

SPAIN

THE POLITICAL MANAGEMENT OF THE COVID-19 CRISIS IN SPAIN

The purpose of this note is twofold. On the one hand, it aims to provide a series of data (updated to 9 April) both on the impact of the Covid-19 pandemic in Spain and on the government's response and actions to counter its effects on the health system and the economy. On the other hand, it provides a current, and therefore limited and provisional, analysis of the impact of these measures on the system of government.¹

To achieve its objectives, the study is divided into several parts. The first section presents data (as of April 12) on the incidence of the disease in Spain in comparative terms to highlight the fact that the country was one of the most affected by the Covid-19 pandemic. The next section is devoted to the description and analysis of the political management of this crisis. The last section summarizes the main data and forecasts concerning its economic and social consequences.

Impact of Covid-19 in Spain

According to official data collected by the Autonomous Communities (ACs) and centralized by the [Ministry of Health](#), Spain exceeded 166,000 infections after the first case was registered on 31 January.², and 17,000 deaths, the former having been [recorded on 4 March](#). Tables 1 and 2 compare the incidence of the disease in Spain to a set of countries that have been

heavily affected, both in Europe and [other regions](#).

	Confirmed cases	Total new cases	Incidence last 14 days	Total deaths	Total new deaths	Mortality
Spain	166.019	+4.167	185,48	16.972	+619	10,22
Italy	152.271	+4.694	98,87	19.468	+619	12,79
Germany	117.658	+4.133	83,44	2.544	+171	2,16
France	93.790	+3.114	83,92	13.832	+635	14,75
United Kingdom	78.991	+8.719	89,51	9.875	+917	12,50
Turkey	52.167	+5.138	52,38	1.101	+95	2,11
Belgium	28.018	+1.351	171	3.346	+327	11,94
Switzerland	24.900	+592	145,10	831	+26	3,34
Netherlands	24.413	+1.316	86,04	2.643	+132	10,83
Portugal	15.987	+515	107,90	470	+35	2,94
Russia	13.584	+1.667	8,56	106	+12	0,78
Austria	13.561	+290	59,49	337	+18	2,49

	Confirmed cases	Total new cases	Incidence last 14 days	Total deaths	Total new deaths	Mortality
United States	492.416	+33.251	118,55	18.559	+1.999	3,77
China	83.482	+113	0,08	3.349	+0	4,01
Iran	70.029	+1.837	42,66	4.357	+125	6,22
Canada	22.544	+1.318	45,57	600	+69	2,66
Brasil	20.727	+1.089	7,88	1.124	+68	5,42
South Korea	10.512	+32	1,80	214	+3	2,04
GLOBAL	1.614.951			99.887		

According to these data, it can be seen that in Spain the incidence of the disease in relation to demography has been highest in the last 14 days, although it is not the one with the highest mortality rate³, since France, Italy, the UK, Belgium and the Netherlands have higher rates

Political Management of the Crisis

Description of the public authorities' response in Spain to the health crisis and its economic and social effects

To describe the response of the Spanish public authorities to the health crisis triggered by Covid-19, it is necessary to start from the constitutional division of competences between the central and regional levels of government. It should be borne in mind that most health policies such as primary care and hospital management fall within the competence of the 17 regional governments and that the Spanish government's Ministry of Health has few powers. The management of many social services such as nursing homes, the age group most affected by illness, is the

¹ I use the term « government system » because in Spain competences in terms of health lie in the hands of the autonomous communities. They played a central role in the management of the crisis.

² This involved a German tourist on holiday in the Canary Islands (La Gomera), who is said to have been infected in Germany.

³ 86.2 % of those who died in Spain were aged over 70.

responsibility of the regional governments. Certain policies that may have the most decisive impact in countering the destructive effects of this unprecedented health crisis on the economy, such as fiscal and social policies (pensions, unemployment benefits) are mainly the responsibility of the Spanish government, although some of them, such as fiscal policy, are shared to some extent with the autonomous governments.

As a result, initially and until the declaration of the state of emergency on 14 March, the 17 regional governments were co-decision-makers.⁴ However, the Ministry of Health plays an important role, through the Centre for Coordination of Health Alerts and Emergencies (CCAES), in coordinating the regions in the face of new health threats. Since the first case of Covid-19 was reported on Spanish territory on 31 January, the Director of the Ministry of Health's CCAES, Dr Fernando Simón, has become the main actor in the response to the progression of the disease in Spain and has assumed the key responsibility for coordination. While other EU Member States have strengthened coordination mechanisms and have provided the population with a single national telephone number for all incidents related to Covid-19, at present 17 information telephone numbers have been put into service in Spain, one for each Autonomous Community.

In the weeks following 31 January, throughout February and the first week of March, the fundamental message from the government was one of tranquillity and confidence that the disease would not have a major impact in Spain. The events of the weekend of 7 and 8 March were one of the moments that generated the greatest

political and social controversy. During that weekend, Spain went from 423 infected people on 6 March to 1,621 on 9 and almost 30 deaths. This weekend was the last of normal life in the country and, in addition to the usual sporting and cultural events (the 10 matches played in the first football division brought together more than 280,000 fans), several political events took place, such as the massive Women's Day demonstrations or a Vox party rally attended by 600 executives and 9,000 supporters. The fact that the government did not ban these activities but also encouraged participation in the Women's Day street marches provoked strong reactions, especially when 24 hours later the Minister of Health, Salvador Illa, radically changed his tune and announced that schools would be closed for two weeks in the Community of Madrid (after the Madrid government had insisted on demanding such a measure) and in the region of Vitoria (Basque Country), and furthermore recommended avoiding public gatherings in Madrid and the introduction of teleworking for all those who could afford it.

The week of 9 to 15 March highlighted the difficulties of effective coordination between the Spanish Government and the autonomous regions. Students who had stopped going to classes were meeting in public places and many families left Madrid for their holiday homes. Many regional governments also called for the closure of schools, while the Spanish government opposed further restrictive measures. Finally, on 14 March, the government approved the decree regarding the state of emergency under Article 116 of the Spanish Constitution ([royal decree 463/2020](#) - 14 March) and established a single crisis management command with the Minister of Health at its head, as well as the interruption

⁴ The body responsible for the coordination and management of National Healthcare System is the Interterritorial Health Council, comprising the ministry and 17 regional health services. This council held several meetings in February following the WHO's warning on

31st January. However, although the minister declared after the meeting on 4 February that Spain was ready to face the crisis the positions of those participating were not known. Since December 2018 the ministry does not publish the minutes of these meetings.

of administrative deadlines for public records for the duration of the state of emergency. From then on, with nearly 10,000 people infected and 300 deaths, the response was more vigorous, although there were still problems of coordination and effectiveness in the measures implemented.

In brief, the policy to deal with the health crisis was based on four main lines. The first two concern the general confinement of the population at home (in addition to the suspension of all public gatherings) and the cessation of many economic activities leading to the concomitant presence of workers and customers, such as shops and tourism (closure of hotels, travel agencies, drastic reduction of air and rail traffic and buses by more than 90% as compared with the same dates a year earlier). According to the decree, only those activities considered essential are allowed: those related to food, health, State and armed forces, security forces, public transport (with significant restrictive measures in terms of frequency and capacity), telecommunications, essential IT services, veterinary clinics, media, electricity supply, cleaning and waste collection services, undertakers, bank agencies and notaries, post offices, transport, logistics and parcel delivery companies, management of toll roads or service stations. However, in addition to this, there are other activities that continued after the promulgation of the decree, such as a large part of the construction and industry sectors.

Fifteen days later, the government approved Royal Decree 10/2020 of 29 March for the introduction of "recoverable paid leave" to further reduce the mobility of the population and to interrupt the activity of non-essential industries. Companies were therefore obliged to guarantee the retention in their posts of employees forced to work in confinement for a period of two weeks.

