



# WTH do we do if we don't find a treatment soon? Avik Roy on reopening the US economy even if the pandemic endures

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Danielle Pletka: Hi, I'm Danielle Pletka.

Marc Thiessen: I'm Marc Thiessen.

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

Marc Thiessen: You ask me that so often.

Danielle Pletka: I feel like I ask myself that more often.

Marc Thiessen: So look, what the hell is going on is we're all locked down in our homes. Millions more people filed for unemployment and we're all waiting for the cure. We're all waiting for the government and private sector to come up with the public health benchmarks that will get us out of this process. So, there's been a number of studies that've come out. Scott Gottlieb put out a plan for reopening, the Trump administration has a plan for a reopening in stages.

Marc Thiessen: And first we've got to ramp up testing and then we can open up a little bit more when we get a treatment, and then when we can open up really completely, once we get the vaccine and everybody's inoculated and it's like the COVID never happened. And there's an interesting question, what if none of that ever happens? What if we don't get a treatment? What if we don't? Or what if it takes five, 10, 20 years to get a vaccine?

Danielle Pletka: What if it takes just a year? We all use this expression, don't let the perfect be the enemy of the good. And the problem is not simply that the perfect has become the enemy of the good, it is that we have absolutely no agreement about what the good is. So, you have states like Texas where kids are going back to school. In Florida, some beaches are reopening, in some places hotels are reopening, Sweden never shut down fully, and nobody can agree as to what is acceptable. We've lost any perspective, even on the discussion. You can no longer have a rational discussion with people about COVID-19.

Marc Thiessen: It's as our guest who we'll introduce shortly put it in a recent piece that either you believe in a complete lockdown or you're a Trumpy bleach drinker. Those are the two choices.

- Danielle Pletka: Yeah, but that's exactly right. And, the problem is because that political aphorism has been nationalized, it has become impossible to have a sane conversation about the costs of this lockdown. And to me, that is the thing that is really getting ignored, it is that there are people who are never going to get their job back. There are people who are never going to reconstitute their business. It's not just the restaurants that everybody keeps talking about, it's every little shop that ever opened up down the street. Remember that movie, *You've Got Mail*? That was about the big evil, big bookstore like Amazon taking over from that sweet little shop that was selling books? Those sweet little shops are not going to survive much longer.
- Marc Thiessen: And Amazon will.
- Marc Thiessen: And the other thing is, is that the longer this takes, the more of those people will go out of business and not be able to make it back even with the government support, even with the Paycheck Protection Program. I think a lot of people are going to be shocked when we reopen and they're like, wait, my favorite store is not open and that restaurant that I loved is closed and it's not what you ... You're allowed to reopen, why aren't you reopening? It's funny, what we've discovered is with a lot of these COVID patients is that when you're on a ventilator, you don't just come off the ventilator and you're fine. A lot of people have long-term recovery to come back from it. The ventilator does damage to your system.
- Marc Thiessen: It's the same thing with these small businesses, we basically put them on a ventilator to survive this pandemic. And when they come off the ventilator, they're not going to be healthy and ready to go and everything like it was before. And so, we're doing enormous economic damage to the livelihoods and dreams. We'd used to talk about protecting the American dream, this is killing the American dream for millions of people.
- Danielle Pletka: I hate to tell you folks, but there are still people out there who need heart transplants and kidney transplants that aren't getting them. That have diabetes and aren't getting treated, that have arthritis and can't go to see their doctor, that are going to have a hip replacement and aren't allowed, that have carpal tunnel disease and can't work.
- Danielle Pletka: And not only that, the doctors who treated them are losing money hand over fist. They're not open, they're not operating. And guess what? They can't just open up either. They have people who work for them and they aren't going to have the money and a lot of doctors and hospitals are going to go out of business.
- Marc Thiessen: We have doctors that are going out of business. I mean, the non-COVID medical industry is reeling right now.
- Danielle Pletka: And of course that is the vast mass of the medical industry, right? That is nurses, that is doctors, that is medical assistants, that is hospitals, that is doctor's offices. It is your urgent care clinic. It's every single part of the medical system that doesn't relate to this one disease.
- Marc Thiessen: And there's cascading effects of all of that because if these people go out of business, then family as you say, the families who work there don't have money to spend in the shops, so the shops don't get business and it just gets worse and worse and worse.

