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REVIEW

Effects of Eurozone Crisis on the Spanish Health Care System and Economic Sectors

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Abstract:

The current research focused on the effects of the eurozone crisis on the Spanish healthcare system and economic sectors, what caused the crisis, and how Europe managed this crisis, especially. The importance of the eurozone crisis is apparent in businesses and economics segments; in fact, it has directed a defeat of confidence in European companies and economies. The crisis was ultimately maintained by the financial guarantees of European countries, who feared the euro's collapse and financial contagion, and by the International Monetary Fund (IMF). By knowing these essential points, the present study aimed to evaluate and find the primary and critical point about the crisis and the healthcare system's role that is vital and significant nowadays and will help make a better healthcare system and offer services to high-quality individuals in Spain. Therefore, the researchers focused on different studies, such as articles, books, websites, etc., mainly related to this area. Based on this research, 47 related and curated references were used to help conduct this paper and benefit future investigations in this area.

Keywords: Economy, Europe, Eurozone Crisis, Healthcare System, Spain

Introduction

This paper focuses on the Eurozone crisis, particularly emphasizing the role of Spain's healthcare system in understanding the crisis's impacts and management (Alcázar-Crevillén & Guaita-Martínez, 2018). The paper takes a professional analytical approach, examining the causes of the crisis as well as Europe's strategies for addressing it. While existing literature has covered various aspects of the crisis, this study aims to fill the gaps by highlighting the importance of Spain's healthcare system within the broader context of the crisis. Using a combination of scholarly articles, reports, and data analysis, this research offers valuable insights into the interplay between economic, social, and healthcare factors during times of crisis.

The Eurozone crisis constitutes a deadly and grave challenge to European integration, negatively affecting the Spanish healthcare sector (Copelovitch et al., 2016). According to this critical fact, the current paper aims to explain the Eurozone crisis's effect on Spain through the lens of the healthcare sector. The Eurozone Crisis had a practical consequence on Spain's healthcare system. During the crisis, particularly during the Pandemic (Otero-García et al., 2023), Spain faced severe economic downturns, high unemployment rates, and austerity measures imposed by the government to reduce public spending and stabilize the economy. These factors had various implications for the healthcare sector, such as budget cuts, increased demand, access to healthcare, healthcare workforce, and health outcomes. The Eurozone Crisis profoundly affected the Spanish healthcare system, worsening the existing challenges and emphasizing the need for sustainable healthcare policies and investments to ensure the population's health and well-being, particularly during economic uncertainty. With the excitement of this situation, European institutions and the Spanish government implemented various measures such as financial assistance, structural reforms, Prioritization of Healthcare, Investment in Healthcare Infrastructure, Support for Healthcare Professionals, and Health Policy Coordination to manage the impact on the Spanish healthcare system (Sinn et al., 2023).

The Economic and Monetary Union (EMU) restricted forty years of effort to successfully launch a new European currency. The Eurozone crisis happened in 2008 and suddenly stopped foreign capital in countries with substantial deficits dependent on foreign lending. It is just one in a long sequence of obligation and balance-of-payments problems the world has experienced in the past 200 years. The obligation crisis began in 2008 with the destruction of Iceland's banking system, then applied especially in 2009 to European countries such as Portugal, Italy, Ireland, Greece, and Spain, leading to the popularization of a somewhat offensive moniker (PIIGS). It has led to a loss of confidence in European businesses and economies. Like all these crises, the eurozone crisis has led to stark political conflicts about its resolution between and within states (e.g., Frieden, 2020). Debtor and creditor countries quarrel over allocating accountability for the accumulated debt; countries with current account surpluses and deficits fight over who should implement the policies essential to decline the current account inequalities, according to Nölke (2015). The Spanish healthcare sector system was founded on the General Healthcare Act of (1986). It consisted of (Guaranteed universal coverage – Free Healthcare credentials to all Spanish residents, regardless of economic status or participation in the social security network. Spain's national health system is one of the major concerns of its population. Its sustainability has become an urgent priority, and the main objective is to find out if the Spanish public health sector is still functioning and to analyze the construction of the

Spanish public healthcare model and its development until today. Adopting the Spanish Constitution of 1978 was a political milestone that led to the recognition of every citizen's right to healthcare and the freedom of autonomy of the regions that make up the Spanish State (Melguizo & Wallen, 2014).

