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Sweden's economy, after not having lockdown, in much better shape than rest of Europe

By Soo Kim On 8/6/20 at 1:17 PM EDT

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Sweden's GDP fell 8.6 in Q2 2020, the country's worst quarterly decline in modern history. The fall came amid the novel coronavirus panic, which Sweden did not implement full lockdown measures over.

However, the Scandinavian nation markedly outperformed the rest of Europe. Its GDP drop in the second quarter was lower than the 12.1 average experienced in the Eurozone, as well as the 11.9 average across the whole of the EU.

Sweden outperformed several European countries, including Spain (18.5 percent fall), France (13.6 percent), Italy (12.4 percent) and Germany (10.1 percent).

The country's latest quarterly GDP decline was greater than the 3.8 percent drop seen in Q408 during the height of the financial crisis.

However, Sweden is not currently in a recession. A country is deemed to be in a recession when its economy declines for two consecutive quarters, and Sweden had a GDP growth of 0.1 in Q120.

The country's economy is forecast to decline by a further 5

percent this year. Its unemployment rate remains the highest of the Nordic nations, at 9 percent.

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While fears of a [second wave of the outbreak loom over Europe](#), including in Spain, France, Germany, the Netherlands and Belgium, [new infections in Sweden have been mostly declining since around late June](#).

The country reported a 35 percent dip in new cases per 100,000 people in the past 14 days, compared to that reported in the 14 days prior, according to the latest report Thursday from the [World Health Organization](#) (WHO).

The decline is a stark contrast to the significant rises in new cases per 100,000 people seen in Spain, Italy, France, Germany, Belgium and the Netherlands, each of which has reported an increase between 80 and 200 percent within the same time period, according to the [WHO report](#).

Sweden's seven-day rolling average of daily cases fell on a sharp downward trend from around June 28 to July 27, before leveling out in recent weeks, according to data compiled by [Worldometer](#).



Tourists take a picture outside the Royal Palace in central Stockholm, Sweden on July 22, 2020. Getty Images

Anders Tegnell, the chief epidemiologist at Sweden's public health agency and the man who has led the country's COVID-19 response, said Sweden's controversial anti-lockdown strategy has been a success "to a great extent."

"We are now seeing rapidly falling cases, we have continuously had healthcare that has been working, there have been free beds at any given time, never any crowding in the hospitals," he told Unherd.

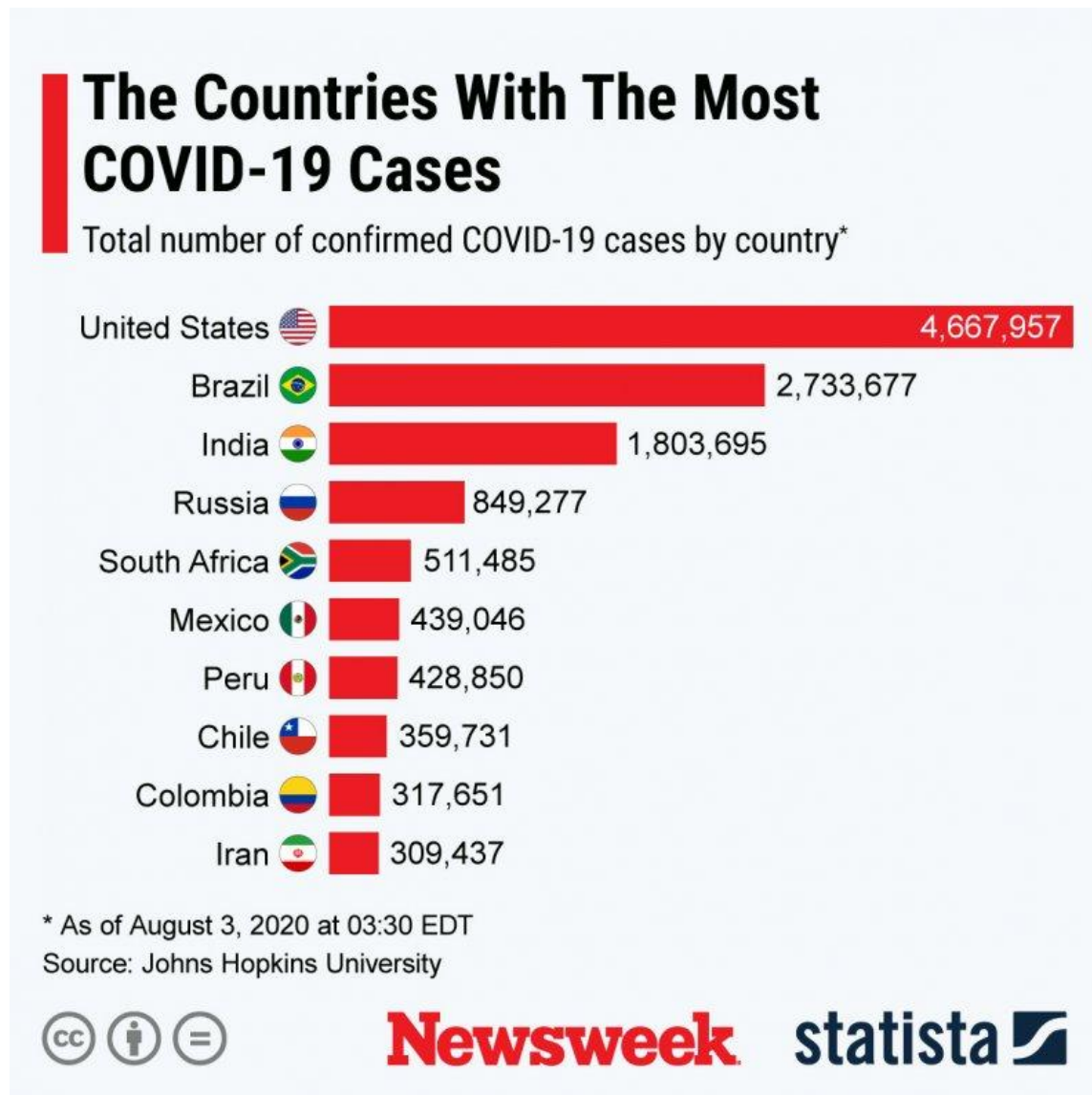
"In many ways the voluntary measures we put in place in Sweden have been just as effective as complete lockdowns in other countries," he added.

Tegnell, however, admitted: "The failure [of the strategy] has of course been the death toll...that has been very much related to the long-term care facilities in Sweden. Now that has improved, we see a lot less cases in those facilities."

Sweden ranks eighth among countries with the highest number of COVID-19 deaths per 100,000 people. The country outranks Spain, Italy and the U.K., which are among the worst-hit nations in Europe in terms of total cases, according to Johns Hopkins University.

Over 18.8 million people globally have been infected since the virus was first reported in Wuhan, China, including more than 4.8 million in the U.S. Over 11.3 million globally have reportedly recovered from infection, while more than 708,600 have died, as of Thursday, according to the latest figures from Johns Hopkins University.

The graphic below, provided by [Statista](#), illustrates the countries with the most COVID-19 cases.



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