- Danielle Pletka: I bet we see suicide rates skyrocket for the people whose dreams have been shattered, which is a not insignificant crisis already.
- Marc Thiessen: We already saw it with the opioid crisis. I wonder if this even set back the progress we've made in the opioid crisis, because mass unemployment has led to mass suicides, mass drug abuse. We could be undoing all the progress we've made there as well.
- Danielle Pletka: The problem is not that the shutdown was unwise at the beginning. The problem is the question of when to reopen and this-
- Marc Thiessen: And when the costs exceed the benefits or, as president Trump said, the cure is worse than the disease. That's a big issue. And also the other thing we need to keep in mind, so everybody's beating up Trump for "You've slowed down the development of testing. Why can't we get tested? We're America, we should have test for everybody by now, right? What's it been? Six weeks, eight weeks? How come we're not able to test everybody?" The reality is, it's really complicated to develop tests-
- Danielle Pletka: To develop accurate tests.
- Marc Thiessen: To develop accurate tests. That's right, but well, we need accurate tests if we're going to be able to ... We want to move from population-based mitigation to individual mitigation where you can isolate the people who have it and let everybody else go about their business, you need testing for that. We may not get the tests in a reasonable amount of time. What about a treatment? It takes a long time to come up with a treatment. We don't have a treatment for the common cold yet, and a vaccine? That could take a long time to develop. Everybody is saying that we can have it in six, a year to 18 months, that's not necessarily so. At some point we're going to have to reopen the economy with or without these public health milestones met and we're going to have to figure out a way to do it.
- Danielle Pletka: And we've got the perfect person to do it. So, Avik Roy had a piece in the Wall Street Journal called, "Reopening the US Economy Even if the Pandemic Endures." All of you probably have seen him on TV. He's the founder of think tank in Texas called the Foundation for Research on Equal Opportunity. Before that, he was at the Manhattan Institute. He's really-
- Marc Thiessen: And almost here at AEI. We tried to steal him away and they took him back.
- Danielle Pletka: And they did, and it was a great loss to us. He went into investment banking. He was at Bain, but then he really found what I suspect is his true love, which is writing. He was an editor at Forbes, and he's a graduate of not just MIT, but also the Yale School of Medicine. So that really gives him, I think a unique perspective on these healthcare matters. And he with his colleagues put out a Foundation for Research on Equal Opportunity paper on just how it is that we can reopen without these benchmarks being met.
- Marc Thiessen: Well Avik, welcome to the podcast.
- Avik Roy: This is so exciting, Marc.

