

<https://npa31.org/spip.php?article2691>



Spanish state

All of them must go!

- IV Online magazine - 2012 - IV450 - July 2012 -

Publication date: Tuesday 10 July 2012

Copyright © International Viewpoint - online socialist magazine - All rights reserved

Over five columns of page one the press announced the “rescue” of the Spanish banks, at a cost of 100,000 million Euros. The Eurogroup [the meeting of the finance ministers of the Euro zone] thus ratified the opulence of the measures taken to support the failing bankers: “All necessary public money will be available” as Spanish finance minister LuÑ-s de Guindos put it when the Bankia crisis broke out.

Meanwhile, the inside pages told us that the new budget cuts made by the Madrid Autonomous Community “in order to meet the objective of reducing the deficit to a maximum of 1.5 %, “involved the reduction of nine million Euros of expenditure on oncological care at the Ramón y Cajal hospital. These new cuts replace those already planned, which already amounted to 5.8 million. This “negative cost” of 3.2 million Euros shows the irresponsibility with which the public administration wields the axe to basic social services. It is not very clear how this reduction will be realised, but there is no doubt that it will represent a serious deterioration in patient care. The IMF has already warned of the systemic risk: people “live longer than expected”.

The avalanche of press releases and statement concerning this “rescue” from its self-styled protagonists, whether at the national or international level, is indecent, intended to conceal a confidence trick. The sole certainty is that, given the material incapacity to intervene in the Spanish economy as a whole, attention is being paid “only” to the motor, that is the financial sector, at the price of a gigantic increase in financial debt. This is not only because the Spanish state is the loan guarantor, but also because the managers of the failing banks do not hide their intentions concerning the public capital that they are receiving: “It is capital and we should talk of repaying it, but using it to create value for shareholders”, as the new president of the “nationalised” Bankia, José Ignacio Goirigolzarri, puts it. [1]

The banking sector and economic policy as a whole will be supervised by the IMF, in the name of the Troika, as is unambiguously affirmed in the Eurogroup resolution of June 9: “The Eurogroup reiterates its confidence that Spain will honour its commitments under the Excessive Deficit Procedure, and with regard to structural reforms, with a view to correcting any macroeconomic imbalances as identified within the framework of the European semester. Progress in these areas will be closely and regularly reviewed in parallel with the financial assistance.” Such is the situation that the prime minister, had “settled” before flying to watch the football match in Gdansk.

So, through the following days and weeks, the banks benefiting from these gifts will be brought artificially out of bankruptcy, without this obliging them to fulfil the social functions of a public bank. As to whether this reduces the risk premium, we will see in what way and for how long. But what we can be sure of is that we will continue to be victims of the “Friday reforms” like the increase of VAT as well as “reforms of the reforms” concerning pensions, employment legislation, public services and so on, already embodied in the clauses of the Eurogroup resolution kept secret to allow the Rajoy government to save face and gain time.

Beyond the Spanish situation, the events of recent weeks witness to a final crisis of the Euro zone, as we have known it until now. For the moment the projects of the European Union at two are several “speeds” are still not clear, among other things because their promoters, in the first place Germany and Holland, have no idea what the situation will be, for Spain and Italy in particular, in a few months time. But the political stage in which we are already is determined by the “peripheral” countries, including Spain, and the dilemmas of accepting them or rejecting them for a “hard core of the Euro”. That will be the main argument to justify new turns of the “reform” screw.

That will undoubtedly be a menacing scenario for the left and in any case it will be difficult to build resistance and alternatives. But these difficulties are aggravated by the non-existence of a reference point for the political opposition,

whose absence weighs heavily on the expectations of the indignant, even if every day their ranks grow larger.

According to the polls, after six months of right wing government, the PSOE continues to be blamed for its incompetence. Its general secretary, Alfredo Pérez Rubalcaba, inspires less confidence than Rajoy (85% with “little or no confidence”, against 78%), has higher disapproval rating than the prime minister (69% against 63%) and has seen his voting intentions fall by 2.8% in relation to the disastrous results of November 20, even if the PP has fallen by 7.5%. His problem is not only the lack of credibility inherited from Zapatero. It is also the policies, as absurd as they are timid, that he has advanced in recent months to confront the political conflicts, in particular those linked to the capitalist crisis. - the refusal, up to the last minute, to accept the establishment of a commission of parliamentary enquiry on Bankia and the consensus offered to the government on European policy.

In these conditions, Izquierda Unida (IU, United Left) should be called on to assume this role as reference point and challenge the political-electoral majority of the PSOE on the left. But to be able to do it, IU should follow a line opposed to that which it has applied in Andalusia, not tolerating the contemptuous attitude shown towards the social movements by its leader in Madrid, Ángel Pérez, every time he is in front of a microphone, and the attempt to justify the policy of the Madrid Community on privatisation of the public waterway Canal Isabel II. Worst of all, these policies have been developed with very little internal opposition, with a few exceptions who unfortunately do not have significant influence inside IU.

During the Argentine crisis of late 2001 the slogan “¡Que se vayan todos!” (All of them must go!) became popular. The subsequent development of events has shown the great difficulty of realising this slogan. The “cry”, the moral, sentimental and political rejection of what exists is the essential source of any alternative to capitalism. But it does not suffice to build it.

To be conscious of that, it is a good start for the tasks that the social and political left has before it to be able to cry here also: “All of them must go!” We know already that shouting is not enough. But to define clearly the objective of the global rejection of the established political system will help us to become conscious that we can expect nothing from the different variants of the management of the dictatorship of the markets and to strengthen our will to construct an alternative to break with it. After the fraud of the “rescue”, we have at least 100,000 million reasons to take this road.

[1] [“El Pañ-s”](#).