

# MAD MAX SPAIN: A POST-CATACLYSM ECONOMY

*Posted on 08/03/2013 by Naider*



Recently, speaking with a friend and collaborator, we were discussing the harsh reality of our sector, ICT, in the Spanish market, and how the world of small ICT companies in Spain was progressively deteriorating: extremely low salaries, projects with meager budgets, extremely high customer demands, slow payments ... come on, the ideal world.

It is true, the crisis has also reached this world. We are lucky because, unlike other sectors, there is work here, but the truth is, it is very poorly paid. **As a company you have only one option: look for a very replicable product and get economies of scale from it.** And this is something that in the software world this is not easy. First, because you compete with giants and, second, because in Spain there is no investment system necessary to do so.

Returning to the issue that concerns me here: **the precariousness of work in ICT SMEs is undeniable.** And this precariousness leads to the destruction of thousands of stable jobs, the closure of thousands of companies and the appearance strongly of a figure that is gaining more and more strength: the free-lance. The free-lance in this world is a person who works twelve hours a day doing projects of hundreds of euros to be able to make ends meet. This is so with few exceptions.

This is what my friend called **the MAD MAX economy.** We are seeing how companies with structures and staff are disappearing due to the impossibility of maintaining fixed costs. As my friend told me, in the popular movie MAD MAX, large groups of people ended up killing each other. And, as in MAD MAX, only the lone rangers survive who, with a motorcycle and a leather suit, don't need much more than gasoline, some food and water. **Our young Mel Gibson is here typically a thirty-something computer scientist, his motorcycle is a laptop and instead of sailing through the deserts he programs night and day.**

In this dramatic scenario it seems that many of our politicians even encourage this type of economy. For example, they seek solutions to unemployment in reductions in the burdens of the self-employed and similar measures. It seems good to me, but does anyone really believe that it makes any difference that a self-employed person under 30 years of age saves a little more than a thousand euros when setting up a company? If this is worth anything, it will only be to promote the MAD MAX economy. **Of course, let no one be fooled, self-employment, at least in this sector, is not a bargain.**

It seems that the MAD MAX economy has come to Spain to stay. We have not invented it. The MAD MAX economy has existed for hundreds of years in developing countries where most activity is done informally and work is casual. The employment promotion policy in Spain, in the absence of better ideas, is committed to a post-cataclysm development. Whoever doesn't like that I go preparing the suitcases...

**There are no comments yet.**