

Austerity, Mass Unemployment and Emigration in the European Union. Ireland and the Basque Country

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Region: [Europe](#)

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Introduction

Many billions of Euros are being extracted from Europe's vassal-debtor nations – Spain , Greece , Portugal and Ireland –and transferred to the creditor banks, financial speculators and swindlers located in the City of London , Wall Street , Geneva and Frankfurt .

Under what has been termed 'austerity' programs vast tributary payments are amassed by ruling Conservative and Social Democratic regimes via unprecedented savage budget cuts in salaries, public investment, social programs and employment. The result has been a catastrophic growth in unemployment, under-employment and casual labor reaching over 50% among young workers under 25 and between 15% and 32% of the total labor force. Wages, salaries and pensions have been slashed between 25% and 40%. The age of retirement has been postponed from 3 to 5 years. Labor contracts (dubbed 'reforms') concentrate power exclusively in the hands of the bosses and labor contractors who now impose work conditions reminiscent of the early 19th century.

To learn first-hand about the capitalist crisis and the workers' responses, I spent the better part of May in Ireland and the Basque country meeting with labor leaders, rank and file militants, unemployed workers, political activists, academics and journalists. Numerous interviews, observations, publications, visits to job sites and households – in cities and villages -provide the basis for this essay.

Ireland and the Basque Country: Common Crises and Divergence Responses

The Irish and Spanish states, societies and economies (which includes the Basque country pending a referendum) – have been victims of a prolonged, deep capitalist depression devastating the living standards of millions. Unemployment and underemployment in Ireland reaches 35% and in the Basque country exceeds 40%, with youth unemployment reaching 50%. Both economies have contracted over 20% and show no signs of recovery. The governing parties have slashed public spending from 15% to 30% in a range of social services. By bailing out banks, paying overseas creditors and complying with the dictates of the autocratic 'troika' (International Monetary Fund, European Central Bank and European Commission) the capitalist ruling class in Ireland and the Basque region have undermined any possible investments for recovery. The so-called 'austerity' program is imposed only on the workers, employees and small businesspeople, never on the elite. The Brussels-based 'troika' and its local collaborators have lowered or eliminated corporate taxes and provide subsidies and other monetary incentives to attract multi-national corporations and foreign

finance capital.

The incumbent bourgeois political parties, in power at the beginning of the crash, have been replaced by new regimes which are signing additional agreements with the 'troika' and bankers. These agreements impose even deeper and more savage cuts in public employment and further weakened workers' rights and protection. The employers now have arbitrary power is to hire and fire workers at a moment's notice, without severance pay or worse. Some contracts in Ireland allow employers to demand partial repayment of wages if workers are forced to leave their jobs before the end of their contract because of employer abuse. The Spanish economy - including the Basque country- is subject to a modern form of 'tributary payments' dictated by the ruling imperial oligarchy in Brussels . This oligarchy is not elected and does not represent the people they tax and exploit. They are only accountable to the international bankers. In other words, the European Unions has become a de facto empire - ruled by and for the bankers based in the City of London , Geneva , Frankfort and Wall Street. Ireland and the Basque country are ruled by collaborator vassal regimes which implement the economic pillage of their electorate and enforce the dictates of the EU oligarchy - including the criminalization of mass political protests.

The similarities in socio-economic conditions between Ireland and the Basque country in the face of crisis, austerity and imperial domination, however, contrast with the sharply divergent responses among the workers in the two regions due to profoundly different political, social and economic structures, histories and practices.

Facing the Crisis: Basque Fight, Irish Flight

In the face of the long-term, large-scale crisis, Ireland has become the 'model' vassal state for the creditor imperial states. The leading Irish trade union confederation and the dominant political parties - including the Labor Party currently in the coalition with the ruling Fine Gael Party - have signed off on a series of agreements with the Brussels oligarchs to slash public employment and spending. In contrast, the militant pro-independence Basque Workers Commission, or LAB, has led seven successful general strikes with over 60% worker participation in the Basque country - including the latest on May 30, 2013.

The class collaborationist policies of the Irish trade unions have led to a sharp generational break - with the older workers signing deals with the bosses to 'preserve' their jobs at the expense of job security for younger workers. Left without any organized means for mass struggle, young Irish workers have been leaving the country on a scale not seen since the Great Famine of the mid-19th century: Over 300,000 have emigrated in the past 4 years, with another 75,000 expected to leave in 2013, out of a working population of 2.16 million.

In the face of this 21st century catastrophe, the bitterness and 'generational break' of the emigrating workers is expressed in the very low level of remittances sent back 'home'. One reason Irish unemployment rate remains at 14% instead of 20-25% is because of the astounding overseas flight of young workers.