- Danielle Pletka: No one's ever said that before.
- Marc Thiessen: You are now officially our favorite guest. Well, listen-
- Avik Roy: What the hell am I doing on this podcast?
- Marc Thiessen: That's what many people ask themselves.
- Danielle Pletka: But usually afterwards.
- Marc Thiessen: You had a great piece in the Wall Street Journal recently, and you raised the question that we're all in lock down now, we've got another 3.5 million people filed for unemployment, small businesses going out of business, trillions of dollars going out in economic support for people who are put out of work. And we're all told, well, everything can go back to normal when we hit these public health benchmarks. When we get testing up, when we get a vaccine, when we get a therapeutic, and you raised the question, what happens if we don't? What happens if we don't Avik?
- Avik Roy: I mean Marc, it seems like a simple and obvious question and yet I feel like no one really thought to ask it. And that was the motivation behind basically what I've been doing now for I guess the last month or so because this consensus started to congeal let's say in mid to late March. I understand it because it comes from this century old public health playbook, which everyone who's educated in the public health world has studied from. But, there are no guarantees that we hit any of these benchmarks. And in the paper at the Foundation for Research on Equal Opportunity, my think tank, from which the Wall Street Journal essay is adapted, we go through that in a lot of detail. Why it is that ramping up testing is not as simple as it looks. Why developing a treatment is not as simple as it looks. It may take longer than people think. And why developing a vaccine not only may take longer than people think, but may actually never happen. So, which would you like to start with, Marc?
- Danielle Pletka: Well, let's actually have the practical conversation first. So, I mean the headline of your piece summarizes it and we'll [link](#) it in our transcript, but "Reopening the US Economy Even if the Pandemic Endures." So, our country is basically now divided into two camps, one camp that won't get into an elevator with you, and the other camp that thinks that everything has been exaggerated, and it doesn't seem to me that there's a healthy middle ground there. What's your bottom line? What sacrifices are going to have to be made? What are people going to have to learn to accept and how are we going to get going?
- Avik Roy: Well, our bottom line is that there is a middle ground that this is as we put it in the Wall Street Journal, it's a false dichotomy to say that the only two options are lock down forever and it's all a hoax. There are a lot of in between policy approaches we can take. To take Sweden as an example, that's one that a lot of people are talking about right now, Sweden did not do nothing. They didn't just say, okay, go have fun and don't worry about COVID-19. They actually did recommend physical distancing. They did ban sporting events and other large gatherings.
- Avik Roy: They just said for when it comes to your everyday life, take responsibility for your own safety and those around you. Wear masks and clean your surfaces and wash your hands, and I think the one area where Sweden could have done more is in protecting nursing homes and other vulnerable populations where in general, even

in the United States, we just haven't done a good job of protecting truly vulnerable populations. But that model has generally worked in Sweden with a lot less of the economic calamity. Basically, GDP in Sweden is down a little bit, but it's down a little bit because the rest of the world is shut down, not because Sweden has shut down. And so, that I would argue is a middle ground between lockdown forever and this is all a hoax, and the model that we articulate in the FREOPP paper and in the Wall Street Journal essay are similarly oriented.

- Danielle Pletka: So, let me ask you a little bit about Sweden, because we're all talking about it. People are thinking about Sweden as the middle ground and it's gotten a very hard look in the New York Times and in the Journal and elsewhere. So, they've obviously done lots less than both their neighbors and we have done, and as you say, they've got some precautions in place, but not as many. On the other hand, they have a death rate that is six times higher than the one in Norway, six times higher than in Finland, three times higher than Denmark. So, compared to let's say Spain and Italy, they look great. Compared to their neighbors who are most like them, they don't look too great.
- Avik Roy: Well, I might quibble with the exact multiples you described, but yes you're right, they're having higher infection rates and hospitalization rates and death rates on a per capita basis relative to some of those other countries. But, they aren't having the economic collapse, right? At the end of the day, you can't think of those two things as separate. In the United States, for example, yes, perhaps a complete lockdown of the economy is having some effect on hospitalization and death rates. But think of all the people who aren't seeking healthcare for non-COVID illnesses, right? The people who aren't getting organ transplants, the people who aren't getting their heart attacks cared for, the people who aren't going in for mammograms, the people who aren't getting their diabetes managed. How many of those people are going to die prematurely because they didn't get the healthcare they should have gotten in a normal environment?
- Avik Roy: And that's just on the healthcare front. There is a considerable body of literature around the higher risk of mortality and the reduction of life expectancy that comes from high unemployment. We've just thrown 30 million people out of their jobs. How many deaths of despair are going to take place because of the wreckage that we've imposed on the economy? So, saving lives from COVID-19 is important, but it can't be judged solely in isolation. It has to be judged by the cost of the policies that we impose to prevent them. I'll give you another example in context.
- Avik Roy: A lot of people talk about the flu and how we should compare death rates from COVID-19 to the flu. How about this? A hundred thousand people die every year in the United States from hospital born infections, meaning they're not infected when they go to the hospital, they get the infection from someone else in the hospital and they die from that, right? We don't shut down the entire hospital industry because a hundred thousand people die from hospital born infections. But, we've thrown 30 million people out of their jobs for COVID-19, and look, I'm not saying we shouldn't take measures to try to combat COVID-19, what I'm saying is we may have gone too far.
- Marc Thiessen: So, America's the can-do nation, right? We're the greatest economy, the most innovative country in human history. We've got the most vibrant free market economy. Our healthcare and our biopharmaceutical industry creates all the best cures and everything. So, Americans just assume, of course we're going to be able

to get testing up. Of course, we're going to be able to get a treatment in place in a matter of months. Of course, we'll be able to get a vaccine and it might take a little longer, but maybe 18 months if we're really slow about it. And you're saying that may not happen. Tell us about that.

