

Introduction

The Covid-19 pandemic is affecting all the inhabited continents of this planet and leaves none of us untouched. It has already killed thousands of people across the globe, closed down cities, borders and businesses and most countries are still just in the initial phase of this crisis. Although there is 24/7 reporting on the pandemic, much of the focus in international media has been on the most affected countries and richer countries in Eastern Asia, the EU and the US. Much less attention has been given to countries around the Baltics, in Eastern Europe and the Caucasus. However, these countries are home to more than 200 million people and to the institutes that form the Forum for Research on Eastern Europe and Emerging Economies, i.e. the FREE network. We have therefore started to collect data on this region from official sources with the ambition to offer a regularly updated, comprehensive and easily comparable overview of the health impact of the Covid-19 pandemics, as well as the policies and practices countries in the region adopt to deal with it. The countries in the network and the region we include are Belarus, Georgia, Latvia, Poland, Russia, Sweden, and Ukraine. For comparison we also include Italy as a point of comparison since it is a country that has been particularly badly affected and we have several people in our faculties that know Italian and follow these developments closely.

The quality of the health data will by necessity vary between countries and this also affects the comparability of numbers. For example, the ability and willingness to test the population for the virus differs significantly between countries and will obviously affect the number of infections that is reported to the European Centre for Disease Prevention and Control (ECDC), the main source of data on health outcomes in our tables and graphs. Other data that we report, such as border or school closures, are easier to compare, but there may still be differences in how these policies are implemented on the national level. However, we still believe that it is useful to compile this data for our region in one place as a starting point for discussions on how the virus is spreading and governments respond to the crisis.

Since the FREE network focuses on economic issues, we put particular emphasis on high-frequency indicators in this area and on measures governments have taken to deal with the economic consequences of the pandemic. In the initial phase of this collaborative project, the focus will be on providing a descriptive picture of the state of the situation using the best data we can find, but over time, this will be complemented by more in-depth policy analysis of the measures and implications for the economies in the region.

The main data is presented in a summary page that facilitates comparisons between countries, and this is complemented with more detailed country pages.

Sweden in the FREE network COVID-19 project

Basic facts

Sweden is a country of around 10 million people. The area is 450 thousand sqkm which gives a population density of 22.7persons/sqkm. The capital is Stockholm with 1.5 million inhabitants, other major cities are Gothenburg (0.6mn), Malmö (0.3mn), and Uppsala (0.2mn). Sweden has been a member of the EU since 1995 but is not a member of the Eurozone.

Different responses across countries to the crisis depend partly on the organization of political authority, as reflected in the level of regional decentralization of decision making in key areas of authority, and the strength and independence of public agencies. In the case of Sweden, the government has three levels, the central government, 21 regions and 290 municipalities. The regions are responsible for - among other things - health care, while municipalities are in charge of elderly care and schools, all institutions which play an important role in the response to Covid-19.

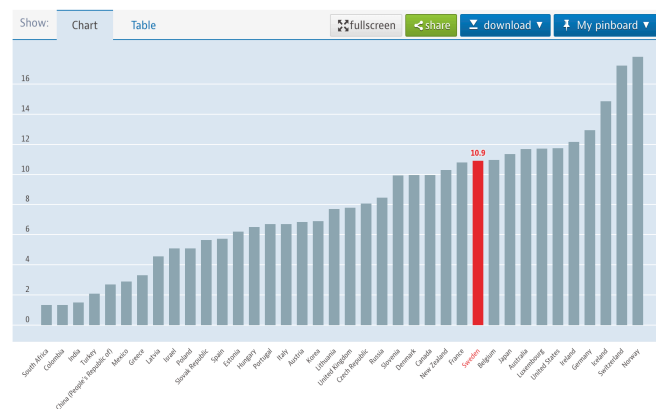
Public agencies in Sweden have a significant degree of independence from the government and line ministers as long as the authority delivers on the mission and guidelines determined by the government. The authority in charge of dealing with pandemics is the Public Health Agency of Sweden (Folkhälsomyndigheten, 2020), which states on their website that “The Public Health Agency of Sweden has a national responsibility for public health issues and works to ensure good public health. The agency also works to ensure that the population is protected against communicable diseases and other health threats.” The Public Health Agency of Sweden has advised the government with regards to which actions to take in the Covid-19 crisis. It is also Sweden’s Coordinating Competent Body for the European Centre for Disease Prevention and Control. Other important authorities involved in health recommendations and crisis measures are Socialstyrelsen (Socialstyrelsen, 2020) and the Swedish Civil Contingencies Agency (MSB, 2020).

