

Political instability and social struggles will follow Spain's general election

Paul Mitchell
8 March 2008

Latest polls suggest the Socialist Workers Party (PSOE) led by current Prime Minister José Luis Zapatero is just 1.5 percentage points ahead of Mariano Rajoy's opposition right-wing Popular Party (PP) in tomorrow's parliamentary election. Neither side looks likely to win an absolute majority in the legislature and will probably need to reach an agreement with smaller parties in order to form a government.

Irrespective of who emerges as victor on Sunday evening, the Spanish election augurs a profound lurch to the right within official politics and escalating class conflict. Spanish society is already highly polarised. Many commentators refer to the re-emergence of "the two Spains" of the 1936-9 civil war" as the "consensus" created during the so-called peaceful transition from fascism to parliamentary democracy following Franco's death in 1975 unravels. The economic downturn threatens to bring these tensions to breaking point.

Over the last decade, Spain experienced one of the highest economic growth rates of any country in Europe. But now the financial pages are full of warnings about a rapid slowdown, slump or stagflation—stagnant growth with rising inflation. Predictions of economic growth have fallen—from 3.8 percent in 2007 to an estimated 3.1 percent this year, according to the government, and only 2.7 percent, according to the European Commission and the International Monetary Fund. The Commission also said business confidence—expressed in its "economic sentiment" index—was plummeting across Europe but was "particularly gloomy" in Spain, falling to the lowest level since January 1994 when the country last suffered a full-blown recession.

The real estate boom is grinding to a halt. The Spanish Savings Banks Federation FUNCAS has warned that the slowdown will be "more traumatic" than expected. Credit Suisse and the Spanish construction association have forecasted a drop of 40 percent in construction activity this year. The consequences for Spain are far worse than for other countries since construction investment constitutes 18 percent of the Spanish gross domestic—nearly twice that in countries such as France and Germany. In addition, the construction crisis is spilling over into other areas of the economy, particularly the banking industry.

Financial institutions such as the International Monetary Fund are demanding that the next administration push through long demanded industrial reforms and raise productivity, which is amongst the lowest in Europe, introduce more modern technology and tackle the huge current accounts deficit now at 10 percent of gross domestic product and the second largest in the world after the US. They warned all the parties against relying on the record budget surplus to finance tax cuts. During the election campaign, the PSOE pledged a €400 (\$600) tax rebate for all workers and pensioners, whilst the PP promised to

exempt from income tax those who earn less than €16,000 a year, to cut the maximum income tax rate from 43 percent to 40 percent and to lower corporation tax from 32.5 percent to 25 percent.

University of Murcia political scientist Ismael Crespo explained: "Now that the bubble-economy is largely defunct, the main challenge for the victors of Sunday's election will be—apart from crisis management—the search for a new growth model, based on rising productivity. Unfortunately, that reality, too, has yet to sink in fully."

The reality for many workers is the inability to make ends meet. The consumer price index rose 4.3 percent in January, compared with 2.4 percent for the same month last year. Staple foodstuffs such as sunflower oil and flour now cost between 25 percent and 37 percent more than a year ago and meat products are predicted to increase in price this year by 14 percent. Household debt has risen to more than 110 percent of income and approaches US levels. The most recent reports show the amount of outstanding mortgage loans stands at a record €811 billion (US\$1 trillion), a rise of 26 percent since 2006.

Unemployment rose last year for the first time in four years to 2,315,000 people—8.6 percent of the working population. Latest figures show young people are particularly affected. Less than half of those employed have a fixed work contract and they spend nearly half of their income on accommodation.

Belén Barjadí, a public-sector worker who voted for the PSOE in the 2004 elections, expressed the impossible situation in which many workers find themselves. She told the *International Herald Tribune*, "I am very worried about my economic situation, and I don't see either of the big parties offering me a solution."

Barjadí receives a salary of €1,350 a month and is forced to share a €700 a month apartment with her sister. She explained that she rarely bought fresh fish or meat, did not drive a car and could only take vacations by staying in Spain with friends. "I put on the heating and worry about how much it is costing me," she said. "I worry about the electricity bill, the rent. I've never been extravagant, but now I have to be really careful."

"When Zapatero says the economy is doing well, it makes me laugh," Bardají said. "But what can I do? I am invisible."

Barjadí's sentiments are typical of those expressed by throughout an increasingly restive working class, which dismissed the PP government in 2004, angry at its neo-liberal economic policies and support for the war in Iraq. The PSOE was the initial beneficiary of the electorate's turn to the left, but has disappointed the hopes placed in it.

