

EUROPE: The politics of exit strategies

In this piece, we provide an overview of the exit strategies currently being planned by selected European governments and the surrounding politics. Please do not hesitate to contact us if you want to discuss any of the countries mentioned in more detail.

Italy

Lockdown timeline: A nationwide lockdown was imposed on 10 March and will expire on 3 May. A further extension to mid-May is expected.

Exit strategy: The government recently named Vittorio Colao, former chief executive officer of Vodafone Group Plc, to head a task force that will help map the country's exit from the lockdown. Export-oriented sectors are likely to be prioritized. Measures to protect the safety of workers will be a pre-condition to allow firms to reopen. Schools are expected to remain closed until the end of the academic year.

Logistical challenges: The country's public administration is poorly equipped to cope with the necessary ambitious use of testing and contact tracing technology. Shortages of protective equipment remain an issue. The worsening relationship between the central government and some regional and local administrations will also affect the design and implementation of any "exit strategy."

Political context: Political tensions within the ruling coalition and between the government and the opposition that were kept in check by the public health emergency are quickly resurfacing. The business community is pressing for a quick restart of economic activities, whereas trade unions are reluctant. The inability to promptly deliver the promised financial aid to the more vulnerable citizens increases the risk of social unrest.

Spain

Lockdown timeline: The current lockdown, which was imposed on 14 March, officially ends on 26 April. However, Prime Minister Pedro Sanchez could decide to ask the lower chamber to extend it until 10 May next week.

Exit strategy: Some economic sectors (i.e. construction, industrial) have already resumed their activities. The government has signaled that it will implement a gradual lifting of confinement measures, but no firm decisions have been taken yet on how the exit will look like.

Logistical challenges: Coordination between the government and the regions remains a challenge, as some regional governments are in favor of lifting confinement measures soon and others are worried about exiting the lockdown too early.

Political context: Crisis management is extremely politicized, with the opposition and the media devoting harsh critiques to the way the PSOE-Podemos government is handling the crisis. It is unlikely that Sanchez will have problems obtaining a parliamentary majority to approve any necessary measures regarding the confinement, however.

France

Lockdown timeline: President Emmanuel Macron recently announced that the lockdown, which started on 17 March, would be extended until 11 May.

Exit strategy: The government will present plans with specific details on how the exit from confinement measures will look like within fourteen days. Schools will be gradually reopened after 11 May, and some economic activities would be allowed to resume to facilitate the return to work of as many people as possible. However, older people and individuals with health conditions will still be required to remain in confinement. Anyone with symptoms will be tested after 11 May, and cloth face masks will be available for everyone.

Logistical challenges: Coordination with municipalities during the exit period could become an issue, as some mayors have adopted stricter measures than the ones established by the government during the lockdown.

Political context: The decision to gradually reopen schools has generated criticism from the opposition, but opinion polls show that most of the population supports the measures announced by Macron (see graph below).

Germany

Lockdown timeline: A lockdown across all 16 states was agreed on 22 March. Social distancing measures have been extended until 4 May, and public events remain banned until 31 August.

Exit strategy: Smaller shops will be allowed to reopen as of next week, but exact strategies might differ by regional state. Voluntary contact tracing is supposed to play a role, too. A plan for reopening schools will be prepared jointly by regional education ministers.

Logistical challenges: ICU beds and testing capacities have been increased. The federal government is offering contracts for German manufacturers to produce of 1bn surgical masks and 450mn FFP masks. The factor to watch is coordination between the federal government and the 16 regional states.

Political context: The standoff over the right (exit) strategy overlaps with the question of Merkel's succession. North Rhine-Westphalia's premier Armin Laschet is pushing for a return to normal, while Bavaria's Markus Soeder is leading the careful camp. But political self-marketing might complicate rather than entirely prevent coordination.

United Kingdom

Lockdown timeline: The lockdown was imposed on 23 March and will require an extension decision by 16 April.

Exit strategy: As restrictive measures were implemented later in the UK than elsewhere in Europe, the pandemic is still on the rise. There is, therefore, not yet a serious debate about exit strategies.

