



Economic Policy for a Pandemic Age: How the World Must Prepare

Summary and Reflections by Maurice Obstfeld

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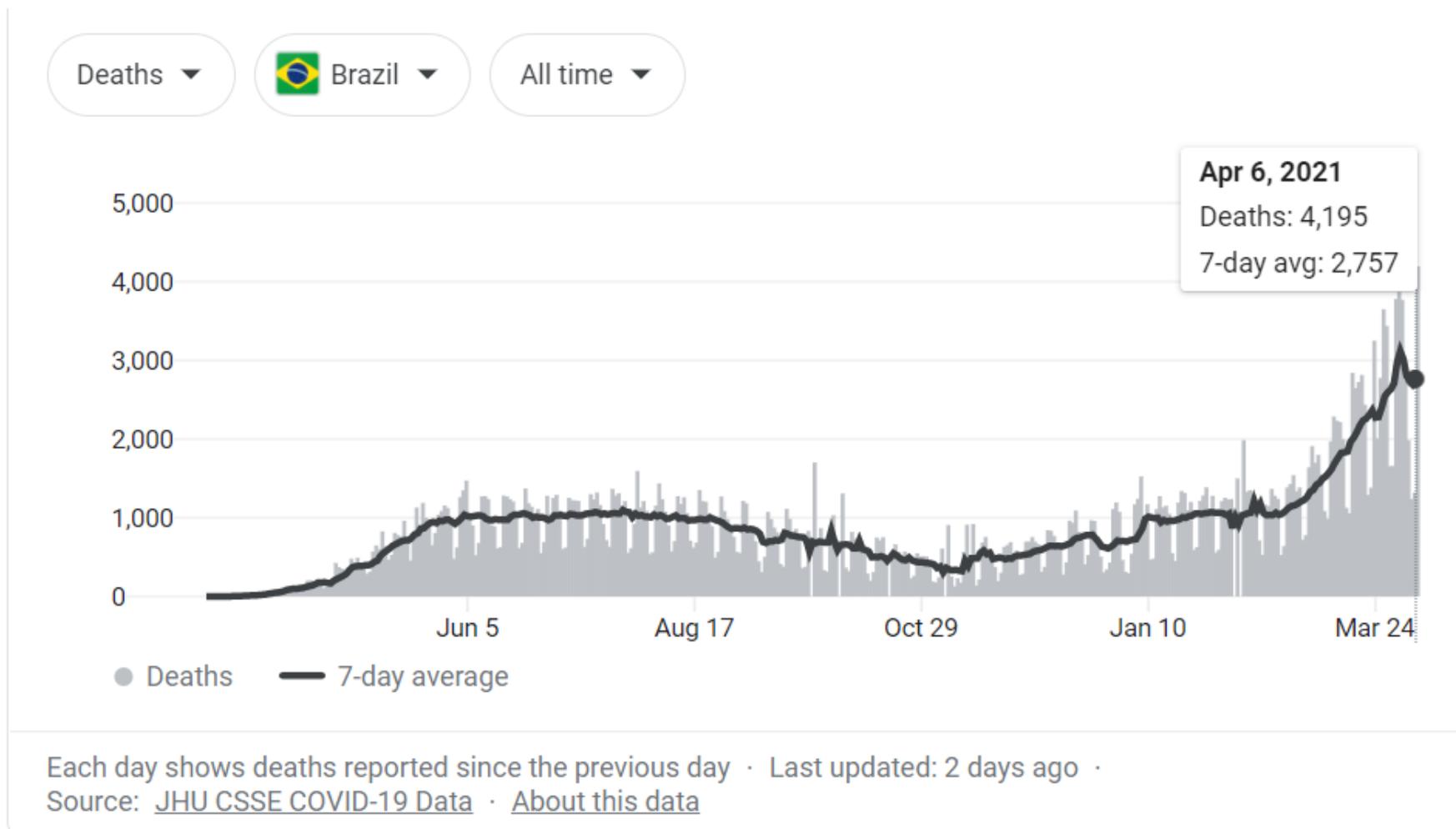
What a difference a year makes

