TRANSCRIPT
CSIS Press Call

“Next Steps for the COVID-19 Response”

RECORDING DATE
Wednesday, April 8, 2020

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Good afternoon, everyone. I’m Caleb Diamond with the External Relations team here at CSIS. Thanks for joining us today for this discussion on the latest developments with the COVID-19 pandemic, both in the United States and around the world.

Before we begin, I’d like to introduce our speakers today. We’ll start with Steve Morrison, director of the CSIS Global Health Policy Center. He’ll be followed by Stephanie Segal, Senior Fellow with the Simon Chair in Political Economy. Next up will be Mike Green, the CSIS Japan Chair. And we’ll close with Heather Conley, director of the Europe Program here. They’ll each deliver opening remarks and then we’ll open it up to questions.

And with that, I’ll turn it over to Steve.

J. STEPHEN MORRISON: Thank you, Caleb, for organizing this. And thanks to all of the journalists who are joining us.

Today I’m going to talk quickly about two topics, first of which is President Trump’s criticism – recent criticisms of WHO. The second is about an initiative for a crisis response corps; just those two items. Happy to come back to any of the many other topics related to the pandemic in the Q&A.

So President Trump has attacked WHO and its leadership, Dr. Tedros, accusing WHO of being, quote/unquote, “China-centric,” and that the leadership blew it in the calls that they made, and has suggested that the U.S. may end funding. Criticisms of China and WHO together are coming from many of the president’s supporters, closest supporters – key senators, Fox News personalities, others. And there are increasing calls for Dr. Tedros to be disqualified from a second term. He started his first term July 1st – it’s a five-year term – July 1st, 2017.

A couple of points in response to these developments. One is we need to deconflict what China has done versus what WHO has done. China has committed very disturbing actions, and WHO has made some mistakes. And we need to disaggregate these.

What I mean by this is China is fully deserving of tough criticism. It was the initial holding – there was the initial coverup before disclosing at the end of December, a six-, seven-week coverup. There was the period after that of holding back specimens and epidemiological data, delaying the arrival until mid-February of the WHO mission, and then, even while that mission was there, making it difficult to share fully the data that was on the request, including deaths and infections among health workers.

In combination, these steps allowed the virus to spread uncontrolled and delayed and slowed international knowledge about the gravity and scope
of what was unfolding. So those actions had strategic consequences, and there’s been no accountability for China on that.

There’s an increasing belief among the experts that China is also cooking its numbers; its approach during the period, the eight-week period, of a very gargantuan and unprecedented quarantine. It was an early and hyper-aggressive intervention. It’s thought to have been pretty successful, but it was also brutal, repressive, intolerant, and access was closed off. And often time – and insights into exactly what was going on in that period have been very limited.

So that’s the China story. The WHO story is really that WHO deserves some criticism, and I’ll enumerate where, but certainly not condemnation. And Dr. Tedros’ leadership has been flawed at points but overall has been exemplary. And I’ll explain what I mean about this.

WHO fell short. They delayed the declaration of the PHEIC, the Public Health Emergency of International Concern, until March 11th, under Chinese pressure. They engaged in excessively gushing praise of the Chinese at public moments, which was really not necessary. And they made – and that made many people quite uncomfortable, because it created an atmosphere of not being able to raise these difficult issues often. We had this experience ourselves at Munich Security Conference in February, on February 15th, when we hosted – when I organized a townhall with the Chinese deputy foreign minister, with the head of WHO field operations, and saw this in full swing. WHO’s been criticized for being excessively reliant on quiet diplomacy versus a more public sort of confrontation. So I think those are fair criticisms.

My second point is, what is going on here, I believe, is that this is part of the Washington blame game. This is WHO getting caught in middle of a worsening U.S.-China confrontation and an increased effort by Washington to deflect attention away from Trump, and WHO is getting caught in the middle. And we need to be very realistic. The WHO has limited leverage. It has to navigate a complicated planetary environment with a very weak hand. It’s on its own. It would have had no backing from the U.S. or other powerful states if it had chosen to be confrontational with China at those key moments. It would have simply had its access terminated.

