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THE CURRENT: What does the coronavirus crisis mean for European unity?

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(MUSIC)

PITA: You're listening to The Current, part of the Brookings Podcast Network. I'm your host, Adrianna Pita.

In response to the continued spread of the COVID-19 coronavirus, countries across Europe have announced a range of restrictions, with most closing schools, some limiting public gatherings, and others looking to suspend external travel and close their borders.

Here to discuss what the coronavirus crisis looks like in Europe and how it's affecting relationships within the EU is Tom Wright, senior fellow and director of our Center on the United States and Europe here at Brookings. Tom, thanks for being here.

WRIGHT: Thank you.

PITA: Maybe you could start us off with a general idea of what the situation currently is looking like across Europe. We know Italy is the worst hit – our colleague Giovanna De Maio just went into a little more detail on that in our previous episode. How are some of the other countries faring?

WRIGHT: Thus far, Italy as you say is the worst hit. Other countries feel like they're a couple of weeks behind where Italy is. In Germany, Chancellor Merkel has said they could have tens of millions of Germans may end up being infected by this. In Ireland they announced today they're closing all schools, canceling all public gatherings, closing offices of the government and different agencies; similarly in Denmark and I think in quite a few other countries as well have done that this week. We're beginning to see a pretty severe economic impact, but in terms of the actual spread of the virus so far, they're still significantly behind where Italy is, maybe about a week or so. So we see an increasing number of cases, but health systems are not overwhelmed as they have been in Italy, but they anticipate that that could easily be the case pretty soon.

PITA: How has the European Union as a central body been responding to actions or the needs of their member states? How are they preparing to respond as things may get worse?

WRIGHT: We've seen calls for greater European unity on this, particularly on the economic side. We have a health crisis, which is largely national in terms of how it's being tackled, but there's also an economic component to this. It's highly likely to push Europe into a recession. We could see significant detrimental impact on national economies, including on debt markets and in other areas, so the EU has a crucial role to play in that. We've seen President Macron and others make the case for why there

needs to be greater coordination, but thus far we've seen some cooperation, but we haven't seen the EU take center stage at the moment.

PITA: There have been some challenges cropping up – for instance Austria looking to close their border with Italy – some challenges in this way to the nature of the Schengen agreement of free travel. How is this being dealt with?

WRIGHT: Yeah, Schengen has been suspended in some parts before, so it's not a sacred norm or institution that can't be tailored depending on the crisis of the day. Obviously, this is a very significant crisis. I think there's recognition in Europe that to flatten the curve, as the phrase would put it, that they do need to slow down the movement of people, people do need to go into self-quarantine. I think we've seen that, as you noted, the Austrian-Italian border. I think we'll be seeing it more within the EU as well, really encouraging people to stay put. So, Schengen, I think, we will see some changes to that. We're already seeing them over the next couple of months, but the way that is sort of built into the model, there's recognition that at a time of pandemic, or you can imagine a major security problem or movement of refugees – in the 2015 crisis, we did see some changes to Schengen.

PITA: With the UK no longer being part of the EU, but still part of the broader European community, how have they been handling the coronavirus?

WRIGHT: This has been quite interesting. In some ways, they've taken a different approach to the rest of Europe. Throughout the continent, we've seen sporting events being canceled, mass gatherings being canceled, not allowing any sort of meetings over 1000 people—in some cases much less than that. Obviously in Italy, the whole country is in lockdown. But in Britain they had a major racing festival yesterday with thousands and thousands of people at it. Football events have gone ahead for the most part. Last night there was a game between Liverpool and Atletico Madrid. There were thousands of Spanish fans in Liverpool. Madrid has a much more draconian set of rules about social gatherings and sporting gatherings than Britain does. Boris Johnson I think thus far has tried to resist the kind of changes to lifestyle that we've seen elsewhere in Europe. But he will come under and he is coming under significant pressure today and yesterday to do more, and I think the Irish decision to close schools, to close government departments and to instruct everyone to telework where possible, will raise a question in Britain why don't they do that too? Now this could be happening in real time. The PM is meant to be making an additional announcement this afternoon, so while we're speaking this may have changed. But he has tried to do things a little bit differently and not take as many restrictive steps as other governments. We may end up seeing that that has backfired. The virus could spread more quickly in the UK as a result.

PITA: On Wednesday night, the White House surprised many people, including European officials, by announcing 30-day ban on travel from Europe to the U.S. by non-American citizens. How has this crisis been affecting trans-Atlantic relations?

WRIGHT: So they announced this without informing any European ambassadors, without informing any European governments. When it was announced, it was done so, as everyone now knows, in an incredibly inartful way. The White House had to issue several clarifications after the speech concluded to say Trump meant to say what he didn't actually say. So he said that all cargo and goods were affected by this, but then the administration clarified after the fact that actually he meant to say they would not be affected by this. He's had a Europe as a quote, unquote, term, that this applied to

with the exception of the EU; later on the Department of Homeland Agreement clarified that he meant the Schengen zone, something he didn't say. There was also exemptions announced later for permanent residents and U.S. citizens coming back. So it was a botched rollout, even if you agreed with the proposal. I think there will be a lot of grievance that they weren't consulted about this in advance and that some of the problems weren't ironed out. They do however accept that limiting travel is a part of dealing with this, although they'll point out the horse has bolted from the barn at this point, because the virus is spreading quite quickly in the United States. They do feel I think that the jabs that Trump took at the European Union, saying that the European Union had failed on this compared to the United States or the UK are completely unwarranted and without any evidence to back it up.

I think we will see real problems for the airline industry over the next couple of weeks. This creates huge challenges for them if they can't bring any Europeans to the United States and the flights are one-way. Are they meant to fly half-empty flights one sided and then totally empty flights the other side just to keep things running? We may see massive problems emerge there. And of course it's massively spooking the markets, too. This morning we saw a 2000-point drop in the Dow Jones so I think we are seeing the fallout from that announcement.

The only other point is the opportunity cost of all the things the president did not say. He did not talk about surging capacity here to make sure everyone could have a test. So I think the view in Europe is that this was an act of desperation by a fairly desperate president, and he's not actually doing things that he needs to do to address the spread of COVID-19.

PITA: Lastly, you've written about how the scale and breadth of this crisis is really demonstrating the limits of populism. Can you tell us what that means and how that relates to what's happening in Europe?

WRIGHT: Definitely. I mean in 2008-09, when we had the financial crisis, the first 12 months were worse than the crisis in 1929-33. But then it got better. And it got better, most experts believe, because of the response. Dan Drezner, a professor at Tufts University, wrote a book on this called why "The System Worked." This time, the shock is very bad, but the response is awful. So we'll see the effects of the crisis exacerbated. We're seeing really no international cooperation, no attempt at the U.S. to lead or to consult with other countries, either on best practice on halting the spread of the virus or to address the economic impact and other negative effects of it. That's the starting point. I do rightly note we're seeing populist governments in several countries try to deal with this. This is really the first international crisis the populists have had to handle, and they're doing so by going to the comfort zone of things they know, like travel bans or sealing the borders. But really what you need is international cooperation. You need trust in expertise and in the facts coming from government, and those are in really short supply coming from the populists. So I actually think this could be the end of the populist moment we've experienced. The populist moment was created, in part, by after the financial crisis. It could end with this pandemic because it reminds people that expertise matters, that international cooperation matters, that competence matters. And that the right answers aren't always the really simple eye-catching ones.

PITA: All right. Tom, thanks very much for talking to us today.

WRIGHT: Thank you.