

Consequences of structural adjustment policies in southern Europe

Consecuencias de las políticas de ajuste estructural en el sur de Europa

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Abstract

This paper analyzes the changes occurred in Italy and Spain on the initial decades of the 21st century. Through a transdisciplinary study on social sciences and the analysis of statistical information collected in official reports and databases, the aim of this work is to gather empirical evidence about the political transformations occurred in the job markets of both countries as a result of the spread of the neoliberal ideology and the implementation of structural adjustment programs. This research covers the implementation of neoliberal policies since the late 1980s as well as its social consequences, intensified from the second half of the 2010s. One of the main conclusions found in this study states that the different policies conducted by national governments, under the aegis of Structural Adjustment Programs decreed by institutions such as the International Monetary Fund, led a country like Spain to a severe situation where the lack of adequate employment and the structural political limitations prevented most of the working population from accessing to employment in fair conditions and critically restricted their life expectations, forcing ample sectors of the population to migrate abroad. The article addresses the contradictions between neoliberal policies and precapitalist structures existing in Italy and Spain, with the purpose of outlining questions that contribute to find political alternatives in favor of a greater social and economic democratization.

Keywords

Unemployment, Europe, migration, youth, poverty, neoliberalism.

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Resumen

Este trabajo analiza los cambios operados en España e Italia en las primeras décadas del siglo XXI. Mediante un estudio transdisciplinar en ciencias sociales y el análisis de información recopilada en informes y bases de datos oficiales, se pretende reunir evidencia empírica de las transformaciones políticas operadas en los mercados de trabajo de ambos países a consecuencia de la difusión de la ideología neoliberal y la aplicación de políticas de ajuste estructural. El trabajo abarca tanto la implementación de políticas neoliberales desde finales de la década de 1980 como sus consecuencias sociales, intensificadas a partir de la segunda mitad de la década de 2010. Una de las principales conclusiones obtenidas en este estudio radica en que estas políticas monetaristas, aplicadas por los gobiernos nacionales bajo la batuta de instituciones como el Fondo Monetario Internacional, han conducido a un país como España a una grave situación donde la falta de empleos adecuados y las limitaciones políticas estructurales de acceso al empleo restringen gravemente las expectativas vitales para la mayoría de la población trabajadora, obligando a amplios sectores sociales a migrar a otros países. El artículo aborda las contradicciones entre las políticas neoliberales y las estructuras precapitalistas existentes en Italia y España, con el fin de plantear interrogantes que contribuyan a buscar alternativas políticas en favor de una mayor democratización social y económica.

Palabras clave

Desempleo, Europa, migración, jóvenes, pobreza, neoliberalismo.

Introduction

The statistics of youth unemployment in Spain point out that it affected 32.6 % of the workforce between 15 and 24 years of age in 2019. These high numbers were above 55 % in 2013 (St. Louis Fed, 2021a). From a total of 317000 part-time employees between 25 and 29 years of age registered in the fourth semester of 2020, more than 216000 young people stated that they were not able to find a full-time job (National Statistics Institute, 2021d). Beyond simplistically attributing that this situation is due to the consequences of the COVID-19 pandemics, when analyzing unemployment causes and consequences it should be taken into account the structural characteristics of the job market and the transformations it has undergone over the course of the neoliberal globalization period initiated in the 1970s. Various legislative changes

have led to a decrease in the recruitment costs and to an increase in the “flexibility” of male and female workers. According to Carrillo:

There obsessively persists a trend to replace the scientific analysis of the underlying causes, the study of the historic change, by the simplicity of tautologically discussing about the symptoms that constantly emerge on the social surface, when really causes, symptoms and consequences must be organically analyzed, as a contradictory unit. (Carrillo, 2020b, p. 148)

Many countries in the European periphery, such as Greece, Portugal, Spain and South Italy, are characterized by high unemployment figures. The reasons that explain these employment issues cannot be considered solely from a short-term prism, but their study must be inserted in the context of the historic evolution of these territories, considering its insertion in the neoliberal governance of the European Union under the single currency. According to Wolfgang Streeck, “an integrated monetary regime for highly uneven economies such as a north of Europe based on the supply and a south of Europe based on the demand cannot work equally well for both parts” (Streeck, 2017, p. 209).

