



**Luca Jahier, President of the European
Economic and Social Committee**

INTERVIEW

In your opinion, is the EU response to COVID-19 satisfactory as of today? What more do you believe could have been done?

Despite some initial hesitation, the EU has done more in four weeks than in the four years following the 2008 crisis, with interventions already decided that are estimated over EUR 3 trillion.

It has already established strong firewalls to protect European workers, businesses and governments and to face the many urgencies of the pandemic crisis that before the crisis would have been unimaginable. It has changed its economic rules, activated the general escape clause of the Stability and growth Pact, extended flexibility on state aid rules, provided the largest injection of liquidity by the ECB (EUR 750bn), activated many others actions on the existing EU budgets. It has agreed to work on a Recovery Plan for Europe and endorsed a 540 billion safety net package that includes the SURE program, which can be considered one of the most important social achievements in the European integration process.

This impressive response substantiates the concept of European solidarity, but we all know we will need more. The Commission has now to come up with a revised MFF proposal as well as on how to finance the European Recovery Fund.

Such a revised MFF should target better Europe's recovery from the crisis and the achievement of the European Green Deal objectives, focusing on five main priorities: **health, workers, enterprises, cohesion and external action.**

It should also feature an enhanced system of EU own resources that could be used in a more flexible way, including for the gradual build-up of a real function for macroeconomic stabilization, to increase the resilience of the EU, and in particular the euro area, against future economic shocks.

I propose that a new MMF should increase the original proposal of at least 25%, mainly based on own resources mechanisms.

I also call for the immediate launch of a **new strong EFSI program**, which should leverage at least EUR 1000 billion in next two years for the needed investment in the EU strategic priorities.

I expect members states to swiftly agree on the new MFF, so as to start the spending programs without delay and so that this EU budget is used as a guarantee to issue Recovery bonds, for the quantity that will be needed, not involving the mutualisation of existing debt and oriented to future investment on agreed priorities.

You mentioned the European solidarity. Following the COVID-19 outbreak, what is your opinion regarding the solidarity among the EU Member States?

Although there have been contrasts between debtor and creditor countries, the North and the South of Europe, after last EUCO meeting on April 23rd, tensions are not there any longer. There is finally the clear political commitment to work on a common European solution to COVID-19.

This crisis has clearly shown that we all depend on one another and we must make sure that we emerge with a stronger sense of Europe, a stronger sense of community.

The Spring 2020 Economic Forecast projects that no country will be left unscathed by the economic shock of COVID19.

The EU economy is forecast to contract by 7½% in 2020 (from -4¼% in Poland to -9¾% in Greece), and grow by around 6% in 2021. Growth projections for the EU and euro area have been revised down by around nine percentage points compared to the Autumn 2019 Economic Forecast.

Given the irrefutable interdependence of our economies, the way we shape the recovery in each Member State will also affect the strength of the recovery of other Member States. Indeed, our response must be based on European action, trust and solidarity. **To avoid another lost decade, we will need a massive Recovery fund.**

The only alternative to this scenario is the implosion of Europe, new and devastating conflicts between those who lose first and most and those who lose later, the surrender, bit by bit, to other forces and interests, and the end of many of the democratic achievements of which we are all proud.

Is a comprehensive European economic recovery plan enough of a response for the current challenges, and to support effectively the European Project?

It is not enough to say that we need a recovery. We have to ask ourselves what kind of recovery we need. I believe that **the Green Deal** is now even more essential for the future, not only because of the correlation already demonstrated between the areas of greater virus spread and those most polluted, but also because climate change can have an impact on the economic systems and lives of people that is exponentially greater than that of the pandemic, although the virus instils fear and the climate does not.

What is beyond doubt, is that the response to this crisis will require huge public investment, private credit guarantee schemes and income support. This cannot fail to result in a new and massive role for the public purse and new debt.

We need to **move towards an investment rationale of creating wealth and cohesion** over the long term, **a strategy** needs to be set out **based on five key points: health, work, business, digital and sustainability**. This is a mix that, in large measure, was already included in the strategic guidelines of the current EU term of office, with the exception of health, and which should be strengthened, including with a major overhaul of the overall European multiannual budget.

The European exit strategy must – and can – become an accelerator of the transition to more sustainable production and consumption patterns.

We need to quickly review our urban models, domestic heating, transport and more efficient energy production and consumption systems, including making greater use of the circular economy. These are all areas in which business and jobs can be created and more made of the regions and SMEs, thus creating revenue.

We need not only to **invest rapidly in the digital environment** and make up for lost time, but also to acquire strategic autonomy in the digital society and AI systems and latest generation communications, which we have discovered to be essential not least for the control and management of pandemics and for the protection of our democracies.

We need to protect the establishment of **new types of European businesses in strategic sectors**, old and new (from lung ventilators to 5G and transport of the future), enabling us to maintain Europe's future strategic autonomy as a whole, in a radically changing world.

We need to understand how to build tomorrow's world of work after this social experiment – incredible and unexpected in scale – in smart working.

We need a **new era in trade policy**, new rules on state aid, in coordinating the governance of 27 Member State economies and, perhaps, lastly, to have the courage to face up to the great taboo: **a real fiscal union that exposes the existence of full-fledged systems of quasi tax havens within the Union.**

And we need to manage this stage with the courage to think in a new way about core issues such as: burden-sharing; the creation of EU own resources to maintain these big policies of the future; debt management, which is indeed the fruit of disparities but also of the failings of some national systems in addressing them; the possibility of finally introducing the right instruments for common debt, targeted at recovery and planning for the future.

