

Trust, Resilience and the Effectiveness of
Government:
Lessons from the COVID-19 crisis

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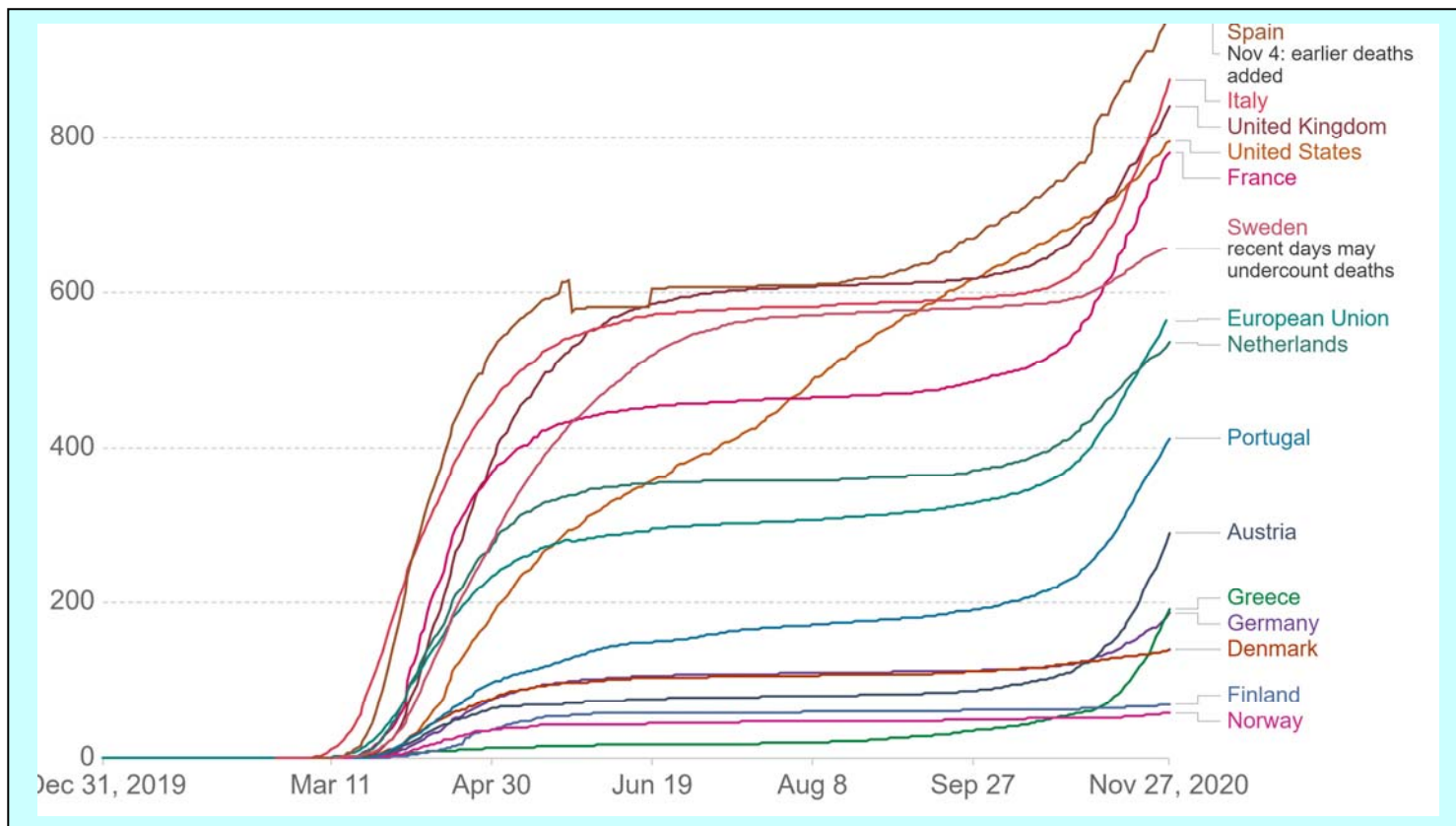
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Trust, communication of policy, state capacity and effectiveness of government

- Greece vis-à-vis high social trust countries (e.g. the Scandinavian countries) – Success during the first wave
- Strict monitoring of measures in Greece # moderate monitoring in high social trust countries (e.g. Denmark)
- But also variation in terms of policies and outcomes among Scandinavian countries: loose measures and delegation of responsibility to the individual in Sweden, a more rigorous stance in Denmark

How effectively has Greece battled the pandemic?

Cumulative number of deaths per million population




Source: Data accessed at <https://ourworldindata.org/coronavirus>

How effectively has Greece battled the pandemic?

First wave (successful performance)

- Early introduction of mandatory national lockdown (compliance enforced by closely monitoring outdoor access and by economic penalties)
- Positive results, in terms of low mortality and relieving the healthcare system



The chronically austerity-hit NHS would collapse without such measures

Main strategy of the government to secure a “positive image” of a safe destination for tourism to resume in the summer

How effectively has Greece battled the pandemic?

