COVID-19 IN ROMANIA, AN EXACERBATION OF STRUCTURAL PROBLEMS

The pandemic will be a hard test for Romania, as structural problems will only be exacerbated by the nature of the crisis. The generalized lack of trust, directed mainly towards politicians and institutions (but not only), could make things worse, in the absence of a plan to navigate through the post-healthcare crisis. Observers overwhelmingly agree that an economic downturn will follow, so an answer to how the country is to adapt to this new situation will be very soon required. If this is perceived to be partisan and unfair, not only the economy, but also politics and the social climate will be heavily affected.

The country has been confined since 25 March, for a period which has been extended until mid-May. At present, more than 6,300 people have been infected, 314 of whom have lost their lives. As the numbers rise, the feeling of fear and insecurity grows, especially if the light at the end of the tunnel (even as a perception) is not made visible.

Precarious consensus around the measures adopted by the authorities

The population generally agrees with the decisions made by the authorities, especially given that the measures were endorsed by Dr. Arafat, probably the most credible person in the country at this moment in time as far as the emergency is concerned. Doctors like Alexandru Rafila and the Health Minister Nelu Tataru can also be held up as communication models. Initial communication errors by the president, the prime minister and the interior minister were not judged harshly and, in fact, the trust in these leaders has even increased, through the “rally around the flag” effect. With few exceptions, the citizens have followed the lockdown rules and understood the seriousness of the pandemic. The problem is that we are only one month in since the full crisis began. As this state of exception/emergency becomes the new normal, it will be harder and harder to maintain the political and societal consensus. The looming economic disaster will create polarization and will force the opposition parties to take critical positions. It will be brought to the public attention again at some point that whilst the pandemic was causing havoc in Western Europe, the president played down the medical risk, as the government prepared for snap elections.

The state of the healthcare system, exposed

Just before the crisis, the main discussion in Romania was about the privatization of the healthcare system. The pandemic brought everything to a halt and made clear that a strong public system is required to deal with a crisis of this magnitude. However, despite the sacrifice and heroism of doctors and the medical personal, the pandemic has exposed how bad the state of the Romanian healthcare system really is. Politicization, corruption and incompetence have translated into lost lives and a need to mobilize army personnel to keep things under control in various parts of the country. Not only are masks, tests, medical gowns, and ventilators are lacking in Romania, but also clear procedures, care for public money, and competent managers. More funding (although absolutely necessary) will not automatically mean a better prepared and more responsive system. A strategic discussion about healthcare money and responsibility is long overdue in Romania and will have to happen very soon.
Austerity and its consequences

The State revenues have plummeted, and the government will face tough choices. Not only will the promised increases in spending be rescinded, but even the current levels will be adjusted. Obviously, it does not help that the previous government was totally fiscally irresponsible. The ruling PNL is seeking to avoid the fate of PDL, which was electorally destroyed after the 2010 spending cuts. The skill in making adjustments, while keeping a sense of fairness and a positive prospect for an economic comeback will be decisive in the coming months.

Rethinking the role of the State

Losing revenue will oblige the political leadership to react quickly to guarantee resources for the short-term. But this bid to secure money for essential services should be matched by an equally serious plan regarding the country's spending priorities. Romania desperately needs a roadmap for the post-coronavirus period, a plan to define its priorities and regarding what the public sector can deliver. It will be very hard to maintain current levels of spending for defence or for privileges for certain categories (e.g. the so-called special pensions). President Iohannis has all the tools to hand to come up with this plan: he is in his second term and leaving a country with a clear roadmap for the years to come would be a great political legacy. For this, the president should play down partisanship and take some intellectual and communications risks, and step out of his comfort zone; he speaks seldom to the nation and does not like TV debates; this will take a toll on his popularity in the months to come in the wake of the health crisis and as we move into the economic turmoil.

Elections as a source of answers?

Romania is scheduled to have local and parliamentary elections this year, but who knows what will happen with the uncertainty caused by the pandemic? Currently, the PNL enjoys a commanding lead in the polls, but we will see whether this will continue once the crisis -read austerity- measures will be implemented and start affecting people. The PSD remains partially discredited after its last stint in power (2016-2019) and some credibility and interim problems still prevent the current leadership from being taken seriously by voters. The PSD cannot remain the party with fiscally open purses and anticorruption problems if it wants to win the next parliamentary elections. With the exception of the USR-Plus Alliance, who will rise in 2020, the other parties are struggling to pass the electoral threshold.

Diaspora as a new cleavage

The majority of Romanians believes that the crisis was triggered by the Romanians returning from Western Europe, for our citizens the virus is less China-centric and more "brought home". With the coronavirus death toll increasing, accusations will fly. It is a test of social cohesion since this is a new situation for the diaspora, previously praised mainly for its remittances. This will hurt Romanian society even further, given that the country has been through some very polarizing experiences since 2016. Furthermore, once factoring in that the crisis will continue to affect Western Europe, it will be hard for these people to return to business as usual. Romania is unprepared to integrate its diaspora in its labour market and economy, and this could worsen the crisis even further. A project for economic and societal reintegration will be required.
What to expect (further) from the European Union?

Although the European Commission has sought to come up with ideas applicable to everyone, it is no surprise that Brussels and the major capitals have essentially been interested in the fate of the euro, Italy, and Spain. The Eastern flank has not caused problems so far, but, as I have tried to argue here, we are only in the first stages of the coronavirus drama, and the strength of these economies and societies should not be overestimated. In general, especially in terms of the allocation of EU funds, more flexibility and greater amounts will be needed, both for the current and next European budget.

The discourse of responsibility should make room for one of solidarity and solutions tailored to the crisis. Otherwise the previous North vs South financial rift of the eurozone crisis may turn into one that involves euro-non euro countries and between Eastern European and the rest.

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