



## In the next 10 days, we will know whether the Coronavirus crisis will make or break Europe

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Statement by

I have always considered myself a proud European, today more than ever. Nevertheless, the current mood between the heads of State and Government, coupled with the persistent viral divisions, presents a lethal risk - not only to the European Union, but also to our ability to bounce back from this unprecedented systemic and symmetric crisis.



Why are we unwilling to understand what the facts and figures on the high level of deaths and suffering are telling us? Why are we not able to grasp what is now known by everyone on the incoming recession in Europe, which will likely be close to 10% loss in GDP?

No one can predict when we will be able to get out of this acute period of the pandemic; nor do we know the exact timetable and the final actual costs for organising the recovery and relaunch of our economies.

There is only one thing we can be sure of: the impact on our living and working conditions is already enormous. The impact on European companies, particularly SMEs and the self-employed, is equally huge and brings along with it the risk of social and territorial imbalances.

All of this can lead to social explosions - the signs of which are already evident - and also to authoritarian tendencies of the kind already experienced in the past.

**Either we will all exit from this crisis or none of us will .**

This is why we need a fiscal stimulus package such as we have never seen before. That will inevitably result in a larger role for the State in the economy and in a further increase in public debt, depending on the emerging needs.

A plan for a real #rEUnaissance can only be financed through common tools established at European level, accessible to all and certainly not with a '*chacun pour soi*' doctrine.

Making use of the firepower of the European Stability Mechanism without any conditions attached, of the reinforced tools of the EIB Group, of the European guarantees for new debt titles covered by the European budget, of a strong European guarantee against unemployment and poverty and of new funds for cohesion policy: these are the only logical way forward. Together with what has already been set up by the ECB, and with the easing of the constraints on banks so that they can continue to further support the economy and companies, these are the necessary and pressing priorities for a real European firewall that can meet the current unprecedented challenge.

I am convinced that coronabonds are the first best solution, although we know how difficult this can be, since the EU doesn't have a Common European Fiscal capacity yet. As demonstrated in an [excellent paper by the Bruegel think tank](#), there are many possible options.

It is now essentially a matter of political goodwill, of moving on from useless taboos and relentlessly working on technical issues. It is now a matter of real leadership, avoiding the horror show of last week.

Let's support the efforts of the European Commission and of the Eurogroup so that shared financial solutions can be found: solutions for achieving the objectives on which we all agree, as efficiently as possible and at the lowest possible cost.

The only agenda to which we have to commit now is to save Europe, to guarantee the health of European citizens, to strengthen our health and prevention systems, to support families, workers and companies, to relaunch the sustainable development agenda, and to help to support the Balkan region, the Mediterranean countries and also the African continent.

Anything else is only useless debate, which can only create further damage and a new dark age for Europe and for the whole world.

The next 10 days will be crucial in making sure that #whateverittakes really does mean doing Whatever It Takes! History will not spare anyone, especially those in leadership positions.

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