LUISS

Dipartimento
di Relazioni Internazionali

Cattedra International Economics

COVID-19 recession: what happened in Italy and UK (and where were the media)

Prof. Paolo Garonna

RELATORE

Prof.Domenico Maria Bruni

CORRELATORE

640852 Ludovica Esposito

CANDIDATO

Anno Accademico 2020/2021

Index

Introduction

The aim of this thesis is to analyze the impact that the pandemic of severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) had on the economies of Italy and of the United Kingdom, with a particular attention to the role played by the media. The period taken into consideration for this analysis starts with March 11, 2020 – when the World Health Organization declared COVID-19 a pandemic – and arrives to the second quarter of the current year, 2021.

A synchronical analysis will be conducted between the two aforementioned countries. Given that the starting of the pandemic also coincided with the finalization of Brexit, it will also be possible to analyze the impact – positive, negative or null – that being a member of the European Union had during this latest crisis.

The first chapter will focus on the country of Italy. A brief overview of the timeline regarding the Covid-19 in the country will be given, followed by an analysis of the economy before the Covid-19 pandemic hit and then during the aforementioned pandemic. The role played by the European Union in supporting a member state during this health and economic crisis will also be discussed.

The second chapter will focus on the United Kingdom. A brief overview of the timeline regarding the Covid-19 will be given, followed by an analysis of the economic aspect before the Covid-19 pandemic and then during the pandemic. The impact that the process of Brexit had will also be discussed.

Furthermore, the second half of the thesis will discuss the importance that media had in keeping the Italian and English population updated on the evolving of the ever-changing situation.

The third chapter will discuss traditional media. To keep the focus on the economic aspect, the two major economic newspapers of the countries will be considered: *Il Sole 24 Ore* for the Italian nation and *The Financial Times* for the United Kingdom.

The fourth chapter will then further enlarge the topic of media by considering the social media and the fake news that are very easy to share on the web. It will be analyzed whether or not the uncertainty in the news available has had any impact on the consumers' behaviour.

Because the issue of the COVID-19 pandemic is current and pressing, there is not not much literature available on this specific topic of analysis – and what is available results published in the second quarter of the current year. Hence, the topic has also been chosen for its pioneering aspect.

1. Italy

The first country taken into consideration is Italy. One of the Western countries to have suffered the biggest losses due to the pandemic. Both in terms of lives and of Gross Domestic Product.

It this chapter, a brief overview of the timeline regarding the COVID-19 in the Italian country will be given, followed by an analysis of how the economy was doing before the COVID-19 pandemic hit and then how it changed during the aforementioned pandemic. The role played by the European Union in supporting a member state during this health and economic crisis will also be discussed.

1.1 Brief Coronavirus Timeline

While the World Health Organization may have declared COVID-19 a pandemic only in the month of March, it had already on January 30, 2020 declared a global health emergency, given the thousands of cases in China reported by the Chinese authorities during the last days of the previous month. One day later, Italy was one of the first countries to have to deal with cases of COVID-19 outside of China.

On January 31 2020, the Italian Prime Minister, Giuseppe Conte, confirmed the first two cases of Covid-19 in Italy. However, the situation did not appear as critical as it is known to be today. Those first two cases were only two Chinese tourists and they did not seem to pose a threat. However, the one that becomes known as the Italian first victim of COVID-19 is discovered in the Veneto region on February 21, 2020: his name is Adriano Trevisan. He did not survive the sickness; however, he was 78 years old and this led to misjudge the virus, forming the erroneous belief that it might be only dangerous for older people. Hence, in the last week of February, while the first *zone rosse* (red zones) were implemented in the North of Italy, in Milan was launched the initiative *#MilanoNonSiFerma* (Milan Does Not Stop) to stress that the citizens were not scared of the new emergency. Even mayor of Milan supported this initiative.