Under Tedros’ leadership it did finally get the team in, in mid-February, which was an important development. We will, I believe, inevitably in the aftermath of this pandemic be reviewing all sorts of questions around performance and what steps might be needed to make WHO stronger and better able to hold countries to account regarding their obligations under international health regulations. But let’s be realistic. WHO is not going to become a muscular and very authoritative presence.
It does have some impressive achievements, many of them directly linked to Dr. Tedros: major reform of the emergency operations under his leadership. The Ebola outbreak in the Democratic Republic of Congo has been finally wrestled to the ground – a big achievement. In that period, he made 14 visits into the hot zone – a show of pretty remarkable courage and leadership.

In the face of the pandemic he has been very blunt, repeatedly, in exhorting African leadership to come around and get very serious about this. His public statements that have been made have shown generally no skew in favor of China. They’ve been pretty good, I think, and ongoing in tracking the evolution of this epidemic in a very reliable and clear-minded way. In February 11th and 12th, under Tedros’ leadership, they rallied 400 of the world’s leading scientists around exploring the key issues around transmissibility and severity of the virus, as well as getting the field trials underway, and preparations and planning for vaccines and antivirals.

One other thing that he’s done is in this instance we’ve seen the impact of weaponized social media, the “infodemic,” he’s calling it. And he’s opened a dialogue, an unprecedented dialogue with Facebook and other social media that’s actually beginning to show some results.

The second item, I won’t be as lengthy on this, is simply to call your attention to something that Caleb has shared with you, which is a statement from Congresswoman Susan Brooks and Congressman Ami Bera, members of the CSIS Commission on Strengthening America’s Health Security. That statement details a proposal for a crisis response corps, and I just call that to your attention. We’re in a period now where we know we have huge shortfalls, and we’ll need to expand public health interventions for massive scaleup of testing, isolation, care of the infected, and tracing and quarantining of exposed contacts. We need that workforce. We’re calling for this to be created in order to answer that. And we lay out how that might be staffed up and funded. We’re linking it also to the return of over 7,000 recently evacuated Peace Corps volunteers who would be quite qualified, trained, and motivated for this kind of community service. And this has also gotten strong support from Senator Chris Van Hollen and Susan Collins, along with 38 other members of the Senate and the House of Representatives.

It’s not a permanent workforce. It’s a temporary for over the duration of this pandemic. And we’re calling for FEMA to play a lead role to meet critical demands at the state and municipal level and to ramp this up very, very quickly. And so we’re calling on FEMA to take this up and move on it.

Thank you so much. I’ll end there.
All right. This is Stephanie Segal. I’ll just say a few words on the economic outlook, starting with the U.S. and then moving to the overall global outlook.

So on the U.S. side – and folks that were participating in last week’s press call, that was the same day that we got the weekly jobless claims report. That report set a new record on top of the record the previous week and reflected a loss of about 10 million jobs over the previous two weeks, which also signified the unprecedented decline in economic activity. The concern there is that we’ll continue to see the same sorts of numbers, and these unemployment numbers are really in some respects a lagging indicator.

There is speculation that the unemployment rate may actually already be in the teens and headed higher, and that position is corroborated by some higher-frequency data that we saw at the start of this week from the New York Fed’s Survey of Consumer Expectations. So this is data that comes in on a weekly basis. The data that they received in the last week of March also showed the substantial deterioration in both financial and economic expectations. A number of the series set new records, and it’s particularly significant because this is a survey that speaks directly to consumer expectations and consumer confidence. And we know that the U.S. economy is very much driven by consumer spending, so even the expectation of a worsening of economic conditions is effectively a drag on the outlook.

One other kind of high-frequency datapoint that I’ll mention is just the number of publicly-traded companies that are withdrawing their forward guidance, their earnings guidance. This is a trend that started back in February, in particular for companies that were very dependent on earnings from China removing their forward guidance. But we’ve now seen that this is a trend that is fairly widespread and just reflective of the fact that companies really can’t forecast where bottom is and what the recovery might look like.

On the policy-response side, we’ve spent time in past calls talking about various policy responses on the monetary, regulatory, and fiscal fronts. I’m going to highlight just one because it’s been receiving quite a bit of coverage just in the last couple of days and it links back to the employment data that I was mentioning a minute ago.

And that is one component of the CARES Act, which is the Paycheck Protection Program – PPP – which is about a $350 billion program that is run through the Small Business Administration but with support of companies, small businesses, banks. This program is designed to encourage small businesses to hold onto their employees and to provide financing for that purpose, and the key aspect here is that the loans that would be provided through this program would effectively be forgiven if the companies can show that they have held onto at least 90 percent of
their workforce over the next 24 months. So this really is a program encouraging companies to kind of stay in place and hold onto their employees.

