

UPDATE ON SPANISH POLITICS – 11th June 2013

by Kevin Bruton



The Spanish political scene looks as it has done throughout most of this year, with news headlines screaming “Corruption, corruption, corruption!”. Previous Updates have outlined the corruption charges facing Luis Bárcenas, ex-treasurer of the governing party PP, and incriminating the national leadership of the party over many years. Two years ago these Updates discussed the corruption charges brought against the ex-president of the Valencia region, Francisco Camps, charges which eventually led to his downfall and which are known under the umbrella title of the “Gurtel” case.

In the past week, the police have now definitively linked the two – Luis Bárcenas with his unaccounted-for 38 million euros in Swiss bank accounts and the operations of Gurtel in Valencia. In a 218-page report submitted to the examining magistrate, Pablo Ruiz, there is abundant proof that PP’s web of corruption was nationwide. One quote from the police dossier will suffice: “Luis Bárcenas is directly connected to Francisco Correa (head of the corrupt Gurtel ring in Valencia) . . . who took part in different intermediary operations between 2000 and 2007 to award public contracts to specific firms”. For this “commissions were secured of which Bárcenas was one of the beneficiaries”.

The police report adds to the pressures on the current president of the Valencia Region, Alberto Fabra. He claims to have put down a “red line against corruption” in the Valencia region, a claim totally denied by reality. Presently, there are 150 charges of corruption against PP regional MPs going through the Valencia courts. Further, an ex-committee chair and PP parliamentary spokesperson, Rafael Blasco, is himself facing 11 years in prison for fraud, in charges brought by his own party! Blasco’s alleged worst crime was to divert funds from a Charity set up to help third world victims of natural disasters such as the Haiti earthquake.

And, while in Valencia, the police and examining magistrates are closing in on the links between Iñaki Urdangarín, son-in-law of the King, and the ex-head of Valencia, Francisco Camps, and the present mayor of the city, Rita Barberá. Apparently, Camps and Barberá were directly involved in approving Urdangarín’s crooked and fraudulent schemes in the Region using public finances to the tune of 3.5 million euros.

In case the present writer may be accused of anti-PP partisanship, it is worth recording briefly that two major corruption cases are on-going against PSOE, the Socialist Party. The first is an accusation of corruption in Andalucía, the spiritual HQ of PSOE, and against the PSOE regional government over the issuing of redundancy notices. The second which, probably, has more purchase nationally, is against José Blanco, who was deputy leader of PSOE and Minister for Development under Zapatero. Blanco is accused of using his influence in government to assist a businessman in the Lugo area of Galicia, whence Blanco himself hails. Given the appalling slowness of the Spanish justice system no doubt these corruption cases will run and run, although it might be more accurate to say will creep and meander!

The Prime Minister, Mariano Rajoy, with the Spanish economy in dire straits, is facing a European Union Summit on 27-28th June. Rajoy is a reluctant and not altogether convincing convert to the idea of a growth agenda given that his vicious cuts while in government have decimated the Spanish economy and destroyed people’s lives. His main concern at present, however, is to attempt to forge a pact with PSOE and other parties prior to the Summit. This will be no easy task following years of confrontation between the two major

parties. One pact PSOE will not sign with PP is over pensions where PP, following a report from 12 experts which they commissioned, wish to reduce the basic pension gradually by 20% over the next 30 years.

PP's relations with the EU are, in any case, extremely fraught since 6th June when the European Parliament made its annual award of "Citizen of the Year". Its award for 2013 went to the "Plataforma de Afectados por la Hipoteca" in Spain ie. the victims of home evictions, a grouping that stages weekly protests over the mercenary and callous policies of mortgage lenders – the banks.

The PP government was able to parade one item of "good" news on 4th June when unemployment figures for May showed 98,265 fewer people registered unemployed than in April. This, however, is a chimera, as everyone knows. Seasonal employment in hotel and catering always increases in May and almost all the new jobs are temporary and/or part-time. Official unemployment figures show 4,989,193 unemployed. All unofficial sources point to six million unemployed, with under-25-year-olds at 57%. A terrifying statistic is that of all those unemployed in the short or long-term, only one in six receives any kind of unemployment benefit. The "Today" radio programme in the UK reported anecdotally on 31st May that there were 18,000 applicants for 11 jobs in the Museum of Madrid paying 13,000 euros a year!

The Socialist party in Spain, still unbelievably trailing PP in opinion polls, published a major document on 9th June in Seville. The document, presented by the party leader, Rubalcaba, attempts to set out some of its major policy areas and commitments. (It is worth remembering that the next general election does not have to take place until November 2015.) The timing is to allow party members to debate policy prior to a major Political Conference which PSOE is due to hold in October.

The document – "Ganar el futuro con igualdad" or "Securing a future of equality" – does not profess to be a manifesto but does outline a number of policy priorities. It will be useful to pick out four of these. Firstly, economic and other help will be given to mothers in the first six weeks after giving birth who have few or no resources; each year in Spain 140,000 women who neither have work nor unemployment benefit give birth. Secondly, help will be provided for single-parent families, usually women, which will guarantee a minimum income. Thirdly, since an Equality Law was passed by the Socialist government in 2007, party lists for elections must have a minimum of 40% women on those lists; now PSOE wants to increase this to 50%. Finally, PSOE wants to pass legislation to increase the number of women on the boards of directors of large companies; currently this is below 15% and the Socialists wish to increase this to 40% by 2020.

Cataluña is making headlines again. As reported in previous updates, the Catalan Nationalist President, Artur Mas, is pursuing a pro-independence agenda which he says will lead to a referendum in 2014. This will be problematical since the proposal appears to be contrary to Spain's Constitution and PP has recently packed the Constitutional Court which decides on these matters with anti-Catalan members.

Nevertheless, Mas's government is sponsoring a symposium on 12-14th December under the eloquent title of "Spain against Cataluña – a historical over-view 1714 to 2014". The inaugural lecture is entitled "Spain and Cataluña – 300 years of conflict" while the titles of papers so far revealed indicate more anti-Madrid content. 1714 was the year when Barcelona fell in September to the troops of Philip V of Spain after a 13-month conflict. The nationalist government is planning to reopen in September of this year the famous Mercat del Born, a traditional market where the remains of houses destroyed by Philip V were found a few years ago. The centrepiece of this new nationalist symbolic landmark, costing one million euros, will be a flagpole displaying the Catalan flag (the "Senyera") all year long. The flagpole will be exactly 1.714m high!

Finishing on a lighter note, but set against a dark background, Spain's live music industry has been badly hit by a hike to 21% VAT on concerts (one of the highest rates in Europe) and, of course, 57% youth unemployment. In 2012, 20% of Spanish music promoters went out of business. However, the American rock band Bon Jovi have come to Spain's rescue by waiving their fee for a concert in Madrid on 27th June and by reducing many ticket prices to only 18 euros. The band's leader, Jon Bon Jovi, said that originally they left Madrid off the the list of European concert venues because of fears that the event might not sell out due to Spain's recession. Now they are performing free and the concert goes ahead. The bad news for any Bon Jovi fan reading this Update is that tickets sold out within minutes!