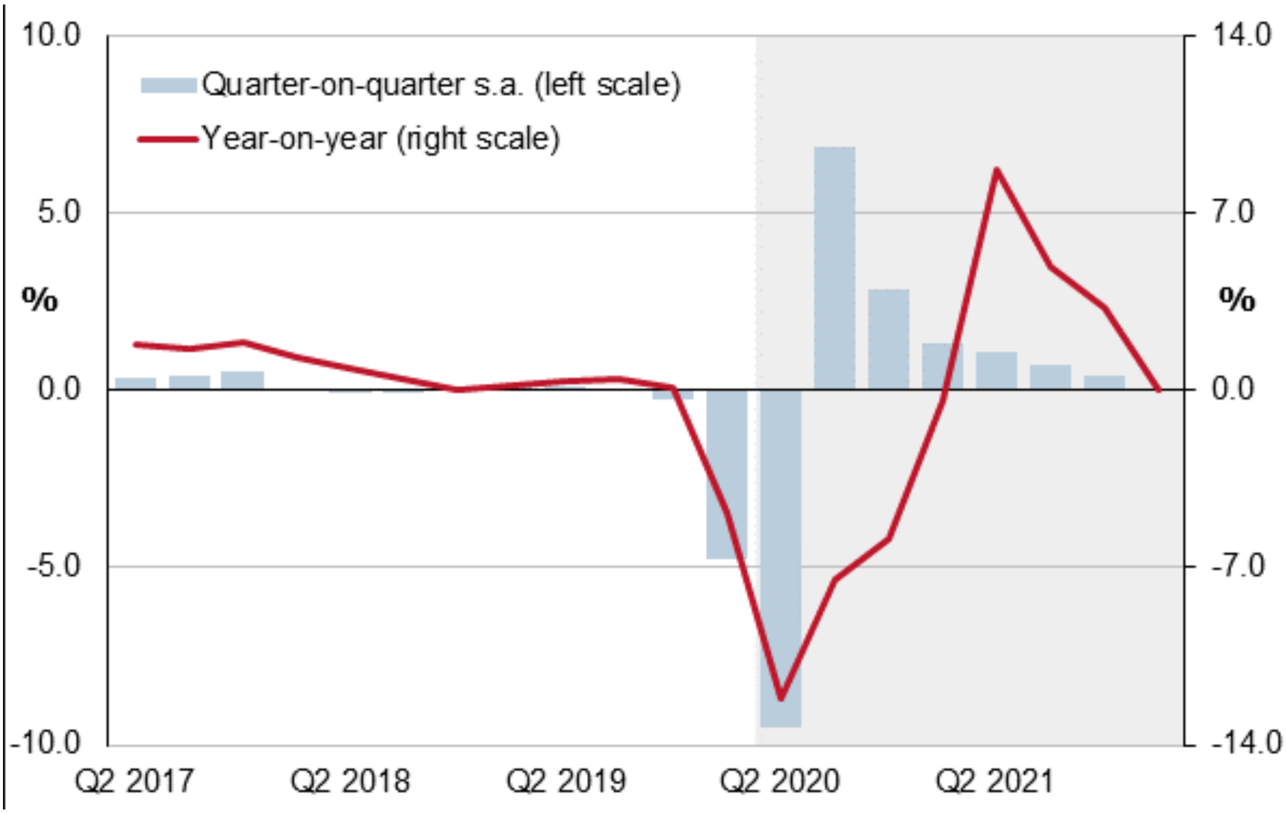
However, not long after that, Milan did stop, with the whole of Italy. Indeed, on March 9, 2020, the Italian government extended the measures that had been in place in Lombardia. As a result, the whole Italian state went into national lockdown. Italy is the first Western state to adopt such a strict response to the increase of the Coronavirus cases. (Il Sole 24 Ore, 2021)

The following measures are only even sterner. As it can be easy to imagine, these severe lockdowns had an impact on the Italian economy, resulting in people losing their jobs and in a growth of the malcontent of the population. Moreover, being of the European Union meant that Italy could receive help in handling the emergency from its fellow member states, but whether or not and at what conditions should Italy accept that help sparked the public debate even more.

1.2 The previous economic situation and the COVID-19's impact

The following graph (Bassetti, 2021) makes it easy to see the big drop that the Gross Domestic Product of Italy had with when the pandemic was proclaimed and the first national lockdown was implemented.

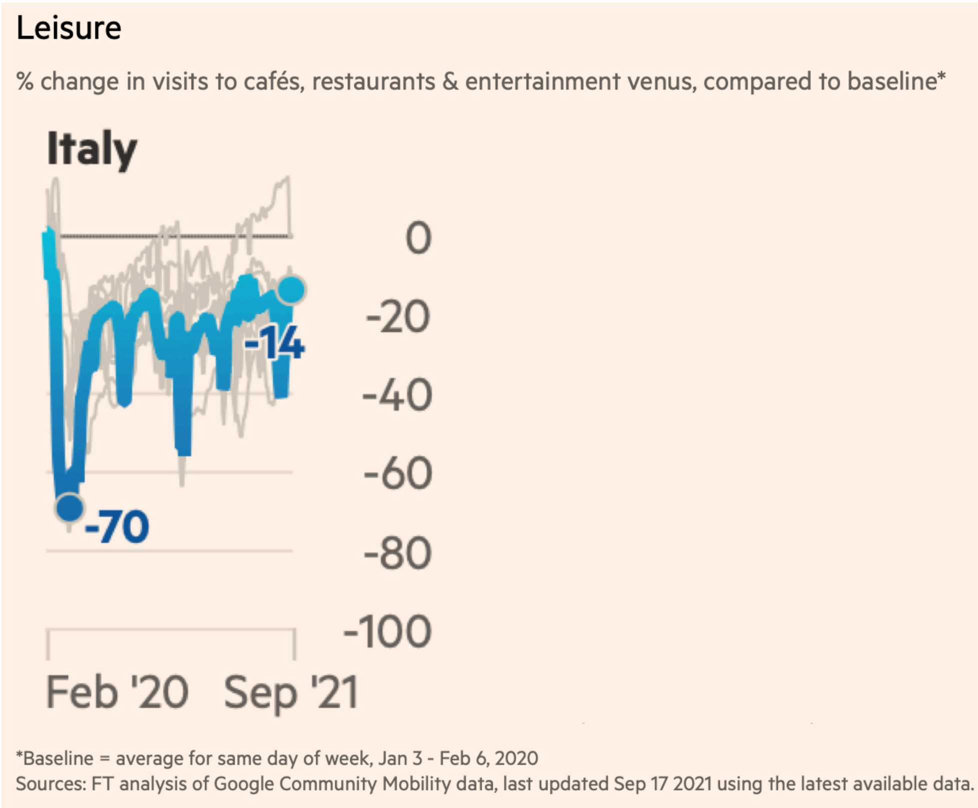
The outbreak of COVID-19 impacted the global economy in various ways. The first one being, at the beginning of the year 2020 and of the spreading of the disease, a disruption in the supply chains. The main



example of this can be obviously found in all those goods coming from China and being delayed. However, Chinese exports were not the only ones affected by the situation. When the different governments started imposing lockdowns and quarantines, more restrictions on the movement of goods and services arrived, leaving various industries with a lot of logistic problems to face. (LEA Reply, 2021)

However, the impact on the economy is not only in the import-export sector. Indeed, when the Italian government decided for a lockdown, closing all the activities appointed as non-essential, a lot of private workers were negatively affected.

A vivid example of how the impact that the lockdowns had can be found in the following graph (Financial Times, 2021).



A drastic drop of 70% has impacted the visits to cafés and restaurants in February 2020. From the graph it is easy to see that there have been some small reprises when the stricter measures were being lifted. However, even at the latest available date (September 2021), it is impossible not to notice that the current average is still low, compared to the pre-COVID-19 period.

1.3 European Union

The role of the European Union in the management of the economic resources during the crisis has been important, but not always appreciated. One of the hot topics of discussion in the European Union is always reaching an agreement on the EU budget; this is often so difficult because it has to comprise interests from different parties, national and institutional. It becomes even more complicated handling the budget of the European Union in times of unexpected crises.

Indeed, a contrast has arisen in the wake of the Coronavirus crisis, linked to the hot debate about the European Stability Mechanism (ESM) and then the Coronabonds: the countries less affected by the pandemic – most of all, the Netherlands – wanted, indeed, to impose stricter conditions to obtain the loans from the bailout fund, while the most hard-hit states – namely, Italy and Spain – opposed them (Valero, 2020).

However, after the initial debate Italy decided to accept the European Union's help by requesting the funds from the Recovery Fund. Indeed, according to Valdis Dombrovskis, vice-president of the European Commission, Valdis Dombrovskis, the request for funds from Italy should arrive for December (with the requests from Denmark and Slovakia too) and be approved after Brussels has confirmed that all the requirements for accessing the funds are being respected (la Repubblica, 2021 b).

Not only is European Union now helping the single states to recover from their crisis, giving them the funds needed, but the European Union had also a key role that played right after the announcement of the pandemic by the World Health Organization. It was the European Central Bank that promptly responded to the uncertainty of what was going to happen that that announcement sparked. Indeed, a bout of uncertainty could lead to an adverse demand shock, dampening private consumption, investment and inflation. However, the pandemic-induced spike of uncertainty and its adverse economic effects have been contained by the quick and decisive action of introducing the Pandemic Emergency Purchase Programme (PEPP). (Benigno, P., Canofari, P., Di Bartolomeo, G., Messori, M., 2020)

This Programme of a non-standard monetary policy measure was started in March 2020. The European Central Bank resolved to purchase for some time private and public sector securities.

The initial announcement was that the European Central Bank would have purchased securities up to €750 billion, but a few months later – on June 4, 2020 – the European Central Bank added €600 billion and then €500 billion on December 10, 2020, bringing the whole total up to €1,850 billion.

These following raises have been due to the realization that the pandemic was not going to end as soon as it had been hypothesized at the beginning of the year. Indeed, even the amount of time this programme is meant to go on has not been fixated, but rather the net asset purchases is going to be terminated once the European Central Bank judges that the COVID-19 crisis phase is over and, in any case, not before the end of March 2022. Moreover, the maturing principal payments from securities purchased under the PEPP will be reinvested until at least the end of 2023. (European Central Bank, 2021 b)

Next to this, meant to helping the economy absorb the shock of the pandemic crisis, the European Central Bank kept the interest rates at historically low levels (negative interest rates) so to keep borrowing costs low. Moreover, the European Central Bank has acted toward the banks by increasing the amount of money that banks can borrow and also increasing their lending capacity (European Central Bank, 2021 a).

1.4 Now

Even if Italy has been the first country to be affected by COVID-19 and then also the most severely hit, the latest data from the Organization for Economic Co-operation and Development seem to prove that there is a light at the end of the tunnel. Indeed, according to the Organization for Economic Co-operation and Development the Italian Gross Domestic Product will have an increment of 5.9% this year and it has estimated a new increment next year of 4.1%. (la Repubblica, 2021 a)

2. United Kingdom

The second country taken into consideration in this analysis is the United Kingdom. Like the other countries, during these last two years, the United Kingdom had to face the COVID-19 pandemic, with all its economic and humanitarian losses and consequences. However, the United Kingdom had also a second big challenge to pay attention to: the formalization of the Brexit process. Indeed, starting midnight of January 30, 2020, the United Kingdom was no longer a member of the European Union—just when the threat of the COVID-19 was beginning to be recognized. Then, for the whole year 2020, while COVID-19 was was rampant, the United Kingdom and the European Union negotiated their future relationship. Hence, it is easy to question whether the COVID-19 had any influence on the negotiations.

It this chapter, a brief overview of the timeline regarding the COVID-19 will be given, followed by an analysis of the economic aspect before the COVID-19 pandemic and then during the pandemic. The impact that the process of Brexit had will also be discussed.