As acknowledged by the law, the existing universal coverage before the crisis changed in 2013, and the new figure of 'insured persons' was introduced into the system. These persons are now eligible to receive healthcare under public coverage. New co-payments have been submitted for drugs, and retired persons must also pay a 10% co-payment (zero percentage before) at the chemist's office. Healthcare institutions have also implemented several policies to manage challenging budget constraints (Antonanzas, 2013). Lastly, the process of structural change in the Spanish economy from a historical standpoint shows that the structural transformation of economies towards more progressive phases of expansion is associated with a particular pattern of change in the sectoral composition of economic activity. In the first stage, the manufacturing share increases while the agricultural share decreases. In the second stage, the manufacturing share declines, and the services share grows. Generally, this paper presents a brief overview of the empirical evidence available on this process of structural change at an international level, highlighting the case of the Spanish economy (González-Díez & Moral-Benito, 2019). In recent years, Spain's leading economy has been the tourism sector, which is vitally essential for the country's general economy. Tourism lends itself to Computable General Equilibrium (CGE) analysis because it is a multi-sector activity. Tourists purchase many goods and services (e.g., travel, accommodation, food, and souvenir goods), each of which uses inputs from other sectors of the economy (such as agriculture, fuel, water, electricity, construction, and other services) and compete for their employment of factors of production with all other sectors. The Spanish government relies heavily on tourism, so tourism's effects on different sectors of the economy are likely to be significant. Any policy issues related to such an extensive, multi-sector activity will likely have feedback effects and linkages throughout the economy (Zhou et al.,1997).

What caused the crisis, and how did Europe manage this crisis?

The Eurozone crisis that occurred in the late 2000s and early 2010s posed a significant challenge to the stability and prosperity of European nations. Despite extensive research on the causes and consequences of the crisis, there still exists a gap in understanding the specific role healthcare systems play, particularly in countries like Spain. Therefore, this paper aims to address this gap by examining the Eurozone crisis through the lens of Spain's healthcare system, highlighting its significance in shaping both the onset and management of the crisis. The crisis had multiple underlying causes, including financial deregulation (González & García, 2016) and excessive risk-taking in the banking sector, unsustainable levels of public debt in certain Eurozone countries, structural imbalances within the Eurozone leading to disparities in competitiveness, and inadequate fiscal coordination among member states (Weber, 2015). It is crucial to mark the importance of Spain's healthcare system in the Eurozone crisis. This paper seeks to approach the crisis professionally and analyze the information expected in research studies while highlighting the gaps in previous literature regarding the causes of the European crisis.

Background information

During the Eurozone crisis, Spain's healthcare system faced significant challenges. The government-imposed budget cuts and austerity measures to reduce public spending while demand for healthcare services increased due to rising unemployment and economic hardship. These challenges caused a strain on the resources and infrastructure of the healthcare system (Organization for Economic Co-operation and Development (OECD), 2015), resulting in longer waiting times and reduced quality of care. Many healthcare professionals also migrated abroad, seeking better opportunities. These impacts highlight the critical importance of the healthcare sector in both economic and social terms, particularly during times of crisis.

For Managing the Crisis, European policymakers adopted various measures to address the Eurozone crisis, such as implementing fiscal consolidation and structural reforms to restore fiscal sustainability. Establish bailout mechanisms such as the European Stability Mechanism (ESM) to assist struggling member states financially. They are promoting economic growth through targeted investments in infrastructure and innovation and enhancing financial regulation and supervision to prevent future crises.

It must be considered that Spain's healthcare system played a crucial role (García-Armesto et al. 2010) in mitigating the social and economic impacts of the Eurozone crisis. Providing essential services to those in need helped alleviate some of the burdens associated with unemployment and poverty. Moreover, healthcare infrastructure and human capital investments are vital for ensuring long-term economic resilience and social cohesion (Sánchez-Mangas et al., 2016).

The Eurozone crisis had varying impacts on Spain over time the most recent being COVID-19. This crisis caused significant harm to Spain's healthcare system and economy. Therefore, this crisis is the central focus of the present study, and it presents an opportunity to develop a professional strategy for managing future crises efficiently. Discussing and studying this crisis to identify better solutions and improve efficiency is crucial. Scholars must analyze this event to gain insight that can help prevent similar occurrences. The Spanish healthcare sector still faces many challenges today, as evidenced by the onset of the COVID-19 crisis. In February and March 2020, Spain found itself at the center of a new crisis with the onset of COVID-19, which claimed the lives of thousands of people. Although many observers have focused on the different impacts of the pandemic across countries, its "territorial" dimension has only been marginally explored, particularly from a comparative perspective.

Nevertheless, COVID-19 has put Spain and its "multi-level" governance systems under unprecedented pressure. It has forced public authorities to enforce regional and national lockdowns to manage localized clusters of infection while protecting more demographically vulnerable areas and coordinating healthcare services across regions to avoid overcrowding of hospitals and intensive care units (Vampa, 2021). After the rapid spreading of COVID-19 around the world that originated at the Huanan seafood market in Wuhan, the capital of China's Hubei area, the virus was first recognized in December 2019 and has subsequently spread universally (Mehrad, 2020; Mehrad & Tahriri Zangeneh, 2023). The first case was detected on the 31st of January on the island of La Gomera in the Canary Islands (Ferrer, 2020). During the first weeks of February, a few positive cases were detected, initially only among tourists from high-risk places such as China, Iran, South Korea, Singapore, and Italy. However, during February, there was a significant increase in daily new cases, and by the 3rd of March, maintained transmission was established in some areas of Spain. The number of new cases increased exponentially through March, with the peak of the initial first wave of the outbreak observed during the last week of March. On the 30th of April, after two months of sustained transmission, there were 213,435 identified positive cases and 24,543 COVID-19-related deaths. Foreseeing the potential economic impact that the confinement measures could have on the Spanish economy, the government established some temporary measures to protect small and medium businesses and mitigate the negative effect of the health crisis on the population relying on small and medium enterprises. Financial assistance measures included flexibility in tax payments and specific financial aid for businesses in affected sectors.

Literature review

The primary factor behind the eurozone crisis is the balance of payments (Collignon, 2012), which is the abrupt cessation of foreign investment in nations that had substantial deficits and were reliant on foreign credit. Since nations that breached the debt-to-GDP ratios established under the EU's funding Maastricht standards were not penalized, the situation worsened over time (FMC). Furthermore, the Eurozone gains from the strength of the Euro. They enjoyed reduced interest rates and higher investment capital. Spain was among the leading nations that suffered greatly from the crisis due to the collapse of the real estate bubble, which resulted in a loss of revenue because the tax system was strongly dependent on the real estate business (Guirao, 2021). Spain has the dubious distinction of having one of the highest public deficit levels and the highest unemployment rate in the Eurozone. The revenue crisis is a better way to understand Spain's budgetary crisis. Tax income declined because the government relied on the real estate sector during the crisis. The government reaped significant tax income during this time of expansion in the form of transfer taxes, corporation taxes, VAT, etc. Revenues suffered a severe decline once the real estate bubble burst, contributing to the deficit. Regarding generating money, the Spanish tax system relied more on the housing market than the GDP. Spanish tax receipts as a percentage of GDP were 36%, while the average for the Eurozone was 45% (Horne, 2023). Spain requested government aid in June 2012, and the ESM program provided it with 100 billion euros to recapitalize its banking industry (Thompson, 2014). The economic crisis has also impacted the EU's health laws and policies. This may be seen in the critical areas of interest for the EU in the healthcare industry, such as the regulation of drugs and the free movement of healthcare personnel (Greer et al., 2022). This effect is seen in the Member States' increased cost-sharing and partial privatization of healthcare delivery. They have been subjected to the EU's economic governance tools, the exodus of medical professionals from the Member States hardest struck by the crisis, and initiatives to lower drug prices across the board. Examining the difficulties that national (public) healthcare systems have in trying to ensure that their populations have access to medical treatments is necessary to appreciate EU health law and policy in the context of the crisis. The economic crisis has usually impacted the ability to provide social healthcare coverage to patients, particularly in Member States subject to EU (EU Enlargement: Economic Implications for Countries and

Industries, 2004) fiscal oversight. When compared to procedures for forcing budgetary consolidation upon the countries in question, the EU has addressed these challenges but, in doing so, has merely highlighted the limited options at its disposal to impact the degree of health protection within the individual Member States. The first future growth scenario, which calls for greater integration, is the least plausible of the three. Predicting which of the latter two (status quo or dissolution) will occur is difficult. Thus, the future is unpredictable.