For its part, the right has signalled that it is quite prepared to abandon its tenuous commitment to the transition and the 1978 constitution. The PP, the Catholic Church and sections of the army

have spent the last four years waging an aggressive political campaign to destabilise the government, portraying the PSOE victory in the 2004 elections as a virtual coup. The PP has launched repeated provocations on the issues of regional autonomy, negotiations with the Basque separatist ETA, secularism, abortion and defence of Francoism. In response, the PSOE has bent over backwards in an attempt to heal the rift and stabilise bourgeois rule, but this has proven impossible.

During the election campaign the PP has whipped up Spanish nationalism and anti-immigrant sentiment. Acknowledging that the party had “a very hard, right-wing image at the moment,” PP official Gabriel Elorriaga said that “Even our own voters think they are more centrist than the PP.” The party’s aim was to “persuade” PSOE sympathisers to abstain. “Our whole strategy is centred on wavering Socialist voters...We know they will never vote for us. But if we can sow enough doubts about the economy, about immigration and nationalist issues, then perhaps they will stay at home.”

The Catholic hierarchy has also intervened in the election, with the Spanish Bishops’ Conference reminding Catholics of their duty to defend traditional values and to elect leaders “responsibly” when they vote on Sunday. This week, the Conference chose as its new president, Cardinal Antonio Maria Rouco Varela, to replace Bishop Ricardo Blazquez. Under his leadership the Spanish Church embarked on Pope Benedict XVI’s mission of evangelisation, promoted the unprecedented beatification of nearly 500 Catholic priests killed when the Church supported fascism in the civil war, encouraged a witch-hunt against abortion rights and organised a mass rally at which speakers denounced the PSOE government’s social policies.

Popular sentiment is opposed to the Church’s political intervention, yet Zapatero has attempted to restore the Church’s authority by renewing the Church State Accords last autumn, sending representatives to the beatification ceremony in Rome and removing passages from his party’s manifesto that promised to extend abortion rights.

The Catholic Church has also been in the forefront of defying the provisions of the new Law of Historical Memory, which officially condemns the mass executions and other crimes carried out under Franco. It has celebrated masses all over the country, including at the Valley of the Fallen, where the dictator is buried along with the founder of the fascist Falange Española, José Primo Rivera.

Following the passing of the law, pitched battles broke out between police and anti-fascist demonstrators in Spain’s main towns, claiming several victims, one fatal. Combined with widespread anger over revelations regarding the massive wealth inherited by the family of Franco and its decadent lifestyle, the new law threatens to bring to the surface all the unresolved political problems of the civil war, the victory of the fascists and the ensuing decades of repression.

The military has also made its views known in the elections, with Lieutenant-General José Mena Aguado, the ex-commander of Spain’s 50,000 ground troops, urging the population to vote against the PSOE during the launch last month of his book “Soldiers. The limits of silence.”

Within its pages, Mena claims there was widespread support within the top brass for his January 2006 public speech in which he threatened to deploy the military to resist the PSOE’s Catalan Statute and the limited additional powers it gave to the province. At the time the PSOE tried to brush off the incident, saying it was “an act of isolated indiscipline that’s already been corrected.”

The issue of Catalan and Basque nationalism also threatens to erupt

again, particularly since Kosovo unilaterally declared independence last month. Whilst the PSOE and the PP take the same position on Kosovo, insisting that it is a “special case”, the regional separatists are hailing it as a precedent to further their own ambitions. The largest nationalist party in the Basque Country, the PNV, says it will hold a referendum on the future of the region later this year and is attempting to draw in the supporters of the terrorist group ETA and its political wing, Batasuna.

There is nothing progressive about the perspective of national separatism, which accepts capitalist exploitation and inequality and is fundamentally opposed to the independent mobilisation of the working class. Moreover, ETA’s bombs and assassinations have provided a pretext for strengthening the repressive apparatus and draconian attacks on democratic rights. The Zapatero government, like the previous PP government led by José Maria Aznar, has used the Basque region as a test-bed for anti-democratic measures aimed at clamping down on any popular dissent. Last year it arrested the entire Batasuna leadership and last month banned two Basque parties and their deputies in the regional assembly from standing in the elections, accusing them of being front organisations of Batasuna.

Since it came to power, the PSOE has defended the interests of Spain’s ruling elites at the expense of the working population. It has bowed down to the PP’s provocations and sought to block any movement by the working class to defend its economic and political interests. During the election campaign, Zapatero vowed to secure an agreement with the trade union bureaucracy and business leaders to impose the labour reforms long demanded by the IMF and other financial institutions. Attempts to carry out these reforms in the past have provoked several general strikes in Spain, including one in 2002 that caused the PP government to back down and withdraw its proposals. In 2005, workers were involved in several nationwide strikes, including a politically explosive strike by miners. The UGT and the Stalinist-led Trade Union Confederation of Workers Commissions threatened a “winter of discontent”, but instead accepted virtually all the demands of big business.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact