



Leadership in times of Coronavirus

Report on Coronavirus-responses by policy-makers and managers in Europe

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EUROPEAN MANAGERS

|| The greatest danger in times of turbulence is not the turbulence. It is to act with yesterday's logic.

Peter Drucker

Leadership in times of Coronavirus

Responses to the Coronavirus by policy-makers and managers in Europe. Special Edition of the Managers' Trends Report by CEC European Managers.

Published and edited by CEC European Managers on 12 May 2020
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The voice of Managers in Europe since 1951

Quoting

CEC European Managers 2020: Leadership in times of Coronavirus.
Responses to the Coronavirus by policy-makers and managers in Europe.
Special Edition of the Managers' Trends Report.

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"Read more"

SOURCES ARE UNDERLINED

Aware of the differences in reading habits, we provide more detailed information and additional graphics in these boxes.

For readers preferring a shorter reading, we have put the most relevant information, from our point of view, **in bold font**. We hope it can help you better understand the current situation and the context in which managers and policy-makers take decisions.

Foreword

By **Ludger Ramme**

President of CEC European Managers



Since its foundation in 1951, CEC European Managers has accompanied its member organisations through multiple crisis. As a European umbrella organisation, we have since supported the dissemination of professional managerial knowledge, know-how and behavioural ethics on European scale. As a European Social Partner, we have promoted practical solutions for employers, workers, managers and society at large. At the European, national, regional and company-level. We have learned to become bridge-builders.

The large diversity of managerial expertise we gather has helped our affiliated organisations to steer by example through complex, far-reaching and uncertain changes in the past - with novel ideas, courage and leadership. Because of close and trustful communication channels from the workplace via the diverse manager organisations that we count among our members, it has been possible to ensure that the manager's voice could be heard at the European institutions.

We would first of all like to thank all those managers who are showing leadership by example: by (pro)actively protecting and helping out to improve the physical and mental health and safety of their co-workers. It is in situations like these that fundamental basics of management are becoming apparent: being able to listen, managing workflows, monitoring a diversity of information, creating safe and healthy framework conditions and supporting the team's well-being and performance. The resilience of a company and organisation has much to do with its managers' and workers' health and spirit.

From the findings of this report we can already say that the challenge to bring and keep Europe together has never been bigger. But we insist that we have no alternative than drawing united conclusions from the European picture this report is presenting to you. And we insist on realising the opportunities for a purposeful recovery. Otherwise we risk repeating past mistakes.

1. Take-aways

The Coronavirus shows that context matters

The first lesson of the Coronavirus situation is that we are interdependent and won't come out of this crisis without working together, ensuring transparency, coordination, solidarity and awareness of the systemic challenges we are facing.

We are dependent on the home office equipment we have, the people we work with, the tasks we have to accomplish, the infrastructure, hospitals, schools and mobility solutions, and the laws we have to abide by – just to name a few. We are dependent on clean air, water and soil quality. We are dependent on the well-being of others for ours. We are dependent on the general respect of safety rules like keeping physical distancing and wearing masks in required situations.

The second lesson is that we have to give more power to European democratic institutions and social partnership. From public health systems to global industrial supply chains – we have to work together, boundaryless, to protect people. And yet, the European dimension has been perceived as rather weak, as the 700 respondents to our Special Edition of the European Managers' Panel 2020 say. This crisis has shown that the European Union is not sufficiently autonomous in providing the most basic goods such as masks or ventilators.

Neither have these been, to that point of writing, the **strong days of European solidarity and cooperation**: only after some initial faltering, the European Commission has taken decisive steps to preserve the foundations of the single market. And for many, Member States have not been able to follow as the urgency of the situation might have requested. Big however: we cannot complain that Europe is too weak on the response to the Coronavirus crisis and then refuse to giving Europe legal competences in this domain.

The third lesson is that we need trust and transparency, at European level but also at work. Every manager also knows that you need to measure what you want to manage. Yet, many statistics wrongly display death tolls and infection rates that are not comparable. Like the different testing capacities. How can we draw European conclusions if we can't systematically compare national statistics? And how can we, without sufficiently adequate information nor solidarity, avoid a second wave of infections in Europe and beyond?

The fourth lesson is the one of courage. The Coronavirus has, despite all, also led to an extraordinary display of creativity, collaboration and innovation. Women in particular, at all levels, show great responsibility and professional commitment, may it be in hospitals, educational institutions or on corporate boards. Also historically, women have always played an important role in past reconstruction efforts. This time, women, their male allies and organisations, may well be advised to prevent instead of repairing – put an end to power games, listen to workers' needs and ideas and collaborate to build new, resilient business models.

Finally, recalling the context also means to very cautiously monitor and act to improve public health. Let's remind ourselves that the working population in the EU alone counts around 30% with chronic diseases. As a society, we have all interest to avoid future costs by preventing and providing adequate health infrastructure.

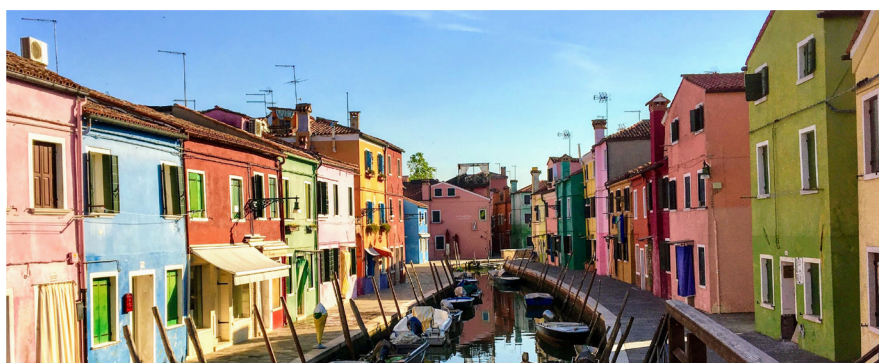
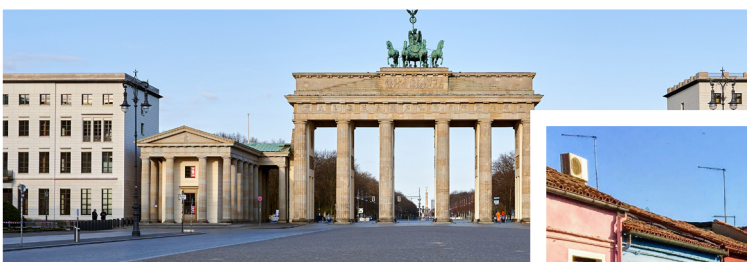
As European managers, we have learned. We have learned to work with diversity. To collaborate. Now, once again, we need to activate our most profound professional aspirations, strive for a sustainable, lasting and well-being oriented way of doing business and politics. And we have to measure it, of course.

2. The pandemic and its effects in Europe

To help managers and policy-makers understand the context of the responses to the Coronavirus, this section of the report gives a comprehensive overview on the main dimensions of the current situation. We will briefly present key information on the virus itself, the lockdown, public health systems and the various impacts. This choice was made to give readers relevant, diverse and summarised information.

The current crisis is in many ways a convergence of various crisis. It is a test for the capacity of our health systems, but also for the resilience of business models. Without a sound assessment, clear criteria and public debate, the risk is high that we take short-sighted decisions for generations to come. We have to draw the bigger picture.

The structure of chapter 2 reflects what could be described as our common, European Coronavirus history. Without well understanding the origins, the effects and the reasons for political choices, there is a high risk for future similar crisis at the detriment of our health and prosperity. Of course, the report has limitations and only reflects the state of affairs at the moment of writing.



Key figures*

80% recovered
without needing hospital treatment

68% of managers¹ say **Health and Safety is top priority**

40% of reported global Coronavirus cases are **in Europe**

26% of EU and UK employment may be at **risk**

Managers' top three criteria for granting subsidies?

1. Capacity to respond to essential human needs
 2. Contribution to public health
 3. Critical economic situation of business
-

Top five success factors in sanitary Coronavirus-response

Respect of physical distancing
Testing capacity
Hospital capacities
Holistic public health approach
Use of masks when appropriate

Global top performers

South Korea
Taiwan...

* references in report
¹ managers responding to
EMP 2020, see Annex

2.1. Origin of the pandemic

Among the first to inform about the new Coronavirus, on 30 December 2019, was [Li Wenliang, a doctor from Wuhan, who reportedly died](#) from the virus. The Coronavirus probably has spread from wildlife. Wild animals at risk of extinction due to human exploitation [were "found to carry over twice as many viruses"](#) that can cause human disease as threatened species listed for other reasons. The same was true for threatened species at risk due to loss of habitat."

After having tried to cover-up information about the virus, the Chinese government has taken severe, far-reaching and unprecedented emergency measures. Today, the Chinese government reports that the virus has disappeared from the map of China. However, the arrival of the Coronavirus to Europe and the rest of the world was only a matter of time. Yet, Italy and many other European Member States were unprepared to provide sufficient masks, ventilators and other medical equipment.

Nevertheless, from a global perspective, many countries have managed to lower their transmission rates, particularly through physical distancing. Its effectiveness finds scientific consensus. According to the WHO, the death rates are now beginning to shrink.

That's why many governments have started to soften the emergency response measures. To date, the most successful models of crisis prevention include South Korea and Taiwan, who had great testing and monitoring capacities, a generalised respect for physical distancing rules and strong and preventive public health systems. The [public health systems in Taiwan, South Korea and Japan](#) were also rated top of the world for their preventive and holistic approaches.

2.2. Symptoms and demography

At the time of writing, there were about 3 million cases of people infected by the coronavirus as reported by the WHO. Depending on the country, its testing capacity and transparency, the shadow rates may be higher.

In this section, we will first describe the main symptoms of the Coronavirus in a medical sense, as well as the groups most affected by it. Then, a look at the indirect effects will be taken on public health, society, the economy and environment. Finally, some statistical challenges and a call to prudence will be shared.

Coronavirus symptoms and demography

According to the WHO, the most common symptoms of COVID-19 are fever, dry cough, and tiredness. Some patients may have aches and pains, nasal congestion, sore throat aches or diarrhea. These symptoms are usually mild and begin gradually. Some people become infected but only have very mild symptoms. Most people (about 80%) recover from the disease without needing hospital treatment. Around 1 out of every 5 people who gets COVID-19 becomes seriously ill and develops difficulty breathing. The ECDC also mentions the loss of smell (anosmia) as a specific difference typical to this coronavirus.

Who's mostly affected?

According to the WHO, older people, and those with underlying medical problems like high blood pressure, heart and lung problems, diabetes, or cancer, are at higher risk of developing serious illness. However anyone can catch COVID-19 and become seriously ill. Even people with very mild symptoms of COVID-19 can transmit the virus. People of all ages who experience fever, cough and difficulty breathing should seek medical attention.

While men are more affected by the Coronavirus itself, the current crisis and effects of the lockdown affect women particularly. Household tasks, professional obligations, and for mothers childcare, are disproportionately taking up women's time budget.

Higher vulnerability to violence and unequal pay add to this picture. Globally, in healthcare, around 70% of the staff is female, putting them **at higher risk of exposure to the Coronavirus**. Despite these difficult circumstances, women in management, hospitals, nursing stations, schools and other organisations are doing historical work that needs to be adequately recompensated by listening to their needs.



The European Agency for Safety and Health at Work (OSHA) has published a useful report to help managers, in their respective sector, to implement precautionary measures and handling at best the return to work. Read the « COVID-19: Back to the workplace - Adapting workplaces and protecting workers » [guidance here](#).

Learning from South Korea



Concrete, useful and diverse - that's the efficient public policy of SK on coronavirus.

Check out this "Social Distancing at Work" video

The government of the Republic of (South) Korea has a very useful [information portal on the Coronavirus](#) and, probably the world's most efficient's, public response to it - together with Taiwan.

2.3. Effects on European public health system

One explanation for the lack of European coordination, effectiveness and performance in response to the Coronavirus lies in the fact that healthcare is a matter for the competence of the Member States. According to article 168 TFEU, the EU's role is to complement the Member States' policies and to take responsibility for monitoring, early notification and tackling serious cross-border health risks. In this context, the Member States are required to coordinate their policies and programmes. However, not only the data comparability among the EU27 remains a challenge.

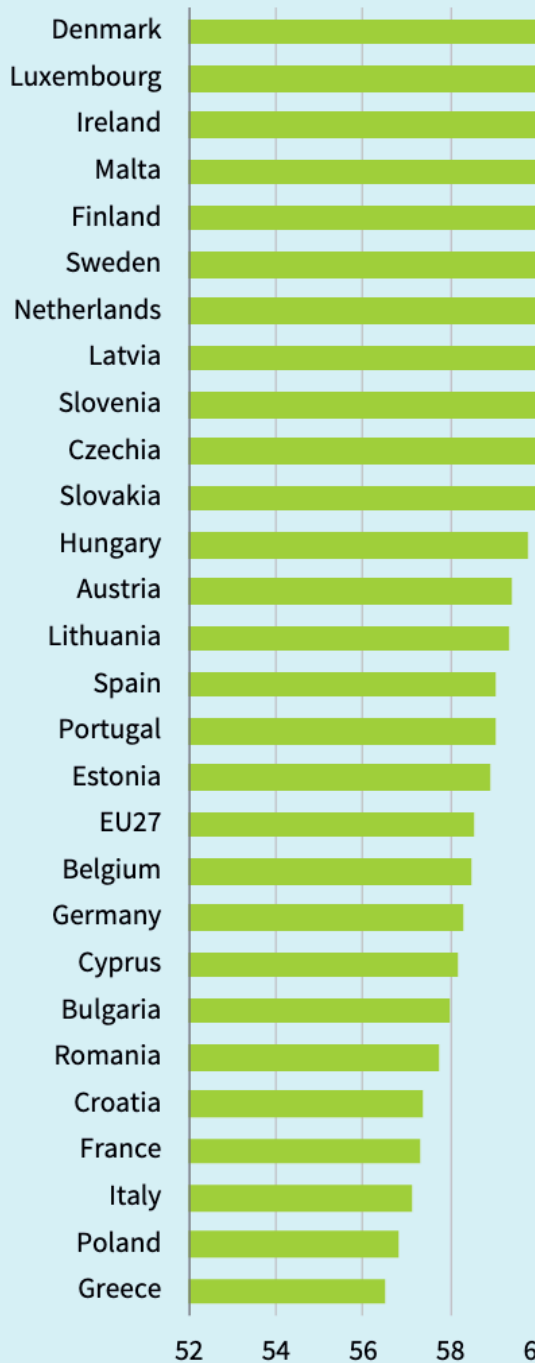
Beyond the diverse responses to the Coronavirus, it's important to not ignore the general health of the EU Population. Chronic diseases (also see fig. 3) are at high levels and have great potential for deterioration with extreme lockdown measures. Managers need support by policy-makers for boosting workers' health. Only healthy and mentally clear employees make us resilient and can be beneficial to economic success. Public health spending, working conditions of health personnel and the quality of medical infrastructure play an important role in general, but also to improve the capacity to respond to shocks such as the Coronavirus.

Extreme lockdown measures have reportedly a severe impact on citizen's mental and physical health. Most reviewed studies reported negative psychological effects including post-traumatic stress symptoms, confusion, and anger. Stressors included longer quarantine duration, infection fears, frustration, boredom, inadequate supplies, inadequate information, financial loss, and stigma. There has also been an increase in domestic violence cases.

The Eurofound report "[Living, working and COVID-19: First findings – April 2020](#)" gives a good overview on employment related impacts of the Coronavirus situation. It further draws a more general picture of public health, life satisfaction and work affected by Coronavirus.

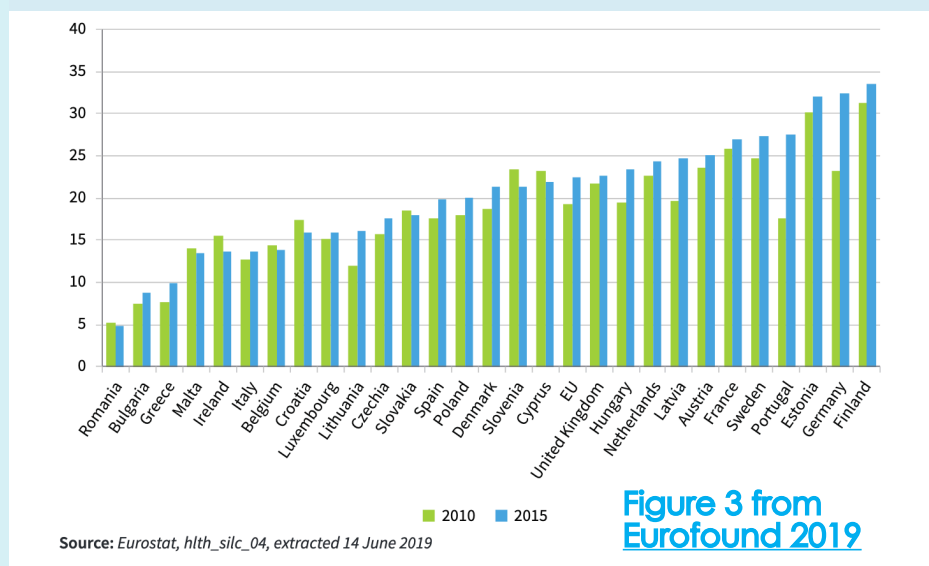
The report shows that women are more concerned by disturbances in work-life balance, with implicit psychosocial health risks. The current crisis affects women more, as the current situation adds additional weight on their shoulders. Business and public policy makers at all political levels have to make gender mainstreaming a reality. Professions responding to essential human needs, such as in education or healthcare, should be remunerated adequately, as our managers confirmed in the Special Edition of the European Managers' Panel 2020.

Figure 1: Mental well-being index (WHO, 0-100)



**Chronic
disease,
mental health
and work-life
balance**

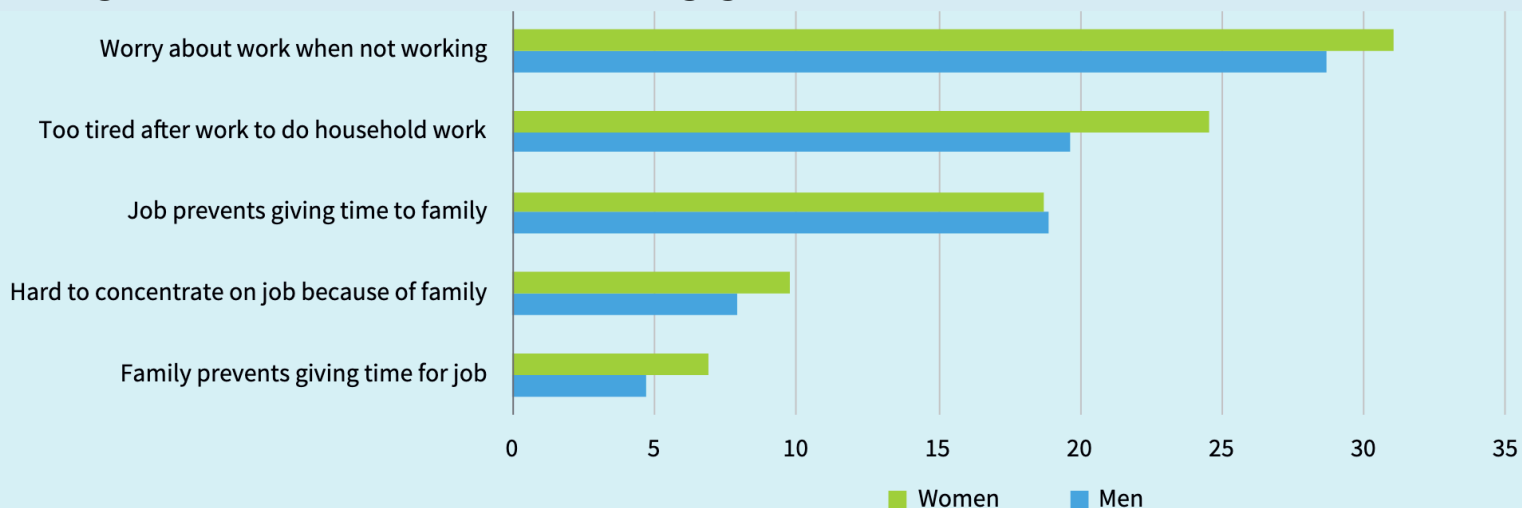
Figure 3: trend in chronic disease in EU working population, %



**Figure 3 from
Eurofound 2019**

Figures 1 and 2 from Eurofound 2020

Figure 2: Work-life conflicts by gender in EU, %



2.4. Effects on economy

According to the [latest issue of the World Economic Outlook](#) issued by the International Monetary Fund in April 2020, the global output is expected to decrease by 3% in 2020, with the Euro-area potentially experiencing a reduction of more than 7%.

The economic impact of the pandemic can be described as being quite unequal, for companies, for territories and for different demographic groups. Many businesses and independent professionals were hit hard by the subsequent lockdown on their activities.

Some actors, such as online marketplaces have been able to accelerate their growth. Unfortunately, the growth of the digital economy has also benefitted companies that do not respect and fiscally contribute to the successful and ever-more-relevant European social market economy. European companies need a level playing field. [Also through independent, decentralised and accessible digital infrastructure made in Europe.](#)

As far as the preparedness of the economy is concerned, our in-house European Managers' Panel (more info in Annex) has found that 41% of managers responding reported that their company has emergency plans in place. However, only 9% report that the response has been coordinated and only 14% that the communications have been sufficiently clear around the response. The results hint at a great challenge for managers to respond to the crisis, also due to sometimes unclear communications by public authorities.

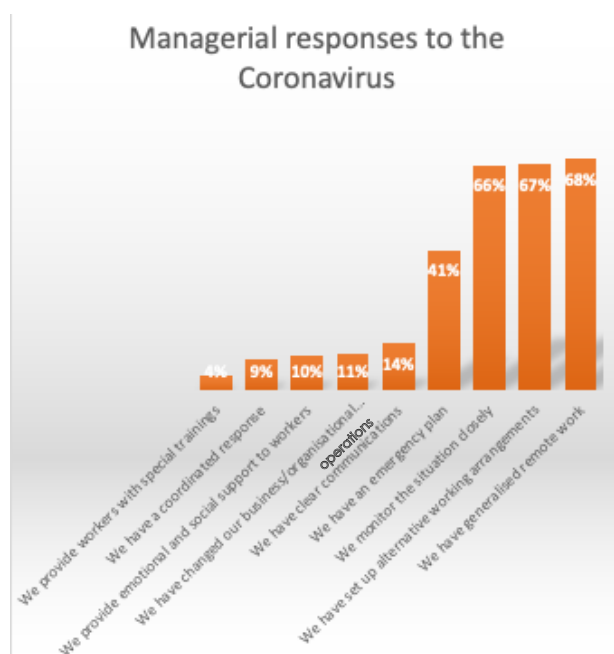


Figure 4. Special Edition of the European Managers' Panel 2020, see Annex

Providing trainings and having a coordinated responses at work require, at all levels, also support and cooperation with public authorities, business owners and other stakeholders. In Europe, that's what we call European social dialogue. Our recently concluded framework agreement on digitalisation shows that European social dialogue is alive. And that managers, as an own category besides workers and employers/owners, have much to contribute to.

Socio-economic effects

Figure 5: Population reporting difficulty making ends meet in EU, %

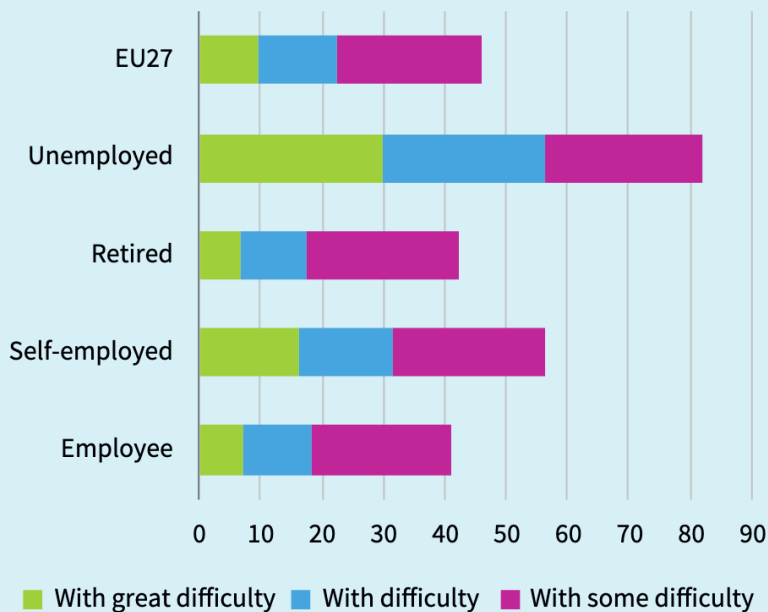
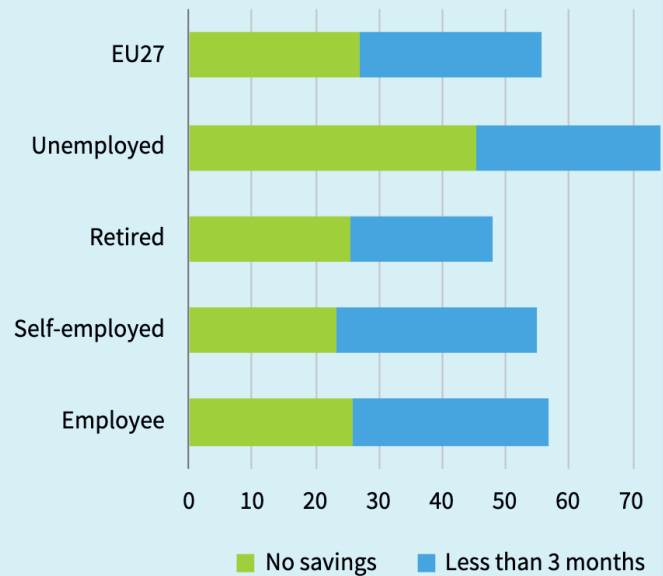


