada in Andalucía, ski resorts around Spain boast great technical quality and perfect hotel and leisure infrastructures.

Cultural tourism: Spain is made up of a combination of cultures. This diversity is reflected in its distinct artistic currents. Spain houses some of the best museums in the world such as the Prado, the Thyssen-Bornemisza, the Picasso Museum and the Guggenheim Bilbao.

This diversity and contrast which makes up the character of Spain is also seen in its cities. In Spain, one can find both major metropolis such as Barcelona and Madrid, as well as numerous smaller cities which have been declared World Heritage Sites. In order to encourage this sort of tourism, the «Plan for the Promotion of Cultural and Linguistic Tourism» was put into practice in 2002, involving an investment of 70 million euros in 2002-2004. The objective of this plan has been to strengthen the cultural attractions and convert them into a tourist product.

Business tourism in Spain generated revenue of over 2,350 million euros in 2002 from the 12,653 business meetings which over 2,500,000 visitors attended. The country is the fifth most popular destination in the world for congresses and meetings, while Barcelona is the city in the world which has hosted the most congresses, totalling 1,363 in 2002.

Health tourism is on the rise, with a seemingly unstoppable increase in demand for beauty treatment and relaxation. In 2002 the combination of centres dedicated to tourism focusing on health and beauty generated a business worth 606 million euros, 18% more than a year earlier.

Currently, Spain boasts 130 health resorts, 22 thalassotherapy centres, 24 health and beauty complexes and 50 hotels with their own Spas, most of which are operated by large multinationals. Spahotels provide a good way to combat the seasonality of Spanish tourism. Furthermore, some of the hotels have started to compete with health resorts and thalassotherapy centres by mixing business tourism with health tourism to generate more added valued and distinguish themselves from the competition.

Rural tourism began in the nineties and is growing year by year. In 2002 the number of stays in establishments of this sector grew 12.2%. Rural tourism facilities are largely used by Spanish tourists but 2002 has seen a considerable growth in foreign visitors.

The clear increase in holiday homes is having a notable effect on the economy. They are an example of trends in tourism which obviously contribute to easing seasonality, developing population centres and attending to new tendencies related to the different work habits and ways of enjoying one’s leisure time. According to the World Tourism Organisation, in the next five years, between 800,000 and 1.7 million European families will buy their second home in Spain, looking for optimum conditions for tourism, a good climate, security, political stability, modern infrastructure and an unbeatable quality of life.

Development of tourist accommodation

In 2002, hotel accommodation grew 4.4% in number of available rooms but less rapidly in terms of establishments, which grew at 2.3 %. This was due to a slight increase in the average size of hotels. Growth has been especially accentuated in the Autonomous Community of Valencia, where the number of rooms available increased 9.5% in 2002, while the number of hotels rose 4%. Five Autonomous Communities provide the bulk of hotel accommodation.They are the Balearic Islands with 22.1%, Catalonia with 18.8%, Andalucía with 15.1%, the Canary Islands with 10.9% and Valencia with 7.8% of the total. Hotel accommodation in the Balearic Islands and the Canaries is characteristically centred on larger establishments, with the average hotel offering 321 and 318 rooms respectively. The hotel industry is currently undergoing a very active phase. Not only is it consolidating through mergers and acquisitions but is also growing via the rapid construction of new hotels. In the proximities of Madrid’s airport, five large hotels have been built in just seven months. Hotel Chain Vincci plans to open eight new establishments by 2005. Sol Meliá has formed a joint venture with Rank Group, the owner of the Hard Rock brand, to open hotels under the same name. The first hotel is planned for Chicago, but further ones are expected to be opened in Madrid and Barcelona. Tourist apartments are mostly used by foreign tourists. This style of holiday is centred on the Canaries, where 58% of nights at apartments were spent, as well as the Balearic Islands, which host 14% of stays in this type of accommodation. The average length of stay is 9.15 days, much more than the average 3.8 days spent at hotels.