This study analyzes previous research on the Eurozone crisis, with a specific focus on Spain. It aims to clarify important points that can help control and prevent future crises. The study will quantify the impact of the Eurozone crisis on healthcare spending, access to care, health outcomes, and workforce trends. Additionally, it will have a professional focus on the healthcare system in Spain.

What is at stake in the Eurozone crisis?

Given the continuation of the Eurozone crisis, discussions about its causes are still in their preliminary stages (Baldwin & Giavazzi, 2015). The principle of the public debate on the perceived causes of the crisis has changed several times, from the manipulation of Greek statistics over unsustainable sovereign debt and government bond spreads from weak banks to issues of industrial competitiveness and labor costs. However, some years after the outbreak of the crisis, we can witness increasing signs of a maturing of the debate. The debate is moving from newspapers and blogs to academic conferences and journals. Taking stock of the debate so far may be appropriate. Owing to the widely divergent fates of the Eurozone economies during the crisis, recent developments have led to a renewed interest in Comparative Political Economy scholarship in European economies. More specifically, scholars working in the institutionalist Comparative Capitalism (CC) tradition have developed several valuable insights that can complement and deepen the usual crisis accounts discussed in macroeconomics. As mentioned before, the discussion on the Eurozone crisis has constantly shifted during the last two years. Still, the current state of the debate on the core economic problems of the Eurozone consists of two broad observations, each based on two elements see also (Bibow, 2013; Johnston & Regan, 2015):

1. High public and private indebtedness in the Southern economies of the Eurozone.
2. As weak exports show, Southern economies lack price and product competitiveness.

High public indebtedness is at the core of the well-known EU adjustment programs for the South, such as Greece and Portugal. Spain, however, did not have high public debt before the onset of the euro crisis. In the case of Spain, private indebtedness is a much more severe problem. However, the twin crisis in the Southern Eurozone relates to a high degree of indebtedness and the loss of competitiveness. This competitiveness problem stems, on the one side, from diverging labor costs and inflation rates within the Eurozone and, on the other side, from the rise of companies from emerging markets that have enormously increased global competition for the products of the Southern economies, while increasing demand for German products. This article shows the typical juxtaposition of Germany and the Southern economies (Greece, Italy, Portugal, and Spain) due to space constraints. This is not to deny that the two camps are more prominent, with, for example, Austria and Finland often siding with Germany, and some cases, such as Ireland or France, do not fit this overly simplified lumping together. The article focuses on the emergence of the Eurozone crisis rather than crisis management post-2010. Otherwise, we must add a third observation: deflation and lack of demand.

Other issues that feature prominently in the Eurozone crisis debate can relate to these observations or have lost their salience. High public debt and the persistent balance of payment imbalances triggered increasing sovereign bond spreads before the July 2012 intervention of the European Central Bank/ECB President Mario Draghi ("whatever it takes"). The scarcity of a lender of the last alternative in the Eurozone's national economies, a significant issue during the early phase of the crisis, has largely been compensated for by this intervention. Similarly, the weakness of many banks—central to the evolving European Banking Union—is based on high public and private indebtedness and the fact that liabilities are mainly owed to European banks (Crafts 2014). The looming risk of deflation is a consequence of the Southern economies' attempts to regain cost competitiveness via "internal devaluation and the unwillingness of German companies to risk their export success by accepting a higher rate of inflation. Enduring balance of payment imbalances is a widely used indicator of different levels of international competitiveness in the North and South. Still, their decrease does not necessarily mean that the issue of the South has been decoded. The problem may also be triggered by a depression of demand in the South or a loss of competitiveness in the Northern economies (Guillemette, 2013).