And so there’s been a lot of – a lot of hope hung on this program. The performance to date, I guess as could be expected when there’s a new kind of crisis program that’s unveiled, but there had been a number of concerns about the ability of banks to actually accept the applications and also the adequacy of the funding. I mentioned 350 billion (dollars). There is an expectation that once the processing side of this is actually moving, that the amounts that have already been allocated will be insufficient. And the sufficiency here very much has to do with the number of companies that are taking up the program, but also the duration of the – of the shutdown. It’s been reported even today that there are proposals for additional funding in the hundreds of billions of dollars to amplify the program. That also is very reflective of the uptake and I think also of the concern that we may be in a shutdown mode beyond the end of this month.

Just a couple of words on the global front. So what we’re witnessing in the U.S. – as you all know, we’ve seen a number of other advanced economies – the OECD, last week, I think it was, came out with estimates on the impact of the shutdown on GDP. They’ve estimated that the level of GDP could decline by as much as 2 percentage points for each month that we’re in a mode of strict containment measures. That’s for advanced economies.

That estimate, it is just an estimate, but it’s consistent with the higher frequency data that I was mentioning. And again, the total impact here is very much depending on the duration of the confinement measures. Once we’re in a less-restrictive environment, then there are questions about the pace of the recovery. And of course, that then depends on the policy actions that are taken to support workers now. I’m looking back to the CCC program that I was just mentioning.

A final word on emerging markets and low-income countries. We know that they are already being impacted by the tighter financial conditions. They have already been impacted by lower global demand, in particular for tourism exports, in particular for those that are commodity exporters. And we’re starting to see, since with the exception of China many emerging markets have now been impacted kind of in the second wave. And so they are later to adopt these more restrictive containment measures, but we’re starting to see those in place. So the economic impacts of those measures are now starting to be felt.

In contrast to many of the advanced economies like the U.S. and Europe, they do not have the same flexibility and policy tools or policy space to response. And so I expect as we’re heading into the virtual spring meetings of the IMF and the World Bank in the week ahead, I think this is
going to be a significant theme as far as how those institutions can help mitigate some of these impacts that we’re seeing in emerging market and low-income countries. I’ll go ahead and stop there.

MICHAEL J. GREEN: Thank you, Stephanie. It’s Mike Green, senior vice president for Asia and Japan Chair.

When the crisis broke, a number of people – prominent former officials and scholars, argued that it portended a – foreshadowed a dramatic shift in power in the international system to China and away from the U.S. And I argued, and others have argued, that while the U.S. has stumbled and has done some damage to its reputation, many of the fundamentals of the international system have not changed in structural terms, and the evidence that power is shifting to China somehow is limited. And I think that continues to be the case, as we get weeks into this crisis.

Hubei province, Wuhan has resumed life, cargo, three-quarters of small and medium-sized enterprises in China reportedly are back in business. But there are other estimates that over 100 million jobs will be lost, most of those in the service sector, which is about 60 percent of Chinese GDP growth now. And China’s exports, almost half, go to countries now like the United States or Europe, fighting the virus. So there’s not a scenario where China throttles through this on its own. We all sink or swim together, even though China has emerged from the initial hit sooner.

The other thing worth watching is the Chinese effort to claim leadership. Some see this as a propaganda ploy. Others see more successful inroads by China. For the most part, China’s major neighbors – Japan, India, Australia – have not been impressed. You can see that in public opinion polls and in numerous editorial newspaper stories about questionable data coming out of China.

China’s perhaps had more inroads in Europe which is further away, where the immediate failures of governance, where dislike of the current administration in Washington, where the inadequacies of the EU make a somewhat more distant China which is being benign, as the provision of equipment and masks, look better. But even there you have editorials and other stories in the U.K. that Heather may talk about, that suggest China’s branding mission is not entirely successful.

So evidence as we get into this that somehow power is shifting, even as everyone’s power – soft power and hard power and economic power – is being impacted. I do think the crisis has intensified what was already an emerging U.S.-China strategic rivalry. And you can see that in a number of ways. Harris has a new poll published in The Washington Post that shows the American public is, on a bipartisan basis, deeply, deeply skeptical about China and China’s performance and information in the wake of this crisis.
Congress is moving forward with investigations of the WHO, as Steve mentioned; also calls for decoupling or diversifying away from China for medical equipment, pharmaceutical inputs, and so forth. That’s all intensifying.

