

A Tale of Two Lockdowns:
Retail Sales in Sweden and Greece



Kroll's global team of analysts has been collecting data on the impacts of COVID-19 since March. Twice weekly, these analysts have been scoring the impact of the virus on targeted sectors enabling Kroll to identify and track trends over time as countries' responses to the pandemic evolve. Kroll analysts review data from public records, government provided information and news reports. Based on this information, the analysts then score their respective countries on an impact scale between negative five and positive five. The Heat Map created with this data allows viewers to examine these trends across countries, regions and sectors.

While exploring these trends over time, Kroll identified contrasting patterns in Sweden and Greece, particularly in the retail sector. The following details the data and impact scores provided by Kroll's analysts from around the globe, as well as the relevant media coverage and statistics underpinning their assessment.

Sweden: loose lockdown, drop in confidence

Sweden notably resisted mandatory lockdown protocols allowing borders, schools, bars and businesses to remain mostly open amid the pandemic, with some social distancing guidelines. Swedish

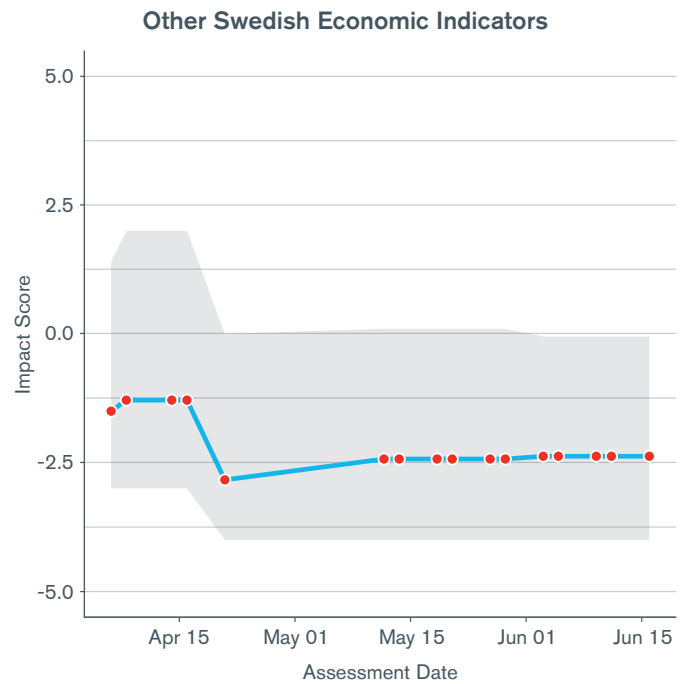
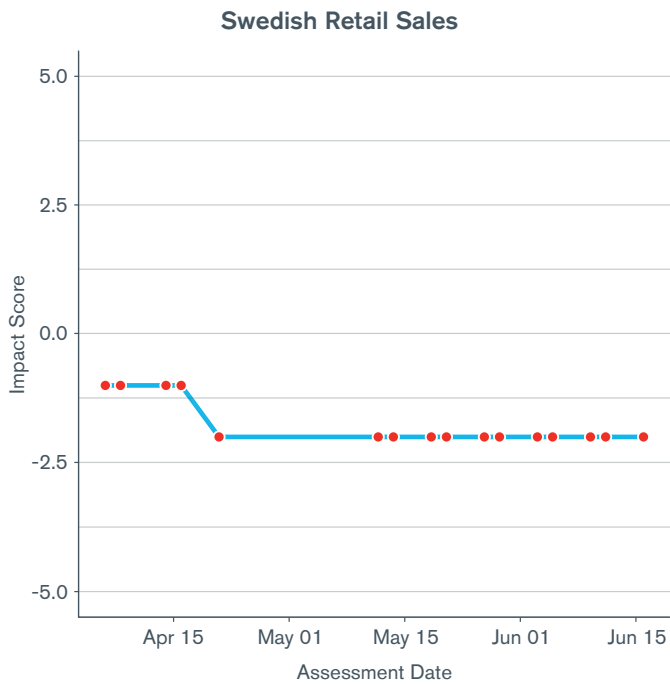
government officials stated the choice was made in order to allow some exposure to the virus to build immunity among the general population, while protecting high-risk groups like the elderly.¹

In Sweden, Kroll's response data remained fairly positive in contrast to other European and Scandinavian countries. Kroll scored Sweden's retail market as only minimally impacted by COVID-19 throughout much of April. By contrast, most European countries reported a significant negative impact on retail sales by early April. However, on April 23, Kroll noted a deterioration in Sweden's retail sales score, and Sweden's retail industry has remained negatively impacted through early June, although not worsening.