These days will gradually be recovered by the employees through overtime. As a result, almost all industrial activity has been halted. Only plants that had adapted their production to the manufacture of sanitary equipment were able to continue operating. Thus, the textile industries that manufactured protective masks or gowns, the beverage or perfume industries such as *DYC*, *LEA* and a few others, which had converted to the manufacture of hydroalcoholic gels for hand disinfection, or certain other industries which, like the *SEAT* automobile industry, developed respirators for medical use, were able to continue their activity.

The third line of the political response to the crisis has of course been the pooling of health resources to provide hospitals, health centres and workers with the equipment they need to carry out their activities. The Spanish Government and the regional governments have invested heavily in the purchase of three types of goods: disposable personal protective equipment (PPE, including nitrile gloves, protective masks, waterproof gowns and suits, tights, etc.), ventilators or respirators, screening kits or antigens. In the context of a global pandemic, competition from many national governments to acquire these goods has been fierce and this has caused many problems in acquiring them, the Spanish government declared that it [had spent](#) 845 million €. In addition, the Ministry of Health has received donations of medical equipment from businessmen like Amancio Ortega (*Zara*) and [many others](#), from the European Union and countries such as China, Turkey and Taiwan. The controversy here is whether the government and the autonomous regions acted diligently and effectively in providing these materials before the pressure on hospitals and the sectors of the population most vulnerable to the disease became unbearable.

⁵ Apart from the late arrival of this material and the lack of protection for the healthcare personnel there were several particularly astonishing episodes like the purchase of

640,000 rapid test kits from a company in Shanghai which was operating without a licence. These tests had to be sent back due to their extremely low efficiency level.

The only thing that is certain is the particular impact of Covid-19 on two groups that have shown particular vulnerability because they have not been adequately protected. These are the elderly living in retirement homes and care institutions. According to the latest data published by the Ministry on 3 April, nearly 25,000 health care workers were already infected, representing more than 15% of the total number of people [infected](#). In turn, nearly 10,000 older people died in old people's homes, representing 58% of all deaths recorded by the [Ministry for Health](#).

Finally, the fourth line of the authorities' response has been the preparation of a series of economic measures aimed at mitigating the very damaging consequences of the cessation of economic activity. Seven of the Royal Decrees approved by the Government between 10 March and 7 April contain measures to mitigate the economic damage in order to avoid the destruction of jobs and of the [economic fabric](#). On 17 March, the President of the Government, Pedro Sánchez, announced a package of measures that would mobilise around €200 billion (an amount equivalent to 20% of Spanish GDP) for this purpose. The aim was to allocate some €100 billion of public funds, with the rest coming from private sources, to generate subsidised credit lines to guarantee liquidity for SMEs and the self-employed, and to activate social protection measures such as a moratorium on mortgage payments for the self-employed and workers affected by the crisis, or a ban on interrupting basic supplies (water, electricity, gas). In addition, other measures have been taken to support businesses, such as the acceleration and relaxation of temporary layoff programmes and the exemption or reduction of social security contributions for companies that keep their staff.

Analysis of the emergency

It is difficult to analyse the response of the public authorities in this health crisis, since information unavailable to the public is needed to analyse the adequacy of the measures implemented and their degree of responsiveness. A certain amount of time will be needed to assess the proven effectiveness of these measures. An additional problem in this evaluation is the possible retrospective bias, on which the government relies so much to defend itself from criticism, which implies an assessment of past events in the light of later consequences. Given these caveats, an analysis is possible, focusing on the following five points: (a) the government's response was excessively late, uncoordinated and short-sighted; (b) the quality of official data on the disease could clearly have been improved; (c) the government's negotiating effort to bring together the consensus of other political and social forces to implement these measures was not strong enough; (d) the need to develop a European response to a global crisis should not obscure the need to improve the national response; and (e) many weaknesses in the national response reveal significant deficiencies in the functioning of the public sector in Spain which highlight the urgent need to improve the quality of governance.

Late response

It must be admitted that objectively it must be very difficult for any government to take a decision that involves closing down most economic activity, even to avoid a health disaster. Moreover, it is true that we are dealing with a new and unknown disease, so it was probably not easy to foresee the consequences it could have on the health of the population and on the increase in mortality. However, the government had the experience of a country as close as Italy affected by the disease a few weeks earlier. Furthermore, it is difficult to understand why, after the recommendation not to travel to China, when the crisis broke out in Italy, the Spanish government did not carry out

minimum screening of the many travellers coming from that country, when the possibility of asymptomatic contagion was already known.