Foreign demand for housing in Spain has been increasing continuously over the last few years, although it has been in the first quarter of 2003 when it has really taken off. Accumulated foreign investment in the Spanish property market has seen outstanding growth, rising 107% in the last four years to over 6,000 million euros in 2002, from 2,908 million in 1999. Holiday homes represent 34.8% of all housing under construction. Alicante and Malaga are the zones with the most concentration of holiday homes, cornering 44% of the market.

Stays at campsites in Spain grew 1.9% in 2002. Users of campsites are almost equally divided between nationals and foreigners, with 52% of Spaniards and 48% of foreigners staying at domestic campsites, which are mainly concentrated around Catalonia and the rest of the Mediterranean coast.

Rural tourism accommodation is distributed around the country in a very different way to hotels or apartments. Most of it is located not on the coast but inland and to a large extent in the north, particularly in the autonomous communities on the coast of the Bay of Biscay and in the Pyrenees

# Conclusion

Spain's number one industry is tourism. 46 million tourists visited last year more than the 40 million total population. Spain's goal: to increase tourism to 100 million visitors by the year 2005. This would mean more than 2 visitors for every citizen each year. Think of the cultural impact this will have on the Spaniards. Many Spaniards believe they are up to the task. Aznar's government has formed a national tourism council to market Spain overseas, along with an inter-ministry commission that coordinates development efforts, and another national agency that links central and regional governments. The regional tourism boards form the vanguard of the new campaign.

Of all the countries in the world, Spain is second only to the United States of America in tourism and competes each year with France for coveted second place global tourist destination. Spain's gross tourist income (11% of GNP) is more half of the dollar income of all the 50 United States (Florida, Hawaii, New York, California, Texas etc.) This is a significant accomplishment for a country which is just bigger than the state of California. Tourism has turned the entire Spanish economy around.

As recently as 25 years ago, the Balearic Islands were among the poorest regions in Europe, their people eking out a living from subsistence farming and the small pottery industry. But now the people of the archipelago have one of the nation's highest per-capita income. While Spain has always attracted visitors to its shores, the Balearics helped usher in the era of "sun and sand" tourism. The Balearic Islands' Minister of Tourism José María González credits the islands' entrepreneurs with the success. "The birth of the tourism industry was inevitable, because there is an established base of businesspeople here who are willing to start enterprises," he says. The Islands, especially the largest -Mallorca- are home to Spain's largest hotel chains, which have expanded to other regions within Spain and abroad.

Spain's "sun and sand" golden formula draws millions to her beaches and islands. But unfortunately landlocked Extremadura only receives 1% of the nations tourist income inspite of the fact that Badajoz is Spain's largest boarder town with Portugal located on recently completed Madrid-Lisbon highway. The worst tourism problem is that Extremadura is unheard of internationally. The land which sent out daring discoverers to the New World is today undiscovered by the rest of the world.

The forgotten "Land of the Conquistadors" has been largely unsuccessful in drawing visitors to her world-class tourist attractions such as the Roman archeological treasures in Mérida, the medieval city of Cáceres, one of the world's finest wildlife refuges at Montfrague, not to mention all the colorful local traditions, festivals, Holy Week celebrations and Badajoz carnival. The greatest economic impediment Extremadura faces is that it is virtually unheard of outside of Spain.

Extremadura's traditional sluggish agrarian culture had been one of the most impoverished in Spain. A Spanish documentary film of the Hurdes mountains villages in northern Cáceres entitled "A Land without Bread" captured the desperate plight of the region. Remote villages were isolated and could only be reached on horseback as late as in the 1970's

Spain's general economic boon and European Union's convergence funding has brought needed economic relief to Extremadura. Today with a much improved network of national roads, with the large scale construction of modern apartments building, and with nationally funded public and university education. Extremadurans now enjoy technological and social benefits on a par with the rest of western Europe. Nevertheless Extremadurans still suffer from almost one-third unemployment and are just learning how to market their cultural and historic treasures to the rest of the world.

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