The analysis of the social consequences of these policies on the local structures may shed light on how these global processes have impact on the daily life of the people that reside in many peripheral regions, and how some outdated political structures have shown to be largely unable to resolve the demands and needs of the majority of the people.

Methodology

In this paper we will carry out an analysis of the political transformations that have occurred in the context of southern Europe, through a trans-disciplinary approach in social sciences. The changes observed in the job markets have largely been the result of the application of structural adjustment policies by governments and supranational institutions such as the International Monetary Fund, consisting of decrease of salaries, reduction of the load and financing of the public sector, and legislative changes oriented to promote foreign investment (Davis, 2006; Harvey, 2020).

This analysis has been carried out through a literature review of the research conducted around the economy and society of southern European

countries. This work addresses these problems in a dialectic manner, using scientific disciplines such as history, economy, sociology and geography, together with a critical review of the information available in the Eurostat database, official database of the National Statistics Institute in Spain, or in the St. Louis Fed database. The study of these sources together with the analysis of the information obtained from official reports and databases enable gathering empirical evidence of the social transformations occurred in the job markets in Spain and Italy, with the purpose of contributing to a better understanding of the important changes that have taken place in the societies of southern Europe in the 21st century, studying how these policies in favor of the market have led to a significant deterioration of the living conditions of the majority of the people in southern Europe.

Analysis and results

When studying a social problem such as unemployment, it should be taken into account that it affects youth population and adult people in an uneven manner. Some sectors of male and female workers, thanks to their experience, have the capability of reinserting in the job market. Nevertheless, specifically in the case of Spain, the structural conditions of the economy and the years of experience required by companies prevent many young people to start their journey in the job market, leaving them stuck in informal jobs for long periods of time. In a classical work, the sociologist James Petras pointed out the problems stated by the transition from the dictatorship developmental model to the liberalization that took place during the presidency of Felipe González (1982-1996) (Petras, 2018).

It is necessary to analyze these structural obstacles that prevent a large part of male and female workers from accessing to formal employment, such as the political clientelism rooted in some regions, which hampers equal access to jobs, favoring those sectors of the population with family and friendship connections with dominant political and economic sectors in a particular place. Various research works conducted decades ago have pointed out the strength of traditional family ties in southern Europe (Narotzki, 1997). Wolfgang Streeck has written that:

The south of Italy illustrates in an exemplary manner how programs for regional development may fail due to social and political circumstances (...),

the aids for development granted by the Italian State were absorbed by local power structures and used to consolidate local relations of traditional dominance, characterized by clientelism. (Streeck, 2016, p. 133)

This fact continues to have political implications, because the dominant classes who own the big companies and the means of production in these regions, together with various sectors of male and female state workers and agents benefitted by economic growth processes, have an evident interest in the conservation of this *status quo*, which enables the beneficiary collectives to preserve their privileged position in the structure of these societies, while pushing the rest of the population to a forced migration or to poverty.

The dynamics of regional development caused by neoliberal globalization and migration has deeply affected a peripheric region such as Murcia (Spain). This local territory has been inserted in the international division of labor, created in the context of contemporary globalization, as an exporter of raw products, mainly fruits and vegetables, intended to the world markets. The application of a series of structural adjustment policies by national dominant classes and by local leaders has led to important transformations both in daily life and in job markets, that may be observed in the new dynamics of economic development, in the job market and in the situation for the whole society from the second half of the 2010s.

The region has rearticulated in the global economy as a work force exporter territory (Delgado-Wise, 2013), both qualified and non-qualified, that cannot find an appropriate framing in the economic structure of the region. Capital accumulation is sustained on a high extraction of excess value from the work performed by migrants coming from the north of Africa, Latin America and other European countries such as Romania, as well as in activities related to tourism, hotel business and games of chance, which has led to protests by young people from Murcia, a collective considerably affected by these policies that privilege obtaining economic benefits at the expense of health (Peñalver, 2019).