Logistical challenges: With the help of the armed forces, hospital capacity has been increased despite earlier concerns. However, the country is struggling to ramp up its testing capacity, not least because sufficient laboratory infrastructure does not seem to be quickly available. As the peak of the pandemic is still ahead, there is also continued concern over the provision of protective equipment for health workers.

Political context: PM Boris Johnson is still recovering from his earlier hospitalization. But with Covid-19 still on the rise, the cabinet does not yet have real alternatives to a continuation of the lockdown.

Greece

Lockdown timeline: A full lockdown was imposed on 23 March (schools were closed on 10 March). The government will likely announce by 27 April, when most of the current restrictions expire, its plan for easing the lockdown.

Exit strategy: Restrictions will only be eased and not entirely lifted. Tailored measures will be applied to those who must travel within Greece or outside the country for work. Special rules will likely apply for the elderly in a bid to protect them from a possible reappearance of the virus.

Logistical challenges: The government unveiled in early April 500 mobile units to ramp up the diagnostic testing being carried out in Greece, which is among the lowest in the EU. A shortage of masks and other protective equipment is still being reported. The National Centralized Procurement Agency (EKAPY) has set up a digital registry to monitor the stock of relevant equipment, as well as hospital bed capacity and occupancy.

Political context: There is no significant pressure on the ruling New Democracy from the opposition or any interest group on ending the lockdown sooner than has been suggested. But the government is aware that if a sense of normality has not returned by June, the peak tourism season in Q3 will be severely compromised, and the impact on the economy will be significant.

Poland

Lockdown timeline: The lockdown has been in place since 25 March and is expected to be phased out gradually. Some retailers, public spaces and sports facilities could reopen starting Sunday, 19 April, although this will depend on the epidemiological situation. The schools will remain closed at least until 26 April.

Exit strategy: The PiS government is expected to reveal more details about its plans later this week. The process will likely be gradual and accompanied by multiple preventive measures such as the requirement to cover one's face and mouth or limitations on the number of people allowed in stores.

Logistical challenges: The government is stepping up the production, procurement, and distribution of protective gear and medical equipment, but supplies remain insufficient.

Political context: The ruling PiS will seek to end the lockdown as soon as possible to mitigate the economic fallout and facilitate the organization of the presidential elections in May, as its candidate incumbent Andrzej Duda maintains a substantial lead in the polls.

Hungary

Lockdown timeline: The lockdown was enacted on 27 March, with measures that are relatively mild and allow a considerable retail and manufacturing activities to operate. The duration of the lockdown is indefinite but reviewed every week.

Exit strategy: None has been revealed so far. The number of new cases has increased substantially during the Easter weekend, and the timeline for the lifting of restrictions remains unclear. Age could become one of the guiding principles in the strategy.

Logistical challenges: Persisting shortages of protective gear and ICU beds, as well as very limited testing numbers, could make the government cautious about phasing out the restrictions.

Political context: Prime Minister Viktor Orban does not face immediate political pressures. This will change as soon as epidemiological criteria start showing that the disease has been contained. The government will not hesitate to relax the economic restrictions, but the critical question remains when and whether Orban gives up his special emergency powers.

Romania

Lockdown timeline: A lockdown has been in place since 25 March. Yesterday, 14 April, President Klaus Iohannis extended it for another 30 days, subject to approval by parliament. Companies in specific sectors, such as agriculture, energy, and manufacturing, continue operating with certain health measures in place.

Exit strategy: The Ludovic Orban cabinet has not yet outlined its exit strategy. The process will likely commence only in late April or early May and is expected to be very gradual.

