

President Iohannis: We can overcome economic crisis through investments, not austerity

President Klaus Iohannis on Tuesday said that the way out of the economic crisis will not be achieved through austerity measures, but through investments.

On Tuesday, President Klaus Iohannis had a meeting with the ambassadors of the European Union member states accredited to Romania at the Athenae Palace Hotel.

"We also discussed how the EU sees the overcoming of the economic crisis and in this context I would say something that I think is both interesting and important for Romanians, because, on Friday, after the Council meeting, we had an extended Euro Summit, we all took part in the Euro Summit, even the countries that are not yet in the Eurozone, and I found the discussion there very applied and very interesting, because now we have the opportunity to see how the exit from the economic crisis of ten years ago was managed and how the current crisis is being dealt with. And the most important conclusion, and I want this to be very clear, is that we cannot overcome this crisis through austerity measures, but through investment," Iohannis said after attending the event.

He recalled that ten years ago there was an attempt to get out of the crisis through austerity, and the result was not a good one.

"We have all learned the lesson of ten years ago, and this time no austerity policies will be applied. I know that there is a whole discussion, including now in Parliament there are some who are trying to say that we are moving towards austerity solutions. This is not true! This is not the solution. The solution is to invest. This is why we have approved the money from the European programme Next Generation EU, the programme for the next generations, which we call the National Recovery and Resilience Plan, at the national level, and which comes with money to be put in economy, with investments. We will overcome this economic crisis by spending money, putting money into infrastructure, into the real economy, and we will certainly see in a very short time the results, in infrastructure works, in projects, while the people will see the results in their pockets. It is obvious that our goal at European level is to produce prosperity," Iohannis added.

The talks, according to the head of state, focused on managing the pandemic, the latest conclusions of the European Council on June 24-25, global policy, the way in which the relationships with the Russian Federation and China will be approached.

"We have discussed the conference on the future of the European Union, which has already begun, and I will also attend an event next week, in order to have a wider debate in our country as well. (...) We have discussed a little about the national recovery and resilience plan, where we also submitted an application and we are waiting immediately after the summer break to receive a positive response, I believe, and to implement those projects," added Iohannis.