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# How the pandemic shaped Spanish politics

## Spain has been hard hit by the corona crisis, both socially and economically. But it is also fraught with political confrontation

Record corona deaths, a renewed rise in infections, an expected unemployment rate of 21 per cent and a double-digit slump in economic growth – that is how Spain has fared in the first six months of the corona crisis. No wonder the country is eager for the release of funds from the European Recovery Programme, after launching two national programmes totalling €150bn.

Spain has been hard hit by the corona crisis, both socially and economically. It is also politically divided. Prime minister Pedro Sánchez's left-wing minority government has its back to the wall, constantly cobbling together alliances to maintain its parliamentary majority so that it can implement its programme. Meanwhile, the right-wing opposition is blocking joint action or – in the case of the ultra-right Vox party – is spreading conspiracy theories as the pandemic develops. July's regional elections in the Basque Country and Galicia offer no reason for hope that this dynamic is set to change.

After six prolongations of the state of emergency announced on 14 March with a rigid lockdown, responsibility for controlling the pandemic has once again passed from central government to the 17 regional governments, which saw their autonomy curtailed. In particular, the governments of the Basque Country and Catalonia considered themselves short-changed by the allocation of medical supplies. Now, however, in the wake of recent sharp rises in infections in Catalonia, Navarre and Aragon, they find themselves on the frontline and seem overwhelmed.

The loosening of the lockdown must be reined in again on a regional basis. This has also undermined the expectation that rising tourism could ameliorate the negative consequences of the lockdown, which could lead to an estimated 12.8 per cent contraction of gross GDP. The economic

crisis could become permanent, the recovery from the 3.8 per cent collapse in growth in 2008 has evaporated and the social situation has deteriorated dramatically. Beating pots and pans on balconies has established itself as a form of protest against lockdown restrictions and the massive economic crisis.

## Political conflicts and legal actions

Also getting under way are legal proceedings arising from the pandemic. This concerns above all the death toll, around two-thirds of which were in old people's and care homes. In the courts many cases are pending based on an alleged failure to provide assistance: at the height of the crisis the elderly were no longer admitted to hospitals for treatment. The authorities made this decision as the hospitals were overloaded, while personal protective equipment (PPE) and other supplies were unsatisfactory, especially in private care establishments, and sometimes not available at all. Many public protests are breaking out in response to the inadequate health care system and the lack of state support for doctors and care personnel, which led to a high level of infections.

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Spain's deep divisions across the political spectrum and the political elite's inability to compromise, which would be seen as a loss of face by partisan supporters, are making it difficult to control the crisis and tackle its consequences. The conservative People's Party (PP), especially in Madrid, has come under massive criticism for its mishandling of the crisis, while it also blames Prime Minister Sánchez for mismanagement.

And the old game is repeating itself, which became standard practice in the handling of Catalonia's bid for autonomy. Political conflicts end up in legal action, while the judicial system in turn is being politicised and increasingly losing public confidence. Legal processes are replacing political debate between centre parties, political positions are becoming entrenched and thus old conflicts are prolonged into the future. The political actors in Madrid and in the autonomous regions are stifling one another and thus clogging up the country.

The extreme right-wing Vox party, with its calls for 'freedom' and 'defence of the nation', stages car protests and claims to be somehow vindicated by the crisis. On the other hand, the government has managed to reach agreement with the employers and trade unions on joint measures to promote employment and reactivate the economy. Social

dialogue does not extend to the parliament, however, where the PP has blocked a joint declaration.

## Historical breakthrough on a social protection floor

Despite the severe political polarisation, in a rare instance of unanimity, Pedro Sánchez's left-wing government has been able to get its proposal for a social protection floor through parliament. Depending on previous income and family size, it ensures poor population segments support of between €462 and €1,015. Initially, 255,000 people will benefit, sparing them from total destitution.

Further expansion will extend this minimum income to around 850,000 households, helping around 2.3 million people. The government aims, in particular, to reduce child poverty. Paramount, however, is to restore more people to permanent employment. But this will be an uphill struggle, given the dominance of fixed-term contracts in Spain.

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Nevertheless, the corona crisis has enabled the left-wing government both to keep an election promise and, for the first time, to confer a legal entitlement to state support on all those falling through the unemployment benefit net. Previously, they were dependent on family support or emergency aid from churches and charitable organisations. Youth unemployment, already an egregious problem because of the 2008 financial crisis, remains at the top of the agenda. More than 33 per cent of young people below 25 years of age are jobless, more than 14 per cent of them for over a year. The extreme right-wing Vox party, however, views the social protection floor as just one more incentive for migrants from the Mediterranean region to set out for the coast of Spain.

## 'Unity and loyalty'

At the outset of the corona crisis, Prime Minister Sánchez asked the people and political parties in parliament for 'time, unity and loyalty'. His call for concerted action along the lines of the Moncloa pacts of 1977, which enshrined the transition to democracy, met with little response. The government, comprising the PSOE, Pedro Sánchez's party, and the

left-wing Unidas Podemos party, led by Pablo Iglesias, is riven with discord and contention.

Individual ministers vie for headlines and do not give the impression of a united front against the crisis. Conflicts about what signals to send to business and the markets and whether rigid regulations, such as a ban on dismissals, could make things easier, are being played out in public view.

This highlights Spain's lack of experience with coalition government and the two parties' efforts to assert themselves at one another's expense. There is agreement, however, that the EU must help out, in answer to Pedro Sánchez's call for 'rigorous solidarity'. Spain and its government need this political signal, but also the corresponding financial resources, right away if they are to stand any chance of preventing deep recession and a massive loss of credibility for the members of the coalition. The conservative opposition has calculated that the crisis will also put paid to the Sánchez government.

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