

UPDATE ON SPANISH POLITICS – 9TH OCTOBER 2012

by Kevin Bruton



Harold Wilson said famously that a week is a long time in politics but four weeks since the last update appears an eternity given the turbulence and violence of this period in Spanish politics. This has included a vicious budget for 2013, anti-government demonstrations and marches which have occasionally exploded into violence, EU stress tests for Spanish banks and an early election called for Cataluña with a threatened referendum on independence.

Taking the last first, the date of the last update, 11th September, was the date of the Diada, the yearly event when Catalans come out in their hundreds of thousands to celebrate their national and linguistic identity. Four weeks ago, they did so again and Artur Mas, the Nationalist leader of the Regional Government in Cataluña, used the opportunity to put a gun to the head of Central Government in Madrid and demand from them a “pacto fiscal” or tax agreement. What he wanted was a deal where, instead of the present tax arrangements whereby Central Government sets the taxes and Cataluña can add on a tax for that Region, that in its place Cataluña should raise its own taxes and then give a portion to Central Government. In the wake of Madrid’s refusal, Mas called for early regional elections in Cataluña (25th November) and threatened a referendum on independence.

Now there is a stand-off between PP Central Government and the Nationalist Catalan Generalitat or Regional Government. The Catalan Nationalists will inevitably gain seats on 25th November but Central Government says that, according to Spanish Constitutional Law, there can be no referendum in one region alone in Spain, only a nationwide referendum across all of the 17 regions which make up the country. A footnote to this face-off was the “clásico” football match on 7th October between Real Madrid and Barcelona at the Camp Nou in Barcelona. This match is always an occasion for manifestations of independence from part of the crowd. This latest encounter was no exception and was marked by particular pro-independence clamour in both halves at 17 minutes and 14 seconds precisely – 1714, the year when Cataluña lost the War of Secession (La Guerra de la Secesión) to Madrid. Perhaps, appropriately, the match score was 2-2 with the goals scored by an Argentinian and a Portuguese!

On 27th September, the PP Government presented a broad outline of its 2013 Budget with further cuts across all government departments likely to reach 40 billion euros. One of the biggest cuts again will be the Arts budget destined to be axed by 30%. The Government says it is on track to meet its GDP deficit target of 6.3% by year end. Most observers, however, think that the Government is living in cloud cuckoo land with a worsening recession, soaring debt payments and no policies for growth. With this backdrop, the Government still will not say whether it will apply for a full EU bail-out. This is, however, probable following Regional Elections in Galicia and the Basque Country on 21st October.

EU stress tests on banks revealed in late September that Spanish banks need 50 billion euros to clean up their balance sheets. About 60% of the Spanish banking sector won the approval of auditors (including Banco de Santander, BBVA, Caixa Bank, Bankinter etc) but Bankia needs 25 billion euros, Catalunya Bank 11 billion, Nova Caixa Galicia 7 billion, the Banco de Valencia 3.5 billion etc. As with other official pronouncements on the health of Spain’s banking sector the present writer would take with a whole bucket of salt government statements that this injection of money will cure the patient.

It is unsurprising that the autumn is becoming “caliente” or “hot” on Spanish streets. On 15th September and on 7th October, millions of Spaniards demonstrated their total rejection of a policy of cuts, cuts and more cuts and demanded a referendum on austerity measures.

But the protests which really gained world-wide attention were on Tuesday 25th September. On that day, thousands demonstrated outside the Cortes, the parliament buildings in Madrid, in a protest called "Rodea el Congreso" or "Surround Parliament". Although mostly peaceful, there were violent clashes with police who employed baton charges and rubber bullets in scenes reminiscent of the final days of Franco. 64 people were injured, including 27 police, while 16 were taken to hospital and 35 were arrested.

The PP Government, in fact, had called in 1300 riot police from all over Spain to marshal 6000 protesters and had virtually criminalised protesters in advance saying the demonstration was comparable to the 1981 Guardia Civil attempted coup on the Spanish Parliament. It is known that the riot police hid their identity badges in a move that protesters say proves that the police felt themselves to be above the law. In the aftermath, eight so-called organisers of the protest were arrested but were cleared on the 4th October when the High Court judge, Santiago Pedraz, accused the Police, the Ministry of the Interior and senior politicians of trumping up unfair charges against people merely exercising their legal right to freedom of expression. He said there was no threat to the parliamentary session on the day of the demo and indeed this went ahead as normal. The 35 people originally arrested still await court appearances at the time of writing.

