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# **Europe, COVID-19, and U.S. Relations**

# **COVID-19** in Europe

Like most of the rest of the world, European governments and the European Union (EU) have struggled to manage the Coronavirus Disease 2019 (COVID-19) pandemic. European leaders have characterized the pandemic as Europe's biggest challenge since the Second World War, with potentially far-reaching political, social, and economic consequences beyond the public health impact. COVID-19 also has added new tensions to an already strained U.S.-European partnership. Members of Congress may be interested in COVID-19's implications for U.S. relations with Europe, including in NATO and with the EU, and in how the pandemic might alter certain U.S.-European dynamics, especially vis-à-vis China.

#### **Statistics**

The first wave of the pandemic in Europe occurred in spring 2020 but subsided in the summer. A second wave began in early fall 2020. As of late November 2020, about 13.5 million confirmed COVID-19 infections and over 327,000 deaths had been reported across the 27-member EU, the United Kingdom (UK), Norway, and Switzerland (out of a combined population of roughly 527 million).

Table 1. COVID-19 Cases and Deaths in Europe: Top 10 Affected Countries

(by number of cases, as of end of November 2020)

Country	Cases	Deaths	Deaths per 100,000	Case Fatality Rates
France	2,270,573	52,410	78.24	2.3%
Spain	1,628,208	44,668	95.60	2.7%
UK	1,621,305	58,342	87.75	3.6%
Italy	1,585,178	54,904	90.85	3.5%
Germany	1,055,691	16,306	19.66	1.5%
Poland	985,075	17,029	44.84	1.7%
Belgium	576,599	16,547	144.87	2.9%
Netherlands	527,336	9,426	54.70	1.8%
Czech Rep.	519,723	8,138	76.59	1.6%
Romania	471,536	11,193	57.48	2.4%

**Source:** Johns Hopkins University School of Medicine, Coronavirus Resource Center, November 30, 2020, updated daily at https://coronavirus.jhu.edu/.

As seen in **Table 1**, France, Spain, the UK, and Italy have experienced the largest number of infections. The second wave is hitting several Central and Eastern European countries—including Poland and the Czech Republic—

harder than the first wave. Although rising new infections may be due partly to increased testing, the second surge follows the relaxation of restrictions on social and economic activity in many European countries over the summer and the onset of colder weather. Hospitalizations and deaths have been ticking upward throughout Europe.

### **European Responses**

In March 2020, in response to the first wave of the pandemic, nearly all European governments imposed national "lockdown" restrictions and social-distancing measures—including banning large gatherings, closing schools and nonessential businesses, and restricting movement—although these measures varied by country in strictness and other as pects. Most European governments also enacted national border controls. Sweden took a notably different approach that trusted citizens to practice social distancing and imposed few mandatory restrictions; some public health experts remain skeptical about this policy's success in building immunity among the general public and contend it failed to protect the most vulnerable. European governments began implementing phased reopening plans in mid-April and early May 2020. Most European leaders stressed the need for continued social distancing, and many governments required the use of facemasks, especially indoors.

The pandemic has spurred serious economic difficulties throughout Europe. For 2020, the EU forecasts its total economy will contract by 7.4% and average unemployment across the bloc will rise to 7.7%. Projections suggest the UK economy will contract by roughly 11% in 2020. Measures enacted by European governments to mitigate the economic downturn include loan programs and credit guarantees for companies, income subsidies for affected workers, tax deferrals, and debt repayment deferments.

As COVID-19 cases began to increase again in early fall, European governments initially attempted to avoid a second round of national lockdowns, opting instead for targeted restrictions on regional or local virus "hot spots" to preserve economic recovery and in light of growing "pandemic fatigue" and public protests. Most governments have kept schools open, but as cases increased, many implemented progressively more restrictive measures. Such measures have included imposing curfews, closing or reducing the operation of restaurants and bars, further limiting social gatherings, and expanding mandatory mask us age. By the end of October, Belgium, the Czech Republic, France, Germany, Ireland, Italy, Spain, and others reimposed national restrictions, although measures in some countries were less stringent than during the first wave. Several governments, including the UK and France, are expected to relax some restrictions for the upcoming Christmas holiday season.

#### **EU Actions**

Although national governments retain control over most as pects of health policy, the EU has sought to play a leading role in managing the European response to the pandemic. Critics contend the EU lacked a coherent plan in the early stages of the crisis and member states initially pursued disparate strategies, but many analysts assess that the EU has made progress in overcoming internal discord. The EU coordinated the imposition of bloc-wide travel restrictions on most foreign visitors; worked to ensure the provision of sufficient personal protective equipment (PPE) and other medical supplies across Europe; and is supporting research and development (R&D) of treatments, diagnostics, and vaccines, in part through leading international donor efforts. The EU has signed contracts to procure several potential vaccines on behalf of all member states.

