

Spain's regional governments impose further cuts

Alejandro López
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Adhering to the deficit target of 1.5 percent of GDP set by Spain's right-wing Popular Party government, regional governments in Andalusia, Asturias and Catalonia imposed a new round of cuts this week.

The PP is pressuring the regional governments, which control approximately 4 out of every 10 euros spent by the Spanish state, to reduce their deficits to comply with an overall deficit target of 5.3 percent.

The regional government of Catalonia announced its third package of cuts in 16 months, totalling €1.5 billion. Catalan Premier Artur Mas, of the right-wing nationalist CiU bloc, said his government was "forced" to execute this new plan. He attempted to posture as a victim of anti-Catalan sentiment in Madrid by claiming that these cuts were the result of "systematic centralization," while denouncing the European Union's obsession with austerity.

The truth is that the Catalan government has insisted that the central government facilitate the region's more aggressive measures to cut the deficit. One such proposal was that patients pay €5 a day while in hospital, or that the highest income patients should pay 100 percent of the cost of their drugs.

The dismantling of the welfare state may start with the richest, but this is merely the prelude to the real target—the working class.

The CiU bloc has also agreed with the central government to reduce the budget deficit to 0.14 percent of GDP by 2018, moving the timetable forward by two years.

To achieve the €1.5 billion cuts, Mas announced a 5 percent reduction in salary supplements for public employees and allowances paid by the region to state officials; a new fee for vocational training courses; a suspension of regional grants; privatization of water services, infrastructure and highways now managed by

public companies; and the sacking of 1,500 public sector workers. More measures are yet to be announced.

In Asturias, the provisional government of the regionalist Asturias Citizens Forum (FAC), a breakaway from the PP led by Francisco Álvarez-Cascos, set out a goal to reduce its deficit to 0.9 percent of GDP by the end of the year. Its debts are listed at €21.55 billion, or 9.1 percent of its GDP. The measures have still not been announced.

There is currently a political impasse in Asturias following regional elections in March. The one deputy of the small union, Progress and Democracy (UPyD), which maintains a liberal opposition to regionalism and nationalism, will decide with its vote whether the future government is formed by the opposition coalition of the Socialist Workers Party (PSOE) and Stalinist-led United Left or by a right-wing coalition of the FAC and the PP. Both coalitions have 22 seats and need one more for a majority. In either event the cuts will be imposed as the example of Andalusia, Spain's largest region, demonstrates.

In Andalusia, the newly constituted coalition between the PSOE and the United Left is imposing the harshest cuts in the history of the region, totaling €2.5 billion. This means cutting 12 percent of the €32 billion 2012 regional budget.

Carmen Martínez Aguayo, Regional Councilor of Finance and Public Administration of the "Government of Progress," announced these measures in the same cynical manner as the central right-wing government of the Popular Party. She stated that these measures are "balanced, fair and equitable" and that they are "temporary and based on solidarity."

This is a lie. The regional government's new budget measures involve increasing the workday of civil servants and the elimination of overtime. Martínez

estimated that the cut in public employees' salaries will rise up to 6.5 percent, depending on the different categories of work. The interim official workforce and temporary workers employed in the public sector will have their workday reduced, and hence their wages, by 15 percent.

Additional bonuses for June and December, supplements and other stipends will be removed.

On the fiscal side, personal income tax (IRPF) will be increased to 23.5 percent for incomes between €60,000 to €120,000, and 25 percent for incomes above €120,000.

The public investments estimated at €570 million will be frozen and no new development schemes will be approved except in exceptional cases.

Martínez's "solidarity" claim is based on a 5 percent cut in the salary of the regional president, councilors and vice-councilors who all earn at least €60,000.

The PP in the Andalusia Parliament is now posing as the party opposed to cuts. Just a few months ago, during the regional elections, when he was expected to win an absolute majority, PP leader Javier Arenas said that cuts were "unavoidable." Moreover, his party is currently overseeing cuts of 50 billion euros by the central government.

The hostile response to the betrayal by the PSOE-IU government is evidenced in the more than 1,000 commentaries at the end of an article on the budget cuts in *El País*—a pro-PSOE newspaper.

Redwarrior says, "they will never, never, have my vote again."

Belita01 says: "Sorry, but are there any more people like me who feel that they have been cheated by this supposedly left government. Can someone explain to me the difference with Arenas [the Popular Party leader in Andalusia]?"

Primero says: "IU is in this government.... those that said they defended the workers' rights... what scoundrels.... The same as those of the PSOE."

Even harsher comments are to be found on the left-leaning *Público*. More than 400 comments were posted on a news website oriented to youth, students and workers.

Nisio says: "IU either knew what was going to happen and did not say anything, or they were in the plot. In any case, they have been exposed as liars or useless."

Barbaroja exclaims: "Is this why IU wanted to enter the government? Is this how they are forcing the PSOE to the left? Are measures such as making the civil servants pay for the crisis, left?"

Alaproxima says: "Is this why we entered the government? Is this left-wing politics? As a member of IU in Asturias this disappoints me."

Populus says that "[Prime Minister] Rajoy is the overseer of the market, but it seems that the PSOE and IU want to be the overseers of the overseer. From my standpoint, I did not vote IU to do this."

Ludoviko says: "I would like someone to illustrate for me how should IU act. And don't tell me just by being against everything, but alternatives and how to achieve them. I have them: Agrarian reform, the expropriation of all landowners; give the land to the people and the nationalization of the banks and the nationalization of the private companies, expropriation of all the Church's assets. Proclaim (Spain) as an independent country.

"And how can this be achieved? Arming the people, occupying the land and the factories, neighborhood committees. Who will sign up for this?"

This is the widespread response to what an *El País*' editorial, celebrating the new coalition government, described as the "responsibility the left can exercise in the management of a critical situation."



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