The deteriorating score for Sweden's retail sector coincided with a drop in public confidence levels in Sweden as reported by several media outlets, including *Bloomberg* and *The Times*.^{3,4} In particular, Sweden's National Institute of Economic Research announced on April 23 that the Economic Tendency Survey sunk from above 90 points to 58.6 points.⁵

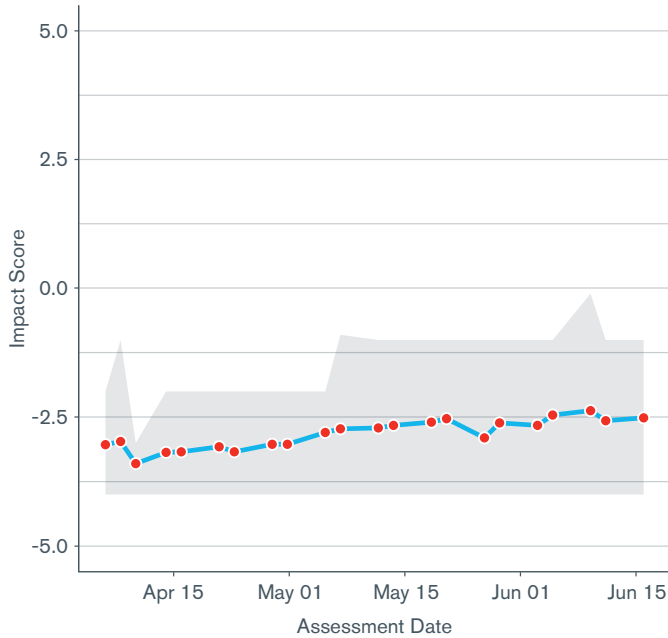
On May 4, Sweden's National Institute of Economic Research reported "the COVID-19 pandemic will hit the Swedish economy much harder

