

# Reports reveal rapid pauperisation of the Spanish working class

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Recent reports published by a number of statistical organisations reveal just how massive and rapid the pauperisation of the Spanish working class has been.

Since the eruption of the global economic crisis in late 2007, the Spanish ruling class, along with its international counterparts, has been engaged in a social counterrevolution. Not since the victory of Franco's fascist forces in April 1939 has the Spanish working class suffered such a massive drop in its living standards.

The rightwing Popular Party (PP) government and its Socialist Party (PSOE) predecessor along with regional and local authorities of various political persuasions, including the Communist Party-led United Left have imposed one draconian austerity package after another, involving cuts in health care, education and social services and increases in taxes and electricity, gas and water bills.

The latest data, published by the Catholic Church-run charity Cáritas in "Inequality and Social Rights: Analysis and Perspectives 2013," shows that income levels of Spanish workers have declined to levels below that of 10 years ago. The annual purchasing power of the average Spanish person stood at €18,500 in 2012, below the 2002 level.

Around 21.8 percent of the Spanish population (10 million people) are classified as poor—living on less than 60 percent of the average national income, which, according to Eurostat, amounts to less than €7,300 a year. Those living in extreme poverty now make up 6.4 percent of the population, some three million people.

According to Cáritas, the 2012 data shows that conditions of life for millions of workers have deteriorated rapidly. "We have gone from 300,000 households with no income in 2007 to 630,000 in 2012, and, added to this, households that are unable to handle

unforeseen expenses have gone from 30 percent to 44.5 percent. Also, we have increased to more than 1.8 million households those where all members of the family [available for work] are unemployed, compared to the 380,000 homes that had this situation before the crisis."

Inequality has shot up. Since 2007, the difference between the richest 20 percent and the poorest 20 percent has risen by 30 percent. The report warns that "Spanish society is fractured as a result of the severe increase in inequality. The latest Eurostat data shows that social inequality as measured by the Gini coefficient (where 0 expresses perfect equality and 100 expresses maximal inequality), increased from 31.3 in 2008 to 34 in 2011. The European Union average is 30.

These terrible facts are confirmed by the nongovernmental organisation Intermon Oxfam, whose report "Crisis, inequality and poverty" indicates even more people are in poverty than suggested by Cáritas—around 12.7 million people. It warns that austerity measures and welfare cuts will result in an estimated 18 million poor in 2022—equivalent to an unprecedented 38 percent of the population. The same report also publishes other indicators of the social devastation in Spain, including the fact that some 46,559 evictions took place in the first quarter of 2012—an average of 526 families losing their homes each day.

The policies of the ruling class have also meant an exodus of Spanish workers and youth. According to the National Statistics Institute (INE), the number of people with Spanish nationality resident abroad in 2012 increased by 6.3 percent on the previous year to reach 1.9 million.

The latest data also indicates the way the ruling elite is pushing ahead with its aim of converting Spain into a

cheap labour platform. According to the Bank of Spain, wages fell by 8.5 percent in 2012. On top of this, companies have slashed their social security payments and the government has raised the retirement age and made it easier to fire workers.

The ruling class has profited from this social misery even as its political representatives repeat endlessly that “we all have to make sacrifices”. Spain’s exports reached a record €223 billion in 2012. Credit Suisse has estimated that the number of millionaires would more than double over the next five years, to around 616,000.

The working class has reacted to these attempts at mass pauperisation with strikes and protests. Last year, there were nearly 1,300 strikes involving almost four million workers—nearly six times more than in 2011. Over 40 million working hours were lost—almost twice the previous year.

Aware that the class-war agenda being waged at the behest of the ruling elite is leading to a social explosion and mounting opposition from the working class, the PP government has increased this year’s outlay on riot personnel and equipment by 1,780 percent. A new special rapid reaction force called Protection and Reaction Unit has been created to collaborate with the riot police, the motto of which is “We assume custody and will reestablish order”.



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