In contrast there is no such mass emigration of young workers from the Basque country. Instead of flight, the class fight has intensified. The struggle for national liberation has gained support among the middle class and small business owners faced with the complete failure of the right-wing regime in Madrid (ruled by the self-styled 'Popular Party') to stem the downward spiral. The fusion of class and national struggle in the Basque country has militated against any sell-out agreements signed by the 'moderate' trade unions, Workers

Commissions (CCOO) and the General Union of Workers (UGT). LAB, the militant Basque Workers Commission, has vastly more influence than their number of formally affiliated unionized workers would suggest. LAB's capacity to mobilize is rooted in their influence among factory delegates who are elected in all workplaces which far exceeds all trade union membership. Through the delegates meeting in assemblies, workers discuss and vote on the general strike - frequently bypassing orders from central headquarters in Madrid . Direct democracy and grass roots militancy frees the militant Basque workers of the centralized bureaucratic trade union structure which, in Ireland , has imposed retrograde 'give backs' to the multi-national corporations.

In the Basque country, there is a powerful tradition of co-operatives, especially the Mondragon industrial complex, which has created worker solidarity in the urban-rural communities absent among Irish workers. The leading Irish politicians and economic advisers have groveled before the multi-national corporations, offering them the lowest tax rates, biggest and longest-term tax exemptions and most submissive labor regulations of any country in the European Union.

In the Basque country, the nationalist-socialist EH Bildu- Sortu political party, the daily newspaper Gara and the LAB provide mutual political and ideological support during strikes, electoral contests and mass mobilizations based on class struggle. Together they confront the 'austerity' programs as a united force.

In Ireland , the Labor Party, supposedly linked to be trade unions, has joined the current governing coalition. They have agreed to a new wave of cuts in social spending, layoffs of public employees, and wage and salary reductions of 20%. The trade union leadership may be divided on these draconian cuts yet most still support the Labor Party. The more militant retail workers union rejects the cuts but has no political alternative. Apart from support from the republican-nationalist Sein Fein and smaller leftist parties - the political class offer no clear progressive political program or strategy. The Sein Fein has made the 'transition' from armed to electoral struggle. According to the latest (May 2013) polls it has doubled its voter approval rating from under 10% to 20% due to the crisis. However, Sein Fein is internally divided: the 'left' pro-socialist wing looks to intensifying the 'anti-austerity' struggle while the 'republican' parliamentary leaders focus on unification and downplay class struggle. As a result of its collaboration with the 'troika' and the new regressive tax laws, the Labor Party is losing support and the traditional right-wing party, Fiance Fail, which presided over the massive swindles, speculative boom and corporate giveaways, is making an electoral comeback - and may even return to power! This helps to explain why Irish workers have lost hope in any positive political change and are fleeing in droves from the perpetual job insecurity imposed by their elite: 'Better a plane ticket to Australia than a lifetime of debt peonage, regressive bankruptcy laws and boss-dictated contracts approved by trade union chiefs who draw six digit salaries'.

The Basque country's revolt against centralized rule from Madrid is partly based on the fact that it is one of Spain 's most productive, technologically advanced and socially progressive regions. Basque unemployment is less than that of the rest of Spain . Higher levels of education, a comprehensive regional health system, especially in rural areas and a widespread network of local elected assemblies, combined with the unique linguistic and cultural heritages has advanced the Basque Nation toward greater political autonomy. For many this marks the Basques as a political 'vanguard' in the struggle to break with the neo-liberal dictates of the EU and the decrepit regime in Madrid .

Conclusion: Political Perspectives

If current austerity policies and emigration trends continue, Ireland will become a 'hollowed out country' of historical monuments, tourist-filled bars and ancient churches, devoid of its most ambitious, best trained and innovative workers: a de-industrialized tax-haven, the Cayman Island of the North Atlantic.

No country of its size and dimensions can remain a viable state faced with the current and continuing levels of out-migration of its young workers. Ireland will be remembered for its postcards and tax holidays. Yet there is hope as the left republicans of the Sein Fein, socialists, communists and anti-imperialist activists, join the unemployed and underpaid workers in forming new grassroots networks. At some point the revolving doors of Irish politicians in and out of office may finally come to a halt. Unemployed educated angry young people may decide to stay home, stand their ground and turn their energies toward a popular rebellion. One consequential socialist leader summed it up: "Deep pessimism and the influence of bankrupt social democracy and imperialist ideology within the labor movement are very strong. As you know we can't start a journey other than from where we are". The determination and conviction of Irish trade union militants is indeed a reason to hope and believe that current flight will turn into a future fight.

In the case of the Basque country the rising class and national mass struggle, linked to the legacy of powerful co-operatives and solidarity based worker assemblies, provides hope that the current reactionary regime in Madrid can be defeated. The ruling neo-fascist junta (the ruling party still honors the Franco dictatorship and military) is increasingly discredited and has to resort to greater repression. With regard to the militant Basque movements, the regime has taken violent provocative measures: criminalizing legal mass protests, arresting independence fighters on trumped up charges and forcefully banning the public display of the photos of political prisoners (called 'terrorists' by Madrid). It is clear the government is increasingly worried by the strength of the general strikes, the rising electoral power of the pro-independence left - and has been trying to provoke a 'violent response' as a pretext to ban the press, party and program of the EH Bildu Sortu and LAB.

My sense is that Madrid will not succeed. Spain as a centralized state is disintegrating: the neo-liberal policies have destroyed the economic links, shattered the social bond and opened the door for the advance of mass social movements. The bi-party system is crumbling and the class-collaborationist policies of the traditional trade union confederations are being challenged by a new generation of autonomous movements

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