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Opinions

To solve the economic crisis, we will have to solve the health-care crisis



By **Fared Zakaria**
Columnist

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Healthcare workers put on protective gear at a drive-through site to collect swab samples for coronavirus testing in Arlington. *(Kevin Lamarque/Reuters)*

In Washington, the focus has now turned to the economic response to the [coronavirus](#) pandemic, with experts and politicians proposing their preferred policy tools —

ranging from tax cuts to corporate bailouts to direct payments of cash. Each is worth debating, but the focus is misplaced. This is not an economic crisis; it is a health-care crisis.

The distinction may sound academic. But understanding it is actually vital to designing the policies that should follow.

In an economic crisis, you could imagine a situation in which people lose their jobs and are unable to spend money. That's called a demand shock, which is what happened during the global financial crisis of 2008. Or producers could raise prices (for various reasons), making it harder to buy their goods. That's a supply shock, and it describes the oil crises of 1973 and 1979. But what is happening now cannot be addressed primarily by economic responses, because we are witnessing the suspension of economics itself.

Today, even if you have money, increasingly you cannot go into a shop, restaurant, theater, sports arena or mall because those places are closed. If you own a factory that hasn't already closed for health reasons, you may still have to shut it down because you can't get key components from suppliers or you can't find enough stores open to sell your goods.

[More coverage of the coronavirus pandemic]

In these conditions, cash to consumers cannot jump-start consumption. Relief to producers will not jump-start production. This problem is on a level different and far greater than the recession of 2008 or the aftermath of 9/11. If it were to go on for months, it could look worse than the Great Depression.

This is not an argument against any of the economic measures being proposed. People need to be able to eat, buy medicine and pay their bills. New York Times columnist Andrew Ross Sorkin has canvassed experts and concluded that the best approach would be a zero-interest “[bridge loan](#)” to all businesses and self-employed people as long as they keep most of their workers on staff. It is probably the right course of action, massively expensive but cheaper than a full-blown Great Depression.

But even that might not work if we do not recognize that first and foremost the United States faces a health crisis. And that crisis is not being solved. China is now [reporting](#) no new domestic infections. South Korea, Taiwan and Singapore have also made [progress](#) in “flattening the curve” — the phrase of the year — because they have prioritized dealing with the health-care crisis over enacting a grand economic stimulus.

The United States is still dangerously behind the curve. A headline in Thursday's Wall Street Journal is, "Coronavirus Testing Chaos Across America." The article [details](#) how the country still has "a chaotic patchwork of testing sites," with testing proceeding "far slower than experts say is necessary, in part due to a slow federal response." The U.S. testing rate [remains](#) shockingly low, well behind the rates of most other rich countries and far behind those of the Asian countries that are handling this crisis best. Across the United States, hospitals are warning of a dire shortage of beds, medical equipment and supplies. And the worst is yet to come. With infections [doubling](#) every [two to three days](#), the U.S. health-care system will face what New York Gov. Andrew Cuomo correctly described as a "[tsunami](#)."

The Trump administration is still acting slowly and fitfully. Experts predicted weeks ago that cities would need thousands more hospital beds, and yet the Navy is still performing [maintenance](#) on two hospital ships and figuring out staffing. The president [says](#) he will invoke "defense production" powers only [if necessary](#). What is he waiting for? He should direct firms to start production of all key medical equipment in short supply. The armed forces should be deployed immediately to set up field testing and hospital sites. Hotels and convention centers should be turned into hospitals. The federal government should announce a Manhattan Project-style public-private partnership to find and produce a vaccine. After decades of attacks on government, federal agencies are understaffed, underfunded and ill-equipped to handle a crisis of this magnitude. They need help, and fast.

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And here's another idea: President Trump could forge an international effort to unite the world against this common threat. If the United States, China and the European Union worked together, prospects for success — on a vaccine, for example — would be greater. China in particular produces most of the supplies and medical ingredients the world needs. Trump should remove all of his [self-defeating tariffs](#) so that American consumers don't have to pay more for these goods and China can ramp up production. He should stop antagonizing China and encouraging xenophobia by calling this the "[Chinese virus](#)." This is a war, and in a war you try to find allies rather than create enemies.

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[Fareed Zakaria](#)

Fareed Zakaria writes a foreign affairs column for The Post. He is also the host of CNN's Fareed Zakaria GPS and a contributing editor for the Atlantic. [Follow](#)

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