

Spain is the living evidence that austerity does not wo...

Published: January 13, 2026, 4:03 pm

As the [Guardian reports this morning](#):

*Spanish retail sales tumbled by **10.7%** year-on-year last month — worse than the **7.8%** decline recorded in November, and close to the all-time record fall of **11%** recorded in September.*

Of course Spain has massive problems; it has also had massive tax evasion and a completely absurd property boom. But these are falls in retail sales. Consumption is collapsing in the wake of tax rises and austerity cuts which in combination are destroying all prospect of any economic recovery and in the process are eliminating any chance that Spain can address its debt issues.

This is the reality of what George Osborne wants for the UK.

This is what neoliberalism and its small minded practitioners prescribe.

And it does not work. It just creates the destruction of value, and not just economic value at that, but the real value of human endeavour.

When can we put this madness behind us?