

Europe's investors celebrate stock market rally as thousands die of COVID-19

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The grim death toll from the coronavirus continued to rise yesterday across Europe, with France reporting 1,341, Spain 683, Italy 610, Britain 881, and Germany 258 new deaths. In total, 30,284 new cases were recorded across the continent, with the Europe-wide death toll for the day standing at 4,343.

Disturbing reports from the countries hit hardest make clear that the official statistics only provide a limited picture of the scale of death and suffering. In Spain, local authorities admit that they are only recording fatalities in hospitals where the patient is tested positive for the disease. Therefore, the authorities suggest that unreported deaths, including in care homes, at home, or hospital patients who can't be tested due to a lack of capacity, could be anywhere from two to six times higher than the official figure.

The horrific conditions also continue to take a toll on medical staff. Dr. Abdul Mabud Chowdhury, a consultant at a hospital in east London who had demanded that the British government provide more personal protective equipment for NHS staff, died from a COVID-19 infection. At least eight other doctors have died in the UK since the onset of the pandemic.

Meanwhile, Europe's financial elite appear to have never had it so good. London's FTSE 100 stock exchange closed up 2.9 percent, Germany's DAX gained 2.2 percent, and France's CAC 40 ended the day with a 1.4 percent increase. The positive trading day capped a bumper week for European investors, with the Pan-European Stocks 600 rising by over 7 percent over the course of this week. The FTSE 100's weekly gain of 7.8 percent is the largest weekly increase since the aftermath of the financial crisis in January 2009.

The banks and corporate elite are celebrating amid the mounting health and social carnage caused by

COVID-19 for two inter-related reasons. Firstly, they recognise that the vast bailouts agreed by national governments and the European Central Bank will secure their wealth under conditions of the worst economic downturn since the Great Depression. While the European Central Bank has agreed to funnel at least €750 billion into the financial markets, the German government has led the way with €600 billion in loan guarantees and other assistance to the major corporations.

Yesterday, the Bank of England announced it would buy up UK government debt if London fails to find buyers on the open market.

The financial elite also understands that an additional package of measures worth an estimated €500 billion, which were finalised by the EU finance ministers last night, will serve to further enrich the banks and major corporations at the expense of the working class.

Any nominal assistance that may be offered to the countries worst affected by COVID-19, such as Italy and Spain, will be tied to strict policy requirements, much like the EU-dictated bailouts imposed on Greece, Portugal, and Ireland after the 2008 crash.

In other words, the working class will foot the bill through austerity and privatisations. Those millions of workers who are currently laid off or furloughed will either return to their previous jobs on far worse terms, or be laid off for good.

The second reason for the jubilation on the stock markets is that a powerful campaign is being driven by the political establishment and big business to force workers back to work under conditions of a pandemic that remains out of control. The ruling elite is determined to force workers to risk their lives and those of their families to generate corporate profits.

The first shot was fired in this effort by the

conservative-Green Party Austrian coalition government of Sebastian Kurz, who announced Monday that as of 14 April, small businesses will be allowed to reopen. Larger businesses will follow at the beginning of May, while the authorities plan to reopen schools and kindergartens in mid-May.

In neighbouring Germany, which saw fatalities pass 300 in a day for the first time on Wednesday, the campaign to return to work at virtually any cost is in full swing. Journalists, economic institutes and big business are demanding that the worth of human life must be weighed against economic damage. (See: “Germany: Weighing economic interests vs. human life in the coronavirus pandemic”)

The German government’s determination to loosen the lockdown regulations to force workers back to their jobs is so pronounced that differences with their official expert advisers on the state of the pandemic can no longer be concealed.

At a press conference held yesterday afternoon, Health Minister Jens Spahn asserted against all evidence that the “first successes” have been achieved and that the “curve is flattening.” Continued discipline over the Easter weekend, added Spahn, would make a “return to normality” more likely. It is necessary for Germans to learn to “live with the pandemic,” he callously added.

Lothar Wieler, head of the Robert Koch Institute, Germany’s official agency for infectious diseases, began his own remarks at the same press conference by saying, “I would like to say that the number of newly reported cases is still at a high level, in spite of all of the measures. On Tuesday and Wednesday the numbers were somewhat lower, around 4,000 per day, but today we have again 5,000. It is natural for there to be such shifts, but we cannot talk about the situation easing.”

Wieler’s remarks came a day after the World Health Organisation issued an explicit warning to European countries about relaxing lockdowns and social distancing measures too quickly. European regional director for the WHO, Hans Kluge, remarked that the situation in Europe “remains very concerning.” He appealed to all states to step up efforts to protect medical personnel, improve efforts to isolate infected people and suspected cases, and communicate more effectively with their citizens.

The banks and big business are not about to let such

medical advice get in their way. Even in Italy, the country with the highest number of deaths thus far at more than 18,000, business circles are demanding a return to work. One hundred and fifty academics published an open letter to the government appealing for a speedy reopening of the factories in the financial daily *Il Sole-24 Ore*, which is owned by the business lobby group Confindustria. “The social and economic consequences would risk producing irreversible damage, probably more serious than those caused by the virus itself,” declared the letter.

Confindustria members from the areas of northern Italy worst impacted by the crisis, including Lombardy, Veneto, Piedmont, and Emilia-Romagna demanded on Wednesday that the government lay out a “roadmap” for a return to work.

In an interview with the BBC yesterday, Italian Prime Minister Giuseppe Conte indicated his support for such views, declaring, “We need to pick sectors that can restart their activity. If scientists confirm it, we might begin to relax some measures already by the end of this month.”



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