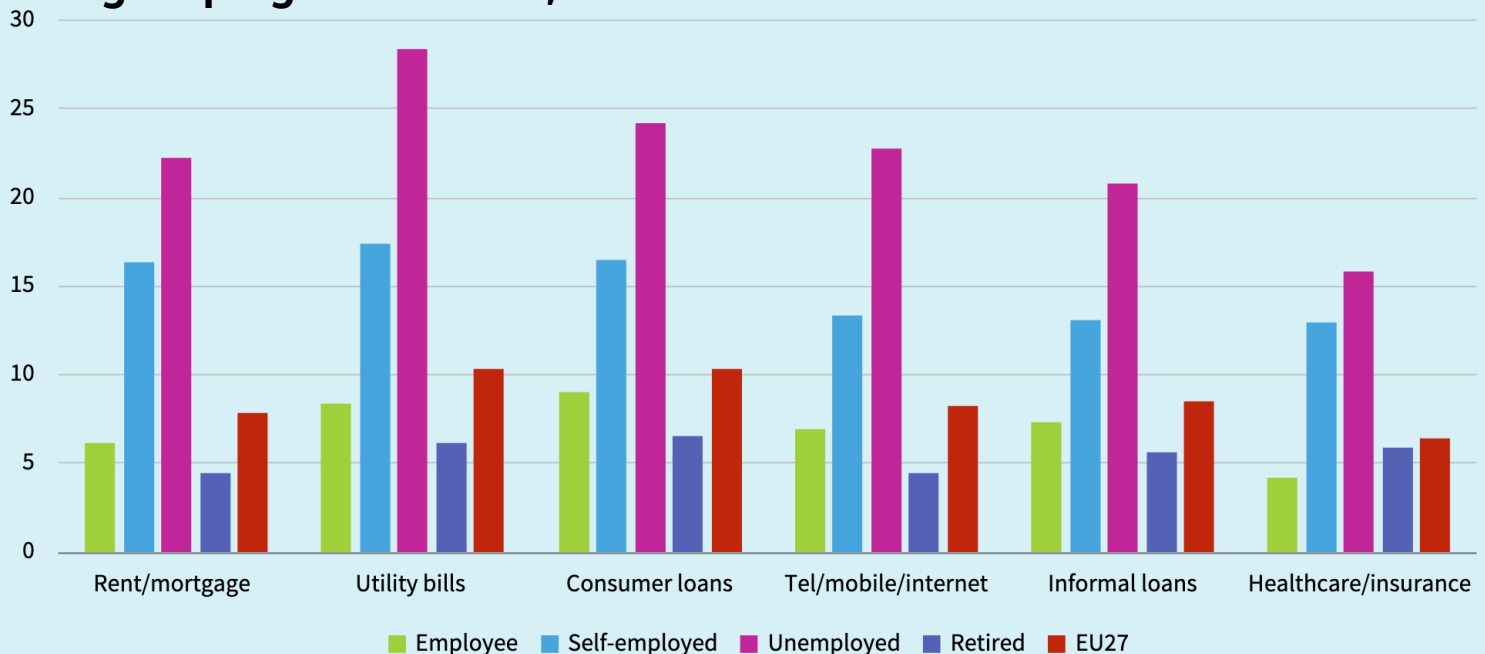
Figure 6: EU population with no or little savings



Figures from

[*Eurofound special report April 2020*](#)

Figure 7: Household arrears of EU population by employment status, %



2.5. Effect on society and employment

Even though uniform and reliable aggregate data about the European situation are not yet available, the effects on employment may be worse than those caused by the 2008 financial crisis. According to a [report published by McKinsey](#) mid-April, almost 56 million jobs or 26% of total employment would be at risk in the European Union and United Kingdom. The most likely to be hit are sectors like services to the person (including restaurants, beauty care, hotels and accommodation but excludes health care), construction, retail and arts - all of which (with the exception of arts) have very low qualifications.

[Eurostat has recently published](#) the figures concerning the EU unemployment levels for the month of March. No significant change can be observed - the increase has been limited to 0,1%. But it is definitely too early to assess the effects on the real economy, also thanks to the robust use of social stabilizers (unemployment benefits) during the crisis.

As far as the concrete impact on the organisation of work is concerned, the European Managers' Panel 2020 offers insights on what managers' experience was. There has been a massive switch to remote work, along with a close monitoring of the solution. When it comes to the kind of support given to workers, providing emotional and social support has been reported only by 10% of surveyed managers. Even less (4%) reported that workers in their organisation have received training to deal with these special circumstances.



Figure 8. Special Edition of the European Managers' Panel 2020, see Annex

Maybe unsurprisingly, for a majority of respondents the often high workload has not changed significantly. This may explain why in average, the participating managers have only reported a slight decrease in physical and mental health. It may however be too soon to evaluate these figures soundly.

Overall, health and safety seems to be the clear number one priority to managers, even before any other priority, as the participants to our EMP confirmed.

[As far as the socio-economic impact is concerned, according to Eurofound \(see p.12\)](#), over half of their respondents (56%) state that they are unable to maintain their standard of living for more than three months without an income: 27% have no savings at all and 29% have just enough to cover three months.

2.6. Effect on environment

While the lockdown measures have reduced economic activity and mobility, the effect on the improvement of air pollution on citizen's health has been highlighted. The measures to combat the coronavirus have led to an approximately 40% reduction in average level of nitrogen dioxide (NO₂) pollution and 10% reduction in average level of particulate matter pollution.

People living in areas that have experienced higher levels of air pollution face [increased risk of premature death from COVID-19](#). Similarly, access to clean water is essential in preventing people from contracting and spreading the virus [the UN says](#).

The fight against air pollution goes hand in hand with the need for reforestation, reduction of emissions and other measures agreed under the United Nation's Sustainable Development Goals and the Paris agreement. The circular economy, sharing economy, green economy, bioeconomy and others don't wait.

The [European Environment Agency \(EEA\) gives an overview](#) on emission reductions and highlights our responsibility to act.

"

The EEA's data show an accurate picture of the drop in air pollution, especially due to reduced traffic in cities. However, addressing long-term air quality problems requires ambitious policies and forward-looking investments. As such, the current crisis and its multiple impacts on our society work against what we are trying to achieve, which is a just and well-managed transition towards a resilient and sustainable society.

"

Hans Bruyninckx, EEA Executive Director

The EEA's data for recent weeks show how concentrations of nitrogen dioxide (NO₂), a pollutant mainly emitted by road transport, have decreased in many Italian cities. For example:

- In Milan, average concentrations of NO₂ for the past four weeks have been at least 24 % lower than four weeks earlier this year. The average concentration during the week of 16-22 March was 21 % lower than for the same week in 2019.
- In Bergamo, there has been a constant decline in NO₂ pollution over the past four weeks. The average concentration during the week of 16-22 March was 47 % lower than for the same week in 2019.
- In Rome, average NO₂ concentrations for the past four weeks were 26-35 % lower than for the same weeks in 2019.

Similar trends can be seen in other European cities where lockdown measures have been implemented during the week of 16-22 March.

- In Barcelona, average NO₂ levels went down by 40 % from one week to the next. Compared with the same week in 2019, the reduction was 55 %.
- In Madrid, average NO₂ levels went down by 56 % from one week to the next. Compared with the same week in 2019, the reduction was 41 %.
- In Lisbon, average NO₂ levels went down by 40 % from one week to the next. Compared with the same week in 2019, the reduction was 51 %.

