

European economy falls into worst recession on record



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The European economy has fallen into its worst recession on record as strict quarantine measures earlier in the year to stop the spread of the coronavirus brought economic activity to an abrupt halt.

According to figures released on Friday by Eurostat, the European Union's statistics agency, gross domestic product dropped by 11.9 percent in the second quarter for the 27 member countries of the European Union, and by 12.1 percent in the 19 countries that use the euro as currency.

Earlier this month, EU experts predicted the bloc's economy would shrink by a total of 8.3 percent this year, followed by 5.8 percent growth in 2021.

Compared to the same time last year, EU economies shrank by 14.4 percent, and 15 percent among those who use the euro. That's the steepest contraction since the bloc started keeping statistics in 1995.

The economic blow particularly affected the countries hardest-hit by the virus, including Italy, Spain, and France, whose economies shrank by 17.3, 22.1, and 19 percent, respectively, compared to the same time last year.

The new statistics come a week after the EU reached a \$2 trillion deal on a coronavirus recovery package.

Europe has seen a dip in coronavirus cases in recent months as they inch toward reopening businesses and industries, such as tourism.

Source:

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