Exhibit 1:²

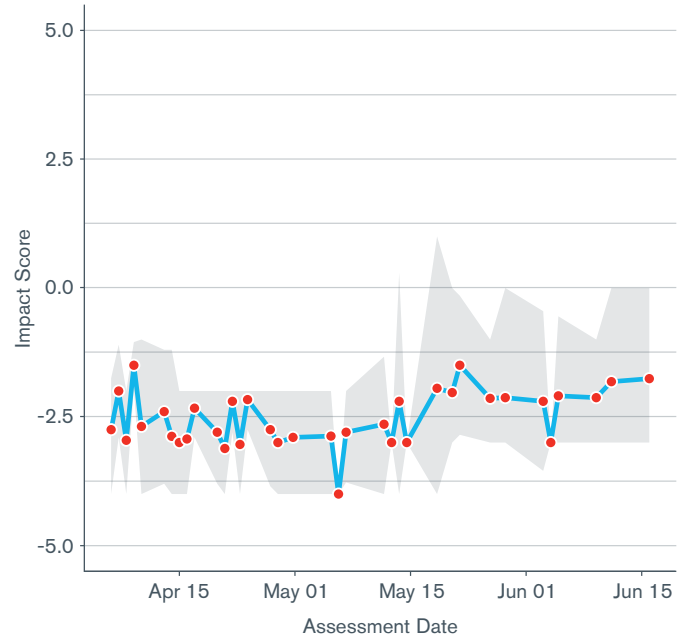


¹ "Sweden Resisted a Lockdown But Stockholm Could See Herd Immunity in Weeks," *CNBC*, April 22, 2020; <https://www.cnbc.com/2020/04/22/no-lockdown-in-sweden-but-stockholm-could-see-herd-immunity-in-weeks.html>
² The first chart depicts the Impact Scores in Sweden on Retail Sales; the second chart depicts the Impact Scores in Sweden on all economic indicators; the third chart depicts the Impact Scores in Europe on Retail Sales; and the fourth chart depicts the Impact Scores throughout the world on Retail Sales.
³ "Sweden Confidence Plunges to Record Low Amid Recession Fears," *Bloomberg*, April 23, 2020; <https://www.bloomberg.com/news/articles/2020-04-23/sweden-confidence-plunges-to-record-low-amid-recession-fears>
⁴ "Swedes Hailed in the US for Keeping Their Economy Alive During Coronavirus Onslaught," *The Times* (London), April 23, 2020; <https://www.thetimes.co.uk/article/swedes-hailed-in-the-us-for-keeping-their-economy-alive-during-coronavirus-onslaught-jfwkzpt0z>
⁵ <https://www.konj.se/english/publications/economic-tendency-survey/economic-tendency-survey/2020-04-29-record-slide-in-economic-tendency-indicator-in-april.html>

Retails Sales: Rest of Region



Retail Sales: Rest of World



than anticipated.”⁶ One data source reported that Sweden reached its peak number of daily deaths (185) on April 21.⁷ For reference, the peak number of deaths per day in Denmark was 22 on April 4, while the peak in Norway was 16 on April 20.⁸ The aforementioned drop in confidence may have been linked to the steadily increasing numbers of confirmed COVID-19 cases. Articles published by *France24*, *The Economist* and *The New York Times* all reported that Sweden’s strategy caused an “amplification” or “worsening” of the pandemic in the country.^{9,10,11} Anders Tegnell, chief epidemiologist at Sweden’s Public Health Agency, told *National Public Radio* on May 25 that Stockholm’s immunity rate is likely lower than 30% (Johns Hopkins stated that between 70-90% would be required to achieve herd immunity).¹² Sweden’s Public Health Agency released the initial findings of an ongoing antibodies study which showed that only 7.3% of people in Stockholm had developed antibodies against COVID-19 by late April.¹³

By mid-June, Kroll continued to rate the country’s retail industry as negatively impacted, though not worsening. As of June 16, the number of confirmed cases of COVID-19 in Sweden was 53,323, with 4,939 deaths.¹⁴ Sweden’s observed case-fatality ratio is approximately 10%, with over 45 deaths per 100,000 population.¹⁵ In contrast, as of June 16, Denmark had only 12,450 confirmed cases with over 10 deaths per 100,000 population and Norway has had only 8,660 confirmed cases and less than five deaths per 100,000 population.¹⁶ Also in early June, Anders Tegnell admitted that his recommended COVID-19 policy for Sweden has resulted in too many deaths.¹⁷ With hindsight, he believes that Sweden should have followed a policy somewhere in between what was done and what the rest of the world did.¹⁸ On June 17, Tegnell further stated in a *CNBC* article that if there were to be a “second wave” of COVID-19 infections, Sweden would focus more efforts on containing the spread of the virus and implementing a comprehensive contact-tracing system.¹⁹

⁶ <https://www.konj.se/english/publications/swedish-economy-report/swedish-economy/2020-05-04-updated-economic-outlook.html>

⁷ <https://www.worldometers.info/coronavirus/country/sweden/>

⁸ <https://www.worldometers.info/coronavirus/country/denmark/>; <https://www.worldometers.info/coronavirus/country/norway/>

⁹ “Sweden’s COVID-19 Strategy Has Caused an Amplification of the Epidemic,” *France24*, May 17, 2020; <https://www.france24.com/en/20200517-sweden-s-covid-19-strategy-has-caused-an-amplification-of-the-epidemic>

¹⁰ “Is Sweden’s Approach to COVID-19 Wise or Reckless,” *The Economist*, May 16, 2020; <https://www.economist.com/europe/2020/05/16/is-swedens-approach-to-covid-19-wise-or-reckless>;

¹¹ “Health Coronavirus Sweden Casualties,” *The New York Times*, May 20, 2020; <https://www.nytimes.com/reuters/2020/05/20/world/europe/20reuters-health-coronavirus-sweden-casualties.html>

¹² <https://www.jhsph.edu/covid-19/articles/achieving-herd-immunity-with-covid19.html>

¹³ “Stockholm Won’t Reach Herd Immunity in May, Sweden’s Chief Epidemiologist Says,” *NPR*, May 25, 2020; <https://www.npr.org/2020/05/25/861923548/stockholm-wont-reach-herd-immunity-in-may-sweden-s-chief-epidemiologist-says>