Avik Roy: Yeah, sure. So, let's take each of those in sequence. So, let's talk about testing first. And people have this impression that testing should be a pretty simple affair like if we can get tested for our blood type or we can get tested for being pregnant or not, then testing for COVID-19 or the SARS-CoV-2 virus infection should be pretty easy. It turns out it's not, and that has to do with several factors. The two major kinds of tests that you can use to test of our own infection, one is called an antibody or serology test, which tests the presence of antibodies in your system to the virus. And the other test is called a PCR test, which measures the presence of the virus' RNA, it's the equivalent of DNA, in your system.

Avik Roy: So, PCR tests are really, really accurate at measuring an active infection. But there's two problems with PCR tests. One is if you had an infection but you got through it and you're out the other side and you don't have any virus in your system anymore, the PCR test won't detect anything. You won't be able to tell if you've been infected in the past. The other aspect of PCR is that it's very cumbersome to administer. Generally, you have to take a long nasal swab that's sterilized and stick it way down your nasal passage, and that has to be sent to a healthcare professional or administered by a healthcare professional and sent to a lab. So generally speaking, those tests are administered in clinics, hospitals, lab facilities. In other words, there's a bottleneck, you have to go somewhere to get tested generally speaking.

Avik Roy: The other kind of test, these antibody tests, in theory, those can be administered at home, but they have two problems. One, it often takes weeks for you to develop antibodies after you've been infected. So, you can be running around with a SARS-CoV-2 infection, infecting all your friends and not yet have antibodies. So, you can test negative for antibodies and still actually have the infection. The other problem with the antibody test is that it's not very accurate. Most antibody tests have a false negative and a false positive rate. And when you're trying to test the whole population, even if you're 99.5% accurate, that means for every 10,000 people that you test, you're going to have 500 people who are false positives say, right?

Avik Roy: So, that's a problem because in a disease like this that's highly contagious, 500 people is a lot. And that's even a really accurate test. A lot of the tests that are being used across the country are not that accurate and we just don't even know how accurate they are because the FDA is approving tests left and right without any complete concern for their accuracy. They're concerned about accuracy to a degree, but they're relaxing their standards to get these tests out. So, for all those reasons, the tests themselves are either difficult to scale up or not accurate enough to do the job. And when you add it all up, the likelihood that we have a meaningful amount of testing in the near term is very low.

Avik Roy: I'll give you an example. So, the Safra Center put out a plan to reopen the economy in which they will not open the economy at all until there are two million per day PCR tests. It may take us years to be able to deliver two million PCR tests a day, because of the cumbersome nature of administering those tests. So, that's an example of something that a bunch of public health people have put together who have never really actually built a lab test before.

- Marc Thiessen: Now, how about treatments and vaccines?
- Avik Roy: Yeah. So, sorry, we could spend all our time talking about this and I don't mean to get off track here, but the testing piece matters a lot because it's something that everyone talks about, right? Scale up testing, it should be so obvious. Treatments and vaccines, so I feel pretty confident that eventually we'll get an effective treatment to the COVID-19 disease or the SARS-CoV-2 virus or both. But the question is time, how quickly will we have an effective treatment that basically makes us completely be able to open the economy guilt-free? In other words, the way I think people are talking about treatment is if we just open the flood gates, reopen the economy completely and a lot of people go to the hospital as a result, we'll have a drug we can give them that basically treats their disease, wipes it all out and can send them back into the world, right? That's what people mean by a treatment.
- Avik Roy: And that kind of a treatment, a treatment with that level of effectiveness, the likelihood that we develop that in the next couple of weeks or months is very, very low. We just had some positive data from remdesivir a drug that a number of people have been hyping for COVID-19, and the best that can be said about that drug is it shortens your hospital stay by a couple of days. It's not a cure, it's a modest improvement on the condition. So that's much more likely what we're going to see, and that's not enough. So that's treatment, right?
- Avik Roy: So, eventually we'll get there, but will we get there soon? That's the concern and as I talk about in the Wall Street Journal article and at length in the FREOPP paper, every week matters because the average small business has four weeks of cash on hand, meaning they run out of money in four weeks and have to shut down. How many small businesses have already permanently closed in the time that we've been locked down? We cannot afford to wait six, 12 months to reopen the economy for those reasons.
- Avik Roy: And then vaccines, vaccines is a whole other ball game. You hear people talking about vaccines as if you can just snap your fingers and have a vaccine, it doesn't work that way. We've been working on developing a vaccine to HIV for almost 40 years and we still don't have one. We've been working on developing a vaccine for hepatitis C for even longer than that, we still don't have one. We have no vaccines for any other coronaviruses. The old adage, there's no cure for the common cold, well, the common cold is a coronavirus. And the reason why it's so hard to develop a vaccine for SARS-CoV-2 or coronaviruses is because they mutate a lot.
- Avik Roy: And so, you may have an antibody to the exact coronavirus that hit you, but the one that comes back in a couple months or the one that infected someone on the other end of the country, those antibodies won't work against it. So for all those reasons, developing herd immunity, developing vaccines may turn out to be a lot harder than it looks. The fastest vaccine ever developed for a dangerous viral infectious agent was the Ebola virus. That vaccine was developed in five years. So, what people are saying, when people like Fauci and say, "Oh, we'll have a vaccine in the next 12, 18 months." They're talking about tripling to quintupling vaccine development speed relative to the fastest vaccine ever developed by humanity.
- Avik Roy: Now look, I root for American ingenuity, I believe in the scientists and inventors who are working on this. But, if we are basing our entire economic policy on the hope that we quintuple the rate of vaccine development, that's not a strategy.

- Danielle Pletka: Yeah, no, and that seems to be part of the problem is that the assumption that I think a lot of people made, us included and our economists included, was that we will figure a way out of this pretty quickly, that we'll end up having a V-shaped recovery. I saw that the fed chairman Powell said we may not even have a W-shaped recovery, and I'm starting to worry about us having an S-shaped recovery in which we're at the bottom of the S and it's spiraling down the toilet.
- Marc Thiessen: Or a hockey stick which is even worse.
- Avik Roy: Or an L-shaped recovery.
- Danielle Pletka: Yeah, exactly. I had to get my toilet analogy in there somewhere, because I think a lot of people do feel like their entire lives are being flushed away. And this is really what you were talking about, the median small business holds 27 days' worth of cash in reserve. The notion that all of these small businesses, your little coffee shop, your local restaurant, those startups that angel investors were thinking highly of, that those are going to all come back as if this was just a blip, it seems increasingly ridiculous.
- Avik Roy: And it's going to concentrate corporate power as well. You think about all the mom-and-pop hardware stores that are going to go out of business. Home Depot is going to be just fine, the mom-and-pop pharmacies, the mom-and-pop corner stores, they're all going to go under. But Walmart and CVS are going to be fine. And so, the long-term toll of that is going to be just as consequential even if we do manage to get out of this hole.
- Marc Thiessen: So, you've talked about in your plan, walk us through a little bit of your plan before I start questioning you about it. Tell us what you're recommending that we do, how we reopen.
- Avik Roy: There's a lot in the paper and to anyone who wants to read the whole thing, go to [freopp.org](https://freopp.org), that's F-R-E-O-P-P. O-R-G. But, what I'll highlight-
- Marc Thiessen: We'll [link](#) to it in the transcript.
- Avik Roy: Thank you. Yeah. So what I'll highlight for you two is, first of all, it's a way of thinking on multiple levels. One, what we write and argue is that instead of having this mentality, which we've had in March and April, of "How do we scare people enough to stay home?" We should instead have a mentality of, "How do we figure out what are the low hanging and lowest hanging fruit in terms of reopening the economy, who can we get back to work as quickly as possible?" And once you have that mentality and you try to find every corner of the economy that you can reopen, you just start to think about this whole problem in a different way.
- Avik Roy: The other core element of our thinking is one of the unique things or unusual things about COVID-19 is how heavily it skews in terms of death and serious illness towards the elderly and those who are near elderly but have cardiovascular conditions like heart disease, high blood pressure, diabetes. So, knowing those two things, you can then build an approach bit by bit to reopening the economy. We know that in general, the risk of death and serious hospitalization, ICU ventilators for young people is very, very low, almost infinitesimally low, it's not zero, but it's very, very low. So, we should be able to bring kids back to school, particularly kids who don't



live with elderly or high risk adults.

Avik Roy: And also of course teachers who are old or high risk should also stay home, but everyone else should go back to school. Then, you also do the same with the workplace, get younger and healthier people back to work because then you can start to have businesses operate again. And then there's a lot of things around that in terms of how you have a contact tracing program to leverage a relatively lower level of testing but do so with maximum value and maximum effect. There are things like how do you restore air travel?

Avik Roy: But I'd say the core pieces are get workplaces back up and running with younger workers, incentivize workplaces to test their employees, which also helps by the way with consumer competence. If you're a consumer and you want to go to that restaurant or that shop, knowing that the employees there have been tested is going to be very helpful for your desire to go there. And get schools back up and running. Now it's a bit late in terms of the school year to get schools back up and running for the rest of this current academic year. But the way to do it, to make up for that is to open the next school year early. So, instead of starting school in August, like most public schools do, maybe start school in July or as early as possible to make up for the lost time from the spring. So, those are some of the key concepts that we talk about in the paper.

Marc Thiessen: So, we're running out of time, but I have a bunch of questions I wish I could ask you. So, I want to do a little bit of a lightning round at the end here because I want to get your thoughts on a few things. I mean, first of all-

Avik Roy: All right, I'll try to be concise.

Marc Thiessen: One of the problems is that, will we not then create essentially two classes of citizens in this country, high risk and low risk? And that has all sorts of problems. You're going to have the elderly who can't participate in society anymore, but young people can. You point out that COVID is much more deadly for the African American community, and so you're going to have a black, white problem. It's going to exacerbate income inequality, which is a big concern of people. Are we going to have a two tiered society and all the political resentments that come from that if we reopen in this kind of way?

Avik Roy: Well, we addressed this in depth in the paper and I'm reminded of the old, since you're both foreign policy hands, I'm reminded of the old Winston Churchill aphorism, that in capitalism, people aren't equally wealthy and in socialism, everyone's equally poor, right? And we're alluding to a similar mentality here where we have two choices, the choice where nobody goes to school and the choice where as many people go to school as possible and we use a virtual learning and other tools to mitigate the need to protect others. To me, that second option is clearly the better option, but those who believe that we should be equally poor, obviously they're going to choose option number one.

Marc Thiessen: And then, aren't we going to have a problem with the trial lawyers? Because if you don't have a cure, you don't have a treatment and people are going back to work, this is like a feeding frenzy for the trial lawyers' guild. And a lot of businesses may just not reopen because they don't want to be sued.

Avik Roy: Great question, and I think we need to do more to create safe harbor at particularly

the state level and since tort is a state based operation. We need to do more at the state level to create safe harbors for businesses that reopen. But I think most businesses have a powerful incentive to reopen because they don't have enough cash, particularly small businesses. I think large businesses that have big balance sheets maybe they align more with that thinking. And they would also, of course, generally tend to be bigger targets for lawsuits. So large businesses I think would care more about that than smaller ones.

- Marc Thiessen: And then final question from me, there's so much we don't know about this virus. We focused so much on the pulmonary aspects of the virus, but there's all sorts of anecdotal evidence that it's attacking people's hearts, that young people are having heart failure, that it's causing clotting. And, I've talked to doctors, my mom just went through COVID, and so I've talked to doctors who are telling me that it's attacking the brain in some ways. That's why you have the issues with smell, and it's even attacking T-cells like HIV. So, are we sure that when we make these assumptions that, well, young people can go back to school and young workers can go back, but the older can't, we may not know enough to say that, do we?
- Avik Roy: Well, first of all, I hope your mom's okay.
- Marc Thiessen: She's recovered. She's in a rehab center, thank you for asking.
- Danielle Pletka: And she's 92, so.
- Marc Thiessen: Exactly. So, she beat this thing.
- Avik Roy: Well, I'm glad to hear that. In terms of your question, I think of it as an opportunity not a risk. So, right now we're being overly cautious and saying, okay, we're only going to let the youngest people and the lowest risk people go back to work. But over time, as we become more intelligent and aware of, based on the evidence, who is truly at risk in both the elderly and less elderly or middle aged population, who's truly at risk, what preexisting conditions are most associated with morbidity and mortality, we can narrow that high risk population further and get more people back into the economy.
- Avik Roy: And by the way, this doesn't always have to be done through mandates and exclusion. Certain localities, particularly localities where hospital capacity is healthy and fine, they may want to say, you know what? We're not going to force you to stay home, but if you want to go back to school or if you want your kids to go back to school or you want to go back to work, you have to sign a waiver saying that you understand the risks, and then give people more latitude in that regard. So, there are different ways to do this and we should leave governors and localities some latitude in that regard.
- Danielle Pletka: So, here's our exit question. One of the things that I really worry about, and it's like any national tragedy at the beginning, everybody comes together, but very quickly everybody falls apart. And the politicization of this fight has become absolutely overwhelming. Do you see a way around that for governors like DeSantis in Florida or Abbott in Texas who have decided to open and basically who will be accused of having blood on their hands for every single death that takes place after they open?
- Avik Roy: Well, again, I'll turn to a foreign policy aphorism, which is when Henry Kissinger

went to academia and people asked him, "What's academia like relative to working in the White House?" He said, in academia the fights were a lot worse. And people were like why? It's because the stakes were so small. And here the stakes are very high. And so while there's a lot of political nonsense going on right now, I think most governors, I think at least many governors understand that their legacy is going to be determined by whether they made the right decisions or not.

Avik Roy: And I think the ones who took a more careful approach to lock downs as opposed to locking down everything and imposing arbitrary rules on people, those governors like DeSantis who've been more prudent and more responsive to the actual evidence are going to be vindicated, and the ones that destroyed their economies are not. And that ultimately will trump the politics.

Danielle Pletka: Avik, thank you so much for joining us today. This has been a terrific conversation. We just wish we could have you on for another half an hour, but truly great work and thanks for being with us.

Marc Thiessen: Thanks for joining us.

Avik Roy: Always an honor to spend time with you. Thank you so much.

Marc Thiessen: So, Dany, everybody, we all believe that America is an exceptional nation, right? And that we're the greatest, most innovative economy in the history of the world, and we should be able to conquer everything. We, as Bluto said in Animal House, "Did we quit when the Germans bombed Pearl Harbor? No, we didn't." So, if we could beat the Germans after Pearl Harbor, we should be able to beat COVID.

Danielle Pletka: The bottom line is, this is just not that easy, and we're going to have to find a middle ground. And if there were ever a time less suited to finding a middle ground in this century's history, I don't know what it is.

Marc Thiessen: We can't do this forever, and we may have to open up this economy before we have a treatment, before testing is up, certainly before we have a vaccine, but before we have a treatment. We're going to do it because we have no choice. Because eventually, I mean, you're already seeing protests in a lot of these states with people who are saying, they're sick and tired of the lockdowns and all these journalists who can telework are poo-pooing them, but these are people whose lives have been destroyed and they have a right to protest.

Marc Thiessen: I think that'll fuel populism, and that's a topic for a podcast at some point because the people are sick and tired of the experts telling them that they have to destroy their lives in order to protect public health when we may not have to. And it's going to create all sorts of issues in terms of who can reopen and who can't. The elderly and people with underlying conditions may have to stay locked down. You're going to see more people going back to school in wealthy white communities than you see in poor black communities because they're more likely to have the disease. And that's going to create all sorts of political repercussions that we haven't even begun to fathom yet.

Danielle Pletka: Right. No, I think that the different impacts are really something that we don't even have a grip on at this point. We're all still shuttered in our houses or apartments or wherever it is that we are and we haven't seen the cost. And I've been thinking

about this like ... This is something we don't talk about anymore, and so people may not know, but there used to be talk about a neutron bomb, remember? And this was a bomb that didn't knock down buildings, it just killed people.

- Danielle Pletka: And when I drive around, that's sometimes what I feel like. We're in that post-apocalyptic environment. And the thing that I'm afraid of is when we open back up that in fact all the people we think are going to come flooding back into each and every one of those corners aren't going to come. One of the most poignant things that Avik said that I think is going to fuel exactly what you said, the populism, but it's also going to horrify us as a nation is that the big guys are going to survive. The Walmarts and the Targets and the Amazons and the Home Depots and all of those places are going to be fine, but your hardware store around the corner that you love to go to, not a chance.
- Danielle Pletka: The little bookstore you love, that little cheese shop, that little hair braiding place on the corner or whatever it happens to be, those aren't going to be able to come back because those people aren't going to be able to pay their rent. And the people who rented to them aren't going to have enough money and they're not going to be willing to tolerate giving them a break. And it's going to be-
- Marc Thiessen: And people are going to be afraid to come back.
- Danielle Pletka: It's going to be a real neutron bomb for the little guys.
- Marc Thiessen: And people are going to be afraid to come back. I mean, you can open up the economy, but if people don't come out of their homes then-
- Danielle Pletka: It's the opposite of Field of Dreams, if we build it, they won't come.
- Marc Thiessen: Yeah, exactly. So I mean, if you're running a restaurant that has 200 seats and the government says, well you can run it but you should only have 100 place settings. Well, I'm sorry, I can't make a profit at 100 place settings a night. That just doesn't work.
- Danielle Pletka: This is the thing that people forget. These are places that operate on really thin margins. Lucky restaurants are operating at a seven, 8% profit rate. Can you imagine, what's going to happen if you say to that 80 seat restaurant, I'm sorry, you can only have 40 diners, but you need the same number of waiters and the same number of cooks and you're going to pay the same rent for the same space with half as many people?
- Marc Thiessen: Yeah. This isn't going to be easy. But, we're going to have to get our heads around the idea that what Avik is talking about is a real possibility, is that we are going to have to start opening up. He made a point in a tweet the other day that he said, it's worth remembering that the rationale for lockdowns is not to protect every single American from COVID-19, the purpose is to prevent Italian style overwhelming of US hospital ICU capacity. And we've done that and it's time to stop annihilating the economy. We cannot put everybody in bubble wrap and make sure that nobody gets COVID, and people in Idaho and Montana should not be stopped from living their lives and going into work because New York is having a pandemic.
- Marc Thiessen: We need to keep a balance of risks involved and understand that we can't inoculate

the entire population of America until we have a vaccine. And until that happens, there's always going to be some risk. And the question is, at what point have we done more damage to more people by the cure than we have by the disease?

Danielle Pletka: I think we're getting very rapidly to that point if we haven't passed it already. And I think one of the other things that Avik said that really stuck with me was, a hundred thousand people every single year, in other words, more people than have died of COVID in America, right? A hundred thousand people every year die of infections they get in the hospital. Should we shut down the entire hospital system to stop that? At a certain moment, we need to regain the perspective that we once had. And that time is very soon. I just wish that we were able to have an intelligent conversation about it, but hope springs eternal.

Marc Thiessen: Well, we have one here.

Danielle Pletka: We hope you think so. Thanks for sticking with us. We hope you're all safe and sound and getting ready to go back out to school and work and restaurants as soon as is possible. Good luck to everybody. Don't hesitate to send us messages. We're always really excited to hear from you.

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