As mentioned before, the discussion on the Eurozone crisis continues when the Eurozone crisis refers to the sovereign debt crisis. The downfall of the Lehman Brothers in September 2008 triggered the global financial crisis. The EU also experienced the first-hand effects of the global financial crisis. It looked like most EU member states had weathered the storm by the summer of 2009. The actual status of the Greek fiscal debt was known in the autumn of 2009, triggering a crisis (Begg, 2012). During this period, low growth and significant budget deficits led to an increasing debt-to-GDP ratio. The sovereign debt in the hands of the domestic residents in GIIPS was less than 50%. The end of 2009 and 2010 saw severe sovereign debts in the GIIPS. The new government formed in 2010 in Greece revised the fiscal accounts for previous years because it found deficits higher than reported (International Monetary Fund, 2013). This incident triggered a loss of confidence in the euro countries' practical constraints, which deepened the crisis (Broner et al., 2014). The downfall of the Lehman Brothers in September 2008 triggered the global financial crisis. The EU also experienced the first-hand effects of the global financial crisis. Most EU member states had weathered the storm by the summer of 2009. The actual status of the Greek fiscal debt was known in the autumn of 2009, triggering a series of crises (Begg, 2012). Low growth and significant budget deficits increased the debt-to-GDP ratio during this period. The sovereign debt in the hands of the domestic residents in GIIPS was less than 50%. The end of 2009 and 2010 saw severe sovereign debts in the GIIPS. The new government formed in 2010 in Greece revised the fiscal accounts for previous years because it found deficits higher than reported. This incident triggered a loss of confidence in the euro countries' practical constraints, which deepened the crisis (Broner et al., 2014).

The reasons for the sovereign debt crisis differed in most member states though the result was similar. For Ireland and Spain, the cause of the crisis was the burst of the real estate bubble leading to a banking crisis. The reasons in Portugal and

Italy were general economic weakness like slow growth, the dearth of reforms debt problems, and so forth.

Eurozone crisis in Spain

The real estate bubble burst to lead to revenue loss as the tax system heavily depended on the real estate industry for tax-based revenues. Spain has the questionable distinction of having the highest unemployment rate in the Eurozone, plus one of the highest public deficit levels. Spain's fiscal crisis can be explained more as a revenue crisis. During the crisis, revenue dropped mainly due to the real estate bubble. During the period of growth, the government collected high revenues in the form of taxes like transfer taxes, corporate taxes, VAT, etc. When the real estate bubble burst, revenues dropped dramatically, causing a deficit. The Spanish tax system was more dependent on the housing bubble in revenue generation than GDP. Spanish revenues from GDP stood at 36%. The average eurozone value was 45% of GDP (Lopez Rodriguez & Ciria, 2019; The Spanish Case, n.d.).

Economic and Monetary Union: EMU, Wage Bargaining Systems and Price Competition

The first and today's most detailed CC account of the crisis focuses on the divergent development of labor costs based on the different wage coordination systems in the various types of capitalism within the Eurozone. Why have some economies consistently kept their nominal labor costs and others failed to? This is where an argument derived from CC needs to come in. Under the assumption that price inflation is driven by nominal wage inflation, it highlights the different institutions for labor and wage-bargaining in the Eurozone economies and their stickiness as causes for these imbalances. The interaction between central banks, inflation, and labor unions was at the origin of the development of CC theory, even before the proper VoC approach. Studies about the different fates of advanced economies during the high inflation generation of the 1970s and early 1980s indicated that economies with solid wage bargaining coordination fared better concerning inflation (Nölke, 2015). In this case, the central bank only had to threaten to increase interest rates to temper wage inflation—instead of forcing the whole economy into a grinding halt (Hall & Franzese, 1998). All five empirical contributions to this special issue use the 'EMU Positions dataset. This dataset builds on a spatial model of politics. It codes the positions and saliences of all 28 EU member states and critical EU organizations concerning the most crucial reform proposals negotiated during the Eurozone crisis. The researchers specify the central concepts before introducing the dataset and data collection approach. These include 'observed preferences,' 'saliences,' and 'contested issues. The 'EMU Positions' dataset records data on EU member states and institutions' preferences and saliences about selected EMU issues. Observing preferences are the empirical ordering of a given choice set (Wasserfallen et al., 2018).

