

SPAIN'S ECONOMIC CRISIS!

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Spain's economy is in trouble. It has been in trouble for a few years, but lately it's getting worse. Many websites and Spain's media have downplayed the crisis to make it seem not so bad. However, the statistics show otherwise.

So Why Does This Matter?

So, why does Spain's economic crisis matter to the world? In 1999 a new currency was introduced to Europe called the Euro (EU). Eleven countries in Europe agreed to adopt it. Spain was one of the eleven countries to adopt the Euro. But the only problem was that if one country went bankrupt, then it could affect the entire system for other countries. Spain is currently running out of money, and it's affecting the entire system because Spain is the fifth largest economy in Europe. Also, if Spain has a crisis, it will affect the entire world, because it is 2.59% of the world economy.

Prices Up!

As of January, 2011, Spain's unemployment rate was at 20.8%. This means that many people aren't working to make money for their families. Fuel prices are 23% higher than last year. This means that families pay more money driving to work, school, recreation and, heating their homes. Rising fuel costs have an impact on all forms of transportation. Electricity prices have gone up 9.8%. This means

that lots of people are paying more money just to have light, use a computer, play a video-game or anything else using electricity. Home sales have gone down 48%. This means that people can't afford to move or buy a new house and if all this wasn't bad enough, interest rates for loans have gone up. This means that it costs more to borrow the same amount of money as it did before the crisis



A newspaper shows Spain's bankruptcy on the verge.



This is a chart showing a chart behind it.



This is a picture of CNN live all about Spain's crisis.

MORE INDICATORS TO THE PROBLEM

There are more indicators that show that Spain is in trouble. According to the Washington Times, the opening of the Spanish Liceu Opera House was delayed for one month, due to the crisis. Sources say this could cause widespread layoffs.

Barcelona, one of Spain's major cities, has spent €14.5 million (\$21 million) on four recently completed healthcare facilities for disabled patients that couldn't open because of the financial crisis, according to the New York Times.

The New York Times also said, in late January that after long negotiations, Spain's retirement age is being raised to 67 from 65 because the country doesn't have the pension funds. Pension funds are set aside by the government for the elderly people to live on since they are too old to work. This is leading to civil unrest in certain areas.

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* This is Spain.



This is Spain's finance minister Zappatora.