What about the response of PSOE, the Spanish Socialist Party and their leader Rubalcaba to all of this? Finally, only on 7th October, after months condemning government cuts but being pusillanimous about supporting demonstrations against the cuts, finally, on that day Rubalcaba for the first time categorically supported those on the streets. In a TV interview on 17th September, Rubalcaba made clear his total opposition to a full country bail-out for three reasons: firstly, because it will damage Spain's image abroad; secondly, because it will mean further cuts; and, thirdly, because it will cede sovereignty on social issues. Two major opinion polls published on 8th October (CIS and Metroscopio) show Spaniards have NO faith in PP or PSOE. Only 50% of voters for PP in the General Election of November 2011 would vote PP again but, for PSOE, the figures are worse, with only 41% prepared to vote for PSOE again. Equally disturbing for Spanish socialists Rubalcaba's ranking is even lower than Rajoy's.

Rubalcaba was rightly concerned about Spain's image abroad. In the past month, Spaniards of all parties and persuasions have been horrified to see Spain cast internationally as the "new Greece". Especially humiliating was a photo reportage on Spain published by the New York Times on 24th September which showed on its front page a man scrabbling around for food in a waste bin in Madrid. The reporter Samuel Aranda said it was something he sees every day in his district of Madrid. Mitt Romney added to Spaniards' distress in his first TV debate with Barack Obama on 3rd October when he said that he did not want the US to end up like Spain. Romney's comment attracted huge media attention in Spain.

In the Valencia Region, the start of the university year has been greeted by hundreds of students protesting cuts and rises in tuition fees. If the Valencia Region is at the top of the league table for corruption and incompetent government in Spain, it is also in the vanguard of protest; in the first 9 months of 2012, the city of Valencia alone witnessed 1287 demos/marches/protests, an average of 5 a day and an increase of 90% on the previous year. Elsewhere, the Regions are queueing up with their begging bowls for Central Government help. It is easy to become cynical when one learns, for example, that in Cataluña they spend 48 million euros a year teaching religion in schools.

There are elections in Galicia, the home Region of Spain's Prime Minister Mariano Rajoy, and in the Basque Country on 21st October. Briefly, in Galicia, PP expect to hold on to power but opposition socialists are hoping to win enough seats to form a coalition with Galician nationalists. In the Basque Country, the minority socialist government is destined to lose control to Basque Nationalists.

Three extraordinary people of the Left have died in the last few weeks. In addition to the great Marxist writer Eric Hobsbawm, in Spain, Santiago Carrillo died on 18th September at the age of 97. Carrillo was a long-time leader of the Spanish Communist Party who joined the "Juventudes Socialistas" (Socialist Youth) in his teens and, by the age of 21 in 1936/7, now a communist, was one of the main leaders organising the successful resistance to the fascist siege of Madrid. After 40 years of exile in France, he returned in 1977 to become an MP and, famously, on 23rd February 1981 was one of three MPs who refused to bow down in the Parliament to the Civil Guards' attempted coup. Carrillo had a key role in the Transition after previously being one of the architects of Euro communism.

Also on 17th September, Lou Kenton died at the age of 104. A communist from the age of 21, Kenton and his wife both joined the International Brigades in the Civil War and worked in ambulances, hospitals and in collecting funds for the Republic. In 2009, the Zapatero government, at a ceremony in the Spanish Embassy in London, awarded Lou Kenton Spanish nationality for his services for the Republic.

Finally, Caritas revealed in mid-September that, up to that date, 1,015,276 people have asked for help from the charity, mostly for food but not exclusively so. This is 174% more than five years ago when 400,000 appealed for assistance. Instead of producing more figures on the scale of poverty in Spain, it would be more illustrative to finish with a letter which appeared in El País on 15th September under the heading "Érase una vez" or "Once upon a time". The tenor of the letter was as follows:

"Once upon a time there was a family with three children. The eldest was 18, the middle child 15 and the youngest 12. The daddy lost his job and they gave him 400 euros a month benefit. The mummy used to clean houses and now can't find work. Manuel, the eldest, wanted to go to university but 400 euros a month was not enough to pay the fees.

"The younger two children had to share school books with other children since school books and materials have gone up. They now can't do extracurricular activities such as football and swimming and they now can't afford school meals. They DO need to eat, however, so they've gone to live with their paternal grandparents who receive 500 euros a month. That does, though, make seven in a small flat.

"The grandparents now can't use the car because, in September, the insurance was due and they can't pay it. Nor, of course, can they afford to buy petrol. The children though have the unfortunate habit of growing and now rely on hand-me-down clothing from cousins and neighbours".

The letter ends: "This sounds like a fairy-tale but isn't. It is harsh reality for many Spanish families suffering the effects of a crisis they have not caused".