Source: [European Environment Agency 2020](#)

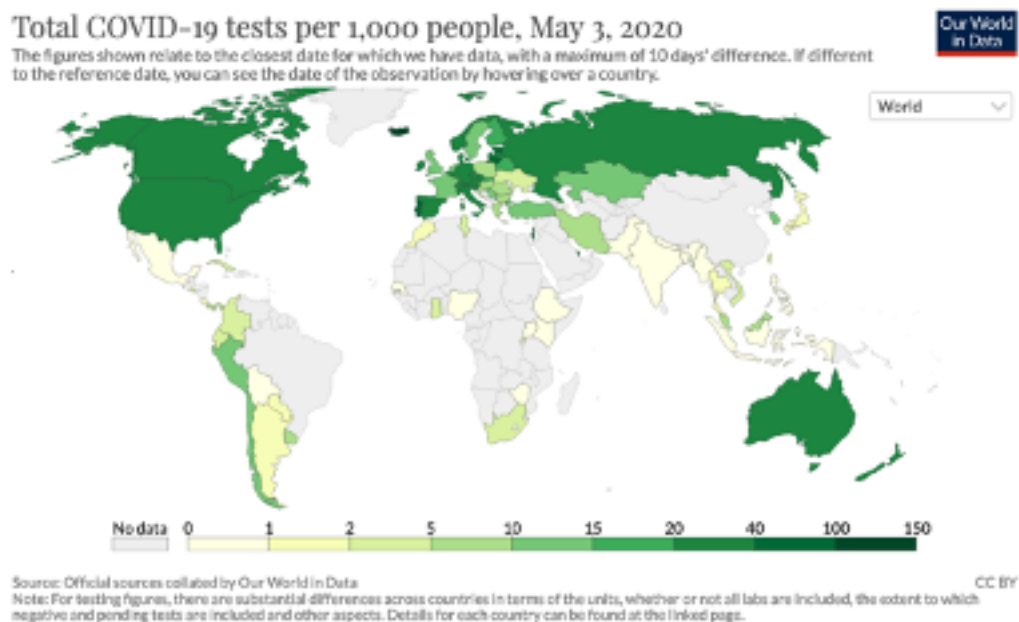
2.7. Challenges in diagnosis

Assessing the real death and infection rates related to the Coronavirus remains a challenge, as [Oxford University's CEBM highlights](#):

"Between countries, case Fatality rates vary significantly, and over time, which suggests considerable uncertainty over the exact case fatality rates.

- The number of cases detected by testing will vary considerably by country;
- Selection bias can mean those with severe disease are preferentially tested;
- There may be delays between symptoms onset and deaths which can lead to underestimation of the CFR;
- There may be factors that account for increased death rates such as coinfection, more inadequate healthcare, patient demographics (i.e., older patients might be more prevalent in countries such as Italy);
- There may be increased rates of smoking or comorbidities amongst the fatalities.
- Differences in how deaths are attributed to Coronavirus: dying with the disease (association) is not the same as dying from the disease (causation)."

To illustrate these statistical challenges, the following map shows significant differences in testing around the world. Of course, it only applies to tests made on 2 May and not structural testing capacity. On 2 May, in the EU, Bulgaria only conducted 7 test per 1000 people, while Estonia conducted 52. As described above, even these figures may however be subject to biases or preferences of national authorities.



3. Responses to the pandemic in Europe

Before we look at what "remedies" have been adopted at national level in Europe, we would like to highlight the speed at which decisions are adopted and modified. For this reason, the information we provide herewith is to be considered as an overall, trend-based orientation towards understanding what approach has been followed by countries. The description we offer is not to be considered as exhaustive nor entirely up to date. Lastly, we would like to refer to important statistical challenges, as mentioned in chapter 3.

"COVID-19 is menacing all of humanity and all of humanity must fight back. An effective response needs to be multidimensional, coordinated, swift and decisive. It needs to be result of strong political leadership and buy-in of the population. It needs to foster public trust; be focused on human values; and supported by solid institutions, technical skills and financial resources. Everyone needs to play their part in the response. No individual country can do this alone."

[United Nations, March 2020](#)

"Having an EU approach to easing lockdown restrictions, facilitating labour mobility across borders and widening green lanes could overcome the current and foreseeable restrictions to the free movement of persons and goods. Coordinated solutions of this kind would not only complement national approaches to the exit strategy, but also promote more solidarity between member states. Public support for greater EU competences in dealing with this public health emergency should encourage member state governments to put more energy into finding ways of sharing both the benefits and the burdens of EU membership."

[European Policy Institutes Network, 20 April 2020](#)

3.1. Sanitary emergency measures

Many governments throughout the world have adopted measures aiming at reducing the number of social interactions among people. However, the intensity of such measures highly depended on several factors: number of cases, preparedness levels of the health sector, but also domestic political sensibility towards limiting citizens' constitutional rights. From imposing self-isolation to those with symptoms to closing schools, from banning public events to shutting down some categories of shops, the range of possible measures is very wide.

Italy has been the first country in Europe to impose limitations to the freedom of movement on significant areas of the national territory on March 8th and then nation-wide as of March 10th.

The table below shows the timeline of the adoption of lockdown measures in a selection of European countries. In the absence of specifically agreed scales of the intensity of social interaction limitation measures, we will consider "generalised lockdown", i.e. the obligation to remain at home (except for justified vital reasons) accompanied by a generalized closure of public venues as the most stringent policy choice. Of course, at this stage, it is not possible to assess the extent of implementation of these measures.

Lockdown calendar and measures in Europe

March	7	9	11	13	15	17	19	21	23	25	27	29
		IT		ES	AT		BE	CH	DE	UK	PL	
					FR	DK			EL	NO		
						PT						

Source: Own elaboration from data available on Deutsche Welle, Imperial College

The graph below illustrates how some European countries score in terms of the severity of the measures adopted (by the end of March).

DE, IT, SE, BE, DK, UK, AT, FR, ES, NO	IT, ES, DE, DK, BE, AT, FR, NO, SE, UK	IT, AT, DK, SE, NO, BE, FR, ES, DE, UK	IT, DE, AT, BE, FR, DK, NO, ES, SE, UK	IT, ES, AT, FR, BE, DK, DE, UK, NO
Self-isolation of the symptomatic	Physical distancing	Ban on public events and large gatherings (no limit to the no. of participants)	School closures (of all grades)	Full lockdown

Lockdown stringency (without analysis of effectiveness)

For a more systematic assessment of the degree of “severity” of confinement measures, the [University of Oxford has elaborated a “stringency index”](#). The index is based on 17 indicators, organized around three areas: the nature of confinement measures, the kind of economic policies and the effectiveness of the health system in reacting to the crisis. You can find below a world map, where countries are classified according to the index.

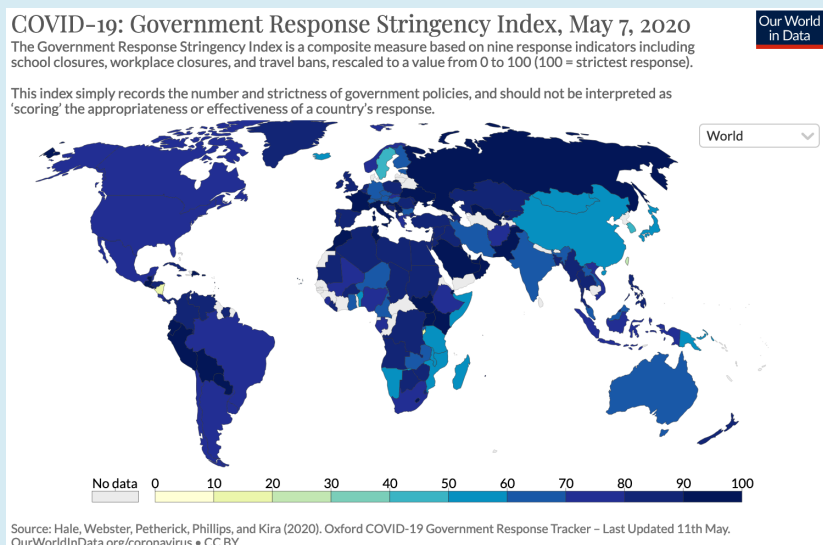


Figure 9

Comparative Coronavirus-response measures in Europe

For a more complete overview of all the measures adopted by all European countries (including the EEA, Turkey and the United Kingdom), organised in five different groups (school closure, national limitation of movement, international limitation of movement and flight restrictions, closure of non-essential shops and ban on public events), we invite you to consult the online database of the European Commission – [JRC \(Joint Research Center\) Covid_19 monitoring tool](#).

The map below offers a good visual overview of the European temporary restriction measures, of 20 April.

