

Webinar:
**The future social and political
implications of COVID-19**

WITH TYLER COWEN
PROFESSOR, GEORGE MASON UNIVERSITY

Friday, April 10, 12:30 PM ET
Pre-registration Required



Introduction: MARKUS BRUNNERMEIER

Twitter: @MarkusEconomist

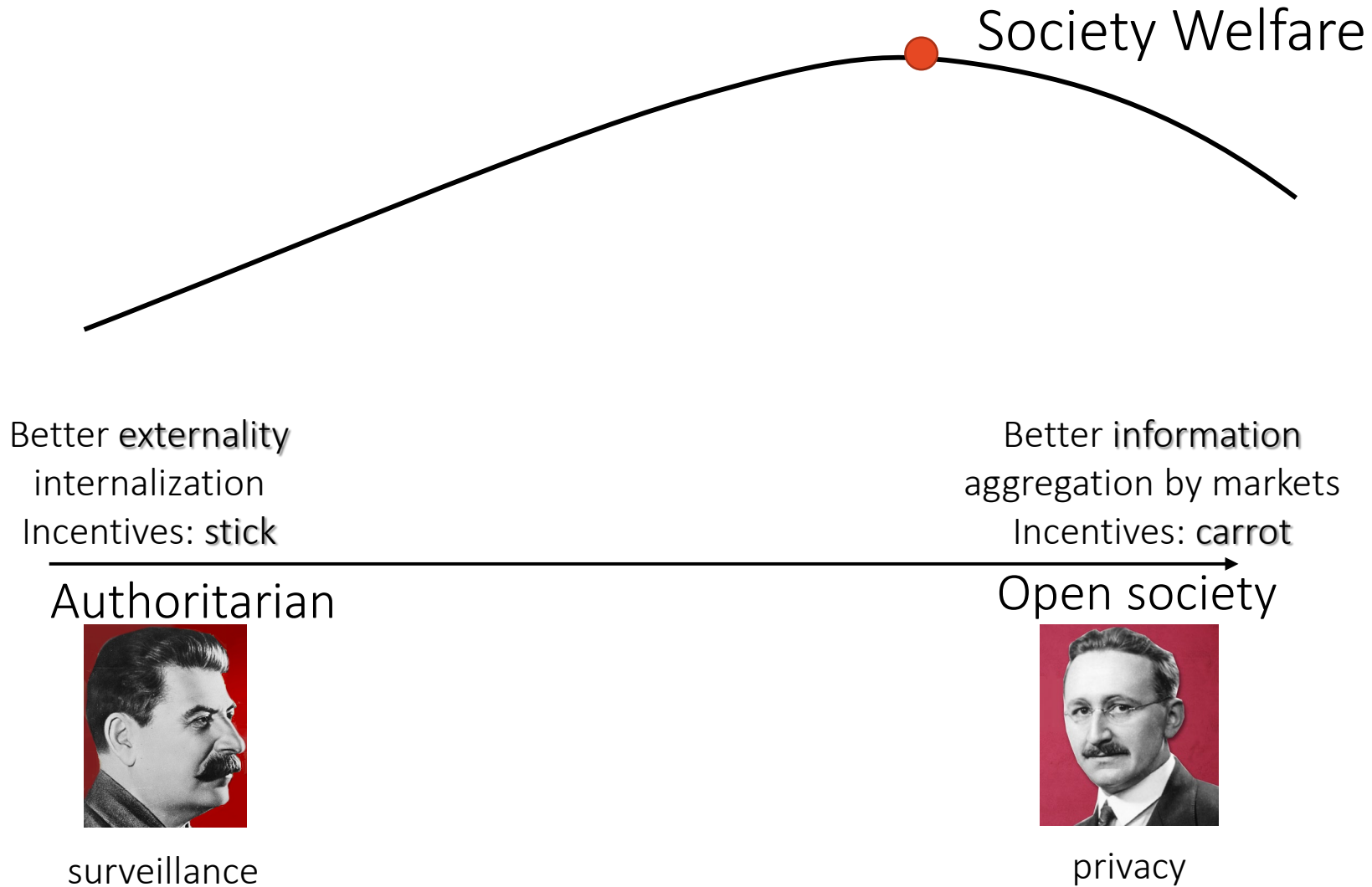
Website: bcf.Princeton.edu

Mo/Fri Lunch Webinars

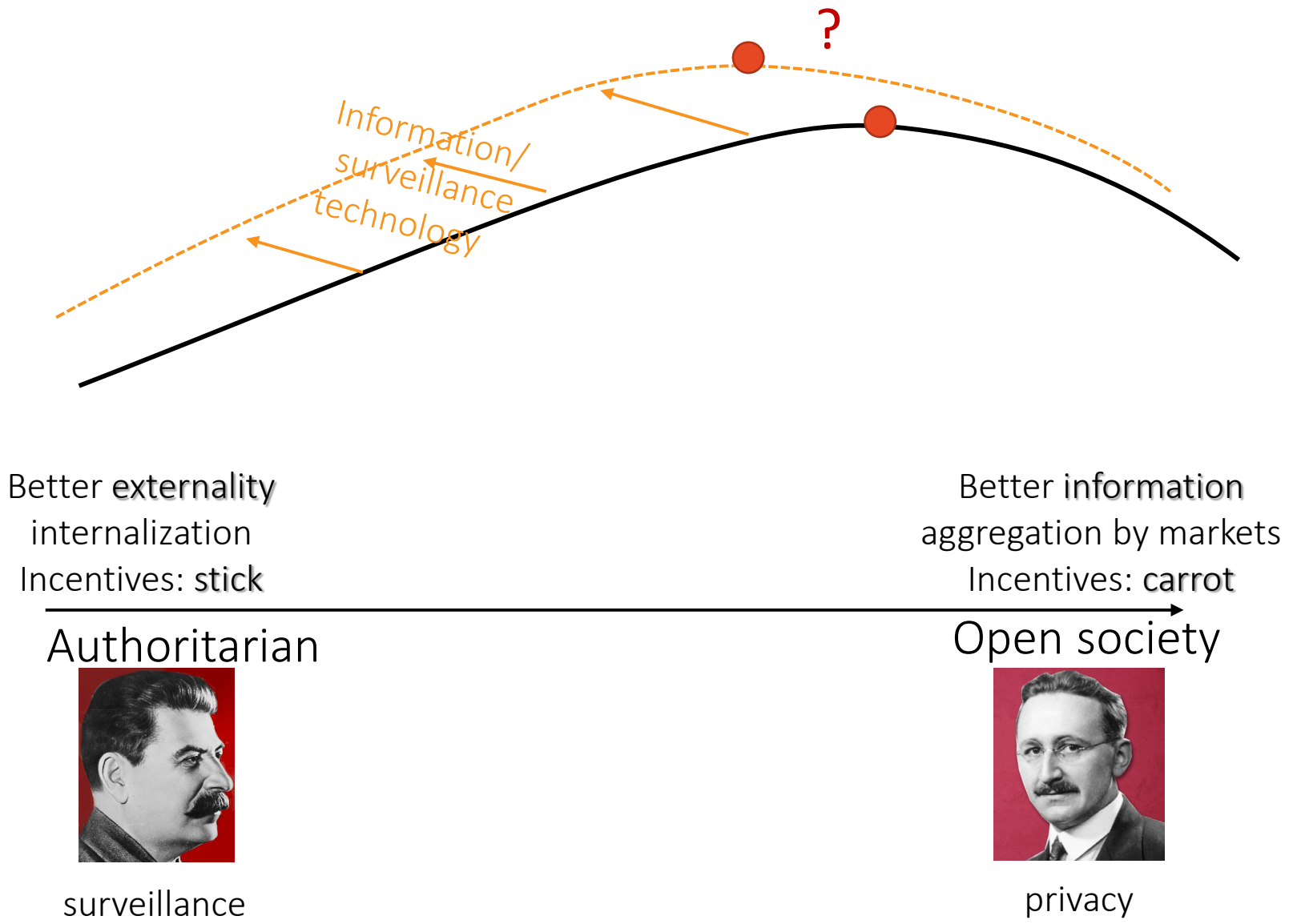
- Previous webinars
 - Paul Romer:
 - Cost efficient way forward relies on testing to bring $R(0) < 1$
 - Olivier Blanchard: fiscal policy
 - 3 forms of fiscal policy:
(1) infection fighting (2) disaster relief (people/firms) (3) AD management
 - Fiscal debt sustainability if $r^* < g$
- Speakers coming up + more
 - Deaton, Goldberg, Shin, Stiglitz, James, Rodrik, Kremer, Cochran