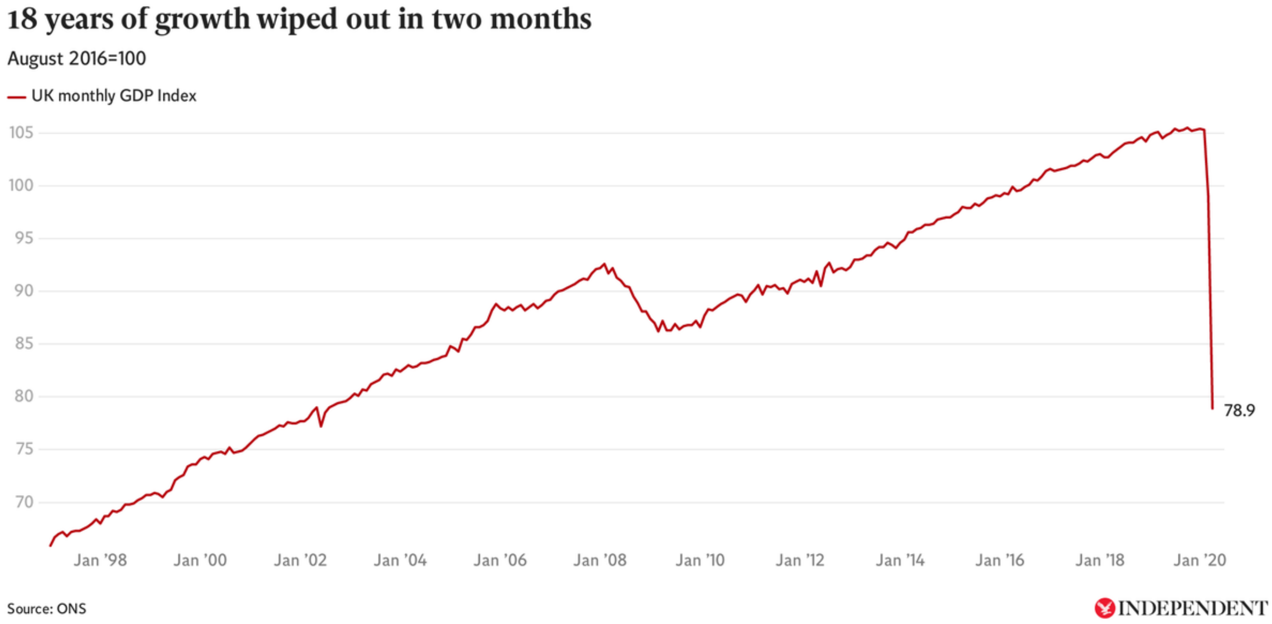
2.1 Brief Coronavirus Timeline

While the World Health Organization may have declared COVID-19 a pandemic only in the month of March, it had already on January 30, 2020 declared a global health emergency, given the thousands of cases in China reported by the Chinese authorities during the last days of the previous month. One day earlier, the United Kingdom was one of the first countries to have to deal with cases of COVID-19 outside of China.

On January 29 2020, two patients test positive for Coronavirus after two Chinese nationals from the same family staying at a hotel in York fall ill.

However, the situation did not appear as critical as it is known to be today. Those first two cases were two Chinese tourists and they did not seem to pose a threat.

It still did not seem to pose a threat in March when the Prime Minister of the United Kingdom, Boris Johnson, first just asked to "to stop non-essential contact and travel" (March 16, 2020) and then (March 19, 2020) declared that the "tide of coronavirus" would have been turned in 12 weeks. Nevertheless, on March 23, 2020, the Prime Minister declared the first national lockdown of the United Kingdom. (Aspinall, 2021) It would have been the first of many.



2.2 The previous economic situation and the COVID-19's impact

The following graph (Chu, 2020.) makes it easy to see the big drop that the Gross Domestic Product of the United Kingdom had with when the pandemic was proclaimed and the first national lockdown was implemented. The name given to the graph explain the disaster that COVID-19 has been for the economy of the United Kingdom: 18 years of growth wiped out in two months.

Not event the crisis of 2008 (which is also possible to see from the graph that that year has a drop) had hit so severely the country.

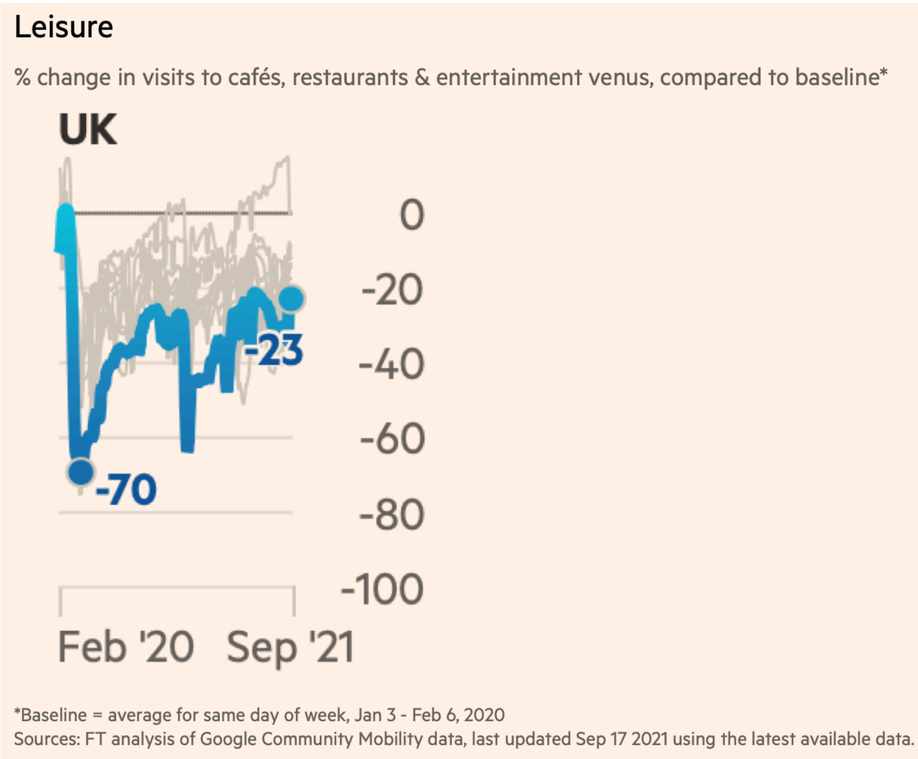
The outbreak of COVID-19 impacted the global economy in various ways. The first one being, at the beginning of the year 2020 and of the spreading of the disease, a disruption in the supply chains. The main example of this can be obviously found in all those goods coming from China and being delayed. However, Chinese exports were not the only ones affected by the situation. When the different governments started imposing lockdowns and quarantines, more restrictions on the movement of goods and services arrived, leaving various industries with a lot of logistic problems to face. (LEA Reply, 2021)

However, the impact on the economy is not only in the import-export sector. Indeed, for the United Kingdom, public health measures to slow its progress meant fewer people working and businesses in some sectors shutting down entirely. These pressures eased as the economy reopened. Until the next lockdown.

The second lockdown in England in the autumn has also reduced the economy’s supply capacity, but to a lesser extent than the first lockdown, as restrictions were less severe and the businesses already adjusted to working in those new conditions.

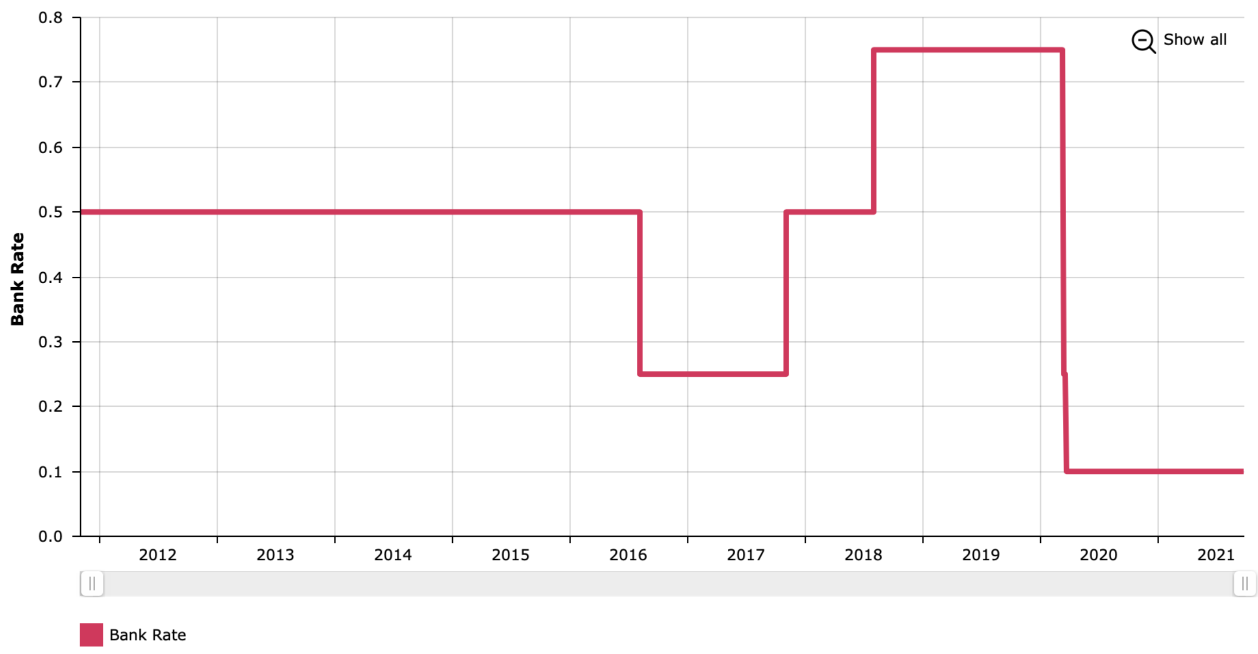
Lastly, the lockdown in early 2021 was stricter than the autumn one, but less so than the first (Harari and Keep, 2021).

A vivid example of how the lockdowns impacted the leisures can be found in the following graph (Financial Times, 2021).



A drastic drop of 70% has impacted the visits to cafés and restaurants in February 2020. From the graph it is easy to see that there have been some small reprises when the stricter measures were being lifted. However, even at the latest available date (September 2021), it is impossible not to notice that the current average is still low, compared to the pre-COVID-19 period.

The Bank of England intervened to help in these difficult times. The Bank of England's kind of intervention was not so different from the one implemented by the European Central Bank (or from any other Central Bank). Indeed, even the Bank of England cut the interest rate on March 19, 2020 (Bank of England, 2021). The Bank Rate (which is how the official interest rate of the United Kingdom is called) has been cut to 0.1%, a very low rate, the lowest it has ever been. Here too the first attempt had not been quite as drastic. Indeed, on March 16, 2020, the Bank of England had cut it to only 0.25% (still lower



compared to the 0.75% of before, but not as extreme as 0.1%), before realizing a few days later the severity of the pandemic. (Bank Rate history and data | Bank of England Database, 2021).

Moreover, even the Bank of England helped the banks by cutting the interest rates on their lending (through cutting their own interest rates) and by reducing the amount of capital that banks needed to set against their lending to businesses and households. Furthermore, the banks of the United Kingdom agreed not to pay any dividends to their shareholders in 2020. (Bank of England, 2021)

2.3 Brexit

If Italy could – and still can – count on the support of the European Union to exit this economic and sanitary crisis, the United Kingdom had left the European Union just a month before the proclamation of the pandemic.

As aforementioned, during 2020, not only had the United Kingdom had to deal with COVID-19, but also with Brexit. While the United Kingdom left the European Union on January 30, 2020, the negotiations on the new relations between the state and the international organization went on for the whole year.

