
Economy: EU Forecast. Gentiloni, “crisis differs widely across the EU”. No help from exports

“The economic impact of the pandemic has differed widely across the EU and the same is true of recovery prospects. This reflects the spread of the virus, the stringency of public health measures taken to contain it, the sectoral composition of national economies and the strength of national policy responses”. EU Commissioner Paolo Gentiloni presented the Autumn Economic Forecast, illustrating the current situation and predictions for up to 2022 in light of the latest data. He was, however, forced to admit that the picture is changing and that everything will ultimately depend on whether the virus will continue to spread and on the economic and social crisis triggered by it. Gentiloni spoke of “uncertainty” and of a strong fall in GDP in EU countries in 2020 with possible - but not certain - rebounds in the next two years that will reflect the measures taken to contain the virus and the lockdowns imposed by EU governments. He therefore outlined two possible scenarios - a more “optimistic” and a more “pessimistic” one -, depending on the response of businesses, markets, consumption, national support measures for firms and employment, as well as on the upcoming recovery package agreed by the European Union, which can no longer be postponed. “As the crisis is global – he insisted –, we cannot expect exports to help”.

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