In contrast, the ranking of the policy options reflects the 'true' preferences, or ideal points, of an actor (which are not directly observable). This approach is standard in the study of EU politics. Alternative strategies rely either on assuming preferences, like the Downsian type of vote maximization, or deducing them from theories of preference formation. Both methods derive preferences without empirical grounding and can thus not be used for the empirical analysis of theoretical arguments (Frieden, 2020). Another strategy of preference measurement consists of deducing preferences from observed behavior, for instance, through inspections of voting behavior in legislative assemblies, such as the European Parliament or the Council. Therefore, this strategy would need some critical improvements.

Given that most EMU reform proposals are decided unanimously, it could detect no position variance; therefore, it needs to confound the acceptance of a negotiation output with the initial preferences brought to the negotiation table. Most importantly, since it is interested in quite a limited number of well-specified issues, it can likely follow a higher-resolution approach to preference measurement. Therefore, this paper's ambitions, a comparative source-based strategy commonly associated with the case-oriented approaches used by historians or journalists, assure the highest possible degree of validity and reliability (Wasserfallen et al., 2018).

The critical assumption of the concept of observed preferences is that the ordered choice set reflects the 'true' underlying preferences. This is of importance because representatives of a country may advocate a ranking of positions that deviates from their 'true' underlying preferences when they send specific signals to domestic constituencies or seek to influence the behavior of other countries' analyses strategically; such strategic behavior in international politics and shows that weakly institutionalized settings and high uncertainty about the 'true' preferences of negotiation counterparts are conducive to strategic position taking that can setting prevalent in international security politics (Frieden, 2020).

However, the politics of the EMU stand in stark contrast to this negotiation environment. EMU negotiations are embedded in an exceptionally information-rich environment and a highly standardized policy-making structure. All participants in EMU negotiations can rely on abundant and shared information on the discussed policy options and the positions of others. Representatives of EU member states meet monthly to negotiate economic and fiscal policies. Moreover, the most recent rounds of EMU negotiations are extensions of discussions that have been debated since the EMU was established in 1991 (Tömmel, 1998).

In this information-rich and highly institutionalized environment of frequently repeated negotiations on the same topics, member states can hardly achieve negotiation successes by misrepresenting their 'true' preferences. Based on this, the negotiations of EMU reforms allow for the empirical coding of rankings of positions as reasonable approximations of the 'true' underlying preferences of member states. A note on the terminology may be helpful, as some scholars use 'positions' or other related concepts as synonyms for preferences. This is also appropriate in the researcher's case because, following the above discussion on observed preferences, the EMU Positions dataset's preference data is equivalent to open positions (Benoit & Laver, 2006). Salience is the second core concept of political analysis integrated into many theoretical decision-making models. It features prominently in models of vote choice, public opinion research, interest group politics, and formal and informal models of legislative decision-making. following the Decision-making in the European Union (DEU) project's articulation of the concept by using the term synonymously with 'importance' or 'intensity.' More specifically, building on the understanding of salience as the extent to which actors experience utility loss from the occurrence of decision outcomes that differ from those, they most favor (Thomson, 2006).

Monetary policy and causes in the European Monetary Union

In understanding the Eurozone debt crisis, it is essential to emphasize the monetary policy of the EMU since it serves as a normative limit. The Maastricht Treaty sets the ground rules for the European Monetary Union (EMU) ..." (Sinn et al., 2004). If a state wants to become a member of the EMU, it must fulfill different criteria. This means the Treaty contains a "no-bail-out- clause." and every Eurozone member is responsible for its public debt. It cannot be excluded from the community.

The Treaty bans direct central bank financing and access to favorable financing of public deficits by prohibiting granting major bank credits to governments, the obligatory purchase by banks of public debt instruments, and privileged access by governments to financial institutions." To ensure that the Maastricht criteria will also be attached to the case of an EMU membership, the Stability and Growth Pact (SGP) entered into force in 1998 (Lane, 2012). From Von Hagen's (2005) point of view, the SGP tightened and completed the fiscal rules from the Maastricht Treaty. The SGP renewed the EDP in various ways:

1. Introduction of an early warning system
2. Definition of tangible ideas against violations of the 3% constraint
3. SGP as a guideline for the participating countries on how to implement the EDP efficiently and on time. Majocchi (2003) points out that the SGP could exacerbate a member country's situation in fulfilling the 3% rule.