In these circumstances, it does not seem too exaggerated to conclude that the Spanish Government did not make sufficient provision, both in the fight against the various vectors of infection (in particular those linked to Italy) and in the provision of the necessary equipment (PPE, respirators, detection kits, intensive care units, protection of the most vulnerable population such as the elderly) to combat the spread of the virus and that coordination between the various competent administrations (autonomous regions, central government and the European Union) could have been significantly improved.

Official data

One aspect of particular concern is the quality of the daily information provided by the Ministry of Health on the evolution of the pandemic. The less accurate this data is, the more difficult it is to plan actions to combat the pandemic and the more difficult it will be to make decisions to plan for population containment without risking an increase in infections and deaths. Official data are only a very partial reference to the reality of the disease: "Cases do not reflect (even approximately) infections in the country, which remain unknown; nor are all deaths caused by the [Covid-19](#)".

Figures suggesting over 165,000 detected cases are probably incorrect, as they depend on the very limited capacity for screening, which is carried out only on the most serious cases. According to an estimate by Imperial College Oxford, published a few weeks ago and based on the mortality rate calculated for Covid-19, the number of infections in Spain is expected to exceed [7 million people](#).

The same applies to the figures for the number of deaths. The fact that only those that have been tested are recorded as such considerably reduces the actual number of deaths caused by the virus. Many of these are elderly people who have died in nursing homes and have not been tested for Covid-19. The Carlos III Health Institute, a public research organization, compares deaths in recent weeks with those recorded for the same period last year and concludes that the actual deaths are probably double the official figures.

The problem is the lack of statistics on the number of tests performed. The government does not provide the number of tests performed on a daily basis, let alone the number of tests reported as positive and the number of tests reported as [negative](#). However, some scientific studies show that the countries or regions with the highest number of tests performed relative to the population are those with the lowest mortality rates, because in these cases it is easier to detect the vectors of infection and to isolate more precisely the sources of infection and the people most at [at risk](#).

Consensus (almost) without negotiation

Covid-19 has struck Spain at a particularly sensitive moment in its political history. In recent years, at least since the beginning of the economic crisis in 2008, Spanish politics has found itself in a worrying spiral of polarisation and fragmentation, both ideologically (radical parties of the left and right obtained a significant score in the last parliamentary elections) and territorially (with very strong secessionist tensions in Catalonia, but also in other territories). What is curious is that this deep political crisis, which has made it difficult to reach a consensus at the centre of the political spectrum, has taken place in a few decades in which the ideological moderation of the Spanish people has been strongly reinforced, suggesting that much of this polarisation is due more to the supply of leaders and political parties than to major

structural schisms in demand on the part of the [Spanish](#) population.

In this political climate, it is very difficult to establish the consensus needed to deal with a crisis that is already leading to an enormous reduction in citizens' rights (with the forced confinement of the population) and that will have a considerable economic cost, in addition to the cost it already is having on daily life. So far, the coalition government between the PSOE and Podemos has taken measures to deal with the pandemic under the cover of the State of Emergency and has managed to get other parties (especially those of the centre and right, Ciudadanos and Partido Popular) to support these measures in the Congress of Deputies. However, these two parties and the country's main business associations, as well as many of the regional governments, are already expressing their opposition to what they perceive as unilateral decisions.

Although the government has summoned all the parties with parliamentary representation and all the regional presidents to hold a meeting during the week of 13 to 19 April in order to begin negotiating a major political pact for the economic and social reconstruction of the country, this could be a simple marketing operation that would not really lead to this major pact, which is indispensable for the joint preparation of appropriate solutions to end the crisis.

The European lifeline

The Covid-19 pandemic has placed the whole of the European Union at a crossroads. The destruction it is causing and will continue to cause in many EU Member States is already putting great pressure on the EU as a whole, perhaps even contributing to its explosion. Once again, the differences between the countries of the South, especially the two most affected by

the disease, Italy and Spain, and the countries of the North, with Germany and the Netherlands in the forefront, are proving very difficult and are a litmus test for the future of the Union.