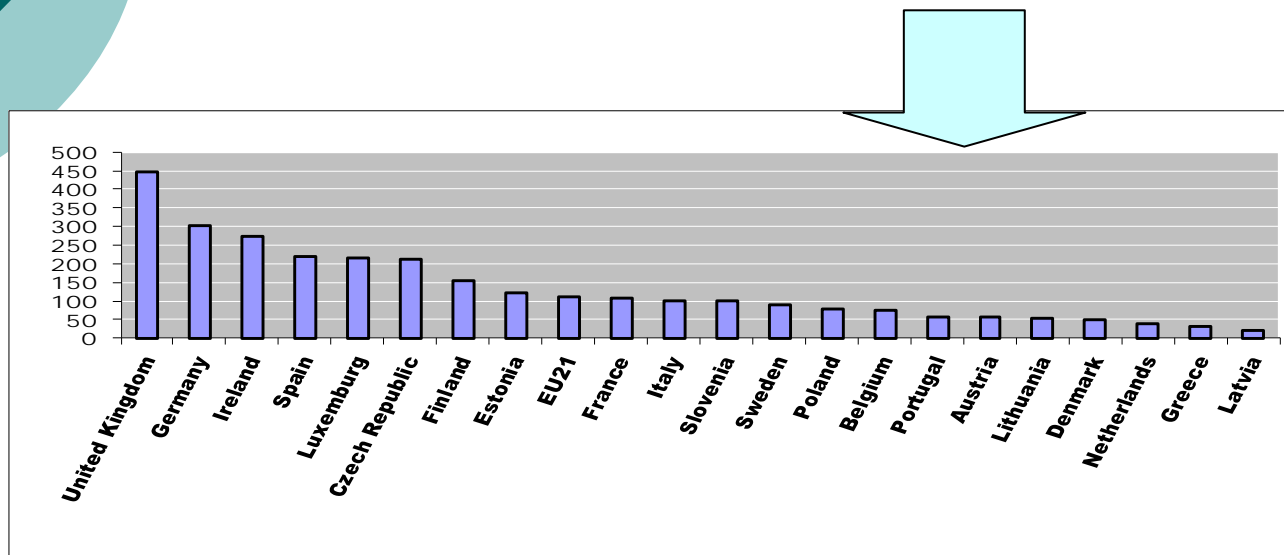
Second wave (dismal performance)

- Preparedness of the public health infrastructure during the summer and until the second wave broke out was sluggish
- No particularly robust (random) testing, contact tracing and surveillance system (daily tests per 100,000 population on the base of a rolling 7-day average are lowest in Greece compared to a number of EU countries)

How effectively has Greece battled the pandemic?

Second wave (dismal performance)

- Additional COVID-19 public health spending commitments per capita very low



Public healthcare spending per capita (in PPPs, current prices) - 2019	
Norway	5673
Germany	5648
Denmark	4663
Belgium	4125
UK	3620
Finland	3537
Portugal	2069
Greece	1412

Source: OECD Health data (in PPPs)

How effectively has Greece battled the pandemic?

Resilience score (on a scale from 0 to 100) –
First group of indicators: Epidemiological profile

Rank	Country	Resilience score	1-month cases per 100,000	1-month case fatality rate	Total deaths per 1 million	Positive Test rate	Access to vaccines
1	New Zealand	85.4	2	0%	5	0%	2
5	Finland	82	129	0.3%	68	1.9%	3
6	Norway	81.6	281	0.2%	56	3.1%	3
9	Denmark	77	550	0.3%	135	1.8%	3
14	Germany	71.2	604	0.8%	168	9.5%	3
28	UK	61.5	1,004	1.5%	812	8.1%	5
31	Greece	59.9	600	1.7%	156 [246]*	13.0%	3
33	Portugal	59.2	1,455	1.1%	382	14.0%	3
50	Belgium	45.6	2,339	1.8%	1,348	13.5%	3

Source: Bloomberg covid-19 resilience ranking, John Hopkins University data (23rd November) - *2nd December

How effectively has Greece battled the pandemic?

Resilience score (on a scale from 0 to 100) –
Second groups of indicators: Quality of life*

Rank	Country	Resilience score	Lockdown severity (Oxford University data)	Community mobility (Google & Bloomberg economics)	2020 GDP growth forecast (IMF)
1	New Zealand	85.4	22	0%	-6.1%
5	Finland	82	41	-13.7%	-4%
6	Norway	81.6	49	-14.9%	-2.8%
9	Denmark	77	55	-9.7%	-4.5%
14	Germany	71.2	59	-19.8%	-6%
28	UK	61.5	64	-35.3%	-9.8%
31	Greece	59.9	79	-28.5%	-9.5%
33	Portugal	59.2	63	-21.6%	-10%
50	Belgium	45.6	66	-41.1%	-8.3%

Source: Bloomberg covid-19 resilience ranking (23rd November) - * Some indicators were omitted

How to factor in the short-, medium- and long-term impact of the pandemic on inequality?

(a) The pandemic is accelerating job polarization

Polarization is reflected in the emerging divide between occupations that can easily transition to online work and those less able to do so (high paid versus low paid jobs - Dingel J. and Neiman B. 2020; Fana M. et al. 2020)

(b) Low paid, precarious jobs concentrated in the “mostly affected” and the “mostly essential” sectors (high risk of unemployment /high risk of being infected and dying from the virus)

(c) The pandemic presents a serious risk of rolling back some of the gains achieved in gender equality over the last decades

(d) Polarization in welfare systems

Does the EU matter in how MS will steer through the storm?

- Where will Europe revert to when the government buffers will come to an end?
- Reversion to normality (i.e. to the SGP fiscal rules) will reinforce the divergences left over from the Great Recession – between North and South/East Europe)
- The Green Deal and the Recovery Plan not enough to address these divergences as long as they remain one-legged plans that lack a long-term vision of change, combining environmental, economic and social measures

For such a long-term vision two conditions are paramount:

- Mutualization of risks and solutions
- A new EU wide welfare settlement along the lines of the European Pillar of Social Rights



THANK YOU!