Spain: Booming Business and Bolstering Strong Economic Growth

Spain has always been a popular destination for expats. It is an essential member of the European Union that offers an excellent quality of life to citizens and expats alike. The country has historically had a very influential economy, with a range of companies based there including tourism, energy technology, and agriculture. However, the recent financial crisis in the country has made some companies concerned about whether Spain is a stable enough place to do business.

The Economic and Financial Crisis of 2008-2013

Recent economic troubles have affected countries around the world, but Spain was hit particularly hard. During 2008-2013, Spain suffered one of the worst economic and financial crises of modern times. Many companies as well as the government struggled to stay afloat. Expats suffered because of the crisis as much as Spanish citizens. Many lost their jobs, and unemployment was higher in Spain than most other countries during this difficult time. This instability, evident during the 2011-2012 Spanish protest riots, particularly made protection such as political risk insurance a necessity for expats doing business in the country.

The Future Looks Bright for Spain’s Economy

Despite these hard times, 2014 has brought a welcome change to Spain. Spanish businesses are thriving. According to Spain’s central bank, the Spanish economy grew by 0.5% during Q3 2014. Spain’s central bank projects this year’s economic expansion to be at 1.6%, a significant indicator Spain’s economy has turned around.

This growth may be due to recent changes that make doing business in Spain easier. The World Bank recently praised Spain for its business reforms, moving the country from position 52 to 33 in its list of top countries to do business in. The Spanish government and banks have made tremendous progress in making it easier to do business, and many are rushing to be a part of this historical economic growth. This provides an excellent career opportunity to become an expat in Spain.

Business Opportunities in Spain

With so much expansion and growth happening in Spain, it’s important to be prepared. Knowing doing business in Spain is a good way to be ready when an opportunity arrives. Spain has abundant opportunities for career development, especially if you embrace the local customs. It’s important to become familiar with these customs such as gaining trust of a potential partner, co-worker or employer. This means that you'll
need to spend a good deal of time with the business partner before any deals are actually discussed. Once you've built up this rapport, it is acceptable to discuss moving forward with the transaction.

Though Spain’s business environment is improving, it is crucial to evaluate and understand all risks and activities of doing business abroad. Make sure to read our Spain risk assessment guide for more information.