

Fast Facts on the Economies of California and Spain

Compiled by: Assembly Committee on Jobs, Economic Development, and the Economy
Assemblymember Sabrina Cervantes, Chair

If California were a country, it would stand among the ten largest economies in the world, with a 2017 state GDP of \$2.7 trillion (5th largest in the world).ⁱ In 2017, California imports and exports totaled \$612.6 billion, representing 15.7% of total U.S. imports and exports.ⁱⁱ

Profile on Spain

- The **conventional long form** of the country's name is the **Kingdom of Spain** and the **local short form** of the name is **España**. The capitol of the country is **Madrid**.ⁱⁱⁱ
- Spain is located in **Southwestern Europe**, comprising approximately 194,982 square miles. The country is **slightly more than twice the size of Oregon**.^{iv}
- Spain has **significant agricultural lands** (54%) and **areas forested** (36.8%).^v
- Spain has **two autonomous cities** (Ceuta and Melilla); **17 autonomous communities**, including Balearic Islands and Canary Islands; and **three Spanish possessions** off the coast of Morocco.^{vi}
- In July 2018, Spain's **population** was estimated to be **49.3 million**, ranking it the 28th largest by population in the world.^{vii}
- **80.3%** of the total population **live in urban areas**, with the largest urban areas being located along the **Mediterranean and Atlantic coasts**. Inland, there are three major cities (Madrid, Sevilla, and Zaragoza), as well as numerous smaller cities spread throughout the interior reflecting Spain's agrarian heritage.^{viii}
- **Castilian Spanish** is the official language. The European Charter for Regional or Minority Languages recognizes several regional languages in Spain, including **Catalan** (17% of the population), **Galician** (7%), **Basque** (2%), and **Aranese** (<5,000 speakers).^{ix}



Spanish Government

- Spain is a member of the European Union.^x
- Spain is organized as a **parliamentary constitutional monarchy**, with **King Felipe VI** serving as the chief of state. The monarchy is hereditary. Following each legislative election, the monarch “usually proposes as president the leader of the party or coalition with the largest majority of seats, who is then indirectly elected by the Congress of Deputies.”^{xi}
- The **next national election** is scheduled for **April 28, 2019**.^{xii}
- The head of government is **Prime Minister PEDRO SÁNCHEZ Pérez-Castejón**, who has served in this position since June 2018. The Prime Minister appoints the Deputy Prime Minister and the Council of Ministers.^{xiii}

- Spain has a **bicameral legislative structure** called the **General Courts** or “**Las Cortes Generales**” and is comprised of the **Congress of Deputies** or “**Congreso de los Diputados**” (350 members) and the Senate or “**Senado**” (266). Members serve four-year terms.^{xiv}
 - **208 members of the 266 members of the Senate** are **directly elected** in multi-seat constituencies by simple majority vote and **58 members indirectly elected by the legislatures** of the autonomous communities). Senators serve four-year terms.
 - **348 members of the 350 members of the Congress of Deputies** are **directly elected** in 50 multi-seat constituencies by proportional representation vote and **two are directly elected** from the autonomous North African Ceuta and Melilla enclaves by simple majority vote.
- **Prime Minister Pedro Sánchez** visited **California in October 2018**. This was the first visit of a Prime Minister of Spain. In his visit, he emphasized the **shared cultural heritage** between California and Spain and current opportunities for **deepening economic relationships**, including in the areas of transportation, renewable energies, water management, and biotechnologies.^{xv}
- Spain maintains a number of consulates in the U.S., including consulates in **Los Angeles** and **San Francisco**. **Ambassador Santiago Cabanas Ansorena**, stationed in Washington D.C., has served as Spain’s senior representative to the U.S. since September 2018.^{xvi}

