2004, A DECISIVE YEAR

Metamorphosis of a Nation

More than 500 years after Christopher Columbus discovered America, it seems America has finally discovered Spain, if Newsweek's February 2 issue is anything to go by. The publication reported on Spain's economic miracle over the last decade, while another boost for local pride arrived with last August's New York Times magazine feature dedicated to Catalan chef Ferran Adrià and his interpretation of Spanish cuisine. Spain is catching a lot of the limelight in 2004 and spring has not yet arrived.

Javier Arenas, Second Vice President and Minister of the Presidency, confirms what the world is saying about the nation that 30 years ago was trapped in the past, while its northern neighbors passed it by. "On the other side of the Atlantic, Spain has been the great unknown," Arenas says. "The transformation has been spectacular… democracy instead of a dictatorship, from a centralized state to a completely decentralized one. It has also been spectacular in economic terms."

The figures fully justify these claims. The economy continues to outshine European competitors, and although consecutive years of four-percent-plus growth from 1998-2002 slowed to just over half that in 2003, the rate of growth is still significantly better than the EU average. Heavily reliant on services - accounting for almost two-thirds of GDP - and industry, especially high-tech value-added production, it has weathered the global recession well, but high unemployment still presents a formidable challenge.

With general elections scheduled for March 14, and despite current president Jose Maria Aznar stepping down after his second term, it seems that voters will return the center-right Popular Party government to power. The burning issue of the campaign is territorial unity. This is a constant source of controversy in a land made up of 17 autonomous regions since 1983, and with long-standing nationalist tendencies.

The last four years of PP rule have seen Madrid come into increasing conflict with Basques and Catalans. Basque President Ibarretxe's proposed plan for greater independence, along with a recently created left-wing coalition in Catalunya, which replaced the CIU party, a former PP ally, have only heightened tension.

The Senate, with 51 members appointed by the regions themselves, has a vital role to play says its president, Juan Jose Lucas Gimenez. It is "a place where the autonomies solve their problems of territorial organization," he explains, adding that it lends "stability to the system and security to Spanish politics."

However, the nation's diversity is also one of its greatest strengths and a major attraction for visitors looking for something a little different. According to the World Tourism Organization, Spain was the second most visited country worldwide in 2002, and the country consolidated its position in 2003. This year will see Barcelona host the International Cultural Forum from May 9, an event set to bring millions of visitors to one of Europe's foremost designer destinations.