Indeed, in the last month of the year, there was also a discussion on vaccines. This happened because, the United Kingdom approved the Pfizer vaccine in November 2020, around three weeks before the

European Union. The English government argued that being outside the European Union allowed the United Kingdom to roll out vaccines quicker. However, it is also true that tension had arisen between the United Kingdom and the European Union when the latter considered a blockades on the exports of vaccines to the United Kingdom. This had happened in response to the AstraZeneca dispute when the United Kingdom seemed to want to keep for itself the doses produced by the Oxford-AstraZeneca and almost risk to breach the deal with the European Union (BBC NEWS, 2021 and Chrysoloras, 2021).

2.4 Now

While the shortages of goods and services have been a common occurrence for all the countries affected by COVID-19 during the first lockdowns, the problem seemed to have been solved with the launch of the vaccination campaign. The situation seemed to have been going back to normal. However, worryingly news are coming from the United Kingdom in the recent days about a new scarcity, in particular of fuel and chicken.

David Henig, head of the Brussels-based European Centre for International Political Economy, declared that there is “a UK specific economic shock, Brexit, coming on top of a global one, COVID”. It has been anticipated that this new crisis will only worsen because the demand for goods is bound to rise with the reopening of the schools, with some business retiring to offices and, also, with the oncoming Christmas and winter holidays. However, Henig also stressed that “there may well be a permanent [impact] in terms of reduced supply and higher prices, but shortages are unlikely to be the norm as long as major supply chains continue to hold.” (Faulkner, 2021)

Thus, while the United Kingdom for the remaining quarter of this year is expected to still face some difficulties, it is also offered a positive outlook for the future.

3. Traditional Media

With the definition of “traditional media” is usually identified any form of mass communication available since before the advent of digital media. Included in this category, there are the television, radio, newspapers, books and magazines (Johnson, 2015).

The speedy spread of this infection globally became a source of public worry and several unknowns regarding this new pathogen created a state of panic. Mass media became the major source of information about the novel coronavirus. (Anwar, Malik, Raees and Anwar, 2020)

However, just as the media can spread information, they can easily spread panic. This is a lesson learned through this pandemic. A clear example of this can be found in the Italian media.

Indeed, on March 7, 2020, when the Italian government was discussing the extension of the lockdown measures to the whole territory a draft of the decree has been published by the newspapers, spreading the panic. It lead to two consequences: an exodus of those living in the North of Italy and wanting to go back to their families in the South of Italy and the people remaining the North assaulting the supermarkets.

As it can be imagined, living in a constant state of panic does not do any good to the people. People uncertain of what the future might hold will tend to reduce their spending to save money. Hence, this should be taken into account before spreading the panic among the masses.

Il Sole 24 Ore and *The Financial Times* have tried to solve this issues by creating a whole section of their sites only dedicated to the newest updates on the COVID-19 situation, so to keep the people informed and secured.

4. Social Media and Fake News

Due to the lockdowns and to the impossibility of doing a lot of normal things, the activity on social media has increased. However, the collateral effect of this was leading to an infodemic (i.e., an overabundance of false and misleading information).

Facebook Inc. has arrived to the point to put a warning on all of its social media whenever a post or a photo mentions the vaccine or the COVID-19 the official page of the Ministry of Health of that state (the *Ministero della Salute* in the case of the Italian state).

The *Ministero della Salute* itself has written a page that debunks all the fake news that can be heard about the COVID-19 pandemic or the vaccine.

However, while this might seem like a useful thing a lot of people even argued that this was censorship.

This is another lesson that can be learned from this pandemic a critical need for standardized and systematic routines on how to achieve dissemination of high-quality web-based information when new epidemics and pandemics emerge. (Stern, Georgsson and Carlsson, 2021)

Conclusion

The aim of this thesis was – as specified in the introduction – to analyze the impact that the pandemic of SARS-CoV-2 had on the economies of Italy and of the United Kingdom, with a particular attention to the role played by the media.

The first part has been done: after having analyzed both the two countries, it is clear that the COVID-19 pandemic affected the economies of both countries. However, while both Gross Domestic Products suffered a great drop, it will not be permanent. Indeed, Italy could recover faster than expected, even thanks to the support of the European Union and of its Recovery Fund.

Regarding the second part and the media, both the traditional media and the new social media have been discussed.

About the traditional media, it has been discussed that, just as the media can spread information, they can easily spread panic.

On the other side, the social media can easily spread fake news.

Between the fake news and the panic, people might tend to reduce their spending to save money for riskier time. Hence this is another lesson learnt from the pandemic: the people shouldn't be bombarded by so many information that they lose their way and the sight of what are the very important information.

In conclusion, someone once said that people would "come out of COVID-19 as better people". If that has happened, it is arguable. But surely it has been interesting to see how a global situation has been able two countries so close and, yet, as this thesis discussed, so different.

Bibliography

- Anwar, A., Malik, M., Raees, V. and Anwar, A., 2020. *Role of Mass Media and Public Health Communications in the COVID-19 Pandemic*. Cureus, [online] 12(9). Available at: <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7557800/>.
- Aspinall, E., 2021. *COVID-19 Timeline*. [online] British Foreign Policy Group. Available at: <https://bfpg.co.uk/2020/04/covid-19-timeline/>.
- Banca d'Italia. 2020. *L'impatto della pandemia di COVID-19 sull'economia italiana: scenari illustrativi*. [online] Available at: <https://www.bancaditalia.it/media/notizia/l-impatto-della-pandemia-di-covid-19-sull-economia-italiana-scenari-illustrativi/>.