Health Indicators

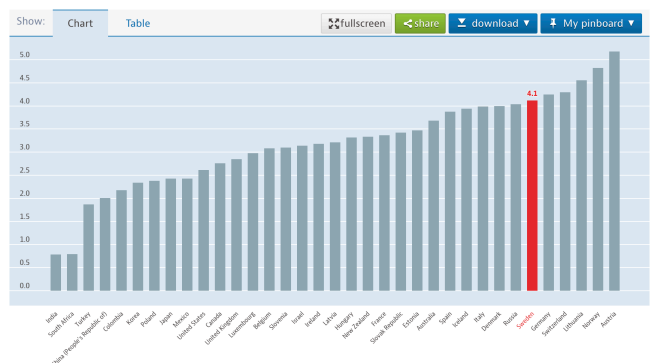
Sweden had its first case of Covid-19 on February 1, but then it took until February 27 for the next case to be registered. In the first week of March, a

more significant number of people was diagnosed with the virus as people had returned to Sweden with symptoms after having been in the Italian Alps during the school winter holiday the week before. A few early cases were also related to travel to and from Iran. The indicators on Covid-19 numbers in the table are from the ECDC (ECDC, 2020). The OECD provides numbers on nurses and doctors per 1000 inhabitants;

Nurses Total, Per 1 000 inhabitants, 2018 or latest available Source: OECD Health Statistics: Health care resources



Doctors Total, Per 1 000 inhabitants, 2018 or latest available Source: OECD Health Statistics: Health care resources



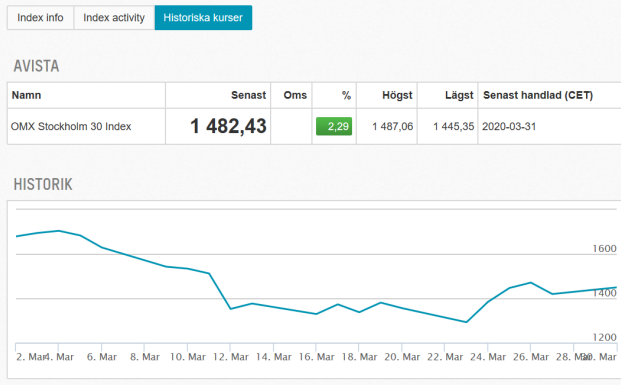
Financial Indicators

Sweden is highly integrated in international financial markets and has a well-developed and liquid stock market. Despite being an EU member country, Sweden keeps its own currency, the Swedish krona (SEK), which is free floating since the Swedish Riksbank is targeting inflation rather than fixing the exchange rate.

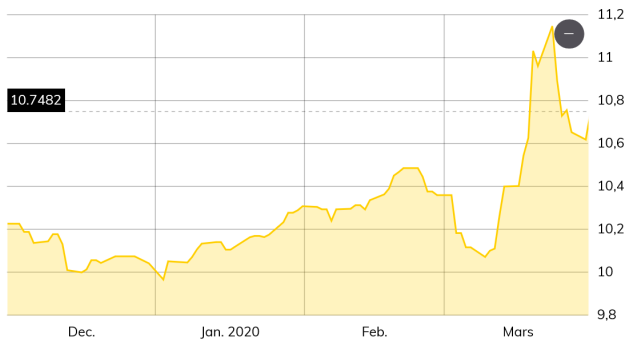
The stock market data (See below) is from the exchange and is the main index of large companies called OMX30.



OMXS30, OMX STOCKHOLM 30 INDEX, (SE0000337842)



The exchange rate data is from FOREX which provides travelers with foreign currency and is the selling rate for SEK/USD;



The exchange rates are not the same as those that would be used by financial institutions and companies but easily available and movements in this exchange rate, which is what we use here, follow the institutional rates closely.