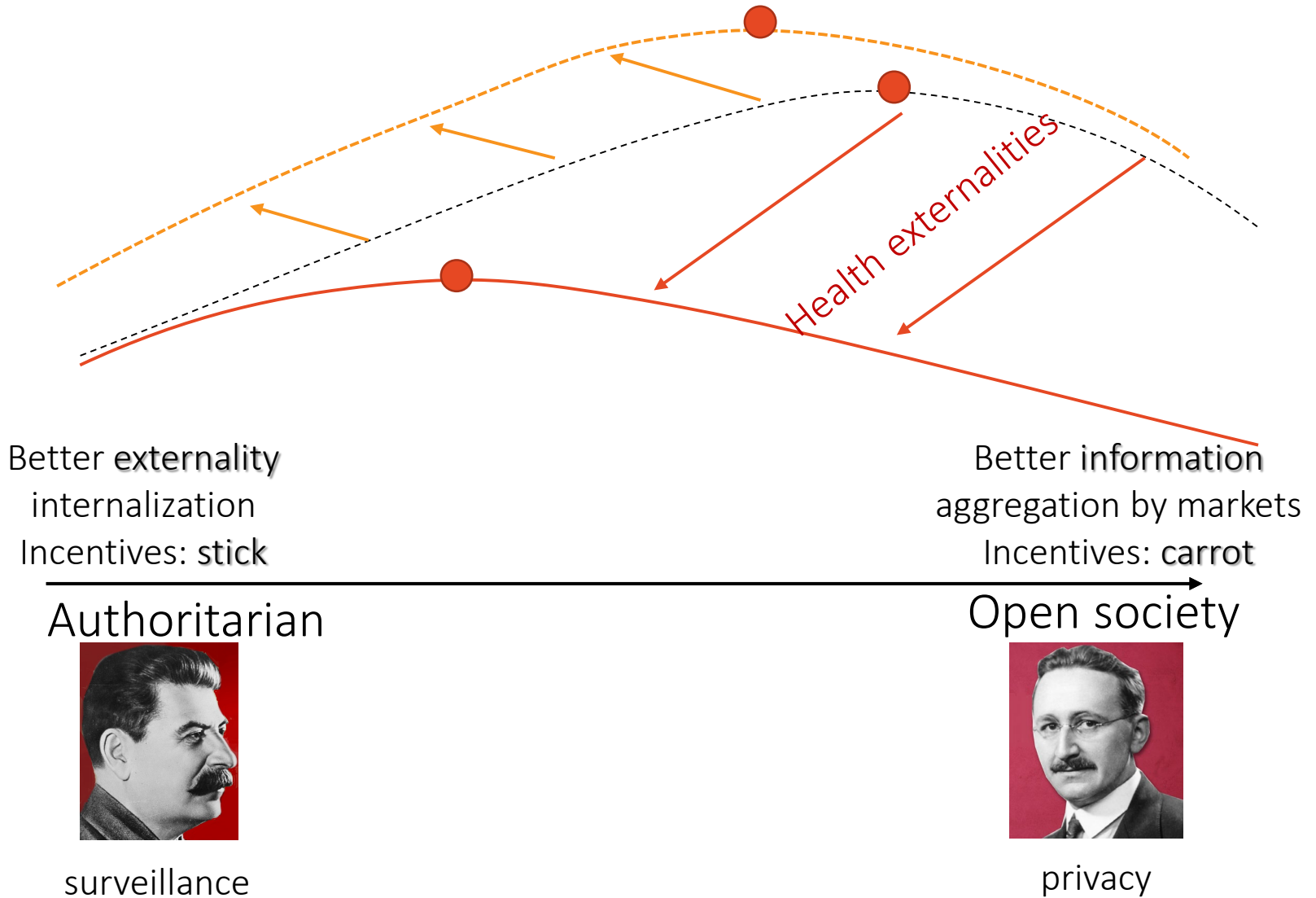
Social Order



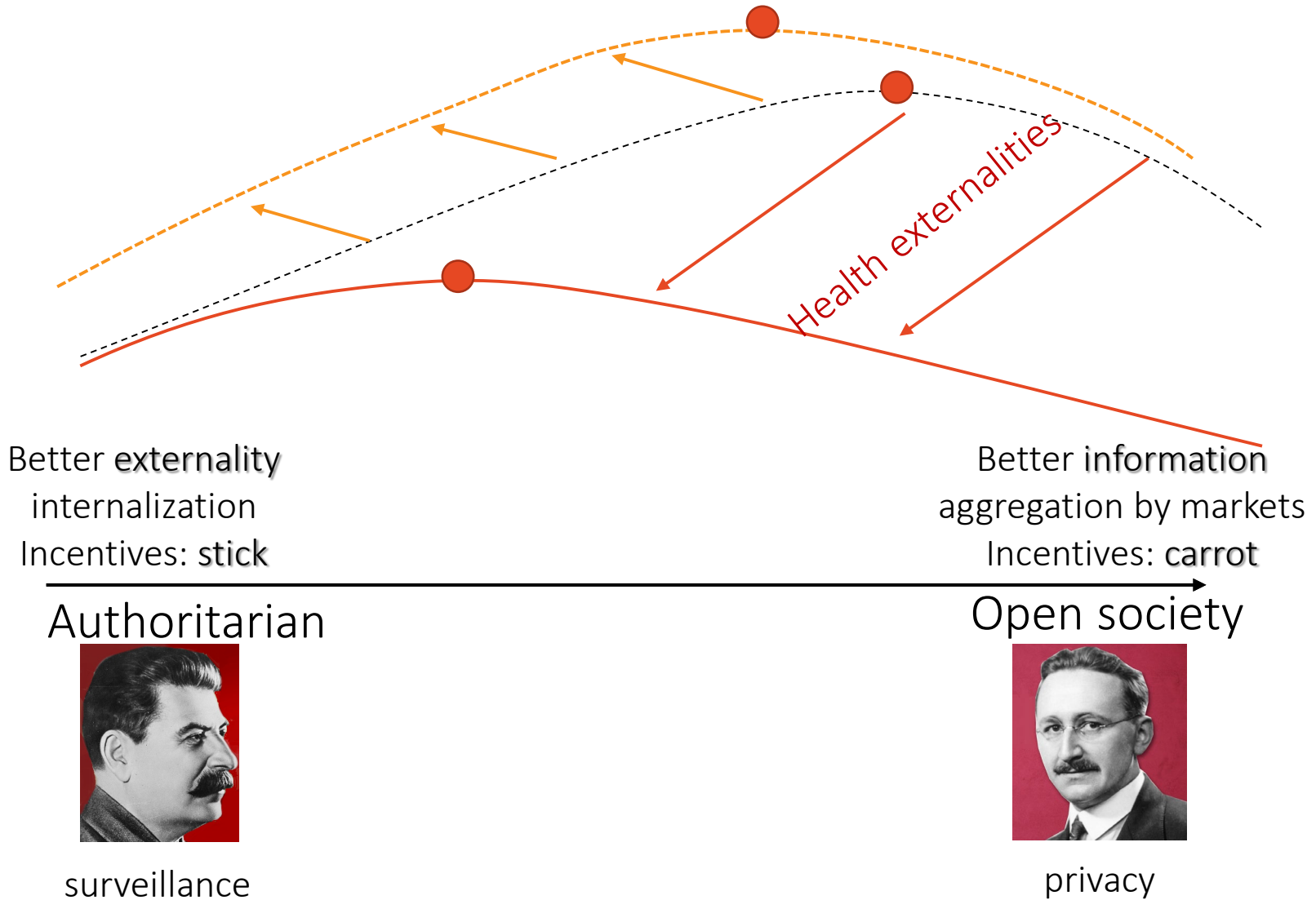
Social Order



Social Order



Social Order



- Will we return after the COVID crisis?

Poll 01: social order

- Governments will restrict individual freedoms (to internalize externalities)
 - a. permanently
 - b. only temporarily
we will return to a (relatively) "free and open society"

- Can technology be "controlled" to avoid surveillance of individual behavior
 - a. Yes
 - b. No

Expert/technocrats vs. populism



- Expertise
 - Virologists play first fiddle
 - Exponentially moving target
 - Need model
 - Similar to climate change/economics