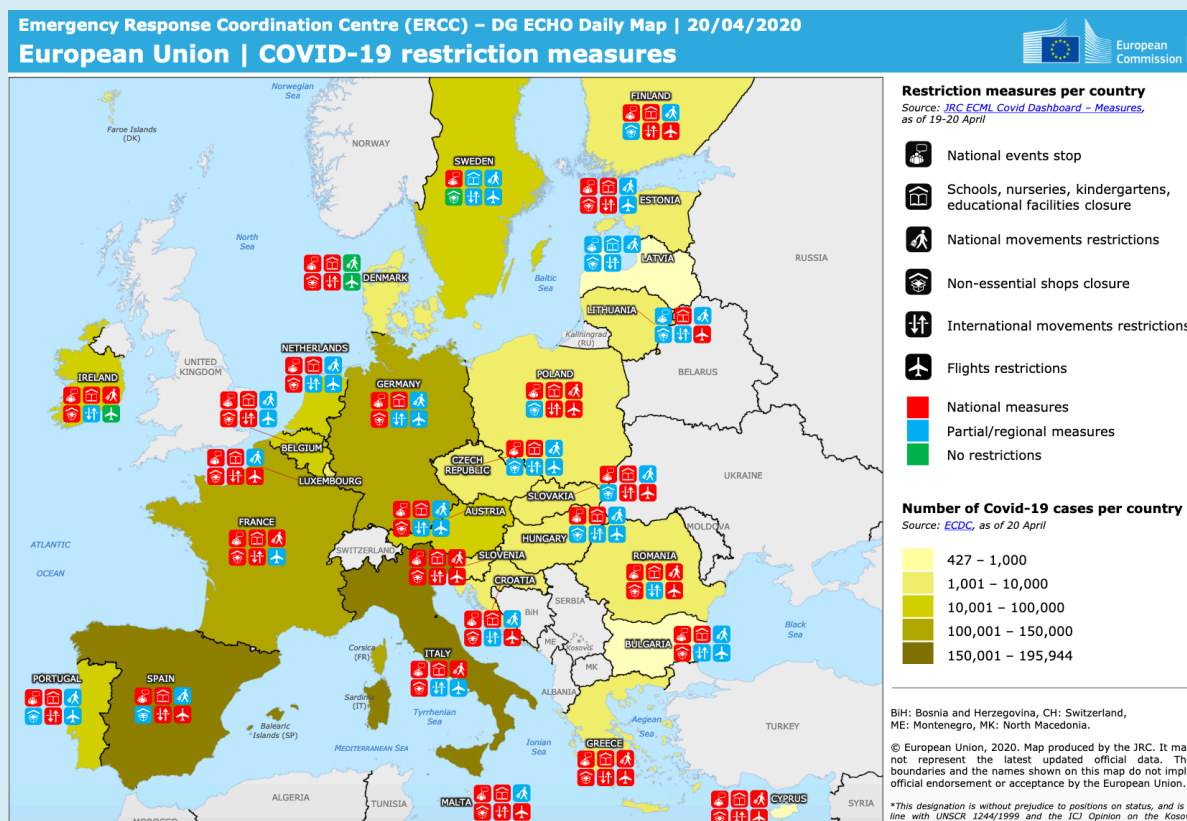


Figure 10, [JRC map](#) of Covid-19 restriction measures on 20 April.

3.2. Economic emergency measures

Now that this wave of the Coronavirus-pandemic seems to have peaked in Europe, policy-makers and managers are preparing the recovery of economic activity under sanitary restrictions. Generally speaking, the unprecedented amounts of state-support may shape the future of Europe for the next decades. That's why the respondents to our European Managers' Panel have been very vocal on insisting on transparent and purposeful criteria for awarding subsidies – both at European and national level. Responding to basic human needs and improving public health are the top priorities for the participating managers. Concretely, this would imply conditioning subsidies not only on the basis of the critical economic condition, but also the impact the economy has on public health, social cohesion, environmental quality and the like.

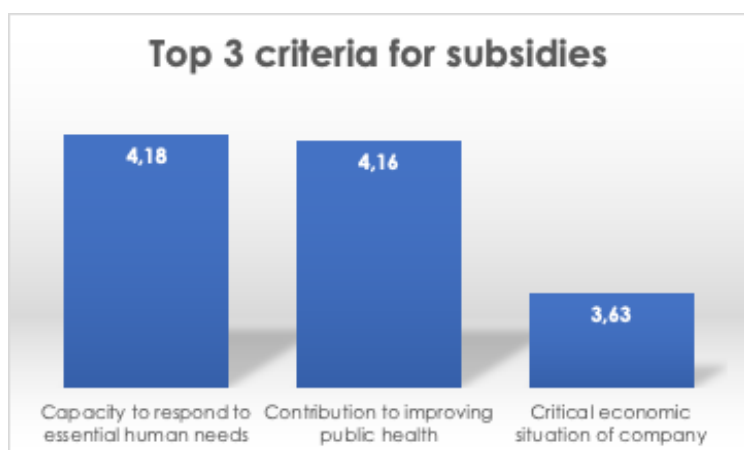


Figure 11. Special Edition of the European Managers' Panel 2020, see Annex (scale: 1-5, on what basis subsidies should be granted)

In parallel to the adoption of sanitary measures, public authorities have taken swift action to intervene in the economy. National governments in Europe have adopted different economic stimulus packages. [Bruegel](#) groups these along three main pillars (based on their effect on public finances):

- **Directly increasing public finances and public debt** (fiscal effects). These include financing unemployment measures, providing direct subsidies to company, increasing public spending and cancelling taxes.
- **Deferring payments** due to the state
- Other measures, essentially to provide companies with **credit guarantees**

[Bruegel, 6 May 2020](#)

For more detailed information about economic measures adopted at Members States' and at EU-level, please check the overview, as well as managers' evaluation of these measures, on the next page.

Economic measures in Member States and at EU-level

The chart below summarizes and quantifies (both in absolute terms and as a percentage of national GDPs) such measures in a selected group of countries (figures in €):

	Fiscal effect (GDP%)	Deferring GDP%	Other measures (GDP%)
Belgium	3 bn (0,7)	13 bn (3%)	50 bn (10,9)
Denmark	Approx. 5 bn (2,1)	Approx. 16 bn (7,2%)	Approx. 6 bn (2,9)
France	56,7 bn (2,4)	228 bn (9,4)	338 bn (14)
Germany	236 bn (6,9)	500bn (14,6)	1322 bn (38,6)
Italy	16 bn (0,9)	235bn (13,2)	530 bn (29,8)
The Netherlands	12,7 (1,6)	26 bn (3,2)	4,5 bn (0,6)
Spain	13,9 bn (1,1)	18,55 bn (1,5)	112,4 bn (9,1)

Figure 12. Own elaboration

As a comparison, only the United States have adopted more significant fiscal measures than Germany: their GDP ratio is above 9%. **Germany has clearly adopted the boldest stance, embarking on a recovery plan that relies much more than in the other European countries on fiscal interventions (which are also more likely to have more rapid effects on the real economy).** As governments decide the size of their interventions, inevitably considerations about the effect of such measures on their pre-crisis public finance state are made.

Next to the individual economic response of each EU member State, the European institutions have adopted a series of initiatives to provide – within the limits imposed by the Treaties – support to the European economy. In assessing the rapidity and scope of the EU reaction, one must take into account the complexity of the European institutional framework.

The European Commission has adopted the following measures:

- A revision of the State-aid rules and a loosening of the Stability Pact rules, to allow for Member States' economic stimulus intervention
- Temporary lifting of VAT duties on medical devices
- The adoption of the "Coronavirus Response Investment Initiative", a regulation that distributes back to EU Member States the unspent sums of this year's structural funds (for a total of 37 bn€)
- Proposing SURE, a new instrument aimed at financing short-time working schemes adopted by Member States, with a maximum capacity of 100bn € (distributed as loans)
- Special initiatives supporting the agricultural and transport sectors

These measures are complemented by other initiatives to ensure the smooth functioning of the transportation sector, coordinating emergency response, fighting disinformation and reinforcing the responsiveness of the medical sector. From its side, the European Central Bank has launched a massive worth 750 bn €, to run until the end of the crisis. And the European Investment Bank has decided the activation of a guarantee fund worth 200 bn€.

Finally, Member States (acting in the European Council) have agreed in the course of these months to consider a series of other possible avenues for intervention. Some of these have already been decided, like the opening of a special credit line by the European Stability Mechanism to provide up to 240 bn€ to Member States, on the condition that these only cover direct or indirect healthcare costs. Some others are still to be decided, as for instance the definition of a Recovery Fund, which will represent the bedrock of the future overall economic response mechanism, and the role of the future EU multi-annual budget.

