

Press release – February 14, 2023

## BIG DIFFERENCES IN HOW EU ECONOMIES CAN HANDLE CRISES

- New ‘Economic Resilience Index’ reveals EU economies differ greatly in their capacities to absorb, recover from, and adapt to shocks
- Scandinavian countries most likely to prosper despite crisis conditions
- Italy among least able to overcome crises
- Countries already hit hardest by crises generally least prepared for future challenges

--

**The full results and a summary for media are available at:**

<https://zoe-institut.de/en/publication/economic-resilience-index/>

--

Brussels, February 14 – Holistic analysis of the future-preparedness of economies to prosper when faced with continued crises signals huge divergence within Europe.

The new ‘Economic Resilience Index’, developed by the ZOE Institute for Future-fit Economies, suggests Scandinavian economies are the best-placed to absorb, recover from, and adapt to shocks, with Sweden first in the ranking. Romania, Greece and Bulgaria are the countries at the bottom of the Index.

Some of Europe’s largest and historically strongest economies are found to be poorly prepared including France (ranked 11 out of 25), Spain (18), and Italy (19). [1]

The researchers at the ZOE Institute set out to develop an assessment of the ability of economies to prosper in times of crisis and change. The concept of ‘resilience’ has gained a lot of traction in the last years, with the UN, the OECD and EU finance ministers all saying countries should increase their resilience [2]. However, there is no single agreed definition or measure.

The ‘Economic Resilience Index’ comprises a broad range of determinants to give a complete picture. It includes information on education, welfare state spending, innovation, diversity of imports and exports, and government effectiveness, as well as other factors.

The results indicate that Gross Domestic Product (GDP) per capita – the usual measure of economic performance – is an unreliable indicator of economies’ capacity to recover from crisis.

**Jakob Hafele, executive director and head economist at the ZOE Institute, said:**

*“Economic resilience will be critical as we try to transition to a green, stable, more prosperous economy – we need to be able to achieve this transition regardless of other shocks.”*

*“Countries that have been hit hardest by crises are currently the least prepared for the next crisis and for the transition we need. This divergence is a big problem for Europe – the EU needs to invest to support economic resilience in the countries most exposed.*

*“A holistic measure of the preparedness of economies to prosper in the future should guide policymaking so that we can bounce forward to an improved, stable state for people throughout Europe.”*

ENDS

**For more information or to speak to one of the authors, please contact:  
Francesca Gater – [francesca.gater@zoe-institut.de](mailto:francesca.gater@zoe-institut.de) – +32 485 930515**

Notes:

[1] The ranking assesses the EU27 minus Luxembourg and Malta for which there was not enough available data.

[2] E.g. OECD (2021). *Fostering economic resilience in a world of open and integrated markets. Risks, vulnerabilities and areas for policy action.* <https://www.oecd.org/newsroom/OECD-G7-Report-Fostering-Economic-Resilience-in-a-World-of-Open-and-Integrated-Markets.pdf>

**ZOE, the Institute for Future-Fit Economies, is a non-profit and independent think & do tank. We are dedicated to research for a future-fit economy. At the interface of politics, science and civil society, we develop trend-setting impulses for the fundamental questions of economic development.**