¹⁴ <https://coronavirus.jhu.edu/map.html>; <https://coronavirus.jhu.edu/data/mortality>

¹⁵ <https://coronavirus.jhu.edu/data/mortality>

¹⁶ <https://coronavirus.jhu.edu/data/mortality>

¹⁷ “Man Behind Sweden’s Controversial Virus Strategy Admits Mistakes,” *Bloomberg*, June 3, 2020, <https://www.bloomberg.com/news/articles/2020-06-03/man-behind-sweden-s-virus-strategy-says-he-got-some-things-wrong?sref=SfSK7hYQ>.

¹⁸ “Man Behind Sweden’s Controversial Virus Strategy Admits Mistakes,” *Bloomberg*, June 3, 2020, <https://www.bloomberg.com/news/articles/2020-06-03/man-behind-sweden-s-virus-strategy-says-he-got-some-things-wrong?sref=SfSK7hYQ>.

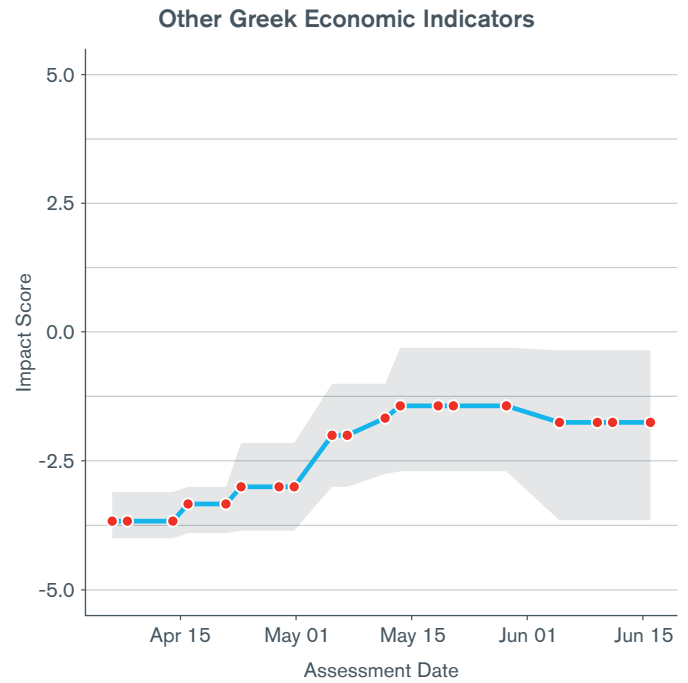
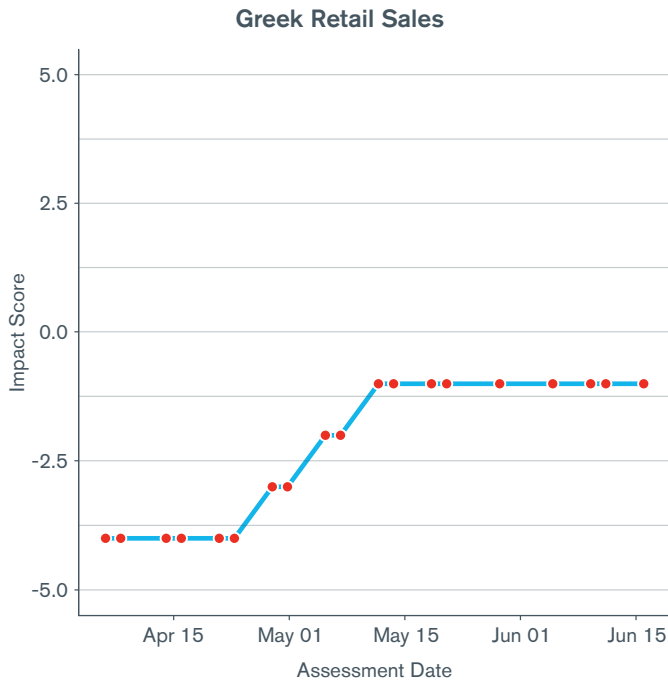
¹⁹ “Change of Plan? Here’s What Sweden Will Do if There’s a ‘Second Wave’ of the Coronavirus,” *CNBC*, June 17, 2020.

