



**Nilgün Arisan Eralp<sup>1</sup>**

*Director of EU Studies Center*

## THE UNBEARABLE LIGHTNESS OF EU BASHING IN THE TIME OF CORONA

The famous Chinese curse “*may you live in interesting times*” has been used many times before. However none of us has thought that even this curse would not be sufficient to refer to the dystopic and exceptional nature of the conditions we are living in. The factor causing this environment is the coronavirus which is being referred as a -hopefully- temporary global superpower.

Coronavirus has created an unprecedented challenge for the world as well as the European Union (EU). It restricts the freedom of movement, puts an enormous strain on national health systems and causes a serious economic damage. Many citizens in the EU are worried about their health, as well as their economic future. Italy was the first European country to be hit hard and has paid a very high price in terms of human lives<sup>2</sup>. In the EU there are nearly 50,000 dead and more than 600,000 infected and no one knows when the destruction is over.

In this extremely exceptional period, EU bashing has again become very popular among journalists, politicians, scholars and laypersons. I have the impression that some people have been waiting or almost hoping for the EU to disintegrate and/or vanish, during and after the financial crisis, the refugee crisis, BREXIT and finally Coronavirus crisis. As put forward by Charles Grant, “*coronavirus has given hope to those who wish to see the EU stumble*”<sup>3</sup>.

The outcome of the existential Coronavirus crisis is still unknown and it is true that the refugee crisis has seriously dented the solidarity principle of the EU and made it

<sup>1</sup> <https://www.tepav.org.tr/en/ekibimiz/s/1139/Nilgun+Arisan+Eralp>

<sup>2</sup> “European solidarity now, in the interest of all member states”, Joint German-Italian appeal to the governments of all member states and to EU institutions, an open letter, ECFR, 9 April 2020

<sup>3</sup> Katherine Butler, “After coronavirus: how will Europe rebuild?” The Guardian, 12 April 2020.

dependent on the unpredictable policies of third countries. However, although all the necessary measures could not be taken during and after the Euro crisis, EU has managed to come out of the crisis with the emergency fund of European Stability Mechanism (ESM) and the Banking Union.

Furthermore, unlike the initial expectations BREXIT rather served as a wake-up-call for the EU. It restored the EU's fortunes, engendering a new found sense of solidarity and unity among member states during the negotiations, and improving the favourable rating of the EU among citizens in most member states<sup>4</sup>. The real impact of Brexit manifested itself in the European Parliament elections last May which had turned out to be a de facto referendum on the future of the bloc and invigorated the election campaign. The electorate claimed the EU's future and the extreme right could not achieve the success it had expected.

As Çiğdem Nas pointed in her piece in Panorama<sup>5</sup>, the EU, during its historical development process has managed to convert the crises to an opportunity to deepen the integration to a great extent.

### **The Initial Hazardous Response of the Member States to Coronavirus**

It is true that much of this positivity has been eroded by the virus and during the developments unfolded since then. However when evaluating these developments, before criticising the EU for its "failure" to deal with Covid19, one should be aware of the fact that health policies have been left to national competence right from the start. Simultaneously one should also be aware of the limits of the competences of the EU institutions. These facts should not make us ignore the fact that it took some time for the EU member states to shake their inexcusable lethargy and nationalist instincts<sup>6</sup>. Hence what should be really questioned is not the response of the EU to the coronavirus but the attitude of the member states.

Although public health is a national competence, it should not have paved the way for national export restrictions on desperately needed medical equipment and unilateral border closures in the early days of the pandemic. This was the time when EU member states did not offer assistance requested by Italy, despite the activation of the EU's Civil Protection Mechanism by the European Commission which had become void due to the inertia of the member states. Several of them, including France and Germany, banned the export of essential medical equipment for fear that they would need it themselves. Hence "*the way other member-states initially responded to Italy's coronavirus plight*" not the EU institutions' response "*has shaped the narrative of the crisis*" as stated by Luigi Scazzieri<sup>7</sup>.

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<sup>4</sup> Tony Connely, "EU fiscal response to coronavirus pandemic taking shape after shaky start", RTÉ 2 April 2020

<sup>5</sup> Çiğdem Nas, Çiğdem Nas, "Koronavirüs Salgınının Yeni Merkez Üssü Avrupa: AB'nin Kriz Yönetimi Sınavı", Panorama, 27 Mart 2020.

<sup>6</sup> Nathalie Tocci, "How coronavirus will upturn the global order", Politico 9 April 2020

<sup>7</sup> Luigi Scazzieri, "Trouble for the EU is Brewing in Coronavirus-Hit Italy", Center for European Reform, 2 April 2020

## **Mending Measures**

However, with the continuous efforts of the EU's supra-national institutions, namely the European Commission and the European Parliament and with the leadership of Germany, EU or rather most of the member states have gradually started to correct their missteps and transform their policies towards a more concerted and constructive one.