At the same time, among elites, I think there has been something of a diminishment of the name calling and perhaps a turning of the corner. The administration had a cell it had established to counter Chinese propaganda on the virus, and they reached out to a number of Asia experts, China experts, and were told almost uniformly that it was a mistake to demonize China in the midst of the crisis; that, yes, there’s a lot to be concerned about – strategic competition is a real thing, that China’s intentions are problematic – but we’re losing friends and allies when we do things like block consensus on G7 statements because we insist that our allies and partners in Europe and Japan use the term Wuhan virus. We’re alone in that. And I think that message has penetrated the administration, and you see the president and Secretary Pompeo and others using the Wuhan virus label less, talking more about cooperation.

One of the indicators of this was a bipartisan letter issued on April 3rd. I signed it, but it was pulled together by former National Security Adviser Steve Hadley, a Republican, Susan Shirk, Kurt Campbell and Larry Summers, veterans of Democratic administrations, maintaining that China had a lot to answer for but that this was not the time to focus on isolating China but rather to work for cooperation.

That has led to calls in China from scholars and experts and the U.S. – China’s ambassador to the U.S. to tone down the criticism. And although it’s less pointed than the American letter, it nevertheless implicates both sides.

So there’s a bit of a slightly improved atmosphere, I think, on U.S.-China competition, but not in the Congress and not at the popular level in either country.

A few quick notes; other parts of Asia to watch carefully. Japan, after announcing a few weeks ago it would reopen schools in April, has now declared a state of emergency. It’s closing schools through May, has put together an almost trillion-dollar stimulus package, and is seeing, not on a U.S. scale, but a resurgence of cases and deaths. That’s a reminder to us not to call the game over or call people to go back to work or school too soon.

Abe’s own popularity has been damaged a little bit, but in general he faces no serious contenders. And politically Japan is not in crisis, but it is a reminder how the most advanced countries in the world can have some missteps and see this come back in ways that they didn’t anticipate.
And then I would just flag briefly two other countries, North Korea and Indonesia. North Korea claims that it’s done over 500 tests in Pyongyang and found no cases. And the WHO office in Pyongyang, their representatives, had faithfully reported that. But there are real questions among experts about whether this could be the case.

North Korea certainly can institute the most draconian controls over its population, but also has the weakest health-care system perhaps in the entire region. And so there is growing suspicion that, as with avian influenza and SARS, where North Korea lied and it turned out, in fact, to have serious problems, that that could possibly be the case again.

I would encourage everyone to watch Beyond Parallel, Victor Cha’s microsite, for updates.

And in Indonesia, which is ranked 36th in cases but 17th by the WHO in terms of deaths, particularly around Jakarta, and there are some concerns that the numbers, because Indonesia is such a big and complicated place, are not fully being reported. And for that I would encourage you to follow the Southeast Asia Program’s COVID-19 tracker in Southeast Asia, where they’re updating information.

I’d just conclude by saying this is a moment where we do not see collaboration. We saw the U.S., Japan, India, and others lead in the aftermath of the tsunami in 2004. We saw the U.S., Japan, Australia, China, and other countries lead in preventing downward spirals of protectionism and exchange rate policies after the 2008 financial crisis. And in the ’97-’98 financial crisis in Asia, while there were some clashes between East Asian governments and the IMF, in general, Japan, China and other countries stepped forward. We’re not seeing any of that. I think it reflects the underlying distrust not only between the U.S. and China but also Japan and China, and democratic neighbors like Japan and South Korea. And frankly, it reflects just the practical difficulties of collaborating in terms of travel, in terms of focusing on neighbors and regions and the world instead of the immediate crisis. I do have some confidence that we will find more regional collaboration in the future, but it is going to be very, very slow in coming.

And I’ll turn to Europe next for Heather.

HEATHER A. CONLEY: Thanks, Mike. Yeah, Heather Conley, director for the Europe Program.