[A complete overview of the European economic response measures can be found here.](#)

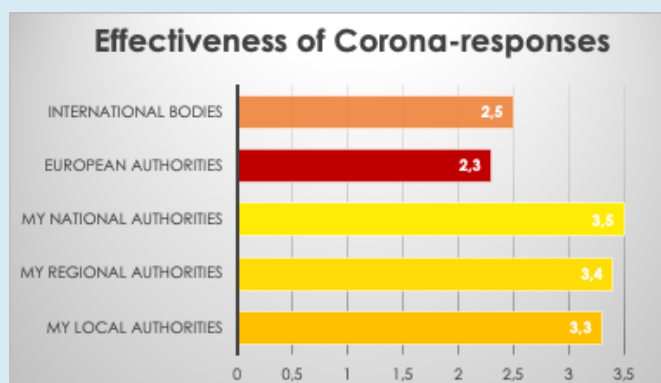


Figure 13. Special Edition of the European Managers' Panel 2020, see Annex (scale 1-5, how managers judge the effectiveness of authorities and bodies at different levels)

According to the respondents to the European Managers' Panel, there has been particular vocal criticism of a lack of European-level solidarity and action. Starting from the lack in statistical comparability over the scope of above-mentioned measures to the outlook on the future of European industry: there are many aspects the post-Corona European Union should consider to have an effective, coordinated, sustainable and mutually beneficial recovery. Of course, the answers to the question on the effectiveness of the responses to the Coronavirus do not consider institutional elements, such as the role of (particular) Member States' in the Council of the European Union.

3.3. National exit strategies

The first European countries having adopted measures to end lockdown are Denmark, Norway, Germany and Austria (starting for instance in Austria as early as April, 14th with some non-essential shops re-opening and Denmark with re-opening elementary schools on April 15th). As it happened for the adoption of containment and lockdown measures though, the pace of the re-opening process will be different from country to country. In its communication on a [joint roadmap to lifting containment measures](#), the European Commission suggested considering how each country performs against three sets of criteria:

- Epidemiological state, to assess the pace at which the contagion is evolving
- A general consideration of the capacity of the health system (availability of ICU beds, etc..)
- Readiness to perform large-scale testing, to prevent new outbreaks.

As it stresses that no one-size-fits-all approach is possible (even within the same country), the European Commission identifies graduality as the main characteristic of this phasing-out process: in terms of the scope of the measure (the “magnitude” of the lifting), the category of people concerned (with the most vulnerable remaining protected for longer), the geographical coverage and the nature of the activity that is reactivated.

It is still early too early to say whether the easing of lockdown measures will be followed by a significant increase in the figures of the spread of the contagion. [Germany](#) and [Denmark](#) for instance have witnessed such case, with R0 (the rate indicating the number of people that every infected person is able to infect in turn) having risen suddenly shortly after the end of deconfinement measures. In neither case however, the increase is likely to slow-down the overall reduction in the number of cases.

National exit calendars

<p>Austria</p> <p>April 14th: some small DIY shops reopen May 1st: end of lockdown. All other shops reopen May 4th: graduating classes back to school May 15th: reopening of all shops, café and bars May 18th: all other schools reopen May 29th: hotels are supposed to open again</p>	<p>Germany</p> <p>April 20th: reopening of non-essential shops, end of lockdown. May 3rd: earliest date for reopening of restaurants and bars May 4th: graduating classes back to school (limited attendance). Hairdressers reopen. Some worship places reopen (depending on Region)</p>
<p>Belgium</p> <p>May 4th: some shops reopen, workplaces can restart normal activities (with social distancing) May 11th: all shops open again May 18th: schools, hairdressers and other venues involving physical contact can open. Freedom of movement (trips, excursions) restored. Museums open again. June: earliest possible date for re-opening restaurants, bars and hotels.</p>	<p>Italy</p> <p>Mid-April: some stores reopening (bookshops, florists, children's clothes); re-opening some industrial venues May 4th: gradual lifting of lockdown measures, reopening of restaurants (for takeaway only). May 18th: reopening of all shops and museums June 1st: reopening of restaurants</p>
<p>France</p> <p>May 11th: begins the lifting of lockdowns measures. Elementary schools reopen. All shops and personal care services reopen. Restoration of freedom of movement (with some limitations). Reopening of worship places May 18th: reopening of secondary schools June 2nd: religious ceremonies restart</p> <p>The country is however divided into two areas, depending on the severity of the infection spread. The state of sanitary emergency is prolonged until July 24.</p>	<p>Spain</p> <p>April 13th: some industrial sectors authorized to open again (construction) April 26th: Children are allowed to go outside May 4th: deconfinement starts on smaller islands. Gradual reopening of some shops and restaurants (takeaway only) May 11th: deconfinement on mainland Spain. Reopening of non-essential shops, restaurants and bars (terraces only), hotels. Limited reopening of worship places and public transportation. May 14th: reopening of some schools End of May: increasing the max. allowed capacity of restaurants, bars, places of worship</p>

Own elaboration, based on Financial Times, JRC database, Foreign Policy

Masks and testing: preventing is better than curing

Part of the current debate about how this phase should look like concerns the use of protective masks in public. Europe has somewhat modified its view on whether the so-called “community use” of masks, that is to say in “normal” situations, other than at-risk ones (for people with symptoms, in hospitals and for healthcare personnel) should be encouraged or not: according to a report of the ECDC (the European Centre for Disease Prevention and Control), the use of “face masks in the community could be considered, especially when visiting busy, closed spaces”.

However, the report continues, there is insufficient scientific evidence that non-medical masks are can effectively be used as means of “source control”, and extra-care must be taken in order to avoid that their use reduces people’s adherence to social distancing and other preventive acts. The first European country having adopted measures on wearing masks in public has been the Czech Republic, on March 18th (approximately a week after a national lockdown was imposed) Slovakia followed the example shortly after (on March 25th). Incidentally, both countries have performed relatively well in limiting the number of infected: according to the data collected by the European Centre for Disease Control and Prevention, as of May 2nd Slovakia recorded 257 cases per million inhabitant and Czechia 722 (as a comparison, the hardest-hit EU country is Luxembourg, with more than 6000 cases per million inhabitant).

European countries now seem to largely endorse the principle of asking the population to wear masks regularly. On an indicative basis, wearing masks (including non-medical masks) in public places, shops and transportation seems to be the rule. Approaches however differ, with some countries choosing to make it compulsory only in some specific circumstances (like for instance the obligation to wear them on public transportation in Belgium or in supermarkets in Austria) and other extending it to virtually every activity outside. To complexify the scenario further, in many countries regional/local authorities (including municipal ones) have the competence to impose additional obligations: in Italy for instance, it is compulsory to wear masks at every outside occasion in Tuscany, Lombardy, Veneto and some other provinces in Northern Italy, but not in the rest of the country.

More on masks



More on testing



Another “pillar” of the de-confinement strategy is the availability of large-scale testing, as a crucial tool (in the absence of a vaccine or effective medical treatment) to keep the infection rate as low as possible. The OECD has recently published a report that explains how recurring to testing is essential to achieve three objectives, that are all conducive to a safe return to “normal life”:

- **Avoid local outbreaks from happening again (through individual Testing, Tracking and Tracing)**
- **Identifying those who have developed antibodies and can safely go back into society**
- **Help track the evolution of the disease, in order to assess how rapidly herd immunity can be reached**

In its report, the OECD highlights the importance of keeping a record of the results of testing – this can be done in the form of a “passport”, some sort of a document (including on digital supports) that certifies the serological condition of every individual, allowing for a quicker and safer resumption of his/her normal activities. A heated debate has sparked however on the opportunity of developing such tools, considering the possible impacts on privacy but also less “obvious” considerations, like for instance the risk that “people who are not immune may seek to expose themselves to the virus in order to gain immunity and (re)gain a more normal life and work ». The European Commission has issued in April some guidelines to Member States, to provide indications on the minimum requirements mobile apps providing tracing functionalities must ensure:

- **Voluntary adoption**
- **Approval by public authorities**
- **Capable of preserve privacy, via for instance encryption of personal data**
- **Temporary duration** (they can be uninstalled at the end of the emergency and all data erased)

The guidelines point out however that the collection of location data is not to be suggested, as the goal of such apps must reside in alerting individuals on the basis of their immediate location (contact tracing and warning functionality). The guidelines also call for interoperability between different platforms and among EU countries.

Testing the Efficacy of Homemade Masks: Would They Protect in an Influenza Pandemic?

This study examined homemade masks as an alternative to commercial face masks. Several household materials were evaluated for the capacity to block bacterial and viral aerosols. Twenty-one healthy volunteers made their own face masks from cotton t-shirts; the masks were then tested for fit. The number of microorganisms isolated from coughs of healthy volunteers wearing their homemade mask, a surgical mask, or no mask was compared using several air-sampling techniques. The median-fit factor of the homemade masks was one-half that of the surgical masks. Both masks significantly reduced the number of microorganisms expelled by volunteers, although the surgical mask was 3 times more effective in blocking transmission than the homemade mask. **Our findings suggest that a homemade mask should only be considered as a last resort to prevent droplet transmission from infected individuals, but it would be better than no protection.** (Disaster Med Public Health Preparedness. 2013;0:1-6).