Overview of Spain’s Economy

- Spain’s **GDP** by purchasing power parity was **\$1.7 trillion in 2017**, ranking the nation **15th in the world**. The composition of Spain’s GDP was comprised of services (74.2%), industry (23.2%), and agriculture (2.6%).^{xvii}
- In 2017, Spain had **22.7 million in its labor force** and an **unemployment rate of 17.2%**.^{xviii}
- In 2017, Spain’s **exports totaled \$313.7 billion**. Spain’s **highest value exports** include machinery, motor vehicles, foodstuffs, pharmaceuticals, medicines, and other consumer goods.^{xix}
- Spain’s largest export partners in 2017 were France (15.1%), Germany (11.3%), Italy (7.8%), Portugal (7.1%), the U.K. (6.9%), and the U.S. (4.4%).^{xx}
- In 2017, Spain’s **imports totaled \$338.6 billion**. Major **import commodities** include machinery and equipment, fuels, chemicals, semi-finished goods, foodstuffs, consumer goods, and measuring and medical control instruments.^{xxi}
- Spain’s **largest import partners** in 2017 were Germany (14.2%), France (11.9%), China (6.9%), Italy (6.8%), Netherlands (5.1%), and the U.K. (4%).^{xxii}

California, Spain, and World Markets

- In 2017, **California GDP** grew from \$2.6 trillion to **\$2.7 trillion**, ranking the state's economy as the **5th largest** in the world, as compared to national economies.^{xxiii}
- **Exports out of California** were valued at \$178.4 billion in 2018, representing 10.7% (\$1.6 trillion) of total U.S. exports and rendering the state the 28th largest exporter in the world.^{xxiv xxv xxvi}
- **California's largest export market is Mexico**, where the value of exports totaled \$30.7 billion in 2018. After Mexico, California's top export markets in 2018 were: China and Hong Kong (\$26.2 billion), Canada (\$17.7 billion), Japan (\$13.0 billion), South Korea (\$9.9 billion), Taiwan (\$6.8 billion), Germany (\$6.5 billion), the Netherlands (\$6.4 billion), India (\$6.1 billion), and the United Kingdom (\$5.2 billion).^{xxvii}
- Spain was **California’s 22nd largest export market** in 2018, receiving **\$1.4 billion** in goods from California. Top products exported to Spain in 2018 are detailed in the chart on the next page.^{xxviii}

Top 10 California Exports to Spain				
		2016	2017	2018
	Total Exports	\$1,517,271,314	\$1,403,991,135	\$1,408,801,951
1	Agricultural Products	\$705,176,919	\$681,883,685	\$709,253,778
2	Chemicals	\$356,433,905	\$150,709,665	\$198,939,537
3	Computer & Electronic Products	\$129,466,241	\$278,579,165	\$145,808,432
4	Transportation Equipment	\$80,161,797	\$70,479,008	\$89,897,336
5	Machinery, Except Electrical	\$45,438,677	\$42,259,845	\$51,722,968
6	Miscellaneous Manufactured Commodities	\$34,276,792	\$35,759,908	\$47,150,171
7	Electrical Equipment, Appliances, & Components	\$20,792,322	\$21,054,591	\$27,936,259
8	Used or Second-Hand Merchandise	\$13,372,258	\$20,926,471	\$25,441,155
9	Food Manufactures	\$43,381,543	\$20,752,532	\$25,375,569
10	Fabricated Metal Products (Not Elsewhere Specified or Indicated)	\$17,597,758	\$20,674,868	\$20,643,551