Three quick things, three observations from Europe. Clearly, the pandemic has really challenged leadership and succession, and of course this is U.K. Prime Minister Boris Johnson, who is the term “clinically stable” in an ICU unit. This has really led to some questions about future U.K. leadership during the pandemic as a number of deaths in the U.K. sore and they’re really in the real heat of the crisis right now. Foreign Secretary Dominic Raab has been deputized, but it’s unclear if the prime
minster will have to stay in hospital for an extensive period of time. This would require the British Cabinet to reach agreement in order for issues to proceed. And of course, Parliament is now out because of their spring break.

You know, all things being equal, it’s fine. But we’ll see the first test of this likely early next week when the U.K. government will have to make some decisions about starting to ease lockdown conditions, which seems unlikely, or to continue them. So again, the COVID-19 has really impacted senior British leadership, quite frankly, more so than in most capitals. And it’s really challenging both the lack of a formal written constitution, and in some ways lack of the formal succession that we sort of understand from other democracies. So obviously, we wish Prime Minister Johnson a speedy recovery, but this is really bringing to the fore a real challenge of leadership amid a pandemic.

The second question is looking towards that easing of restrictions and the lockdown, just as the European Union did not coordinate border closures and lockdowns and there was a lot of confusion, it looks as if that same confusion will be surrounding as individual countries make some decisions about easing the lockdown. So the first two countries that imposed the most restrictions – the Czech Republic and Denmark, they closed their borders – they are now beginning to start taking some tentative steps about reopening. Austria and Switzerland just announced today.

This is going to be a fascinating test to watch. As individual countries make these decisions, will they see a relapse in cases? Will they have to step back? What if other countries don’t agree with the countries opening? How will they manage those? So that is something absolutely to watch, both see how it works – and of course, countries are extremely eager to get back to some sense of normalcy, exactly as Stephanie was describing. The economic consequences of this, the French central bank and others have put forward some pretty staggering statistics that we haven’t seen this type of economic statistics since the end of the Second World War. So they’re eager to come back, but there’s really a lack of coordination, which in some ways was also summarized in last evening’s resignation of the European Union’s chief science officer. Lots of intrigue about that resignation, but it speaks to a lack of coordination.

And final thing, the pandemic is also exposing old fault lines. And this really gets back to the European Monetary Union’s lack of agreement on shared debt or debt mutualization. European Union – eurozone finance ministers met for a 16-hour virtual conference call yesterday which reached no conclusion, which was the same outcome that occurred two-and-a-half weeks ago with the European Council leaders. Italy is staying very firm that they want the opportunity for what they’re calling “corona bonds” or an instrument for debt mutualization. The Netherlands, Austria, Finland, Germany are equally adamant that that will not be the
case. And what’s happening is it’s preventing a more robust package for Europe to put forward through the European Central Bank and its credit—the European Stabilization Mechanism, and credit lines, an unemployment reinsurance scheme, and more funding to support Italy.

At this point there is no way forward found, and it’s something certainly to watch. Right now there is sufficient support from the European Central Bank, but this is really added insurance, needed support because we know the impact is going to be so grave in Italy, where the financial sector is already weakened and economic growth has really not returned to Italy for decades. So we know this additional assistance will be needed, but this has really been a point where EU leaders cannot agree.

So, with those three issues, we’ll close up and look forward to your questions. Thank you.

MR. DIAMOND: Yeah, this is Caleb. I think we can open up to questions now.

OPERATOR: (Gives queuing instructions.)

And our first question comes from Shaun Tandon. Go ahead. Your line is open. Wait one moment; I apologize. Question-and-answer session was turned off here a second ago. One moment. OK. All right. Now, Shaun, go ahead. You’re now open. Go ahead, sir.

Q: Sure. Thanks for doing this call.

Could I follow up on the WHO issue and what the Trump administration is trying to do? This was touched in the—in the opening remarks, but to what extent is there the possibility of success in changing the WHO, if that is the objective? And politically, what do you think it means for the United States, not just domestically but also in terms of the world, in terms of U.S. influence? Is there any risk in pressuring the WHO like this? Thanks.

MR. MORRISON: I’m sorry, the question—can you—can you repeat the question? The question is what are the prospects for reforming WHO, or?

Q: Sure. What are the prospects of success of the U.S. if the U.S. is going to withhold assistance to the WHO? What are the prospects of actually accomplishing something from this? What will the effects be of this? Thanks.