- Bank of England. 2021. *Our response to coronavirus (Covid)*. [online] Available at: <https://www.bankofengland.co.uk/coronavirus>.
- Bank Rate history and data | Bank of England Database. 2021. *Official Bank Rate history*. [online] Available at: <https://www.bankofengland.co.uk/boeapps/database/Bank-Rate.asp>.
- Bassetti, M., 2021. *Italy: Economy shrinks at unprecedented pace in Q1 2020*. [online] FocusEconomics | Economic Forecasts from the World's Leading Economists. Available at: <https://www.focus-economics.com/countries/italy/news/gdp/economy-shrinks-at-unprecedented-pace-in-q1-2020>.
- BBC NEWS. 2021. *Covid: What is happening with the EU vaccine rollout?*. [online] Available at: <https://www.bbc.com/news/explainers-52380823>.

- Beckett, D., 2021. *Coronavirus and the impact on output in the UK economy*, Office for National Statistics. [online] Available at: <https://www.ons.gov.uk/economy/grossdomesticproductgdp/articles/coronavirusandtheimpactonoutputintheukeconomy/june2021 (latest available)>.
- Benigno, P., Canofari, P., Di Bartolomeo, G., Messori, M., 2020. *Uncertainty and the Pandemic Shocks*, Publication for the committee on Economic and Monetary Affairs, Policy Department for Economic, Scientific and Quality of Life Policies, European Parliament, Luxembourg. [online] Available at: <http://www.europarl.europa.eu/supporting-analyses>.
- Chrysoloras, N., 2021. *Astra Chief's Response to EU's Vaccine-Delay Claims: Main Points*. [online] Bloomberg.com. Available at: <https://www.bloomberg.com/news/articles/2021-01-27/astra-chief-s-response-to-eu-s-vaccine-delay-claims-main-points>.

- Chu, B., 2020. *The story of the UK's unprecedented GDP collapse in five charts*. [online] The Independent. Available at: <https://www.independent.co.uk/news/business/analysis-and-features/uk-gdp-collapse-charts-unprecedented-history-a9562326.html>.
- European Central Bank. 2021. *Our response to the coronavirus pandemic*. [online] Available at: <https://www.ecb.europa.eu/home/search/coronavirus/html/index.en.html>.
- European Central Bank. 2021. *Pandemic Emergency Purchase Programme (PEPP)*. [online] Available at: <https://www.ecb.europa.eu/mopo/implement/pepp/html/index.en.html>.
- European Parliament. 2020. *Effects of Pandemic- Induced Uncertainty on Monetary Policy*, Study for the Committee on Economic and Monetary Affairs, Policy Department for Economic, Scientific and Quality of Life Policies, European Parliament, Luxembourg. [online] Available at: <https://

www.europarl.europa.eu/committees/en/econ/econ-policies/monetary-dialogue>.

- Faulkner, C., 2021. *Why are there food shortages in the UK?*. [online] Aljazeera.com. Available at: <https://www.aljazeera.com/news/2021/9/3/why-are-there-food-shortages-in-the-uk>.
- Financial Times. 2021. *Pandemic crisis: Global economic impact tracker*. [online] Ft.com. Available at: <https://www.ft.com/content/272354f2-f970-4ae4-a8ae-848c4baf8f4a>.
- Harari, D., Keep, M., 2021. *Coronavirus: Economic impact*, Commons Library Briefing, [online]. Available at:<www.parliament.uk/commons-library>.
- Il Sole 24 Ore. 2021. *Cose che noi umani*. [online] Available at: <https://lab24.ilsole24ore.com/storia-coronavirus/>.

- Johnson, K., 2015. *What is Traditional Media*. [online] Igi-global.com. Available at: <https://www.igi-global.com/dictionary/traditional-media/47688>.
- la Repubblica. 2021. *L'Italia accelera: per l'Ocse la ripresa sale al +5,9% quest'anno, poi +4,1% nel 2022. "Non ritirare stimoli troppo presto"*. [online] Available at: <https://www.repubblica.it/economia/2021/09/21/news/l_italia_accelera_per_l_ocse_la_ripresa_sale_al_5_9_quest_anno_poi_4_1_nel_2022-318748694/>.
- la Repubblica. 2021. *Recovery Fund, Dombrovskis: "A dicembre prima verifica sull'Italia"*. [online] Available at: <https://www.repubblica.it/economia/2021/09/01/news/recovery_fund_dombrovskis_a_dicembre_prima_verifica_sull_italia_-316135536/>.

- LEA Reply. 2021. *Supply Chain durante e dopo COVID-19*. [online] Available at: <https://www.reply.com/lea-reply/it/supply-chain-durante-e-dopo-covid-19>.
- Manzocchi, S., 2020. *A structural change for the Italian economy: scenarios for economic policy*, Confindustria Centro Studi. [online] Available at: <https://www.confindustria.it/wcm/connect/a2951e5a-729d-49bc-a5ad-5a9edd40e4f8/Italian+economic+outlook+2020_2021_Summary+and+main+conclusions_101020_Confindustria.pdf?MOD=AJPERES&CACHEID=ROOTWORKSPACE-a2951e5a-729d-49bc-a5ad-5a9edd40e4f8-nkHXD8f&__cf_chl_jschl_tk__=pmd_xo.UkeAVhTcYLWHymnLhwtCrbtAVddo5R6A9A.I8SWc-1630864008-0-gqNtZGzNAuWjcnBszQa9>.

