

Spain: Where to go from here?

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Today's news about Spain is unequivocally bad: unemployment hits new peak, where one in four Spaniard workers is now without a job. With a record unemployment rate of 25% in the third quarter, with the jobless total growing to nearly 5.8 million people, Spain's economic situation is very dismal. Coupled with the fact that 50% of the youth is also unemployed, in my view, this is a full-fledged depression by any standard.

But what troubles me the most is the unstated theme that unemployment and subsequent suffering imposed on the people are simply part of life, as a result of some cyclical economic path. Even more so is the underlying idea that the only viable alternative for this problem is austerity measures. Sure, fear is an essential element, and the government is portrayed as heroes with its social programs to alleviate the pain. But in exchange, people must accept higher taxes, social service cuts, and generalized enforcement of regulations.

Of the 25% unemployed, almost 50,000 were workers formally employed in the public sector, representing a fall of 7% year-over-year. Worse, about 1.7 million Spaniard households have no adult of working age employed, a rise of more than 300,000 over the past year. That means about 10% of all Spaniard families are now without a breadwinner.

Even more striking is the fact that Spain, as the Eurozone's fourth biggest economy, had fewer than 2 million people out of work at the end of 2007, last than five years ago, when it was riding a boom before the financial crisis hit, and now 25% of its population is unemployed.

The kind of economic collapse that Spain is suffering is unbearable. It will lead either to secession of certain regions such as Catalonia and the Basque country, or state fascism, or both. It is hard to see these results as supporting globalism but these are the results that current, to borrow [John Perkins](#) term, [corporatocracy](#) strategies must almost inevitably generate.

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