- Last April, our briefing *How the G20 can hasten recovery from COVID-19* warned against nationalistic responses to the crisis
- Lives were lost because some national leaders prioritized politics over public health
- But opportunities to do better were missed also because countries turned inward, restricting medical exports and sometimes pointing fingers
- Fortunately, science and industry, subsidized by governments, developed effective vaccines, some based on new technologies, in record time

Once again we face opportunity and risk

- Immunization is proceeding fast in the US and will accelerate in the EU
- But the distribution of vaccines is lopsided and poorer countries lag badly
- As of mid-March, rich countries had purchased enough vaccine doses to inoculate their populations twice, while poor countries had only enough to cover one-third of theirs
- Developing countries (and unvaccinated pockets in richer countries) will remain potential incubators for SARS-CoV-2 VOCs ... which will spread

Brazil's P.1 variant is deadly



... and spreading beyond Brazil's borders

By: WXYZ Web Team

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(WXYZ) — New variant numbers from the Michigan Department of Health and Human Services show that two cases of the Brazilian P.1 variant have been confirmed in Washtenaw County.

As of April 7, six P.1 cases have been confirmed in the state.

"We are concerned about the discovery of another variant in Michigan," said Elizabeth Hertel, MDHHS director, in a press release earlier this month when the first P.1 case was discovered in Michigan in Bay County. "It is now even more important that Michiganders continue to

Avoiding vaccine nationalism

- Yet some countries continue to squabble over vaccines, and have explicit or implicit export barriers
- Vaccine equity is to everyone's advantage within countries, but also between countries: “no one is safe until everyone is safe”
- Richer countries should make every effort to deploy their surpluses quickly
- Giving COVAX money doesn't help unless it has doses to give out

But we need more enduring reforms

- Owing to slow global vaccine rollout and VOCs, this pandemic may persist
- It will have long-haul physical and mental effects – public health systems need to be strengthened at national level, and also for future challenges
- We face zoonotic and human-made pandemic threats: from encroachment on animal habitats; from resistant microbes; from terrorism
- We should have invested much earlier: this disaster was predictable

Ron Klain in *STAT*, February 18, 2016

“The world faces a pandemic threat that’s very different than [Ebola]. Some kind of pandemic flu that is airborne and transmits very easily and very rapidly. It could break out in a global megacity, in a densely populated area, it could break out in a country where lots of travelers every day come to the United States. It could break out in a country where 3,000 US troops would not be welcome, where thousands of US volunteers would not be welcome. And I still think as a country and as a world, we’re not prepared for that.”

- So how do we prepare to be ready next time?

National reforms, but also a global pact

- Our *Briefing* includes measures countries can take as well as a detailed proposal for a treaty (CVITA) that would safeguard global supply chains for vaccine production and be able to rapidly scale up global manufacturing and distribution
- Global cooperation is needed in other areas: vaccine development, therapeutics, diagnostics, incident reporting, genomic surveillance (of ongoing and potential threats), scientific data exchange, supply stockpiles, health infrastructure, strengthening the WHO
- In February, the G7 endorsed “exploring the potential value of a global health treaty” – and on March 30, more than two dozen world leaders from industrial and developing countries endorsed a global pandemic treaty that could encompass the many areas of common concern needing cooperation

The G20 should take the lead

- Yesterday's FM/CBG communiqué failed to take up this idea – it expressed all the right goals, but disappointingly, no concrete means to attain them
- A “G20 High Level Independent Panel on Financing the Global Commons for Pandemic Preparedness and Response” will deliver proposals in July
- The G20 Health Working Group is studying resilience and international coordination on health, drawing on the “One Health” approach that integrates environment and health
- Political leaders must step up – we are still in a crisis and future crises loom