MR. MORRISON: Well, the United States is the—is the largest donor to WHO, and so withholding money would have devastating consequences—immediate and devastating consequences for WHO in the middle of a global pandemic. So that’s the first point.
In terms of what are the prospects for success, it would depend on what do we ask WHO and its leadership to do that it’s not doing today. And that hasn’t really been spelled out. It’s been this assertion that it was too China-centric and that they made some bad calls. Those are apparently the two – the two mistakes that are leading the president now to suggest that he might do that. I certainly hope he doesn’t, but he hasn’t spelled out what it is that would be desired and what the prospects of success would be.

MR. GREEN:

It’s Mike Green. If I could add also on the WHO, there is a preexisting condition in terms of the Congress and the administration’s frustration with the WHO and China, and that has to do with Taiwan policy. And this goes back to when I was the senior Asia person in the Bush White House. Over the past two decades Beijing has been pretty effective at blocking even the most minute adjustments to or participation by Taiwan in the World Health Assembly and other – and other groupings that do not require statehood or U.N. recognition as a – as a sovereign country. And so China – this is – this is an issue that people refer to as Taiwan’s, quote/unquote, “international space.” And the WHO at a bureaucratic level – I don’t know that the director’s to blame – at a bureaucratic level has been buckling under Chinese pressure for years, putting people on Taiwan at greater risk with outbreaks from avian influenza to MERS more recently. And so there was already a pretty robust caucus on the Hill that was unhappy because of that before this hit.

So I think Steve’s description of how WHO has performed in all of our interests and is critical to not only responding to this virus but future viruses is right on target, because there’s other political, ideological and geopolitical dimensions. And in some ways that is the part of reforming WHO that China will resist the most. So it’s – I don’t think the U.S. is likely to cut funding, but that’s a whole ‘nother level of complexity that’s going to make this a pretty tough international organization for the administration to work with. And that’s going to keep the pressure on for Congress, even if we don’t ultimately cut funding and, you know, cut our noses off to spite our face.

MR. MORRISON:

Mike, that’s a great point. The – I mean, we’ve – the U.S., under different administrations, has gone around and around with WHO on this issue of Taiwan, and it’s always ended in frustration. And we – and it always becomes even more poignant in moments of crisis or in moments of big policy decisions.

And it was very interesting to see how, you know, as that issue edged forward at different points, like when Bruce Aylward, who led the WHO mission in mid-February, when he was doing a press briefing and was confronted with this issue, simply had no comment and changed the subject. And we’ve seen how, when this issue surfaced in terms of the pro-Taiwan constituencies here in Washington getting play on this issue at the White House briefings and the like, how uncomfortable this made
people like Tony Fauci, who – you know, who has a very strong and very workable relationship with WHO.

The other point I’d make is WHO and the Trump administration have had a very strong and cooperative relationship, surprisingly strong and cooperative relationships, from very early on. Stewart Simonson was appointed by the Trump administration to join as a senior manager, assistant DG, in 2017 and now heads up the WHO office in New York; credited also to Washington. And Dr. Tedros has been exceedingly deferential to President Trump, including some direct personal engagement, for instance, at the G-20 conference in Argentina a year and a half ago.

So it’s been – I think it probably comes as a little bit of a shock to Tedros and WHO to see this kind of sudden pivot against them, although there’s been some early indications of it. And I think some people are going to attribute it significantly to the influence of the pro-Taiwan crowd. But obviously it’s not exclusive to that.

Thank you.

OPERATOR: And our next question comes from the line of Brett Samuels with The Hill. Go ahead. Your line’s open.

Q: Hi. Thanks, everyone, for doing this call.

I was wondering if you could address – we’ve seen this week President Trump, Vice President Pence and some other folks have talked about light at the end of the tunnel and glimmers of hope, and using sort of optimistic language that perhaps we could be turning a corner or be seeing some progress in the days and weeks to come.

I was wondering if you could address, you know, how accurate that is or if it’s too soon to say or if this is just, you know, trying to lay the foundation for reopening the economy sooner than later. I’m just curious, you know, what you all make of those statements.

MR. MORRISON: This is Steve Morrison. My other colleagues will have plenty to say on this also. I’ll just be very brief.