- Mohiuddin Muhammad, Parvin Syeda Sonia, Sultana Mast Afrin *et al.*, 2016. *Media Coverage of Global Financial Crisis and Formation of Societal Perceptions and Behaviors: A Qualitative Content Analysis Perspective*, Revue de philosophie économique, 2016/2 (Vol. 17), p. 125-146. DOI : 10.3917/rpec.172.0125. [online] Available at: <https://www.cairn.info/revue-de-philosophie-economique-2016-2-page-125.htm>.
- Stern, J., Georgsson, S. and Carlsson, T., 2021. *Quality of web-based information at the beginning of a global pandemic: a cross-sectional infodemiology study investigating preventive measures and self care methods of the coronavirus disease 2019*. BMC Public Health, [online] 21(1). Available at: <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC8201436/>.
- Valero, J., 2020. *Eurogroup Fails To Progress On Economic Response To Pandemic*. [online] EURACTIV.com. Available at:

<https://www.euractiv.com/section/economy-jobs/news/eurogroup-fails-to-progress-on-economic-response-to-pandemic/>.

Summary

The aim of this thesis is to analyze the impact that the pandemic of severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) had on the economies of Italy and of the United Kingdom, with a particular attention to the role played by the media. The period taken into consideration for this analysis starts with March 11, 2020 – when the World Health Organization declared COVID-19 a pandemic – to the second quarter of the current year, 2021.

A synchronical analysis has been conducted between the two aforementioned countries. Given that the starting of the pandemic also coincided with the finalization of Brexit, it has also been possible to analyze the impact that being (or not being) a member of the European Union had during this latest crisis.

The first chapter focuses on the country of Italy. A brief overview of the timeline regarding the COVID-19 in the country is provided. It covers the most important dates of the pandemic (like the first patient found on January 30, 2020, or the first national lockdown on March, 9, 2020).

Following this, there is an analysis of how severely the economy has been hit by the COVID-19 pandemic.

Moreover, attention is focused on the key role played by the European Union in supporting a member state during this health and economic crisis. The response to the pandemic of the European Central Bank is analyzed and it is seen that it has been vital for the whole member states. Furthermore, Italy decided to use the Recovery Fund and this allowed the Organization for Economic Co-operation and Development to foresee a future of growth of the Gross Domestic Product once again.

The second chapter focuses on the United Kingdom. A brief overview of the timeline regarding the COVID-19 in the country is provided. It covers the most important dates of the pandemic (like the first patient found on January 29, 2020, or the first national lockdown on March, 23, 2020).

Following this, there is an analysis of how severely the economy has been hit by the COVID-19 pandemic. It is seen how not even the crisis of 2008 had caused such a drop in the Gross Domestic Product of the United Kingdom. The response to the pandemic of the Bank of England Central Bank is analyzed and it is stressed that there have been a lot of point in common with the response of the European Central Bank.

Moreover, attention is focused on the fact that, during 2020, not only had the United Kingdom had to deal with COVID-19, but also with Brexit. While the United Kingdom left the European Union on

January 30, 2020, the negotiations on the new relations between the state and the international organization went on for the whole year.

In particular, in the last month the debate on the import and exports vaccines had arisen, with the European Union considering a ban to exports towards the United Kingdom.

While no ban has ever been put in place, it is also true that the most recent news from the United Kingdom report that new problems in the supply chain have arisen. The European Commission reassured that a permanent shortage was unlikely, so the United Kingdom would recover in time, but the reduced supply might become a permanent occurrence.

In the second half of the thesis, the importance that media had in keeping the Italian and English population updated on the evolving of the ever-changing situation has been discussed.

Firstly, the discussion was on traditional media. To keep the focus on the economic aspect, two major economic newspapers of the countries will be considered: *Il Sole 24 Ore* for the Italian nation and *The Financial Times* for the United Kingdom.

Lastly, the fourth chapter expanded the media aspect, by considering the social media and the fake news very easy to share on the web.

In conclusion, the aim of this thesis was to analyze the impact that the pandemic of SARS-CoV-2 had on the economies of Italy and of the United Kingdom, with a particular attention to the role played by the media.

The first part has been done: the COVID-19 pandemic affected the economies of both countries. However, while both Gross Domestic Products suffered a great drop, it will not be permanent. Indeed, Italy could recover faster than expected, even thanks to the support of the European Union and of its Recovery Fund.

Regarding the second part and the media, both the traditional media and the new social media have been discussed.

About the traditional media, it has been discussed that, just as the media can spread information, they can easily spread panic. This is a lesson learned through this pandemic. A clear example of this can be found in the Italian media.

Indeed, on March 7, 2020, when the Italian government was discussing the extension of the lockdown measures to the whole territory a draft of the decree has been published by the newspapers, spreading the panic. It lead to two consequences: an exodus of those living in the North of Italy and wanting to go back to their families in the South of Italy and the people remaining the North assaulting the supermarkets.

On the other side, the social media can easily spread fake news.

As it can be imagined, living in a constant state of panic does not do any good to the people. People uncertain of what the future might hold will tend to reduce their spending to save money. Hence, this should be taken into account before spreading the panic among the masses.

Between the fake news and the panic, people might tend to reduce their spending to save money for riskier time. Hence this is another lesson learnt from the pandemic: the people shouldn't be bombarded by so many information that they lose their way and the sight of what are the very important information.

In conclusion, someone once said that people would "come out of COVID-19 as better people". If that has happened, it is arguable. But surely it has been interesting to see how a global situation has been able two countries so close and, yet, as this thesis discussed, so different.