Greece: hard lockdown and a bounce back

Greece followed the more pervasive response of a hard lockdown to protect public health. The media has reported widely on Greece's swift and stringent policies in response to COVID-19. Many newspapers have noted that Greece has the second-oldest population in the EU (second to Italy), an age group particularly vulnerable to the virus, and that the Greek economy has been very weak for the last several years. After three bailouts to help Greece cope with the Euro sovereign debt crisis and associated severe budget cuts (including to healthcare facilities and hospitals), the Greek economy is still smaller than it was prior to the global financial crisis in 2008.²⁰ On February 27, one day after the country's first COVID-19 case was diagnosed, the Greek government canceled the annual Carnival holiday celebrations.²¹ On March 11, the government limited nonessential travel, and closed schools, cafés, restaurants, libraries and museums.²² Anyone who came from abroad was required to remain in a two-week mandatory quarantine or risk a \$5,400 fine. In addition, starting in March, all citizens were required to notify the government each time they left their homes.²³

TIME magazine reported that Greek authorities monitored churches, enlisted street patrols and deployed drones to enforce strict bans on movement during the Orthodox Easter celebrations on April 18 and April 19.²⁴ As of April 6, the Oxford COVID-19 Government Response Tracker rated Greece's stringency measures at 87.96, while Sweden was scored at 45.36. For reference, the U.S. was rated 68.41.²⁵ *BBC News*, *New York Times*, and *The EU Observer*^{26,27,28} have all touted Greece's strict lockdown measures as leading to a very successful flattening of the curve. Total COVID-19 cases have remained relatively stable and as of June 16, there were 3,148 confirmed cases and only 185 deaths (with less than 2 deaths per 100,000 population).²⁹ *The New York Times* quoted the director of Hellenic Observatory at the London School of Economics as saying Greece had "defied the odds" during the pandemic as the number of COVID-19 infected remained a fraction of that in other European nations.³⁰ Both *Bloomberg* and *The New York Times* stressed that Greece had tested less than 1% of the population as of the end of April.³¹ By May 31, Greece had performed 180,518 COVID-19 tests, while Sweden and Denmark had performed 325,000 and 749,467, respectively.³²

Exhibit 2:³⁷



²⁰ Greece Has an Elderly Population and a Fragile Economy. How Has it Escaped the Worst of the Coronavirus so Far? *TIME*, April 23, 2020; <https://time.com/5824836/greece-coronavirus/>; "Greece Says It'll Reopen to Tourists on July 1 as it Claims Success Over COVID-19," *CNN*, May 7, 2020; <https://www.cnn.com/travel/article/greece-tourists-july-covid-19/index.html>; "Coronavirus: Greece's Handling of Outbreak is a Surprising Success Story, So Far," *Independent*, April 29, 2020; <https://www.independent.co.uk/news/world/europe/coronavirus-greece-response-success-test-economy-reopen-a9489391.html>

²¹ "Greece Curbs Coronavirus, Defying Expectations," *The New York Times*, April 28, 2020; <https://www.nytimes.com/2020/04/28/world/europe/coronavirus-greece-europe.html>

²² "Greece Curbs Coronavirus, Defying Expectations," *The New York Times*, April 28, 2020; <https://www.nytimes.com/2020/04/28/world/europe/coronavirus-greece-europe.html>

²³ "Greece Curbs Coronavirus, Defying Expectations," *The New York Times*, April 28, 2020; <https://www.nytimes.com/2020/04/28/world/europe/coronavirus-greece-europe.html>

²⁴ "Greece Has an Elderly Population and a Fragile Economy. How Has it Escaped the Worst of the Coronavirus so Far?" *TIME*, April 23, 2020; <https://time.com/5824836/greece-coronavirus/>

²⁵ <https://www.bsg.ox.ac.uk/research/research-projects/coronavirus-government-response-tracker>

²⁶ "Coronavirus: Greece to Reopen Tourism Season in June, PM Says," *BBC News*, May 20, 2020; <https://www.bbc.com/news/world-europe-52742406>

²⁷ "Greece Curbs Coronavirus, Defying Expectations," *The New York Times*, April 28, 2020; <https://www.nytimes.com/2020/04/28/world/europe/coronavirus-greece-europe.html>