Partial or full lockdown measures have been taken by Governments to contain the COVID-19 pandemic. How can we ensure that such limitations are consistent with our legal safeguards?

The response to the COVID-19 crisis has had a negative impact on a number of fundamental rights. The unavoidable lockdowns have restricted our freedom of movement and cross-border travel. Freedom of association and assembly have been cut, so have privacy rights through data tracking systems.

It is clear that the European Union is facing an unprecedented challenge, but it must be tackled without jeopardising our democracies and fundamental rights.

Our common European history has taught us that we cannot tolerate the erosion of the rule of law and fundamental rights on our continent. We should never forget that the European Union was built as a bulwark against authoritarianism and totalitarianism, via a democratic Union, which aims to promote peace, its values and the well-being of its peoples (Art. 3 TEU).

What has been put in place as a temporary measure cannot be instrumentalised to revert decades-long fights for freedoms and equality. We must get out of this crisis with our democracies – and our European Union – intact.

The European Economic and Social Committee and its Group on Fundamental Rights and the Rule of Law has been vigilant against any attempts to permanently alter the principles of law, democracy and fundamental rights.

Which should be the role of the civil society during the pandemic?

The ability to mitigate the impacts of Covid-19 relies heavily on the capacity of civil society to maintain its role and give voice to its concerns in the public emergency response, both at the European and national levels.

The civil society has a particularly critical role to play in the shaping the post-COVID19 recovery and reconstruction. The Recovery Fund must lead to measures that would allow the EU to reform, strengthen its economy with a digital single market and embark on the path of sustainable development. Europeans need to see further tangible results and they need them fast so that they can compete better in a changing world.

Civil society has a critical role in the transition towards a greener and more digital economy, in implementing measures to promote a smart and intelligent, circular and low-carbon economy based on the approach of a fair transition.

Yet the crisis is hampering the civil society's ability to work on behalf of the public interest. Closing civic space, constraints on movement and increasingly authoritarian policies in many countries make the environment for advocacy and accountability an extremely difficult one to work in.

It is imperative that the crisis does not lead to unnecessary or excessive limitation of rights. Emergency powers must be exercised under the direct control of Parliament, while respecting the rule of law, and should not be extended beyond the duration of the crisis.

Maintaining control mechanisms and checks and balances is absolutely crucial, in order to avoid sliding from an urgency response situation into a permanent state of demise of the rule of law.

Which initiatives on the COVID-19 crisis will the EESC undertake in the foreseeable future?

At the EESC, we are particularly focused on assessing the pandemic situation in progress, on the serious risks for the future of our economies and societies, and for the democratic functioning.

During the last three months, the EESC has raised its political presence and its strong contribution in this discussion and in the decisions to be taken at European level.

Despite the challenges due to remote working, we have ensured business continuity by holding virtual meetings of all our bodies, as well as our first remote Plenary. We timely issued statements to voice our concerns on the ongoing crisis and adopted [seven position papers on the EU response to COVID-19](#). This showed our capacity to deliver and to respond to the call of the Parliament and the Council to give our opinion for completing the legislative process.

We have established a specific **Subcommittee**, composed of 15 members and which I will preside over, on "**Post-Covid crisis recovery and reconstruction**" to work on both the implementation of the measures that have been already decided and preparing the content of the future of this Recovery plan linked to the next MFF, for which the proposal of the Commission will be presented next week.

On the occasion of the 70th anniversary of the Schuman Declaration, we adopted together with ten national ESCs, including the Economic and Social Council of Greece, a declaration to commemorate the foundations of the European project and join forces in the fight against COVID-19.

Last but not least, the EESC Group on Fundamental Rights and the Rule of Law will also continue to closely monitor any attempts to alter the principles of law, democracy and fundamental rights due to the Coronavirus crisis in the Member States.

In the aftermath of the pandemic, do you believe that the social and civil dialogue, as managed by the national ESCs, will be strengthened, and how?

COVID-19 is causing unbearable pressure on EU citizens, companies and workers, who rightly fear for their health, their jobs and the future of their children. These moments call for a unanimous act of courage and a collective effort: this is where social and civil dialogue must make the difference.

The **European Economic and Social Councils**, via their representation of organized civil society, are today, even more than yesterday, a **privileged place for joint development and proposals**; a place of convergence of the driving forces of our societies, which can allow national and European institutions to take strong and shared decisions.

National ESCs must help shaping the features of the rise/recovery. We need a massive recovery plan, that we can perhaps call '**De Gasperi Plan for rEUnaissance**', not only to share the burden and support the efforts of Member States in combatting the pandemic, but **also to better shape our common future**.

But goodwill and growing awareness of global threats, not only that of viruses, that afflict the planet and threaten humanity, is not enough.

We need new structures to work on "transformative resilience", that is, a reaction to the crisis that does not simply bring us back to where we were a few weeks ago, but that changes Europe for the better, with a view to sustainable development.

This means immediately thinking of how to create very different conditions compared to those that have characterized the European economic evolution of the last few years and start a new cycle of development that is much more sustainable on a social and environmental level, as well as

economically. It is a matter of "leaping forward" and not "backwards" where we were only a few weeks ago, when we denounced unacceptable social and territorial inequalities, serious damages to the environment and human health.