The population born abroad and registered in the 2020 census in the region include 253683 people (National Statistics Institute, 2020), a number that, however, does not reflect the whole collective, specifically those people that due to different reasons could not or did not want to carry out this administrative procedure. Many of these workers are undocumented that do not have the freedom to exercise many of their rights (Schierup et al., 2018) and

are forced to accept precarious conditions both in the jobs and in the households where they live, frequently in old flats and in overcrowding conditions, or cannot denounce the problems they face in the daily relations with their employers, often carrying out jobs of important hazard and physical effort.

The reduced salaries earned by male and female migrant workers in Murcia, employed in the agro-industrial sector, reflect these work relations unfavorable for the migrant population that lives in the region (Calvo, 2020). It is added to the unemployment typical of environments where the production is based on the extraction and sale of raw materials, the additional job losses produced in countries specialized in exporting services such as tourism, searching for the income coming from tourists from most prosperous zones such as Germany, France, United States and Canada. An additional “Dutch syndrome” observed by José Gabriel Palma explains the persistence of high unemployment in these places (Palma, 2019). It is important to remember, with Carrillo, that we are far from this being the “curse of natural resources”, but that “this is about a premeditated conduction of the economic policy” (Carrillo, 2018, p.184).

This emigration of population, in many cases with high qualifications funded by the states and taxpayers of the European periphery, are hired by capital intensive companies in Northern countries, such as Spanish engineers and biochemists that work in big chemical and automotive manufacturing industries located in Germany, who obtain qualified and highly productive work force without having to invest in their training, which entails “new modes of uneven exchange” (Delgado-Wise, 2013, p. 30).

At the beginning of the twentieth century Antonio Gramsci already warned about the conditions that prevented southern Italy from achieving an economic development that benefitted its whole population, due to the structural characteristics of the capitalist development process in southern Italy and to the resistance of important organic intellectuals that contributed to extend a persistent hegemony favorable to the state of affairs, such as the Church in the nineteenth century. The analysis by Gramsci revealed that “in the national territory stay the old people, the women, the children and the invalids, i.e., the passive part of the population that charges on the working population” (Gramsci, 2013, p. 158). The presence of organic intellectuals favorable to the *status quo*, which may be observed in many societies of the periphery, is analyzed by García-Bonafe, who wrote that:

From the point of view of the social role, the southern intellectual reflects the outdated agricultural structure and finds in the state and local administration and not in industry, an escape valve, hence exercising the function of intermediary between the farmer and the administration in general, and thus becoming a decisive factor in containing the pressure exerted by farmers. (García-Bonafe, 1975, p. 290)

These factors contribute to extend an “hegemony”, as called by Gramsci, which in alternative doses of consent (the common sense created and extended by communication media and by a large part of the same population) and coercion (by means of different regulations and the legislation, backed by the power of the State) seeks to get an acceptance of the established order among the majority of the population (Gramsci, 2013, p. 370).

The capture of administration mechanisms and of local power by dominant sectors is not only limited to the job market, but it can be also observed in the vaccination process against coronavirus, where the vaccination of high-level positions has been privileged in regions such as Murcia and Extremadura (EFE Agency, 2021), which entails a democratic outrage in front of the whole population, since it has not been taken into account the weakest and mostly affected collectives such as old people and healthcare workers. The Murcian government has been limited to creating the conditions for continuing the economic development process that favors the most prominent businessmen and businesswomen, as well as capital owners, and has not made a correct distribution of the benefits of economic growth.