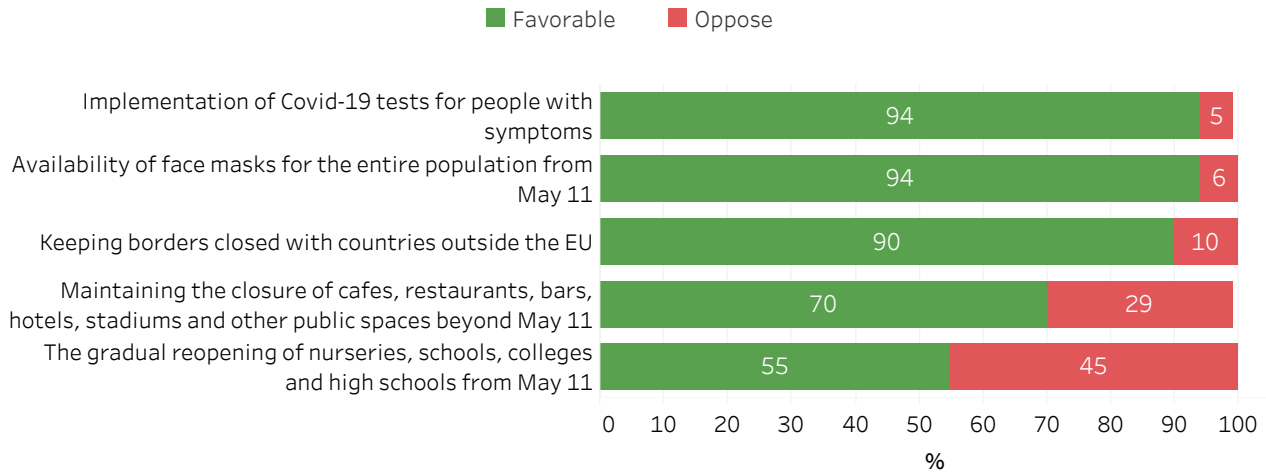
Logistical challenges: There are still shortages of protective gear, tests, ventilators, ICU beds, and other equipment.

Political context: The government's actions have been guided by health and emergency experts so far, although businesses are pushing for the easing of restrictions and calling for greater economic support. It is possible that the exit from the crisis will become politicized, as the opposition Social Democratic Party could use its strong position in parliament to challenge the government's actions.

Bonus graph: Support for exit measures in France and Italy

France

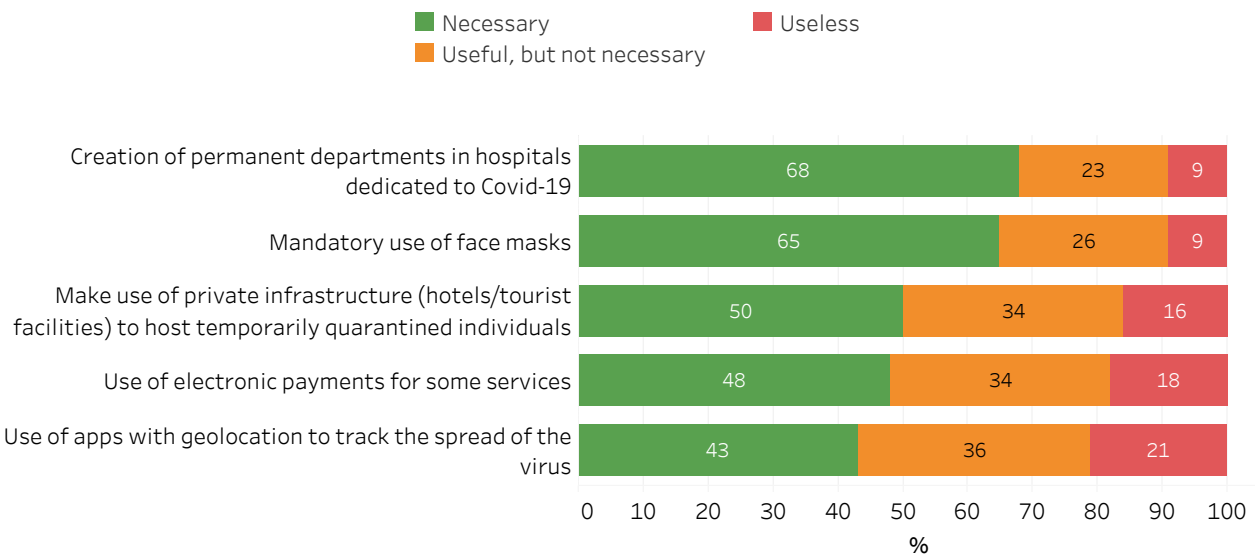
"Do you support or oppose each of the following measures announced by Emmanuel Macron?"



Source: Elabe (fieldwork: 13-14 April 2020; 1,004 individuals)

Italy

"How important are each of the following possible measures?"



Source: SWG (6-12 April 2020)

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