Another flaw of the EMU is that despite the common currency, each member country retained the responsibility for the eco-economic policy. Moreover, as Borgy et al. (2013) mentioned, with the introduction of the Euro, these countries lost the possibility to issue debt in their currency.

In summary, the financial policy before the crisis was only geared to avoid excessive debt but neither to prevent a crisis in the European Union nor to support member countries in a crisis. The crisis leads to discussions among the member states, searching for the proper and final solution.

Possible solutions

As the Eurozone had not created a mechanism to address a crisis, when one occurs when faced with one, it had no plan on how to address or avoid it. After several rounds of discussions, some short-run measures were identified. The short-run solutions identified constitute structural reforms and austerity measures conducted by the EMU on the one hand and the European Central Bank (ECB) on the contrary. Germany, the largest European economy, insisted on structural reforms and austerity in exchange for the bailout package.

Generally, countries of a monetary union depend on investors' trust, and therefore, they are exposed to liquidity movements. In a case of suspicion, they can come into a "bad" Equilibrium; investors would sell their bonds, the interest rate would increase, and the balance sheet would be lost (Borgy et al., 2013). The researchers also state that this situation will lead to a funding problem, sovereign debt, and a domestic bank crisis. Finally, this escalation scenario creates difficulties for the country in stabilizing the budget in the EMU with Spain, Greece, Ireland, and Portugal. In 2009 and the foreseeable future, none of these countries could finance their budget.

Therefore, structural reforms were needed. In particular, the liquidity market ran dry for Greece, Portugal, and Ireland, and these countries sought financial support (Schuknecht et al., 2011). Without an efficient mechanism, the EMU had to react and implement the European Financial Stability Facility (EFSF) in May 2010 to solve the liquidity and solvency problem of the affected countries and show investors the capacity to act. The EFSF was designed as a Special Purpose Vehicle (SPV) based on Luxembourg law. The EFSF offered bonds guaranteed by the European Commission, the member states of the Eurozone, and the IMF to investors and allowed funding in the affected countries (Lane, 2012).

The mechanism is composed of a few sources. Firstly, the EU budget provides at most 60 billion euros in loans or credit lines. If this amount does not suffice, the members of the Eurozone will provide an additional 440 billion Euros as credit guarantees. This source is comparable with the further EFSF, but the no-bail-out clause has been canceled. The International Monetary Fund (IMF) is the third source and can provide an additional 250 billion Euros as a guaranteed credit line. The fourth source, the European Central Bank (ECB), acts as a backup and can purchase government bonds from the Eurozone member states. The Board of Governors (Minister of Finance of the Eurozone member states) is the decision-maker of the ESM—the so-called "collective action clause" (CAC has been implemented with the ESM). CAC is valid for new government bonds from Eurozone countries. If a Eurozone country wants to join the ESM, the private bondholders must take some losses (Allmendinger, 2002; Borgy et al., 2013). This puts them in a worse position than the original government bonds and makes Eurozone bonds less attractive.

The core of the crisis is the structural problem. On the one hand, there is a centralized monetary policy; on the other hand, an economic policy exists in each Eurozone country. By fiscal union, one means how well we would be able to execute the fiscal constraints of the monetary union effectively. A fiscal union or political union is the presence of centralistic arrangements. The centralistic system must ensure fiscal discipline (Di Mauro & Pappada, 2014). As Borgy et al. (2013) mentioned, the monetary and economic policies are a disparity. The only way to solve this disequilibrium is to lead the EMU into a system of federal states, according to the example of the United States, with an economic, political, and monetary union. In such a complete union, a federal government has the authority over the fiscal policy. As Borgy et al. (2013) show, this government also has power over the expected budget and can issue public debt in Euro currency, which is under its control. Fiscal discipline is the key to the success of a monetary union, as divergence, even by a single member, affects the other members of the union. Any deviation seen in a member country will result in other member states financing its debt. This calls for fiscal discipline and coordination criteria (Ahmad & Fanelli, 2014).