The explosive contradictions experienced in Spain politics in 2021 as a consequence of the motion of censure stated by the opposition to the governing Popular Party, which has exercised a complete hegemony in the Murcian region for decades, has led to the buying of various politicians from the opposition by granting them positions and other privileges, in the face of perspectives that the motion of censure would lead to a change of government that would put at risk the clientelist structures of domination present in the region. The capture of the best job positions and the habitual links interwoven between the political and economic establishment, the most prosperous companies in these local environments, such as the canning industries and agricultural products manufacturing companies, and the political representatives favorable to the demands of businessmen and businesswomen and of the most privileged population hinder many male and female workers to find decent job positions and pushes them to different forms of

forced migration or, in worst cases, to mental illness and begging. In 2014, 37.2 % of the population of the Murcia region was living in poverty, a value which was reduced to 27.7 % in 2019, mainly due to the important migratory movement that has taken a large part of the population abroad, to work both in qualified jobs (those who hold a university degree) and on jobs that do not require a university qualification. A good sample of the social consequences caused by structural adjustment policies may be observed in the drastic increase of forced migration since the systematic crisis occurred in 2008. The statistics of Spanish population living abroad records that the number of Murcian men and women that live outside of Spain has doubled, going from twenty thousand people in 2009 to more than 44 thousand in 2021, which does not mean that this is the total number, because it is possible that many people that work abroad has not done the registration process (National Statistics Institute, 2021a; 2021b).

The legislation inspired by the neoliberal ideology, such as the labor reform enacted by the Popular Party (PP) in 2012, aimed at reducing the burden of contributions from the corporate sector has had counterproductive effects: without any type of regulation that prevents these practices, companies are in total freedom to search for lower salary costs hiring workers that live nearby workplaces, which eliminates the need to pay employees a salary that enables them to rent a household or a room, since the social reproduction costs are covered by the work of their families; or resorting to hire unemployed people who are registered in the employment offices, choosing only those male and female workers that have official disability certificates. The freedom of companies to take advantage of the Social Security bonuses through these recruitment models leaves many people with very few options to be able to work. In order to understand this irrationality, we should take into account, as written by Hobsbawm, that “the rational election of the companies that only seek their own benefit consists in: a) reducing as much as possible the number of employees, since people are more expensive than computers, and b) cut the social security taxes (or any other type of taxes) as much as possible” (Hobsbawm, 2012, pp. 565-566), without taking into account other considerations of more social nature.

The growth of the “global police state” in the words of William Robinson, is combined with the “deregulation” of the job market, understood as the suppression or modification of state regulations that protect workers, with the purpose of taking care of requirements of the capital for a workfor-

ce which is more flexible and has lower salaries; therefore, the operation of this system leaves very few options to the large majority of the people (Robinson, 2014).

It should be taken into account the different measures taken by Spanish governments from PP and PSOE in recent decades, since the constitutional approval of the external debt payment during the period of Rodríguez Zapatero (2004-2011), the aforementioned labor reform in 2012 and the enactment of the Law of Citizen Security in 2015, popularly known as Gag Rule, by the government led by Mariano Rajoy (2011-2018), together with the successive structural adjustment programs applied by national governments under the aegis of the International Monetary Fund and with the endorsement of chancellor Angela Merkel (Fontana, 2013). Extreme individualism instigated by the neoliberal cultural counterrevolution (Carrillo, 2018) leaves no alternative for helping the most vulnerable population except for the weakened public services and the social institutions, both religious and civil, created by the own citizens, which are very deteriorated after years of tax cuts, and the weak pre-capitalist relations, such as the family, that still supports the social reproduction of many people, many of them replaced by capitalist relations (let us think about the care of grandsons and granddaughters by grandmothers and grandfathers in the case of female workers that resort to their relatives, while many other families choose to hire migrant women paying them low salaries for performing these social reproduction tasks, or to invest in the purchase, often financed through credits, of technological advances aimed to save work at home, such as robot vacuum cleaners, kitchen robots, etcetera). Important changes have taken place in the production and social reproduction spheres that need to be analyzed (Katz, 2001).

Resorting to credit (Carrillo, 2020a) largely sustains consumption in contemporary economies, since the reduction of salaries and the unemployment hinder many families from having enough income for buying, which also affects economic growth of these regions. A sample of the irrationality of the neoliberal adjustment policies is their intended objective of driving economic growth.