Promoting economic recovery has been another area of EU focus. The EU approved a  $\in$ 540 billion (about \$640 billion) financial aid package for workers, businesses, and member states. It is planning longer-term support through a  $\in$ 750 billion (around \$890 billion) recovery fund—which would include is suing EU bonds backed jointly by member states—attached to a  $\in$ 1.1 trillion (roughly \$1.3 trillion) seven-year budget. The European Central Bank, which manages the EU's common currency (the euro) used by 19 members, launched an emergency bond-buying program totaling  $\in$ 1.35 trillion (about \$1.6 trillion) as of June 2020.

#### **NATO's Role**

NATO and allied military personnel, including from the United States, have taken an active role in assisting civilian responses to COVID-19 in Europe and beyond. Although NATO traditionally focuses on military threats, the alliance possesses command and control and logistics capabilities to coordinate multilateral responses to a range of security challenges, including natural disasters and the COVID-19 pandemic. Among other measures, NATO officials report that allied military forces have flown over 350 flights to transport equipment and thousands of medical personnel and have helped to build over 1,000 field hospitals across the alliance. In an effort to bolster its pandemic response capacities, in June 2020, NATO agreed to establish a stockpile of medical equipment and a new fund to enable rapid distribution of medical supplies and services.

## Impact on U.S.-European Relations

Under the Trump Administration, significant U.S.-European divisions have existed on trade and tariffs, defense spending, and key foreign policy concerns (including with respect to Russia, China, and the Middle East). Pandemic-related travel bans; competition for PPE, medical equipment, and the R&D of vaccines and treatments: and the Administration's decision to withdraw the United States from the World Health Organization generated further transatlantic friction. Many analysts consider U.S. and European leadership as instrumental in managing past global public health crises, such as the 2014-2016 Ebola outbreak, but view diplomatic cooperation on the COVID-19 pandemic as largely lacking to date. The Trump Administration maintains that it has worked with European partners to address various aspects of the pandemic, including in NATO and the Group of 7 (G-7) leading industrialized democracies. U.S. and EU scientific

and regulatory experts also have established technical dialogues on pandemic-related is sues.

#### **Relations with China**

Despite current U.S.-European tensions, some experts contend that COVID-19 could prompt a closer alignment of U.S. and European policy interests with respect to China. The Trump Administration and some in Congress have voiced apprehension about China's efforts to enhance its influence in Europe. Notwithstanding initial concerns that China's *facemask diplomacy* would build goodwill, many analysts now assess that the pandemic and its aftermath including China's waging of a pandemic-related disinformation campaign in Europe—may harden European attitudes toward China. For some Europeans, the pandemic has highlighted Europe's overreliance on China in global supply chains and the vulnerability of its critical infrastructure and companies to foreign takeover. China's COVID-19-related actions appear to be contributing to making some European governments—including the UK and France—more hesitant about involving Chinese telecommunications company Huawei in building out their fifth generation (5G) wireless networks. The United States and the EU launched a new dialogue on China in October 2020 to discuss common concerns and policy differences. The EU hopes to intensify cooperation with the United States toward China in the future.

### **Congressional Interests**

Many Members of Congress retain a long-standing interest in European affairs and the transatlantic partnership. Some analysts argue that the pandemic requires more robust U.S.-European cooperation. Potential areas for congressional consideration may include the following:

- The extent of U.S.-European collaboration on COVID-19 in existing forums, such as NATO or the G-7, and possible new initiatives, such as a U.S.-EU dialogue and/or an early warning system on global health threats.
- Possibilities for enhancing U.S.-European economic cooperation to help promote financial recovery on both sides of the Atlantic, including through potential new U.S.-EU and U.S-UK free trade agreements.
- Potential ways to reduce supply chain vulnerabilities for PPE and other medical equipment, for example by deepening existing U.S.-EU regulatory cooperation on pharmaceuticals and medical devices.
- Options for countering COVID-19 disinformation campaigns that have targeted the United States and its European allies and are believed to be backed by China, Russia, and other foreign powers.
- Prospects for and challenges to greater U.S.-European coordination in addressing China's geopolitical and economic rise.

Kristin Archick, Specialist in European Affairs Paul Belkin, Analyst in European Affairs Sarah E. Garding, Analyst in European Affairs Derek E. Mix, Acting Section Research Manager

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