It is true that a global problem such as this pandemic must be dealt with at the international level and that the calls for solidarity made by Italy and Spain, as well as by France, should be heard by those countries with a more favourable economic situation. But it is also true that the fear of the countries of the North that the solidarity effort they are deploying will be undermined by ineffective policies should encourage the recipient countries to carry out governance reforms that are likely to increase their confidence. That is why, while the European Union must fully commit itself to emerging from this crisis, the countries receiving aid must also take responsibility for improving the functioning of their governance.

Some doubts regarding the Spanish State's abilities

The main specialists in the functioning of Spanish public administrations⁶ have for many years been pointing to the main problems with these administrations, such as the excessive politicisation of technical functions, the lack of genuine professional public management, the deficient and outdated conception of staff and services etc. In fact, many of the problems raised in this study concerning the Spanish public authorities' response to Covid-19 reveal a weakness in the latter which we have witnessed since the transition and which it is increasingly urgent and necessary to remedy decisively.

The economic and social consequences

A small sample of data will suffice to obtain an idea of the enormous economic and social cost that this pandemic already has.

⁶ Rafael Jiménez Asensio, Francisco Longo, Carles Ramió, Juli Ponce, Salvador Parrado, Manuel Villoria and Víctor Lapuente, to name but a few.

To begin with, Pedro Sanchez has announced a package of measures to counter the adverse effects of the crisis, worth the equivalent of 20% of Spanish GDP. The unemployment data recorded in March (taking into account that the containment began on the 14th) is an all-time record since these figures were recorded, with an increase of more than 300,000 people, while social security membership has decreased by more than 800,000 people. Employment contracts have also decreased by 26% compared to the same month of last year [2019](#).

With regard to temporary labour regulation procedures⁷, the Ministry of Labour acknowledges that more than 650,000 applications were submitted between 16 and 31 March, which, according to data from the Periódico de Cataluña, concern more than 2 million [workers](#).

It is still too early to make a sufficiently rigorous assessment of the economic and labour costs that this crisis will entail, as it is not known how long the current situation will last or how long it will take to return to normal activity. Furthermore, some of the predominant economic activities in Spain, such as tourism, have a strong seasonal component, so that the evaluation of the cost depends on when the companies in this sector will be allowed to resume their activity. The Easter holidays, a period of high hotel and travel occupancy, have ended and it is not certain that the situation will return to normal before the summer season.

In spite of this, some economists have made forecasts taking into account different scenarios and in all these cases, the cost of the pandemic is very high. For example, a study by BBVA Research, the Fedea Foundation and the Rafael del Pino Foundation estimates a drop in GDP of 4 to 8% according to different scenarios. On 1

April, the Munich Institute for Economic Research published a study according to which each week in which the Spanish economy is at a standstill would cost between 0.8 and 1.6% of GDP.

Some economic newspapers quote reports from various consultancy firms with equally worrying estimates. For example, the daily *Libremercado* reports that experts' estimates of the fall in GDP for 2020 range from 5 to 13%.

These losses in GDP will be much more painful for countries like Spain, compared to other countries like Germany. For the year 2019 Spain recorded a public deficit of nearly €33 billion, or 2.6% of GDP, and a debt of €1.19 trillion, or 95.5 % of the GDP. Germany's debt totals only 59.8% of the GDP, which will allow it to access credit in a much more advantageous situation than Spain.

Spain is facing an unprecedented health crisis and its responses, although adequate, were probably too late and too improvised. In particular, we have highlighted the lack of reliable data and the lack of coordination between regions. These hesitations only reveal the weaknesses of a system of governance that should be reformed as a matter of urgency.

*Fernando Jiménez Sánchez est
Lecturer in Political Science at the
University of Murcia*

⁷ These procedures allow businesses to make temporary adjustments to the workforce so that the State bears 70 % of the wage costs of workers while the business is

inactive or has been reduced in exchange for maintaining the level of employment once the state of emergency is over.