

First Things First: Save the Economy

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Markets had a few good days, one of them the highest gain in the Dow since 1933, a year which is unlikely to generate much long-term optimism. The Fed's balance sheet now tops \$5 trillion which is a few trillion more than it was days ago, and Congress passed a \$2 trillion stimulus package. Meanwhile some medical personnel are sheathing themselves in garbage bags to protect themselves from viral spray because we have lots of dispensable people and only one economy. And now that the US leads the world in cases (over 100,000 - almost half in NY) Trump gave up on minimizing the seriousness and ordered GM and Ford to get on the job and make ventilators.

Following the excitement of rapid extreme movements in the markets we will now be experiencing the dreariness of such extremes in the real economy. 3.28 million Americans filed for unemployment compensation this week; more than 4 times the previous record in 1982. Some experts are projecting a 20 million increase in unemployment. The Michigan consumer confidence fell 11.9% in March. That's the largest single month decline since October 2008.

In addition to the research required to develop a safe and effective vaccine to prevent infection, a great variety of medicines are needed to treat the hundreds of thousands that have contracted it. But most western drug companies do not manufacture the basic ingredients for the drugs that they sell. They are either made in China, a nation that was forced consume what they made to treat their own people, or India, a nation that is readying itself for the pandemics onslaught and that has meant banning sales of key drugs needed to fight it.

But at least the dead and dying economy is forcing millions into self-isolation where they can ponder what got them there and how the hell they can safely make a system that favors life to the exclusion of profit.

Consider the recent actions of the state of Rhode Island as an example of what we're up against. It's had only a few hundred virus cases and no deaths. To keep it that way it is actively attempting to prevent New Yorkers from entering their state. It has national guard troops posted at Amtrak stops and the airport. Police are stationed just across the Connecticut border. It can't legally keep them out but it thinks it can forcibly stop their travel, give them a checkup, and then require 14

days of isolation. With profit comes greed, with greed comes selfishness. With selfishness comes a rotten place to live.

– Incidentally, the stimulus package is not actually \$2 + trillion. It is \$1.65 trillion. The rest is assumed to come from a multiplier effect. If everything works as an actual stimulus it may manage to keep this year's budget deficit to no more than \$3 trillion.

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