Method of survey and collecting secondary data

This study presented different approaches to synthesizing qualitative-based works, generally assumed qualitative with the generality of literature review that is a comprehensive survey of published research in books, scholarly articles, and other relevant sources about a particular issue, field of study, or theory. It provides an overview, summary, and critical analysis of prior works on the research problem being explored. The Eurozone crisis is one of the biggest crises in Europe. It had significant side effects on many European sectors. Two of the most influential ones are the healthcare and economic sectors. All these countries were affected by the Eurozone crisis, some of them are more affected than others, for example, Spain, which is why this paper selected it; not to forget Spain is one of the many tremendous and most tourist countries in Europe if not the world. Earlier research papers in this study provided specific information about the Eurozone crisis in the healthcare and economy sectors and their effects on Spain. Therefore, this study has been used as second-hand data and briefly reports the performance of Spain's health sectors. According to World Health Community information from the year 2000, the Spanish healthcare system is recognized as the seventh most effective healthcare system in the world; in Europe, Spain's healthcare system is ranked 19th on the 2018 Euro health consumer index regarding organ transplants. Spain has a high-quality healthcare system that supplies universal coverage to all citizens.

Healthcare in Spain is divided into private and public sectors, with hospitals and clinics offering both private and public services. The National Health System is a public healthcare system used by over 90% of the population. However, the system is highly decentralized, with regional-level service delivery. The Spanish Ministry of Health manages the national health budget and makes policies for the system. Spain also has an excellent private medical practice system that exists alongside the public system and has become increasingly popular. Approximately 15% of the population holds private health insurance, which can be used as a supplement or alternative to public care and is offered by local and international insurance companies. Like other European countries, there can be long waiting lists for non-emergency surgical procedures, while the public system covers primary medical care. Dental and eye care are available personally, and pharmacies with a green flashing cross displayed outside their windows offer 24-hour service and treatment-related advice for minor ailments. In an emergency, healthcare facilities must treat patients regardless of their insurance status, and the decision on the emergency constitution rests with the doctor or nurse on call. Patients worldwide find Spain an attractive location for medical treatment due to its medical innovations and pleasant climate. Overall, the Spanish healthcare system is highly advanced and offers an acceptable range of top-quality services at affordable costs.

Steps of data collection

1. The researcher of the current study determined related papers, books, websites, etc.., based on the research keywords => 2. Reviewed and read the abstracts) => (3. Finalized the helpful articles, books, websites, Etc.) => (4. Collected the main info of the selected papers) => (5. Took some of the notes as well) => (6. Edited and paraphrased the data) => (7. The researcher used google scholar, research gate, academia, Etc.); the research paper was written by finalizing 47 research papers, books valid, Etc. (The data in this research provide a more in-depth look at the eurozone crisis and its effects on the healthcare sector, especially in Spain). These references are used because the last updated information and data found among these references are mainly related to this research topic. Additionally, it overviewed main references about financial support in the case of a crisis that was effective and published in valid social media, particularly websites and research papers. Each of these references that the scholars have selected read deeply to see the main points and took advantage of them, which are helpful in the

health system and finance sectors. Additionally, it can be a good pattern for other countries with similar situations.

Conclusion

Based on the explanations provided earlier, this paper highlights the eurozone crisis as a challenging period in Europe's history, significantly impacting the healthcare and economy sectors, particularly in Spain. It discusses the root causes of the crisis, how it was resolved, and its long-term effects. Furthermore, this paper emphasizes the importance of the healthcare system in Spain by considering its role in the eurozone crisis. Supporting the government and healthcare organizations can have benefits, such as monitoring the eurozone crisis and providing more affordable services to individuals. The eurozone crisis had widespread consequences for Europe, with Spain's healthcare system being a crucial component. Policymakers can better address the root causes of crises and build more resilient societies by recognizing the importance of healthcare in both economic and social terms. Further research is needed to explore the intersection of healthcare and monetary policy, which can guide evidence-based decision-making and foster sustainable development.

Therefore, it is necessary to understand the country's situation well, including the various internal and external factors that affect the government and society. Governments must be well-prepared with accurate plans and strategies to deal with potential crises that may arise. Although having complete control over unforeseen events is impossible, having a basic idea and plan can help manage situations better. Financial and health-related sectors require proper training and regular updates to reduce stress and unexpected organizational reactions. Clear guidelines and regular updates can benefit all organizations, especially those in the healthcare sector. Each government and country should provide this kind of support.

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