

# All parties in Spain general election committed to austerity

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The Spanish daily *El País* published a secret letter from Spanish Prime Minister Mariano Rajoy of the Popular Party (PP) to the President of the European Commission, Jean-Claude Juncker, promising new austerity measures to meet Spain's EU-mandated deficit targets to be implemented after the June 26 general election.

Coming on the eve of the electoral campaign, the letter made a mockery of Rajoy's public stance in favor of "growth measures" and "tax cuts." But it also exposes the basic dishonesty and deception at the heart of the supposedly "radical" electoral coalition between the pseudo-left Podemos and its new-found allies, the Stalinist-led United Left (IU)—now given the title "Unidos Podemos."

Rajoy's letter seeks to reassure Brussels that Spain would get its deficit reduction back on track, and to dissuade the EU from levying fines on Spain for missing its targets. "Once a new government is in place, we are ready to adopt new measures," Rajoy wrote, using the approved euphemism for cutbacks in public services, education and health care, i.e., more of the same counter-revolutionary medicine Europe's elites have been administering to the working class of the continent for many years now.

The initiative has borne fruit: the European Commission has decided to postpone any decisions on sanctions for Spain's non-compliance until after the elections. EU commissioner Pierre Moscovici stated, "it is not the right time either economically or politically" for such a step.

Under the EU Stability and Growth Pact, Spain's failure to slash its public deficit to 3 percent of the country's GDP by this year would have resulted in a fine of no less than €2 billion, or 0.2 percent of Spain's GDP. Instead, the EU executive is proposing that Spain

be given another year, but with an even more ambitious target of 2.5 percent of GDP by 2017. Reaching this target would require €8 billion in budget cutbacks and tax increases in 2016 and 2017.

This would come after many years of austerity measures enacted by both of Spain's main political parties, the Socialist Party (PSOE) and the PP, which have led to sharp increases in unemployment and general social misery, while failing to generate any significant economic growth. A recent report from Spain's official statistics body indicated that 22 percent of the population and 28.8 percent of children below the age of 16 remained at risk of poverty. Average household income has fallen for six consecutive years.

Reaction to the publication of Rajoy's letter by Spain's main opposition parties was predictable.

PSOE leader Pedro Sánchez said that Rajoy had "shamelessly lied" to the Spanish people, saying one thing in public and another in private to the EU. Nacho Alvarez, in charge of the Podemos economics plan, said this exposed "Rajoy's secret programme" and that the EU was showing electoral favoritism.

Yet none of opposition parties, including Unidos Podemos, reject austerity measures. Indeed, the Unidos Podemos programme calls for "renegotiating" the deficit, which is virtually indistinguishable from the programme of the right-wing Citizen's Party, which calls for "negotiating a more flexible path to deficit reduction, with no cutbacks."

In a breakfast organised by the New Economic Forum at the 5-star Hotel Ritz in Madrid, in front of hundreds of businessmen and bankers, party leader Pablo Iglesias claimed that Podemos is the "new social democracy" in Spain—having overtaken the PSOE in recent polls.

Already preparing the justification for continuing with austerity in the event that his party will take part in

a future government, Iglesias stated that he is conscious of the “limits we would have to our rule because of our membership in the EU, the financial markets and international geopolitics. He gave the examples of the “mayors of change” in Barcelona and Madrid, where Podemos’ local fronts are ruling for the “better” without increasing the public debt.

Regarding any parallel with Greece, where Podemos’ sister party in government Syriza is imposing unprecedented austerity measures in pensions and social expenditure, as well as tax hikes, Iglesias blamed anyone but Syriza, which was cast as the victim of forces outside of its control. “No one can be glad that Greece is a protectorate, with policies being made from outside. This is shameful. And all this due to a disastrous management of New Democracy and PASOK,” he said, referring to the Greek ruling parties before Syriza.

This is a brazen lie. Syriza has not imposed austerity because of previous government mismanagement, but because it is committed to defending the European Union and rescuing the bankrupt Greek capitalist class by attacking the social conditions of workers and youth. One can only expect that when Iglesias is in government, he will claim that, because of previous mismanagement of the PP and the PSOE, Podemos has no choice but to implement austerity, and that due to “geopolitical” constraints, Spain will have to participate in one or another imperialist war.

Rather than being presumptuous or making a secret commitment, Rajoy’s letter simply states the truth of the matter: Whichever capitalist party or coalition that forms a government following the June 26 elections will most certainly push through new austerity measures and make deep cutbacks in social programmes.

Unidos Podemos is trying to deceive the working class with promises of “growth measures”, “expansion of social programmes”, “progressive taxation”, and the like. But given the coalition’s refusal to reject EU austerity, its acceptance of deficit targets and of the euro, Podemos and IU’s promises of billions of euros for a vast expansion of social programmes and investment for growth and other measures are a fraud.

The Podemos and IU pose assumes that workers will forget the record of their Greek ally, Syriza. Despite all their once-outraged posturing and solemn pledges to

abandon austerity, Syriza betrayed their election promises and became the EU’s most reliable allies in extracting a pound of flesh from Greek workers to be handed over to finance capital, ravaging Greek pensions, health care and education and carrying out a fire sale of public assets owned by the Greek state.

Before Syriza came to power, the *World Socialist Web Site* repeatedly warned that the pseudo-left party would waste no time in betraying its promises. That analysis has been fully vindicated. Podemos and IU will do the same thing should they too come to power.



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