

Spain wracked by corruption scandal

Carlos Hernández
3 December 2014

The Popular Party (PP) government used its majority in Spain's Congress last week to force through two anti-corruption laws.

The laws had been delayed for months by the refusal of opposition parties to agree to a cross-party pact on corruption proposed by PP Prime Minister Mariano Rajoy last year.

The passing of the laws is a desperate attempt by Rajoy to salvage some support for his party, which has suffered a precipitous decline in the opinion polls, before next year's elections. "I can understand the irritation and distrust of our citizens but suspicion should not be levelled at everyone," he pleaded in Congress. "Most politicians are decent people. Spain is not corrupt."

However, the day before the vote, PP Health Minister Ana Mato, became the third minister to resign this year after comments by the judge investigating the long-running Gürtel kickbacks-for-contracts case, which erupted in 2008 and involves the bribery of politicians and officials by businessmen in return for profitable public contracts in PP-ruled regions. Mato was accused of having "enjoyed the use of or benefited from" the corrupt activities of her ex-husband Jesús Sepúlveda, a former Popular Party mayor and senator.

Socialist Workers Party (PSOE) leader Pedro Sánchez said his deputies had refused to vote for the laws because the PP had been "irrevocably tarnished" by a series of corruption scandals. He told Rajoy, "You are in no position to regenerate Spain against corruption... You are not able or legitimate to lead."

Joan Coscubiela of the pseudo-left Green-ICV, the sister party in Catalonia of the Communist Party-led United Left (IU) declared, "You have spent years at the epicentre of the biggest corruption case ever... You, Mr Rajoy, are the Mister X of corruption... You are in no position to carry on."

However, in the five years since the Gürtel scandal

broke, a whole swathe of corruption cases has come to light in which not just the PP but also the PSOE and the IU have been implicated—making a mockery of the indignation shown towards Rajoy by Sánchez and Coscubiela last week.

A probe is ongoing in connection with the Bárcenas affair, involving former PP treasurer and senator, Luis Bárcenas, who is now in jail. He kept a parallel bookkeeping system for years, recording undeclared cash donations which were used to pay bonuses to senior party members, including Rajoy and current secretary general María Dolores de Cospedal.

Last month, police arrested 30 people in 13 Spanish provinces on allegations of rigging public contracts for the maintenance of public parks and gardens. Two companies, Fitonovo and Fiverde, politicians belonging to the PP, the IU and regionalist Canary Islands Coalition and public employees are implicated. Among the charges the suspects face are money laundering, price fixing in a public tender, commercial document fraud and tax offences.

At the end of October, 35 arrests were made, including six mayors from the Madrid region and the chief of the provincial authority of León for involvement in a bid-rigging scheme worth as much as €250 million. Francisco Granados, the second most important PP official in the Madrid regional government, was among those arrested on charges of money laundering, criminal association, influence peddling, bribery, misappropriation of funds, abuse of power and fraud.

At the beginning of October, the PP was forced to expel Rodrigo Rato, former president of Bankia, Economy Minister and Managing Director of the International Monetary Fund, after the High Court found him responsible for credit card abuse.

Rato and 85 other managers of the savings bank Caja Madrid (later part of Bankia and bailed out in 2012 at a

cost of €22 billion) funnelled millions for their own use, using “opaque” credit cards. The PP appointed 28 of the managers, 15 were appointed by the PSOE and 14 by the IU, the Communist Party-dominated Workers Commissions (CCOO) and the PSOE-aligned General Workers Union (UGT).

While the IU has been implementing austerity measures to the tune of billions in regions such as Andalucía and the unions have overseen labour reforms, pension cuts and wage restraints, its appointees at Caja Madrid went on a spending spree. The IU’s José Antonio Moral Santín grabbed €456,500, Rubén Cruz, €233,700, Juan Gómez Castañeda, €128,100, and Ángel Rizaldos, €20,100. For the CCOO, Francisco Baquero treated himself to €266,400, Antonio Rey de Viñas, €191,500, Rodolfo Benito, €140,600, Juan José Azcona, €99,300, Pedro Bedia, €78,200, and Gabriel Moreno, €20,400. Payments to UGT officials included Gonzalo Martín Pascual, €129,700, Miguel Ángel Abejón, €109,300, Rafael Eduardo Torres, €82,300, and José Ricardo Martínez, €44,200.

Investigations are also continuing into the fraud scandal, known as EREgate, involving the PSOE, CCOO and UGT in Andalucía. Some 227 people are accused in a scheme to siphon off public money—as much as €152 million—set aside for state-sponsored redundancy schemes (EREs).

The corruption scandals have also hit Catalonia where nationalists have been campaigning for separation on the basis that the region subsidises the poorer parts of Spain. Jordi Pujol, who served as the region’s president for 23 years for the Convergence and Union party (CiU) and revelled in the accolade of “symbol” of Catalan independence, faces allegations that, for decades, he took a 3 percent slice on dozens of public contracts in the region, enabling him and his family to salt away hundreds of millions of euros in secret bank accounts abroad.

The corruption scandals are another indication that the whole post-Franco bourgeois order is falling apart. They have revealed the outright criminality that lay at the heart of the country’s now-shipwrecked economic boom. Spain’s ruling elite benefited from the boom and accrued massive profits and then imposed harsh austerity measures in the name of “collective sacrifice” after the global economic crisis erupted. Meanwhile

Spain’s working population has found itself falling deeper into debt as it struggles to keep up with the cost of living, job losses and public service cuts.

Last week, it was revealed that one-third of Spanish workers are living on the minimum wage of €9,034 (\$11,200), with almost all youth under 25 included. The average salary in Spain in 2013 was 1.4 percent lower than a year earlier and the International Monetary Fund is pushing for Spain to lower wages even further.

Under these conditions, the non-stop corruption scandals have had an incendiary impact among millions. Polls find that corruption is the second-highest concern in Spain, after unemployment. Anger at the revelations has been a major factor in the rapid decline in support for the PP and the PSOE and the meteoric rise of the pseudo-left party Podemos. The latest opinion polls suggest Podemos has become the leading political force in Spain—less than a year after its creation—during which time its leader, Pablo Iglesias, has specialised in populist denunciations of the political “caste” (the establishment parties).

However, this is not just the case of a few rotten apples, but the capitalist system itself. This is something Podemos bitterly opposes. In its short life, Podemos has modified or abandoned most of its left-sounding “anti-capitalist” demands. Last week, the launch of Podemos’s new 60-page economic programme excised two measures: one concerning non-payment of public debt and the other, the creation of a minimum wage for all citizens. Iglesias declared that it would not have been out of place in any Social Democratic party in the 1980s.



To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact