



# WTH is going on with the coronavirus economy? Glenn Hubbard on the Paycheck Protection Program and the prospects for a rapid recovery

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Danielle Pletka: Hi, I'm Danielle Pletka.

Marc Thiessen: And I'm Marc Thiessen.

Danielle Pletka: Welcome to our podcast, What the Hell Is Going on with the coronavirus today? Marc, what the hell is going on?

Marc Thiessen: We're talking about the economy, and particularly the relief bill that Congress passed, which includes something called the Paycheck Protection Program. This is a program that was advocated by Glenn Hubbard and Michael Strain, our director of economics here at the American Enterprise Institute, introduced by Senator Marco Rubio and Senator Ben Cardin, Republicans and Democrats, bipartisan plan. What it's doing is essentially replacing the lost revenue of small businesses and medium-sized businesses with less than 500 people working for them, so that they can keep people on the payroll and keep paying their rent and utilities and other things, and basically stay in business.

Marc Thiessen: People are saying this is like the Great Depression or the Great Recession. It's actually the Great Suppression. We are in an economic suppression. We have ordered businesses to stop operating for the sake of public health. Those businesses are healthy, and if we help them ride out this shutdown, they should be able to come back into operation. But to do that, they have to have their workers employed so they don't waste a lot of time searching for workers, and workers spend a lot of time trying to find jobs and connecting with jobs, which will just slow everything down.

Danielle Pletka: I think the right way to think about this, and the more I hear this, the more persuasive it is, is people analogize this to the financial crisis and to what happened then. Really, the analogy is imperfect, to say the least. The right way to think about this is like a war. This is a sudden, hopefully one-time event that is a sharp punch in the face, but one that, once the circumstances are gone, doesn't change the fundamentals. That's why you and I, both conservatives of various stripes, as you all know-

Marc Thiessen: Some more stripey than others.

- Danielle Pletka: Some more stripey than others, indeed. But that's why you and I are much less queasy with the notion of this massive stimulus than we otherwise would be.
- Marc Thiessen: Sure. Well, first of all, people are saying conservatives generally don't like to intervene in the economy. The phrase is laissez faire. Let the economy function. We've already intervened in the economy by forcing businesses to shut down, so what we're doing here is trying to intervene to help them survive the government-mandated shutdown, so that when we do lift the government restrictions, they can function again.
- Marc Thiessen: I like your war analogy, but I think it's even slightly different than that, because unlike the 2008 financial crisis, the economy was doing great right before this. There's no structural problems in the economy. We were chugging along. We had historically low unemployment. Productivity was high. The economy was booming. All good.
- Marc Thiessen: Unlike a war or an earthquake or a natural disaster, there hasn't been widespread physical destruction that we have to rebuild from, that'll take years to rebuild from, so you don't have that factor. Then the other thing is if these mitigation efforts work, we won't have massive population loss and the loss of workers and people to drive the economy. Theoretically, if we can keep these businesses on life support during the medically induced coma that we've put them in, then they should be able to function fine once we come out of this recession.
- Danielle Pletka: Right. That's why this bill was so important. There are all sorts of analogies. It's like a bridge loan. It's getting you from a good point to another good point, and finding a way to mitigate the cliff that's between those two points. What I can't figure out is why at this moment it's a good idea on the second tranche of this... so, we had a \$2 trillion bill that passed with this paycheck protection that enables businesses to hire people, to keep people employed while their business is basically sleeping, if we can call it that-
- Marc Thiessen: Hibernating.
- Danielle Pletka: Hibernating.
- Marc Thiessen: There you go.
- Danielle Pletka: Let's call it that instead.
- Marc Thiessen: Let's use more analogies.
- Danielle Pletka: And more cliches.
- Marc Thiessen: There's a bear in the woods.
- Danielle Pletka: I think the expression you were looking for is there's a pope in the woods, actually.
- Marc Thiessen: Thank you. Happy Easter to you too, Dany.
- Danielle Pletka: Exactly. And happy Easter to all of you.

- Danielle Pletka: But we return to the point. Now the second bill that is before the Congress, because, in fact, they didn't put enough money in. Mike Strain, Glenn Hubbard, and others have called for at least \$1 trillion in business support. Of course, that bill that Congress-
- Marc Thiessen: For this Paycheck Protection Program.
- Danielle Pletka: For this paycheck protection. Of course, the original bill didn't contain that amount. It contained \$350 billion. That clearly wasn't enough. That money is already about to run out, and so Congress has gone back to the table, they're injecting more money into the system. Weirdly, in the Senate, the Democrats have decided that it was in their interest to filibuster it. I can't quite figure out why.
- Marc Thiessen: Yeah, I can't either. Well, first of all, so Glenn and Mike, when they advocated this program, they said to replace 80% of small, medium-size business revenue, which is what we need to do in order to keep those businesses alive, it would take \$1.2 trillion. To replace 100% of it would take \$1.8 trillion. The Congress, in its wisdom, decided to whittle that down to \$350 billion. We're six days into the program, and it's already gone through half of that. It's probably only days away from being completely depleted. The Republicans have proposed upping that to \$600 billion. That's-
- Danielle Pletka: Not enough.
- Marc Thiessen: That's not enough. Okay, we understand now, we have economic models that say you need at least a trillion dollars, and probably more, in order for this program to work, so why... The idea of doing this in small tranches, every time we go back gives the Democrats a chance to hold up the bill and say, "Hey, we want this other stuff."
- Marc Thiessen: If people understand what the bill did, and part of this, when the Democrats held this bill up once for a week, during the time that they were holding up, 6.6 million people applied for unemployment insurance. That week was very, very costly in terms of people losing their jobs. One of the things they demanded was an additional \$600 in unemployment for everyone who applies for it, on top of their local unemployment-
- Danielle Pletka: \$600 a week.
- Marc Thiessen: A week, yes, and to extend that for four months. The problem with that is that it creates a draw for people to leave employment and go to unemployment. The whole point of the Paycheck Protection Act is that you keep people tethered to their jobs so that they can start working right away. You don't want to have... Once the economic restrictions are lifted, you don't want to have a delay where people have to find jobs and businesses need to find workers. You want them to just go and get going so we can recover quickly.
- Danielle Pletka: So what's wrong with the Republicans? Why do you think the Republicans are so reluctant, despite the persuasive nature of this math? Why do you think they're so reluctant to put the requisite amount of money in? Just because of the amount that it is?

- Marc Thiessen: I really don't know the answer to that. I know that doing this in small bites, every time we come for another bite of the apple gives the Democrats a chance to filibuster and demand something else.
- Danielle Pletka: It's not just that structural problem. It's not just that political problem. It's also the fact that businesses, if they're not sure... If you and I ran a small business and we employed 50 people, and we were getting enough of a loan to keep them on for the next week, but we didn't know that there was going to be enough money for the following two weeks, I think we'd be very hesitant to make that decision. That's the uncertainty that Republican leaders are building into this system, is that they're saying, "Yeah, okay, it's there this week, but we may need to come back." And of course, when we come back, God only knows what they're going to do.
- Marc Thiessen: No, that's exactly right. We need to create certainty for these businesses. This is another thing, the unemployment benefits were for four months. This paycheck protection was only for two months, which is half the amount of time. They've made unemployment so much more attractive than work and remaining tethered to your employment that it's going to slow down the recovery for a number of reasons. Well, first of all, it's going to push more people onto unemployment. Second of all, there's a lot of businesses that are hiring. Amazon is hiring. Walmart is hiring. Delivery companies are hiring.
- Marc Thiessen: Now these people have to compete with the unemployment office where people are... Wall Street Journal estimated that, depending on the state you're in, because of the underlying unemployment benefits, most people are making between \$15 an hour and \$35 an hour being unemployed.
- Danielle Pletka: Oh, I'm out of here.
- Marc Thiessen: If you're on unemployment, you're basically getting full replacement wages. The Wall Street Journal had a story about how a lot of companies are laying off workers precisely because they know they can get full wage replacement. Equinox, the gym company, said that it is laying off its workers and furloughing people because they know that they can replace their wages. They don't feel guilty about it.
- Danielle Pletka: This is the road to perdition. This is the road to being Europe, is where people just don't work, because, frankly, they may never get rich on unemployment, but they've got a lot of free time. That is hugely dangerous.
- Marc Thiessen: We've got the author of the paycheck protection provision, the man who came up with this idea along with Michael Strain, with us today.
- Danielle Pletka: Glenn Hubbard is the John Makin Visiting Scholar, and I just want to say a quick word because I didn't realize that he was the John Makin Scholar. John Makin was a wonderful guy, a senior economist here at AEI, who unfortunately died much too young, but how nice to be reminded of him every time we introduce Glenn Hubbard.
- Danielle Pletka: Glenn is the John H. Makin Visiting Scholar for 2019-'20 at the American Enterprise Institute, but he's also the former chairman of the President's Council of Economic Advisers. He is also the dean emeritus and Carson Professor of Economics at

Columbia Business School. In other words, he's somebody who is a pleasure to have on, and we're going to learn a lot.

Marc Thiessen: Absolutely.

Marc Thiessen: Well, Glenn, welcome to the podcast.

Glenn Hubbard: Thank you.

Marc Thiessen: It's great to have you here. Look, you were one of the leading advocates of what is now known as the Paycheck Protection Program, which is a program that's providing forgivable loans to small and medium-sized businesses to keep them afloat, to keep workers employed. That program is so popular, Marco Rubio said 480,000 loans totaling \$124 billion in six days were doled out. When you advocated for the program, you said that it was dramatically underfunded and it needed about a trillion dollars in order to work. They only gave it \$250 billion. Have you been vindicated?

Glenn Hubbard: Well, I think the program is a good idea. It enables small and midsize firms to maintain business continuity and, importantly, keep people on staff. The worst thing that could happen during an economic shutdown, which is no fault of any business owner, it's the health policy action, for the shutdown to cause business failures and mass unemployment would be a real problem. That's really the goal of the program. You want it, in principle, to just be a grant, which is what it is, but of course you can't stand up an agency in real time. Banks have relationships, and that's why the program is designed the way it is.

Glenn Hubbard: I'm a little frustrated in two respects. One is on implementation. I don't think the Treasury Department is doing the job it needs to do to get the program off the ground, although I do give the banks a lot of credit, as Senator Rubio's comments suggest. The other is funding. The law contemplated spending \$350 billion. The legislative language corresponds to more like \$1 trillion. Leader McConnell and others have already pushed in that direction, so I'm optimistic we'll get there. I think this is an important policy intervention. It's better than putting millions more Americans simply on unemployment.

Danielle Pletka: I want to just dig down into that. What do you think the Treasury is doing wrong here?

Glenn Hubbard: Well, I don't think it's wrong as much as not getting things clarified. If you're a bank, you need to know exactly what you need to verify in a loan application. What are you responsible for? What will be applicable anti-money laundering? And know your customer rules. These sound like they're in the weeds, but they matter to banks.

Glenn Hubbard: Remember that the banks were burned in some respects by the government during the mortgage crisis. They were re-traded, they believe, by the Federal Housing Administration, so I think banks have real concerns. I think these are all fixable, but they require Treasury just doing it.

Marc Thiessen: The goal of the program is to keep people employed as opposed to going on unemployment and losing their jobs. Why is it so important to keep workers tethered to their businesses for the recovery?

- Glenn Hubbard: Well, I think for two reasons. One, this isn't a typical recession that's just a movement in the business cycle where you see marginal firms leave and people lose their jobs. This was a pandemic where an economic shutdown caused this. This isn't about weak businesses and maintaining weak businesses. The idea is that since the shutdown is not, hopefully, long-lasting, people can keep their employment relationships so it becomes easier to restart the economy. Obviously, if you keep the flow of income going, you don't need to contemplate unemployment insurance or not paying your rent or any of the other knock-on effects. I think it is a very, very positive development. It wouldn't be useful in a normal business cycle, but in a pandemic, yes.
- Danielle Pletka: Do you think that we are now seeing this being used in the way it was envisioned? Because, of course, what we hear about, and obviously it's anecdotal to a certain extent, is that lots and lots and lots of businesses are, in fact, laying people off. They're not able to use the resources for business continuity.
- Glenn Hubbard: Well, they can. In other words, if you have already laid your workers off, you can hire them back and still get these loans. That is a feature of the legislation. I think some people had to move to layoffs because the program had not yet been implemented or clarified. If the regulations become clear, I think we will start to see that improving. We're talking about very large sectors of the economy, in the service sector, in hospitality, in restaurants, and so on, that are a lot bigger than they were, say, a generation ago and are very important to our economy's functioning.
- Marc Thiessen: One of the reasons why we need to keep workers employed is because when the recovery comes, when we lift all these restrictions, this economic suppression we've done, we want these businesses to be ready to go quickly, right?
- Glenn Hubbard: Right. Absolutely.
- Marc Thiessen: The other element of the bill was a massive increase in unemployment benefits, \$600 a week, on top of whatever people's unemployment benefits would be for four months. There was a front page story in the Wall Street Journal a couple of days ago that companies are citing that and saying that has incentivized them to lay off workers, because they feel better about laying off their workers because they know that they're basically going to have replacement wages, so it's actually increasing unemployment. Are these two things incompatible, what you're trying to do with the small business program and the Paycheck Protection Program and these massive increases in unemployment insurance?
- Glenn Hubbard: They're not incompatible, but they're definitely inconsistent. I have to hope it's a drafting error. If it's a policy error, it's a big one. You never want to make non-work more beneficial than work. In this case, I think it's a mistake just to lay people off, because the businesses may not be there if they haven't applied for these loans to hire the workers back. So yes, it's something Congress should not have done. The only good news I will say is that it's very temporary.
- Danielle Pletka: Is it very temporary? This is always the question that you ask. You know me well enough to know I'm no economist, but one thing I remember from my economics classes in grad school is once you give somebody a benefit, it's very hard to take it away. We always talk about the risk of becoming Europe, where it's basically more remunerative in many European countries not to work than to work. Is that a risk for us, and is that something that's going to be very hard politically?

- Glenn Hubbard: It's a risk, and it's one we should resist. And I would make it bigger, in the sense that when we have \$2 trillion to fund the CARES Act, the right way to think of it is we're fighting a war, a health crisis. It should be a one-time action, much as it was to borrow money to fight World War II. This should not be the occasion for starting continuing programs or expansion of the welfare state. That wasn't a good idea in February, let alone now.
- Marc Thiessen: Glenn, you wrote recently that we know we're going to have a sharp recession because of the pandemic; the question is, can we stop it from being a doom loop? Can you explain what a doom loop is and why that's such a danger?
- Glenn Hubbard: Sure. The pandemic itself is, in econ speak, a kind of supply shock. We're shuttering parts of the economy for health policy reasons. A doom loop is more on the demand side. If a lot of businesses fail, if a lot of people lose their jobs, and it's hard to restart, aggregate demand can falter, and what could have been a short, sharp downturn turns into a long, protracted downturn, great recession, or even depression. That's what we're trying to prevent.
- Danielle Pletka: How risky do you think this sort of doom scenario is? How worried are you about it, particularly as there continues to be a lot of doubt? Because, of course, uncertainty is truly the bane of business. As there continues to be a lot of doubt about when things are going to get back started up again, how worried are you that this could actually turn into something much deeper than we hoped it would be?
- Glenn Hubbard: I am worried. The way I have described the downturn when people ask me to talk about shapes like V's and U's and W's, the metaphor I use is more like the Nike swoosh. You have a quick downturn; the slope of the upturn is more gradual, like a check mark or a swoosh. The reason for that, I think, is that confidence doesn't return necessarily so quickly because of uncertainty.
- Glenn Hubbard: You can't eliminate all uncertainty, but you can make it better. For example, if we were to make it clear that we're not going to use this as an occasion to raise business taxes, we are going to clarify that we're going to put a floor under demand by having some either military spending, infrastructure program, whatever your favorite idea is, I think that would help a lot with business people's confidence.
- Marc Thiessen: How worried are you that, rather than a V-shaped recovery or a Nike swoosh recovery, we could have a hockey stick recovery?
- Glenn Hubbard: Well, I am worried about that. That's, obviously, what we're trying to prevent. If we have that, it's our own failure. It would be a policy failure. I think that we just need to make sure that we're doing all that we can to maintain incomes during the period of the shutdown, have a reasonable discussion between economists and public healthcare people about what the length of the shutdown should be, and then try to rebuild business and household confidence after the shutdown. If we do those things, I think we'll avoid the hockey stick.
- Danielle Pletka: Well, let's hope we do those things. When you talk about confidence in the American people, I always have it. When you talk about confidence in the wisdom and activities of our political class, I'm much less enthusiastic.
- Glenn Hubbard: I hear you.

- Danielle Pletka: I know. All of us who've lived in Washington know this all too well.
- Danielle Pletka: I want to ask you, I'm sitting here with three articles that I printed out. They're all from the Wall Street Journal. The first one is "How the Coronavirus Changed Everything About Economic Policy." The second is "Coronavirus Measures Could Cut Economic Activity by a Quarter." Then the last piece from today is "Dire Economic Numbers Intensify Debate Over Lifting Coronavirus Restrictions." This is the question, I think. At a certain point, aren't we going to run out of money? Aren't we going to not have the resources necessary to actually mitigate?
- Glenn Hubbard: Well, at some point, obviously, that's going to be true. I think we're quite a ways away from that. I would worry more that if we see a doom loop take place, we have political and social ramifications of that doom loop. I, obviously, support public health officials' judgment in an economic shutdown of the economy. How long it should last and the pace of reopening strikes me as a decision that requires, I hate to sound a little weedy, but some cost-benefit analysis. Pandemics are hard, but so are economic shutdowns, and we need to have this discussion.
- Danielle Pletka: Okay, let's say that the shutdown is over. I don't know what date. Let's just pick June 1st, June 15th, whatever it is. At that point, we have, at a certain moment, as we look to re-energize, as you talked about, to re-energize whatever it is, the swoosh, the check mark, we have to start talking about where this money comes from. Are we just printing money? Is this going to be inflationary? What are the implications once we're out of the health crisis?
- Glenn Hubbard: Well, right now, as long as we're doing one-time borrowing, like a war, we stop the spending and GDP grows, and we reduce our debt-to-GDP ratio, debt service burdens are very low in the US and most of the world because of very low interest rates, so I'm not too worried about that. What would worry me is if we use this as an occasion, as Vice President Biden suggested in the paper today, to offer brand new social programs with costs attached, just saying, "Well, we just borrowed money for the coronavirus. How about this?" That road leads to fiscal perdition.
- Danielle Pletka: No, we asked Scott Gottlieb exactly that question, just on the healthcare side, which is, is this a huge incentive to begin to nationalize healthcare à la Bernie Sanders and AOC? Scott's response was "Look at nationalized healthcare in the UK and in Italy, and see whether you like that." But I do think that's a real risk.
- Glenn Hubbard: I think it is a risk. But I think, to me, what we've learned is that our critical public health infrastructure was probably underfunded, and that we need to shore up, but none of that tells me we need to be nationalizing the consumption or production of healthcare.
- Marc Thiessen: It sounds like it's going to be as much as 18 months, two years before we have a vaccine. We might have a therapeutic in the fall. We might be able to lift restrictions and move to the South Korean model of containing the people with the virus, but allowing everybody else to go about their lives. But that means that... For example, Dany and I have a group of friends, and one of our hobbies is going to '80s band concerts. I don't see myself at a concert anytime soon with thousands of people standing body to body. Sporting leagues. Are people really going to go back to the NFL and the NHL and the NBA and sit close to each other? Are people going to want to sit in those tight airline seats? Even if we lift these restrictions, the economy is



going to be changed dramatically when people start coming out of their homes, isn't it?

- Glenn Hubbard: I think that's right. It's going to be gradual. But I would remind you, we were maybe a little worried about flying after 9/11, and we all did. I think it will come back. The question is, at what pace? And will technology and other things offer alternatives, online gaming or watching streamed versions of big sports events rather than attending them in person? I think all of these are questions.
- Glenn Hubbard: There are also questions at a more mundane level about restaurants and shops. I get a little worried when I hear public health officials say, "Well, we'll just have restaurants run at a third or half capacity." Well, anyone who's run a restaurant knows that you can't be in business doing that. I think these are going to be fundamental changes to think about.
- Danielle Pletka: No, I can't even imagine. I think that's really part of the challenge that we're facing right now, is that we don't actually know what our recovery looks like, and there's so much disagreement on the health side about the whens and the wheres as we look at the South Korean experience, but now as we look at, for example, the Singaporean experience, where they're looking at a reinfection rate that is pretty dramatic. It's that uncertainty that I think is going to actually be harmful, even as people suggest that we start to get back into business.
- Glenn Hubbard: Right. To make that uncertainty a little clearer, we're going to have to have more testing so that we know a little bit more about what we're talking about. And we should remind everyone, including public health officials, elementary statistics, that numbers they're giving are point estimates and they're confidence intervals. Sentiment in the public gets whipsawed when they hear 240,000 deaths one day and 60,000 deaths another day. Those are actually in the same confidence interval of the same estimate. We just have to be honest with people about what we know and how fuzzy that knowledge is, and not try to portray that we know point estimates when we don't.
- Danielle Pletka: I think that has been a huge source of debate. It has been absolutely remarkable, and I said this to Marc on numerous occasions, to me how fast discussion about the coronavirus has become almost religious in its nature. You can't question certain doctors. They've become papal authorities on, as we speak on Good Friday, they've become papal-like authorities about what's going to happen. In fact, there is room for debate. I just don't know if we can have that national debate intelligently.
- Glenn Hubbard: I don't know. It's not that I would try to debate a physician or a healthcare expert on medicine. I'm not knowledgeable enough to do it. My caution is simply, let's be honest with the public about statistics when we present them, that we are presenting things with confidence intervals, or talk about the kinds of models that generate it, and also talk about the fact that we don't have enough testing regimes in the country to know, when we speak of infection rates or death rates, what we're talking about. We know the numerators in those things. We're not altogether clear about the denominator.
- Marc Thiessen: There's estimates that we could have in the second quarter a GDP loss of negative 25%, 30%. The costs of this suppression are enormous. As an economist looking at it, do you see, where is the point of diminishing returns from the suppression? Right now, we're paying an enormous cost because people say the cost to the economy

and in human lives would be far higher if we didn't do this suppression. At some point, you can graph out that the suppression starts being worse than the virus in terms of its damage to the country. Where is that point, in your view?

- Danielle Pletka: Before you answer that, Glenn, one of our colleagues, James Pethokoukis tweeted out JP Morgan's economic forecast summer, and they are talking about -10% in the first quarter, -40% in the second.
- Marc Thiessen: Oh, wow. I hadn't heard that before.
- Glenn Hubbard: Well, those numbers, in some sense, whatever they come out to be, we know they're going to be bad. That's the part of the Nike swoosh that we shouldn't spend a lot of time thinking about. The economic shutdown caused that. That's that. The question is moving on, and that's your question about how long a shutdown should last. I think it's a conversation and not a zero-one, meaning there may be some subgroups of the population that are able to go to work and resume normal lives more quickly than others. A testing regime will help there. I just would hope that we get into that conversation and start talking about it.
- Glenn Hubbard: We will never live a risk-free life. If I wanted to not get hit by the bus, I suppose I could never leave my apartment. That would be a foolproof method, but it probably isn't efficient. I think we need to start having that conversation here. I'm not saying we should end the shutdown early. The question is just at what point should we be thinking about groups of the population and how to take a sensible economic approach.
- Marc Thiessen: Exit question for you. President Trump has come under a lot of criticism for setting aspirational dates for when we can start coming back. I've always felt that what he's doing is he's trying to push the system to factor in the economic costs in addition to the health costs and push the medical community to find an alternative to a complete shutdown. Is he right to be pushing for that and to get the economic costs factored in? Because the doctors would shut down our economy for 18 months if that was the only factor.
- Glenn Hubbard: Well, I think the president is right to be aspirational. I wouldn't put specific dates without consulting experts, but it's not at all a bad idea to ask questions like, why can't we be looking at different groups in the population? Why can't our testing regime give us more information? I think it's important to be aspirational in that regard. Although, giving a specific date without an expert process doesn't strike me as a great idea.
- Danielle Pletka: Glenn, as usual, you are clear-thinking and thoughtful as ever, so thank you so much for taking the time to chat with us about this.
- Glenn Hubbard: Great. Thanks for having me.
- Marc Thiessen: Thanks for being on.
- Marc Thiessen: One of the great things about Glenn Hubbard is he's one of those economists who speaks English and explains things in a way that people like you and I and our listeners who are not professional economists, though if you are a professional

economist we're glad you're listening, that we can understand. I just thought that he brought a lot of clarity to our discussion.

- Danielle Pletka: He did. One of the things that he said is, I think, going to be the most complex challenge for us going forward, which is, what is the balance? At a certain point, you've got to have that balance.
- Danielle Pletka: If, in fact, the country were run solely by doctors, as opposed to by people who actually want to see us out and working and prosperous and trading and going on vacation and to sports and things like that, is that doctors are maximalists. Are you pregnant? Don't drink at all. Don't even have one drink. Do you have some underlying health condition? Don't do anything.
- Danielle Pletka: That's the challenge for us with this coronavirus, is to figure out what the balance is between the best health advice and the best economic advice, because at a certain point, people are actually going to begin to genuinely suffer, not just health-wise, but in their ability to provide for their children, for their posterity, in their ability to pay their doctor, if we don't begin to restart the economy.
- Marc Thiessen: And doctors are getting hurt-
- Danielle Pletka: Hospitals are shutting down.
- Marc Thiessen: Hospitals are shutting down. The reality is, we all see the trauma units in Queens and Elmhurst Hospital and all these other places that are absolutely slammed, but other doctors are absolutely getting killed by this because people are not coming in for well checks and for regular doctor's appointments, and people are not-
- Danielle Pletka: Not even for basic elective surgery. If you were going to have a knee replacement, if you need new knees, you're not doing that now. If you were going to get your teeth cleaned, you're not doing that now.
- Marc Thiessen: All of this economic activity has to come back. We are in the suppression phase of the Great Suppression, but we've got to get to the recovery. One of the things that I thought Glenn said that was most interesting, we've heard a lot of talk about a V-shaped recovery, rapid decline followed by a rapid recovery. What he seems to suggest, I like the analogy of the Nike swoosh, that it's going to be a little bit more of a slower uptick than it was a decline. But he seems pretty confident that we can get that swoosh. If you look at the Nike swoosh, the tip of it is higher than where it begins, so there's hope.
- Danielle Pletka: This is all great conversation for Nike. Okay, all of that-
- Marc Thiessen: A company that I cannot stand, by the way, because they use-
- Danielle Pletka: Why?
- Marc Thiessen: Because they use Uighur slave labor in China to make their sneakers and because they employ Colin Kaepernick, but that's a whole other point.
- Danielle Pletka: That's a whole other podcast, Why Marc Thiessen Hates Nike.

- Marc Thiessen: Canceled the Betsy Ross sneaker because Colin Kaepernick said the flag was racist. I don't know if we want to publicize the Nike swoosh as the analogy, but-
- Danielle Pletka: Right. On the other hand, we definitely don't want to see a hockey stick, so we need to find yet another analogy. But look, I think that the one thing that's not going to get us to that high point at the end of that curve is this uncertainty. That's why, as you said, it's important that Trump come out and keep pressing that case, but I think it's important that others come out and press that case as well. It's really been fascinating to me how in the thrall of healthcare people we have been without actually hearing... Jerome Powell, the head of the Fed, has said we need to start talking about when we're getting out of this, and that's pretty forward-leaning for him, a normally very, very silent man.
- Marc Thiessen: It's only controversial when Donald Trump says it.
- Danielle Pletka: Yeah, it's true. But of course, that's-
- Marc Thiessen: That's what everybody's thinking. Again, this is why. In the Beltway, everybody is outraged by Trump's briefings and everything he's saying. In the heartland, his approval for handling this crisis is pretty strong. Everyone was complaining that he was blaming China. I think there was a poll, 77% of Americans blame China for the virus. He is right to be pushing the system to factor in these economic costs and to start coming up with a plan to not keep this country on lockdown for months and months and months, but to start finding a way to come out of this.
- Danielle Pletka: I think the exit point that we have to make here is that the shutdown has to go on long enough for Joe Biden to learn to remember what the coronavirus is, because that's been a disaster for the poor man. He has not been able to pronounce what it is, and he's forgotten the name of both the virus and Wuhan several times. The focus is going to be on Joe Biden when we come out of this.
- Marc Thiessen: Well, you know we're in the recovery when we can start focusing on politics again, because right now no one cares about the election. But it's coming, and we're going to be talking about it soon. Once people are comfortable talking about Joe Biden's senior moments again, we'll know that we're in the recovery.
- Danielle Pletka: Amen to that. Happy Passover, happy Easter to all of our listeners. We hope that you're spending really good quality time with your families, eating an awful, awful lot of that great Christian tradition, chocolate eggs, and that great Jewish tradition, brisket. Bye, everyone.
- Marc Thiessen: I have both.
- Danielle Pletka: Bye, everybody.

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