Source: International Trade Administration, 2019

- **Spain** was the U.S.'s **24th largest import market** in 2018.^{xxix}
- The U.S. imported **\$17.2 trillion** in products from **Spain** in 2018,^{xxx} including mineral fuel, oil, bitumen substances & mineral wax (\$1.9 trillion); nuclear reactors, boilers, machinery & parts (\$1.8 trillion); pharmaceutical products (\$1.6 trillion); vehicles, except railway or tramway, and parts (\$1.4 trillion); and electric machinery, sound equipment, TV equipment, & parts (\$1.0 trillion).^{xxxi}
- **Spain's top six importing states** in the U.S. include: New Jersey (\$2.0 billion), Texas (\$1.8 billion), Florida (\$1.4 billion), New York (\$1.3 billion), **California** (\$1.2 billion), and Tennessee (\$1.1 billion).^{xxxii}
- **Total California imports** were valued at **\$441.1 billion** in 2018, representing **17.3%** of **total U.S. imports**, and ranking the state as the **13th largest importer** in the world.^{xxxiii}
- **China** was the **largest source of imports** to California, valued at **\$161.1 billion** in 2018, followed by Mexico (\$44.0 billion), Japan (\$33.6 billion), and Canada (\$27.0 billion).^{xxxiv}
- **Spain** was **California's 33rd largest market for imported goods** in 2018, with imported products valued at **\$1.2 billion**. Top products imported are displayed in the chart below.^{xxxv}

Top 10 Products Imported from Spain to California (2018)		
	Total Imports	
		\$1,257,313,654
1	Chemicals	\$246,965,397
2	Food Manufactures	\$207,600,999
3	Transportation Equipment	\$133,917,590
4	Beverages & Tobacco Products	\$88,607,726
5	Agricultural Products	\$72,062,319
6	Computer And Electronic Products	\$68,198,171
7	Machinery, Except Electrical	\$67,073,666
8	Fabricated Metal Products (Not Elsewhere Specified Or Indicated)	\$60,705,484
9	Nonmetallic Mineral Products	\$58,036,868
10	Goods Returned to Canada (Exports); U.S. Goods Returned & Reimports (Imports)	\$41,757,11

Source: International Trade Administration, March 2019

California, Spain, and Foreign Direct Investment

- **Foreign Direct Investment (FDI)** contributes significantly to the U.S. economy, including **higher employment, higher wages** than national standards, **higher competitiveness among firms and boost exports**, stronger **manufacturing base**, greater **research and development**, and higher **overall productivity** for the economy.^{xxxvi}
- **By U.S. state**, the largest FDI expenditures were in **California** (\$41.6 billion), **Texas** (\$39.7 billion), and **Illinois** (\$26 billion).^{xxxvii}
- **Spanish-owned firms** invested **\$83 million in the U.S.**, including **\$58 million in first year expenditures** in 2016.^{xxxviii}

- U.S. subsidiaries of **Spanish-owned firms employ 83,000 workers** in the U.S.^{xi}
- More than **1,000 Spanish scientists** belong to ECUSA (Association of Spanish Scientists in the U.S.), which included chapters in California.^{xli}
- In 2017, **employment at newly acquired, established, or expanded foreign-owned businesses in the U.S.** was 554,300 employees. Current and planned employment at **Spanish-owned businesses** in the U.S. was **1,100** in 2017.^{xlii}