²⁸ "Why is Greece an Outlier in EU's COVID-19 Response?" *EU Observer*, May 19, 2020; <https://euobserver.com/opinion/148397>

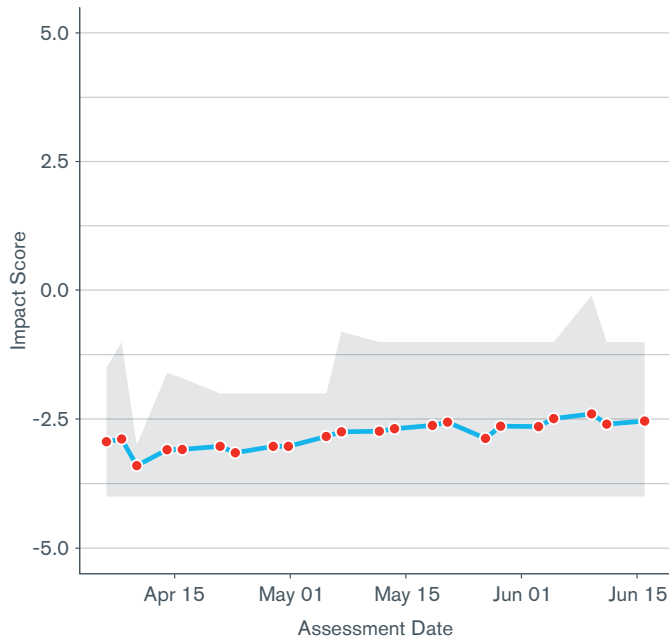
²⁹ <https://coronavirus.jhu.edu/data/mortality>

³⁰ "Greece Has 'Defied the Odds' in the Pandemic," *The New York Times*, April 28, 2020; <https://www.nytimes.com/2020/04/28/world/europe/coronavirus-greece-europe.html>

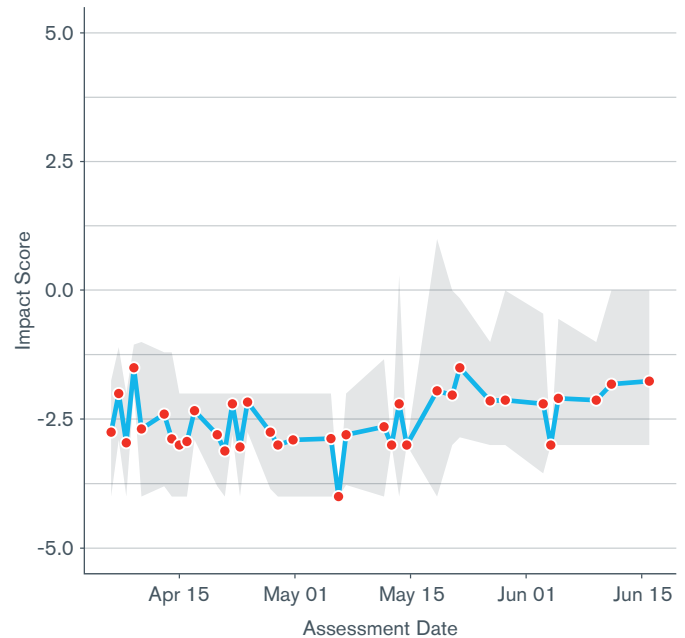
³¹ "Greece Handled Coronavirus Crisis Better than Italy and Spain," *Bloomberg*, April 10, 2020; <https://www.bloomberg.com/opinion/articles/2020-04-10/greece-handled-coronavirus-crisis-better-than-italy-and-spain>

³² <https://www.statista.com/statistics/1109066/coronavirus-testing-in-europe-by-country/>

Retails Sales: Rest of Region



Retail Sales: Rest of World



In mid-May, the lockdown in Greece was relaxed allowing businesses like hairdressers and bookstores to reopen.³³ City hotels in Greece began to reopen on June 1, with seasonal hotels expected to later in the month.³⁴ Despite the relaxed restrictions, however, the economic sentiment in Greece has remained cautious. *The Ekathimerini* reported on June 1 that economic sentiment in Greece deteriorated throughout the end of May, dropping to 88.5 points from 99.3 points in April.³⁵ But even as stores continue to open and the safety measure are relaxed, *Ekathimerini* reported on June 2 that Greece suspended all flights to and from Qatar following a Qatar Airways flight which landed in Athens carrying 12 passengers who tested positive for the virus.³⁶