The president has been inclined throughout this period to be excessively optimistic. There’s been a few moments where he dipped out of that – (audio break) – as we have seen reports that the epicenter in New York/New Jersey seems to be approaching a peak – (audio break) – point and slowing, even though the record numbers of deaths are still mounting up; that people looked at that and thought, well, at least in that gargantuan outbreak we’re seeing a turning down.
And in talking to people in New York and New Jersey in the last few days, there’s no question there is a sigh of relief on behalf of many people who’ve been living through this. And there’s also reason to be hopeful when you look at what’s happening in San Francisco and what’s happening in Seattle, where there’s been fragile progress through very sustained social distancing, strong leadership at the mayoral level and at the governor level, and in cooperation with the federal dimension of this.

We still – lying ahead in front of us are a dozen or so – many urban centers which are at risk of lighting up and becoming wildfires fairly quickly. Some of them are already pretty far along. And so I would be very hesitant to say that we’re turning a corner and on a glide path towards a quick resolution of this. I think that’s premature. Thank you.

MR. GREEN:

It’s Mike. If I could, I mean, the use of the term, “the end of the tunnel” is a really unfortunate phrase that, you know, people have pointed out evokes Lyndon Johnson and Vietnam. The night before the North Vietnamese launched the Tet Offensive, seized the U.S. Embassy, took over Hue city – the night before the U.S. Embassy was having a light at the end of the tunnel party. So there’s a sort of Icarus factor here, or a certain tempting of the gods that is historically tragic and a mistake.

On the other hand, when people say the president needs to be more like Churchill in 1940. He needs to say this will be hard, it will be long, we’re not at the end of the beginning, we’re – you know, we’re not at the beginning of the end, we’re at the end of the beginning, and be honest. But Churchill was not trying to get the economy going. He was trying to spur people on to endure and fight. And by comparison after 9/11, President Bush saying, what should we do? We should go back to shopping. You know, because he was worried the terrorist attack was going to succeed because it did enormous economic damage.

So it’s a much more delicate and complicated balancing act than pure wartime communications. I’m sure Steve would agree, though, when I say, ultimately the best way for the president and the White House to find consistency on that is to let Fauci and other experts speak more and to not use these 5:00 p.m. press conferences as political rallies. That makes the job much, much harder. But to fair to the president, it’s not as simple as Churchill in wartime. And there is – there is the economic piece, which, you know, in Maslow’s hierarchy of needs may be secondary to surviving, but for the country and the national interest is something that has to be taken into account.

MS. SEGAL:

If I could just add onto that – it’s Stephanie. So when the whole discussion of kind of accelerating the return to normalcy started and the debate around this a couple of weeks ago, it was very much driven by the economic considerations. And I think at that point, once it was clear that this debate was taking place, there was pushback. And as Mike just said, there was pushback along the lines of realizing that this is first and
foremost a health crisis. And so the solution has to begin on the health side. And this kind of return to normalcy, whatever that looks like, is one that starts with a health response.

There are some proposals that are out there. You know, what would – what would that – what would the signs look like as far as when it’s time to kind of go back to normal and then have to do with, well, when have we flattened out the curve sufficient so that our health care system can keep pace with the rate of illness? When will we have the testing and tracking capabilities in place? And ultimately, when is the technology and the science going to catch up in the form of treatment, and ultimately a vaccine?

And I think in that all – I agree with all that. But I think the other thing to keep in mind is that, you know, there’s a policy decision as far as when the restriction orders are removed. But if, going back to my – one of my first comments on what really drives the U.S. economy in particular, and it’s the consumer and consumer confidence. It’s the confidence point of when are people going to feel confident to go back to work, to go back and consume, in particular, services? And that’s going to be a function, again, of the health environment. And so, you know, I don’t think – it’s not a switch, you know, an on/off switch. There’s going to be a transition, but I think that transition is going to depend on those – the kind of science- and health-led points that allow us to make a transition back.

OPERATOR: (Gives queuing instructions.)

MR. DIAMOND: So I think if there are no more – no further questions, I think we can end the call here. We’ll be sure to send –

OPERATOR: Correct, no further questions in the queue.

MR. DIAMOND: Yeah. So we’ll be sure to send out a transcript and it will also be posted on our website. And we’re also happy to set up one-on-one interviews with the experts here and the experts all across the Center if you’d like. Just shoot us an email directly. We’d be happy to set that up. Thanks again for calling in today, and also thanks to our experts for joining us today. Thank you.

(END)