Material	<i>B. atrophaeus</i>		Bacteriophage MS2		Pressure Drop Across Fabric	
	Mean % Filtration Efficiency	SD	Mean % Filtration Efficiency	SD	Mean	SD
100% cotton T-shirt	69.42 (70.66)	10.53 (6.83)	50.85	16.81	4.29 (5.13)	0.07 (0.57)
Scarf	62.30	4.44	48.87	19.77	4.36	0.19
Tea towel	83.24 (96.71)	7.81 (8.73)	72.46	22.60	7.23 (12.10)	0.96 (0.17)
Pillowcase	61.28 (62.38)	4.91 (8.73)	57.13	10.55	3.88 (5.50)	0.03 (0.26)
Antimicrobial Pillowcase	65.62	7.64	68.90	7.44	6.11	0.35
Surgical mask	96.35	0.68	89.52	2.65	5.23	0.15
Vacuum cleaner bag	94.35	0.74	85.95	1.55	10.18	0.32
Cotton mix	74.60	11.17	70.24	0.08	6.18	0.48
Linen	60.00	11.18	61.67	2.41	4.50	0.19
Silk	58.00	2.75	54.32	29.49	4.57	0.31

^a Numbers in parentheses refer to the results from 2 layers of fabric.

Filtration Efficiency and Pressure Drop Across Materials Tested with Aerosols of *Bacillus atrophaeus* and Bacteriophage MS2 (30 L/min) a

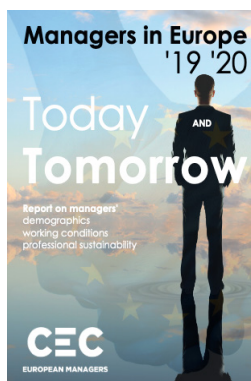
Figure 14

3.4. Responses by members of CEC European Managers

In April, CEC European Managers had launched a survey among its affiliated member organisations to collect information about their reaction to the coronavirus crisis. This overview presents some of their actions and support.

Our Members have provided direct support to their individual affiliates, for instance by analysing how new legislation on employment conditions, workplace safety and operational rules adopted in the context of the crisis impacted on their professional and personal life. Some organisations have also provided forms of psychological counseling for their affiliates, especially for those who find themselves in the difficult conditions of having to lay off personnel, or more in general about how to handle the new working arrangements. As a result, all our Member organizations have witnessed an increase in the request of support and guidance by their individual affiliates, to which they have responded by producing more information material, new communication campaigns and tools (like for instance podcasts, interviews and blogs). And while it is still too early to say the extent to which the effects of the economic crisis on employment will impact managers particularly (and the resulting membership figures), some organizations have already experienced an increase in the number of people affiliating. Some of our Members have also conducted their own internal surveys, to investigate how their individual affiliates were coping with the crisis, what new needs had arisen and how to best support them with the reality of their new professional tasks.

Concerning the “external” implication of our Member organisations, a majority of them reports some sort of consultation or interaction with public authorities in the adoption of public measures. Besides those organisations that are regularly consulted by public authorities in the context of national social dialogue, many report having participated in meetings with the government and/or political representatives to discuss the measures adopted and suggest policy initiatives, with a particular focus on the steps to be taken to tackle the economic crisis.



CEC supports managers with relevant reports and guidelines, including:

[Managers in Europe: today and tomorrow](#) (report)

[Managing the Digital Transformation](#) (guidelines)



Rebuilding the economy, responsibly and purposefully

#MaratonaManager

By CIDA, Italian member organisation



For 10 hours, managers from all sectors, communication specialists and professionals but also political representatives and economic experts shared their experience on how the Covid_19 crisis has impacted the economy and discussed the most effective strategies for successfully lifting lockdown measures. Instead of following abstract criteria and complicated rules that identify what economic sectors can re-start first, the government should listen to those who ensure the functioning of the economic system and follow their reasoned advice, based on competence and responsibility.

www.cida.it



Lederne, the Danish association of managers, has drafted a series of concrete economic proposals addressed to the government, in the form of a plan for recovery axed around two main suggestions: supporting households' spending via specific allowances from the government and a reduction of taxes and a VAT exemption for some sectors and products (for instance, services and restaurants).

www.lederne.dk



ČESKÁ MANAŽERSKÁ ASOCIACE
CZECH MANAGEMENT ASSOCIATION

ENTREPRENEURS . MANAGERS . LEADERS

The Czech Management Association drew attention to the need to restart the Czech Republic and to present a vision of the country's future after the coronavirus pandemic. According to us, the Czech Republic cannot do without jumping on the wave of new trends in the economy and management and business support, especially local one. Globalization has ended and its potential has been exhausted, which will cause faster de-globalization trends and the transition of the world economy back to regions as close to the consumer as possible - global relocation is coming.

www.cma.cz

Outlooks

II

The future doesn't wait. The markets and business ecosystems of tomorrow require us to focus on our real added value, both of business and of our management model. The Coronacrisis has highlighted our vulnerability. We have to act accordingly by building resilience and achieving better health, environmental, social and long-term economic performance. We need to mainstream Sustainable Leadership or will face the consequences of turning a blind eye on unresolved issues.

People, planet, profits. It's that easy.

Ludger Ramme

President of CEC European Managers

II

Social dialogue is, provingly, better able at reinforcing both economic and social interests, as being more resilient in crisis. Many managers in the public and private sector are joining trade unions and professional associations these days. Such membership has benefits as an individual, for the business or organisation, as well as for society. Now is the time to strengthen social dialogue in all European countries. Starting ourselves.

Maxime Legrand

Secretary General of CEC European Managers
President of FECEC (Managers in banking sector)

Outlooks

II

Women in management, education or healthcare share one feature: they face a gender recognition gap, to varying degrees pay gaps and also often have to manage more at home. Even though it may be too early to have a final say, we can already observe that women-led democracies are the top-performers in this pandemic. We managers still have a long way to go on gender equality, but now is the time for equality.

Ebba Öhlund

Deputy-Secretary General of CEC European Managers

II

The crisis has also shown that no European country can successfully face the crisis by itself, and that solidarity must be the watchword of the European response. National governments will have to show courage and take the right steps to move Europe forward. Many of the shortcomings that have been reproached to Europe actually depend on the political will of Member states not to attribute to EU institutions the right competences. This crisis can trigger a new step in the European integration, and make Europe a political reality.

Luigi Caprioglio

Treasurer of CEC European Managers



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#CoronaManagement

#ManagersForEU

#SustainableLeadership

CEC
EUROPEAN MANAGERS

Annex

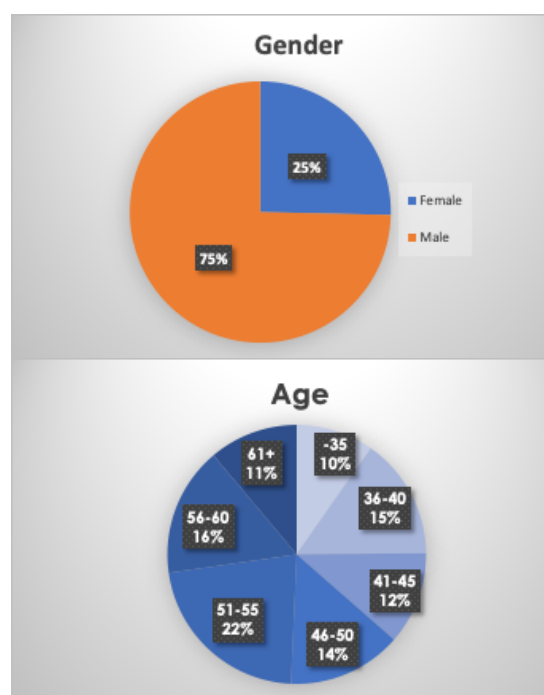
Special Edition of the European Managers' Panel 2020

The European Managers' Panel 2020 Special Edition has been conducted among 700 managers from several European countries, via the CEC mailing list and external distribution channels. The survey is not representative for the whole managerial population in Europe, but reflects tendencies among affiliated managers of CEC European Managers.

The European Managers' Panel is a survey conducted by CEC European Managers to measure the evolution of working conditions of managers, as well as their opinion on contemporary topics. The sixth edition of the Panel has been conducted in April 2020 by using CEC European Managers' mailing list of panelists and external distribution channels. Although not representative, the survey could count 700 participants from several EU and non-EU states - one of the highest participation rate in the history of CEC's European Managers' Panel in a short amount of time.

The results were evaluated for all managers participating, without comparing variables such as the country of residence, sector or other demographic trait in their response patterns.

Please find **key demographic information** below



The large majority of participants were residing (descending order) in Belgium, Italy, Slovenia, Germany, Denmark, Sweden and France. This time, the gender balance has been particularly weak with only 25% participating female managers. As reflected in the seniority of the participants, about half of the participants were above 50 years old.