Laid off workers are the number of workers that have been given notice by their employer that they will be laid off and the numbers are reported on a monthly basis by the Swedish Public Employment Service. In the wake of the corona crisis they are now making more frequent updates to their numbers and have regular press releases to complement their standard data reporting (Arbetsförmedlingen, 2020).

Government Health Policies

In general, the government follows the recommendations of the Public Health Agency of Sweden (PHAS) and other authorities as noted by

¹ The government states "The Public Health Agency of Sweden coordinates communicable disease control at national level and provides daily updates regarding the situation in Sweden. The National Board of Health and Welfare supports and coordinates the health and medical care preparedness of the various regions. The Government is in daily contact with these agencies. The Government has issued the

the Swedish government.¹ However, it is also clear that the regions, which are in charge of providing health care, make their own adjustment to some of the recommendations that come from the PHAS. For example, the region of Stockholm has adjusted the recommended use of protective equipment to be used by medical staff, most likely in light of shortages. Testing is also not centralized and the PHAS will hold a meeting at the end of March with the different parties involved in testing.

Short Summary of Measures

Mobility restrictions:

1. Restriction on size of public gatherings; 500 and then 50 people;
2. Restrictions on bars and restaurants, no standing in line or at the bar, only service at tables;
3. High schools and higher education institutions close and provide online education;
4. Stop travel to Sweden from non-EU countries.

Health care:

1. Extra delivery of face masks;
2. Coordinated effort to procure more medical equipment;
3. Providing extra hospital beds and intensive care beds;
4. Additional government funding to health care providers and related agencies;
5. Information campaigns to public and social services personnel;
6. Contributing to WHO emergency fund.

Government Economic Policies

In addition to the health and prevention measures, the government has announced an extensive list of measures to deal with the economic impact of the pandemic. These are implemented by several ministries as well as the central bank and the financial supervisory authority.

Short Summary of Measures

Labor market:

1. Unemployment benefits extended to more people;
2. Sick-pay restrictions removed;

National Board of Health and Welfare and the Public Health Agency of Sweden several instructions on limiting the spread of SARS-CoV-2. The Government will ensure that the expert agencies and the health and medical care system have the resources necessary to limit the spread of the virus."



3. Government funding for shortened working time.

Tax breaks:

1. Tax payments can be delayed.

Emergency loans, guarantees and support:

1. Loan guarantees to SMEs;
2. Capital injection to ALMI to support loans to SMEs;
3. Extra funding for export credits;
4. Extra funding for export guarantees;
5. Financial support to culture and sports;
6. Guarantees to airline SAS.

Central bank:

1. Loans to banks at low interest and reduced collateral restrictions;
2. Loans to banks in USD;
3. Purchase of government and mortgage bonds;
4. Purchase of commercial papers.

Financial regulator:

7. Counter cyclical buffers for banks set to zero;
8. Relax amortization requirements for households;
9. Banks allowed to fall below liquidity coverage ratios.

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Torbjörn Becker is the Director of the Stockholm Institute of Transition Economics at the Stockholm School of Economics. He is also a board member of the Swedish International Development Cooperation Agency (Sida), SSE Russia, and several research institutes in Eastern Europe that are part of the FREE Network. He previously worked for the International Monetary Fund for nine years. His work focuses on macro, debt, capital markets and economic crises, and has been published in leading international journals and books. He holds a Ph.D. from the Stockholm School of Economics and has also studied at U.C. Berkeley.

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The Forum for Research on Eastern Europe and Emerging Economies (FREE) is a network of academic experts on economic issues in Eastern Europe and the former Soviet Union at BEROG (Minsk), BICEPS (Riga), CEFIR/NES (Moscow), CenEA (Szczecin), ISET (Tbilisi), KSE (Kiev) and SITE (Stockholm). In 2019 the FREE Network, with financial support of the Swedish International Development Cooperation Agency (Sida) initiated the Forum for Research on Gender Economics (FROGEE). Publications under the FREE Network initiative contribute to the discussion in the region of Central and Eastern Europe. Opinions expressed in all FREE Network publications are those of the authors; they do not necessarily reflect those of the FREE Network, its research institutes or Sida.