While the impact of Greece's approach to the pandemic on retail sales was both swift and certain in March, conditions noticeably improved starting in late April and May as restrictions were eased. As shown in the graphic above, Kroll's impact score for Greece's retail sector has been steadily improving since April 28. As of May 7, the Kroll impact rating on Greek retail sales was reduced to "small." As of the start of June, shopping malls, department stores and outdoor restaurants continued to open, and the most recent Kroll scoring suggests that Greek retail sector is now among the least impacted in Europe.

The Wall Street Journal attributed the success in Greece being due "in no small part" to the acquiescence of the Greek population to

follow the guidelines.³⁸ Both *The Financial Times* and *The Wall Street Journal* referenced the country's struggles with a decade of austerity measures, which may account for Greek citizens' willingness to comply with the lockdown regulations.³⁹ Though many publications, including *The Wall Street Journal*, classified the Greece's populace as "usually unruly" and not known for their compliance with government regulation, its low COVID-19 case and death rates demonstrate the effectiveness of their measures and related compliance.⁴⁰

Conclusion

While this is a comparison of the relative approaches and related outcomes of two European countries who adopted divergent responses to the COVID-19 outbreak, it does suggest that Greece's strict, early lockdown allowed for an earlier and more rapid retail sales recovery. Kroll will continue to monitor the lasting impact on consumer confidence and retail sales of the more relaxed approach implemented in Sweden (which is independent of consideration of the relative case and death counts). This and similar analyses may be helpful in assessing the outcome and potential rate of retail recovery of other countries or regions who adopted similar strategies to address COVID-19, particularly those whose initial cases were identified significantly later than the outbreak in Europe.

³³ "Greece Says It'll Reopen to Tourists on July 1 as it Claims Success Over COVID-19," *CNN*, May 7, 2020; <https://www.cnn.com/travel/article/greece-tourists-july-covid-19/index.html>

³⁴ "Greece Says It'll Reopen to Tourists on July 1 as it Claims Success Over COVID-19," *CNN*, May 7, 2020; <https://www.cnn.com/travel/article/greece-tourists-july-covid-19/index.html>; <https://gr.usembassy.gov/covid-19-information/>

³⁵ "Economic Sentiment Nosedived in May," *Ekathimerini*, June 1, 2020; <https://www.ekathimerini.com/253300/article/ekathimerini/business/economic-sentiment-nosedived-in-may>

³⁶ "Greece Suspends Flights to Qatar After 12 Passengers Test Positive for Coronavirus," *Ekathimerini*, June 2, 2020; <https://www.ekathimerini.com/253318/article/ekathimerini/news/greece-suspends-flights-to-qatar-after-12-passengers-test-positive-for-coronavirus>

³⁷ The first chart depicts the Impact Scores in Greece on Retail Sales; the second chart depicts the Impact Scores in Greece on all economic indicators; the third chart depicts the Impact Scores in Europe on Retail Sales; and the fourth chart depicts the Impact Scores throughout the world on Retail Sales.

³⁸ "A Glimmer of Hope for Greece," *Wall Street Journal*, April 13, 2020; <https://www.wsj.com/articles/a-glimmer-of-hope-for-greece-11586818273>

³⁹ "Easter Celebration Test Greece's Virus Containment Success," *Financial Times*, April 17, 2020; <https://www.ft.com/content/5dc789d1-e0c2-4002-9d0d-a1ce9ead70db>; "A Glimmer of Hope for Greece," *Wall Street Journal*, April 13, 2020; <https://www.wsj.com/articles/a-glimmer-of-hope-for-greece-11586818273>

⁴⁰ "A Glimmer of Hope for Greece," *Wall Street Journal*, April 13, 2020; <https://www.wsj.com/articles/a-glimmer-of-hope-for-greece-11586818273>; "Greece Handled Coronavirus Crisis Better than Italy and Spain," *Bloomberg*, April 10, 2020; <https://www.bloomberg.com/opinion/articles/2020-04-10/greece-handled-coronavirus-crisis-better-than-italy-and-spain>

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