The latest developments show that, despite the severe disruptions, the EU policy-making machinery is looking for new ways to cope with the emergency. Despite a very wrong start, the EU's fiscal response is beginning to take shape.

The most concrete sign of this response is the agreement of EU finance ministers on 9<sup>th</sup> of April on a common emergency plan to limit the impact of the coronavirus pandemic on the European economy. The Eurogroup, which brings together the finance ministers of the 19 member states sharing the single currency, reached a deal on a response plan worth more than €500 billion. There will be a €200 billion European Investment Bank programme and a fund of €100 billion from which governments can borrow to support unemployment benefits and salaries. For medical expenses countries can unconditionally borrow up to 2 % of their GDP from the ESM. Furthermore on 14<sup>th</sup> of April, European Council amended the EU budget for 2020 in order to free up to €3.1 billion to respond to the coronavirus crisis.

The European Central Bank also has come up with an impressive €750 billion bond buying programme in response to the coronavirus outbreak.

In addition to these, the European Commission has also relaxed state aid and the eurozone's fiscal rules, pledged money for research, and coordinated the stockpiling of medical equipment.

Furthermore European Commission is also working on a "European Roadmap towards exiting the Covid-19 Pandemic" which includes official guidelines on EU's exit strategy. The Commission in this document stresses that it is essential that there is a common approach and operating framework.

There are also important, inspiring examples of the re-found European solidarity. Germany, France and others have been sending medical equipment to Italy and Spain and have been taking in critical patients where hospitals have bed capacity. The latest "heartfelt apology" to Italy is also an important "act of truth" even if it cannot immediately erode the damage has already been done to the EU's reputation in Italy.

Despite these developments, the indications are, however, that debt mutualisation is still a long way off. The EU could not manage to agree on using shared debt, or so-called "corona bonds", to help the hardest-hit countries. The idea that member states could borrow money and the debt then be underwritten by the EU as a whole has prompted a poisonous debate along fault lines familiar during the eurozone crisis. Germany and Netherlands joined by Austria and Finland refuse the mutualisation of the debts, if there is no parallel mutualization of the resources necessary to reimburse them. The governments of the aforementioned member states think that such transfers of financial resources will not be supported by their electorates and may lead to a populist backlash.

This is a more reasonable disagreement given the sensitivity of the issue and given the fact that already a significant amount of financial measures have been taken to help the member countries dealing with the coronavirus and its effects.

Nevertheless, it is not easy to understand how some countries like Hungary, have gone much further, taking steps to put a formal end to their democracy via controversial emergency measures, under the guise of fighting coronavirus. EU has failed to deal with such a serious problem threatening its basic values and credibility. However the recent statements of Heiko Maas, the foreign minister of Germany which will take over the presidency of the EU in July signal restrictions of financial advantages being provided to Hungary and other member states restricting democracy and rule of law.

## Conclusion

Coronavirus is more than a stress test; it is an existential crisis for most of the countries and for the EU. It is true that *“the jury is still out on whether the coronavirus will help make the EU stronger, or break it altogether”*<sup>8</sup>. However it is rather strange to observe some countries who are far away from developing coherent and uniform strategy towards the coronavirus mainly because of their domestic disputes, criticising the EU for its failure to deal with it.

It is true that the initial response of EU member states to the coronavirus outbreak was a moral hazard and seriously damaged the solidarity principle. However like the case in some of its previous crises EU has started to draw lessons from its mistakes and take serious measures to deal with the crisis. Furthermore all this process has been very transparent. Such transparency is difficult to observe in some other parts of the world.

Still it is too early to say whether EU can come up with new policies after corona crisis, like it did after some of the previous crises. Some claim EU will devise a common public health policy after this crisis, others argue that *“if the EU cannot respond to Covid-19 by moving towards fiscal union it will lose credibility in many member states”*.

However there is one certain thing; if the crisis can be surmounted this will be via more EU not less. The solutions should be EU-wide, not national. The recent experience of the EU has proved this argument.

The coronavirus has actually shown us that such a dangerous pandemic can be dealt with through supra-national mechanisms like the EU. Not a single country can cope with such an enormous and disruptive problem on its own, no matter how wealthy, resourceful and technologically developed it is. A trans-national governance system is necessary for an efficient strategy to combat the coronavirus and for the moment the only example is the EU. We should observe it very carefully, try to learn from its mistakes and do our utmost to find solutions to the failures of a trans-national governance system rather than finding comfort in EU bashing.

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<sup>8</sup> Nathalie Tocci, “How coronavirus will upturn the global order”, Politico 9 April 2020