The public sector, particularly the recruitment in public institutions such as universities, experiences important problems due to the requirements for certifications and the characteristic limitations of a “feudal university” in the words of Gonzalo Pontón (Nerín, 2019), that only enables to start their journey in the job market to those with contacts in the university, pushing

the rest to unemployment and to the world of informal economy, which has increased dramatically as a consequence of political factors such as the disappearance of workers unions from power. The result is a university workforce affected by a severe temporality, with the proliferation of standby contracts and with salaries that in many cases do not exceed 500 euros (Sánchez, 2021).

It should be pointed out, as an example of the social consequences of these policies, the requirements of many companies for transferring social security costs to the State and to the own workers through the figure of the *false self-employed person*, or the requirement by many businessmen and businesswomen that working people bring their own laptop computer when beginning in the job, which entails a wear and tear on this tool that is not borne by the capitalist. Recalling the classical formula of the value of the goods Constant Capital + Variable Capital + Added Value (Harvey, 2018), we reach a situation in which the businessman or businesswoman does not provide any constant capital to produce the good or service, just a reduced variable capital in the form of salaries, and the working population is obliged to supply the fixed capital necessary to carry out the activity, together with their working force, which creates the added value that remains in possession of the company. Despite all this appearance of “autonomy”, who performs the work is the independent professional that will collect the amount received from the company, often in the form of an invoice, which means that the excess value will remain in possession of the company to whom he/she provides his/her services, free of withstanding social security charges (Mesas, 2021).

All this has given rise to novel forms of informal hiring. The contemporary extension of new technologies enables that a company in China has available false self-employed male and female workers in Spain, who will create a higher value with their work without the company needing to provide any type of capital, not even the computer in which the work activity should be carried out. The instant messaging applications enable businessmen and businesswomen in other countries to control any aspect in the working performance and assigning tasks to its employees at any time. As an example of these changes in the production relations, we may point out that unlike the traditional pizza delivery person who delivers in a moped owned by the company, the riders or delivery people from platforms such as Glovo provide their own fixed capital that will enable carrying out the activity (since they work with their own smartphones and bicycles). A research

work reveals that “the platforms often establish the price of the service and define the terms and conditions of the service, or enable customers to define the terms (but not to the workers)” (Berg & De Stefano, 2017, s.p.).

The weakest part of this relation is also affected in its constitution, since “the responsibility of constantly updating his/her abilities falls on the independent worker, who has less access to training and an imperfect knowledge of the necessary abilities required for progressing” (Escobari & Fernandez, 2018, s.p.). These workers lose income due to the depreciation of these means of production necessary to carry out their activity, while the intermediary company (whether a catering or a language teaching company) receives a significant percentage from revenues. As pointed out by Carrillo:

By acting as simple working intermediaries, thanks to its prodigious innovative app, they may perceive 20 % of the transactions performed, or even more. Could we refer to such form of rent extraction using the deliberately ambiguous term of collaborative economy? (Carrillo, 2020a, p. 88)

It should not only be considered this loss of income, but that “even when works demand a busy period of some hours or some days, the worker needs to be constantly searching for a new job”. Notwithstanding the above, authors remark that “many people were already working seven days a week and 50 % indicated that they had worked for more than ten hours during at least one day in the past month” (Berg & De Stefano, 2017, s.p.). Christian Fuchs has pointed out that:

A basic guaranteed income financed by taxes to the capital that guarantee a living salary may empower salaried workers and female domestic workers: the salaried female workers may reject jobs that are precarious in some sense, which empowers their position in front of the capital. (Fuchs, 2018, s.p.)

In the words of Chris Hedges:

The corporate capitalism is establishing a neo-feudal servitude in numerous occupations, a condition in which there are no labor laws, there is no minimum salary, there is no social security and there are no regulations. Desperate and impoverished workers, forced to withstand working days of 16 hours, are aggressively confronted with each other (Hedges, 2018, s.p.)

As pointed out by Mike Davis, one of the particularities of the informal job markets is the “urban involution”, this is, the obligation of many male

and female workers to work even more hours given the massive existing offer of people with university degrees, forcing them as a result of the competitiveness to work harder or to reduce the hourly rate they charge for their services (Davis, 2006, pp. 182-183).

