

Majorca

Economy

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Coronavirus provokes gloomy economic prospects

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Easter likely to be a washout as coronavirus prompts cancellations.

23-04-2019 M. À. Cañellas

Growth in the Balearic economy is likely to be less than 1.5% as **direct result of the coronavirus**, and according to economists it could get worse.

"If the current situation doesn't vary in the short or medium term, the percentage of **decline will be greater**," said the Director of the Impulsa Foundation, Antoni Riera.

Fundación Impulsa, Consell Economic and Social de les Illes Balears, or CES and the Chamber of Commerce of Majorca all agree that the **slowdown in the Balearic economy** will be

higher than forecast.

“Everything indicated at the end of 2019 that the deceleration phase would be moderated by mid-year, but this situation has been totally distorted with the crisis generated by **COVID-19**. The deceleration will be sharpened in the second half, when the opposite was planned,” claims Antoni Riera.

He added that “growth below 1.5% will place us at the levels that were reached in the third quarter of 2014, as everything pointed out that the Balearic economy would increase at the end of this year around 2%.”

Mr Riera also said he’s crossing his fingers that the **coronavirus will be eradicated** before high season and that GDP won’t be affected.

“It is vital that the summer season is not affected and we are all confident that the pernicious effects of the coronavirus will disappear this spring. **Holy Week will be affected**, but let’s hope summer works with absolute normality,” said the Impulsa Foundation Director.

Balearic GDP was forecast to be around 2.1% this year, but the figures were reviewed a few days ago because of the coronavirus.

CES Balears

The President of the CES, Carles Manera, emphasised that “the slowdown of the Balearic economy will be greater than expected because of the coronavirus crisis. It is difficult to estimate the impact it will have on GDP, but it will be affected,” he said.

The CES President also said, “The Balearic production system has no structural problems, but there are situations that cannot be foreseen in economics and it is these unforeseen events that generate uncertainty and affect the evolution of regional and global economies. In the real economy there are no calamities, but when they do occur there are psychological factors that **affect markets and tourism**.”

The President of the Chamber of Mallorca, Antoni Mercant, said it’s impossible to count the cost of the virus without the relevant economic data.

“The first forecasts of how the coronavirus will affect the world have still to be calculated, so we don’t know to what extent it will affect the Balearic production system, but we are more exposed than other communities, because of our dependence on foreign markets and tourism,” he said.

Brief For Educational Communities

The Ministry of Health and the Ministry of Education & Vocational Training have penned a letter to Educational Communities with a series of recommendations to **prevent the disease** from spreading and what to do if they are infected with coronavirus.

It includes a graph with information on the **characteristics of the disease**, the most common symptoms and what steps to take when returning from a trip to a risk zone, whether or not they have symptoms.

The letter also stresses that people should consult official sources to **prevent disinformation** and prejudice and combat discrimination and contains general information about the prevention of coronavirus and other respiratory viruses.