Source Notes

- ⁱ <http://www.bea.gov/iTable/iTable.cfm?reqid=99&step=1%20-%20reqid=99&step=11&isuri=1&9993=levels&9936=-1&9935=-1&9934=5&9995=beastandard&9904=naics&9905=1&9907=2013&9990=99&9901=1200&9902=1&9903=200#reqid=99&step=11&isuri=1&9993=levels&9936=-1&9935=-1&9934=5&9995=beastandard&9904=naics&9905=1&9907=2015&9990=99&9901=1200&9902=1&9903=200>, Bureau of Economic Analysis, “Gross Domestic Product by State”, accessed July 19, 2017
- ⁱⁱ <http://www.census.gov/foreign-trade/statistics/state/data/imports/ca.html> ; and <http://www.census.gov/foreign-trade/statistics/state/data/ca.html> ; accessed March 10, 2018
- ⁱⁱⁱ www.cia.gov accessed March 19, 2019
- ^{iv} www.cia.gov accessed March 19, 2019
- ^v www.cia.gov accessed March 19, 2019
- ^{vi} www.cia.gov accessed March 19, 2019
- ^{vii} www.cia.gov accessed March 19, 2019
- ^{viii} www.cia.gov accessed March 19, 2019
- ^{ix} www.cia.gov accessed March 19, 2019
- ^x www.cia.gov accessed March 19, 2019
- ^{xi} www.cia.gov accessed March 19, 2019
- ^{xii} www.cia.gov accessed March 19, 2019
- ^{xiii} www.cia.gov accessed March 19, 2019
- ^{xiv} www.cia.gov accessed March 19, 2019
- ^{xv} <https://dornsife.usc.edu/news/stories/2877/pedro-sanchez-prime-minister-spain-qa/> accessed March 19, 2019
- ^{xvi} www.cia.gov accessed March 19, 2019
- ^{xvii} www.cia.gov accessed March 19, 2019
- ^{xviii} www.cia.gov accessed March 19, 2019
- ^{xix} www.cia.gov accessed March 19, 2019
- ^{xx} www.cia.gov accessed March 19, 2019
- ^{xxi} www.cia.gov accessed March 19, 2019
- ^{xxii} www.cia.gov accessed March 19, 2019
- ^{xxiii} Department of Finance, Top Countries Ranked by its GDP, California’s World Ranking 2017, http://www.dof.ca.gov/Forecasting/Economics/Indicators/Gross_State_Product/ accessed 7/12/18
- ^{xxiv} <http://tse.export.gov/TSE/TSEHome.aspx> and www.cia.gov , accessed March 18, 2019.
- ^{xxv} CalChamber, <https://advocacy.calchamber.com/international/trade/trade-statistics/>, accessed March 18, 2019
- ^{xxvi} <https://www.cia.gov/library/publications/resources/the-world-factbook/fields/239rank.html#AF> CIA Factbook, accessed March 19,, 2019
- ^{xxvii} <http://tse.export.gov/TSE/MapDisplay.aspx>; International Trade Admin: accessed March 10, 2018
- ^{xxviii} CIA Fact Book; www.cia.gov accessed March 19, 2019
- ^{xxix} <http://tse.export.gov> , U.S. Dept. Commerce, Accessed March 19, 2019
- ^{xxx} <http://tse.export.gov/TSE/MapDisplay.aspx>, U.S. Dept. of Commerce, accessed March 19, 2019
- ^{xxxi} <http://tse.export.gov>, U.S. Dept. Commerce, Accessed March 19, 2019.
- ^{xxxii} <http://tse.export.gov> , U.S. Dept. Commerce, Accessed March 19, 2019
- ^{xxxiii} <http://tse.export.gov/tse/TSEReports.aspx?DATA=NTD&39.1183579&-77.211762&false>, <http://tse.export.gov/stateimports/TSIRReports.aspx?DATA=> accessed March 19, 2019 and <https://www.cia.gov/library/publications/resources/the-world-factbook/fields/242rank.html#DO> accessed March 19, 2019.
- ^{xxxiv} <http://tse.export.gov/stateimports/MapDisplay.aspx> accessed March 18, 2019
- ^{xxxv} <http://tse.export.gov/stateimports/ChartDisplay.aspx> accessed March 19,2019
- ^{xxxvi} <http://www.calchamber.com/international/trade/pages/foreigndirectinvestment.aspx>, accessed July 24, 2014.
- ^{xxxvii} <https://www.bea.gov/news/2018/new-foreign-direct-investment-united-states-2017>; accessed December 3, 2018.
- ^{xxxviii} <http://spainintheusa.org/spainintheusa/> Spanish Embassy, accessed March 19, 2019
- ^{xxxix} <https://www.bea.gov/news/2018/new-foreign-direct-investment-united-states-2017>; accessed March 19, 2019.
- ^{xl} <https://www.bea.gov/news/2018/new-foreign-direct-investment-united-states-2017> ; accessed March 19, 2019.
- ^{xli} <http://spainintheusa.org/spainintheusa/> Spanish Embassy, accessed March 19, 2019
- ^{xlii} <https://www.bea.gov/news/2018/new-foreign-direct-investment-united-states-2017>; accessed March 19, 2019.