Many of these jobs are performed with no contract nor support from social security, and the only guarantee for the collective of young male and female informal workers is the good faith that employers will fulfill their part of the agreement, which not always happens. This situation, that affects both native unemployed men and women and migrant population, enables companies and capital owners that require it to access to an extremely adaptable and docile workforce, without negotiation capacity, without contract nor social security, and which will not have the possibility to choose to abide by the demands of those who hire them. In this way, this collective of working class subject to structural unemployment, and in many cases aggravated by the lack of residency documentation, is left in a vulnerable situation, exposed in many cases to extortions and condemnable practices by other unscrupulous agents, becoming a mass of male and female workers without rights from which the most prosperous collectives can benefit. A report of the International Labor Organization has revealed that “more than 85 percent of the temporary workers in Spain have a temporary work because it was impossible for them to find a permanent job” (ILO, 2019, p. 50).

The long-term problems stated by unemployment are well-known. As remarked by Fontana:

To lose the job, something that may easily happen in the current conditions of labor defenselessness, may imply the beginning of a long calvary, since the long-term unemployment tends to perpetuate, because those who look for workers discriminate this type of unemployed, blaming them for their inactivity. (Fontana, 2017, p. 602)

Unemployment not only affects the income, but also the psychological well-being of working people and their families (Petras, 2003; Davies, 2011). It is not difficult to imagine that the situation caused by COVID-19 and the confinements increases violence, tensions and other problems within families, due to the confinement of many informal workers and many unemployed men and women. It is probable that the lack of employment and income caused by the economic crisis increases the malaise and leads to dramatic results, such as the increase of gender violence within households,

since these families do not have available any alternative from the State but limited subsidies such as the minimum living income, that require complex paperwork to be requested.

As a conclusion

One of the reasons of the high unemployment and the important levels of forced migration in peripheric regions such as Murcia is found in the structural obstacles present in its economy and in the limitations of its productive system. David Harvey has pointed out, studying the case of Greece, that “low productivity economies intensive in workforce”, such as those economies where there are no high fixed capital investments nor a production of good and services with high added value, such as advanced technological goods, are supported by the recruitment of a workforce with low salaries and on the benefits that such workforce may provide, and consequently the benefit rate of businessmen and businesswomen is not very high, even though an important excess value might be extracted from these workers (either because they work many hours or because they receive very low salaries). As written by Harvey:

The problem for Greece is that they have a low productivity working regime. And this implies that no matter how hard they work, most of the value they create is going to be absorbed by Germany through free market mechanisms that tend to equalize the benefit rate. (Harvey, 2020, p. 169)

It would be necessary to become a capital-intensive economy such as Germany, a complicated objective when the same rules of the European Union, the single currency and the institutions of the International Monetary Fund limit the fields of action of national governments, recommending to lower salaries to improve the “productivity of the Spanish economy”, i.e., to create incentives so that businesspeople invest through lower salary costs.

Official databases offer information that evidence this deterioration of the working conditions for the whole population. According to the statistics, the gross monthly salary for the most impoverished population decile decreased from an average salary of 495.94 euros in 2009 to 411.17 euros in 2014, and in 2017 it remained below the levels of 2009, with an average salary of 464.34 euros. The decile 2 also experienced a reduction of the ave-

rage monthly salary from 875.93 in 2009 to 819.61 euros in 2014. In contrast, the wealthiest decile of the population increased their income from an average gross monthly salary of 4370.12 euros in 2009 to 4616.94 euros in 2014 (National Statistics Institute, 2021c). On the other hand, the Eurostat statistics show that while the labor costs (i.e., the salaries) increased from 19.4 euros in 2008 to 22.8 euros in 2020 in Spain and from 25.2 euros to 29.8 euros in Italy, these costs increased from 31.2 euros to 37.5 euros in France, and they increased from 27.9 euros to 36.6 euros in Germany in the same period (Eurostat, 2021).

This “internal devaluation” that implies stagnation or reduction of salaries has led to the transformation of many countries in “exporters of workforce”, both directly through migration and indirectly through foreign investment, attracted by lower labor costs (Delgado-Wise, 2020). As explained by Michael Hudson:

The emigration implies a loss of the capital that has been invested in raising, educating and training a workforce that is obliged to migrate to search for a job. What is leading the European workforce to migrate is the severe debt policy. (Hudson, 2018, p. 437)

The information collected by the St. Louis Fed points out that the debt of Spanish households increased from 59.7 % of the GDP in 2002 to 85.6 % of the GDP in 2006, decreasing to 61.6 % in 2019 (St. Louis Fed, 2020). This growth may be explained by the increase of credits to households for acquiring housings through mortgage contracts, that led wide population sectors and many companies to go into debt irresponsibly. However, it should not be forgotten that most of the Spanish debt has come from the socialization of the loses of the private sector, as shown by the fact that the public debt was 67.5 % of the GDP in 1996, decreasing to 35.8 % of the GDP in 2007 and, after the neoliberal bailout policies of the banking sector in 2008 started a vertiginous process of indebtedness that reached 100.7 % of the GDP in 2014 (St. Louis Fed, 2021c).

The reduced investment in R+D does not enable to count with large companies that produce vaccines or other goods necessary to become a capital-intensive economy. As it has already been pointed out, José Gabriel Palma has studied the problems stated by the “Dutch syndrome”, the important increase of the unemployment, in addition to the unemployment caused by the deindustrialization underway from the end of the 20th century

and the relocation of investments in factories to other countries, that takes place when a country experiences a surplus in services such as tourism, in contrast with seeking a surplus in the production of manufactured products, which incorporate more added value. In order to clarify it, it is enough to point out the sale price of a smartphone or a laptop produced in South Korea, and the sale price of a menu in a restaurant or a bottle of *eau de toilette* produced in Spain.

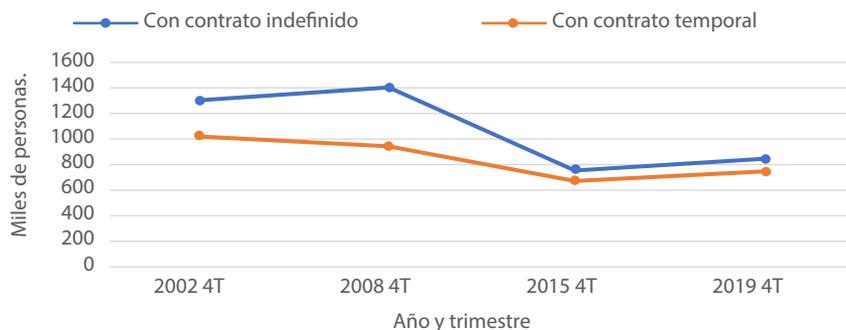
David Harvey claims that:

The rapid degradation of the urban quality of life, as a consequence of the evictions, the persistence of the predatory practices in the housing market, the reduction in services and above all the lack of viable employment opportunities in the urban job markets. (Harvey, 2018, p. 363)

Statistics show an increase in prices since 2015, as well as a spectacular growth of unemployment between 2007 and 2013 (St. Louis Fed, 2021b; 2021d). The workforce survey reveals a severe decrease in the number of salaried population between 25 and 29 years of age with indefinite contract, from one and a half million of male and female workers registered in the second quarter of 2007 to 767300 in the second quarter of 2017. On the other hand, the salaried population with temporary contract in this age group, increased from 624200 people in the fourth quarter of 2013 to 746800 temporary male and female salaried workers in the fourth quarter of 2019 (National Statistics Institute, 2021e).

These figures reveal the important social and economic deterioration caused by policies inspired on the neoliberal ideology applied from the end of the 1980s, which after the beginning of the third decade of the 21st century has configured a precarious job market with scarce job opportunities for young people. This type of issues requires important reassessments if the objective is to search for future alternatives for the important number of people either unemployed or with precarious contracts that live in the European periphery, with the purpose of achieving fundamental changes and transforming this *status quo* which is unfavorable for most male and female workers, and small businessmen and businesswomen.

Figure 1
Male and female salaried workers between
25 and 29 years of age, Spain



Source: Elaborated by the author using data from the National Statistics Institute.

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