- Populism

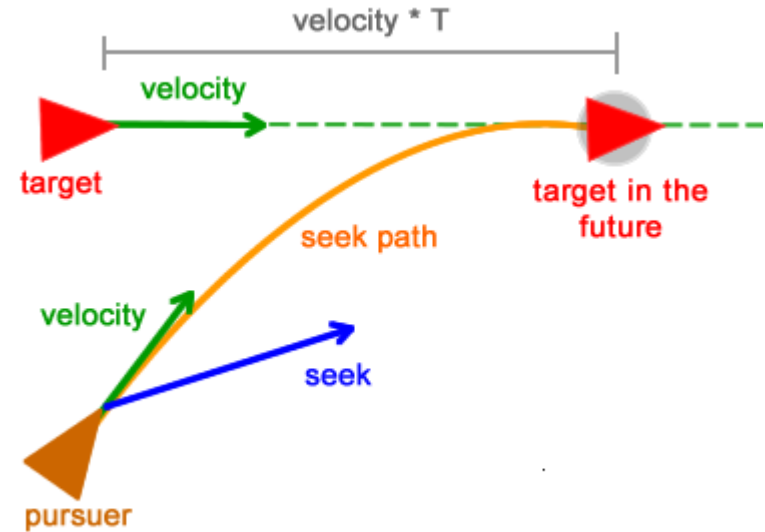
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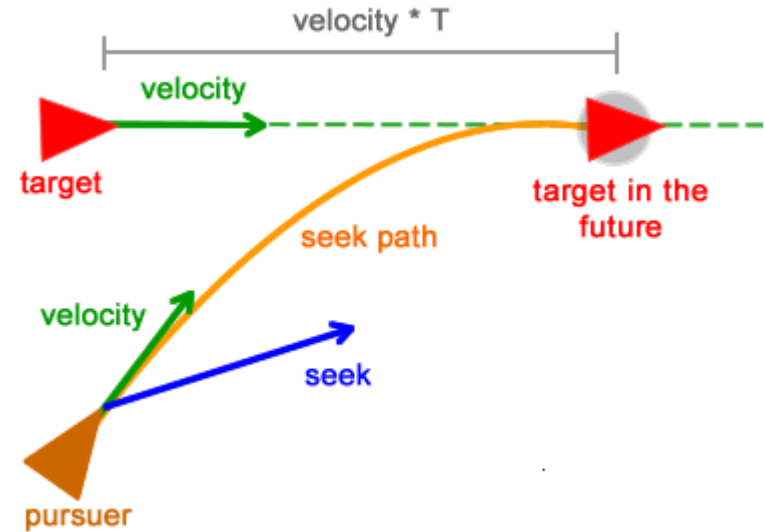
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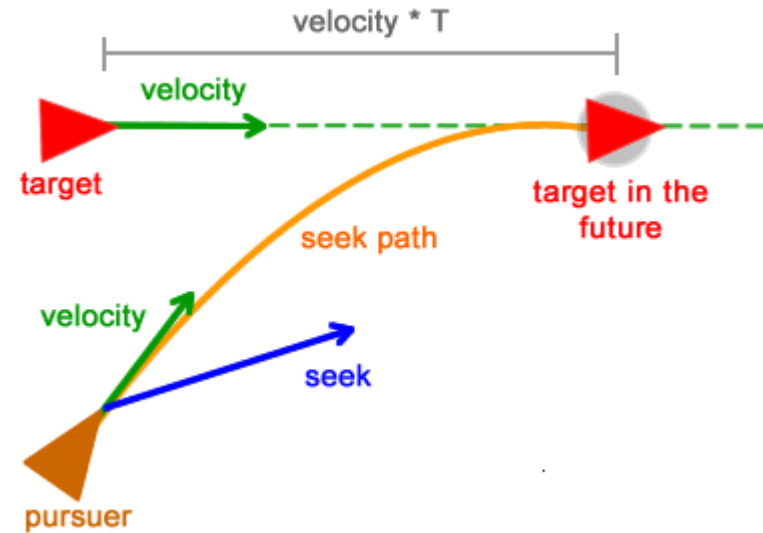
- After political backlash



Expert/technocrats vs. populism

■ Expertise

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■ Populism

- After political backlash
- Does COVID crisis reveal true quality of government?
 - Communication is key
- Are voters myopic and moody?

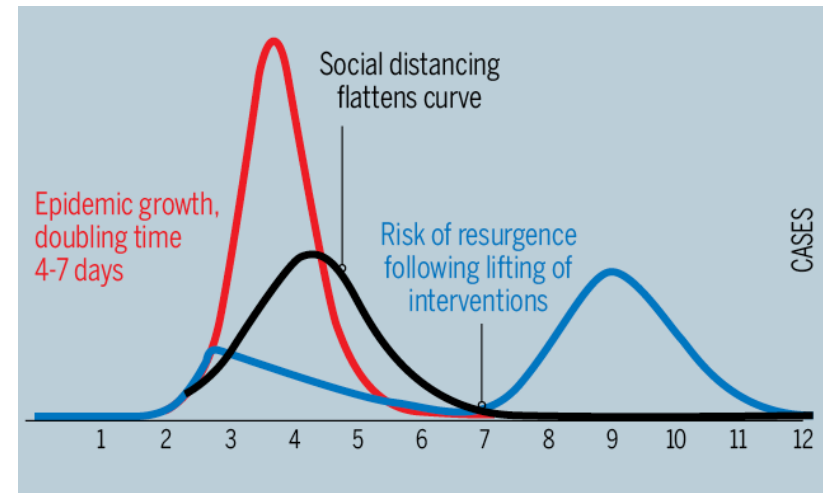
Poll 02: political stability

- How will the evolution of COVID crisis change the political landscape
 - a. Trust in political expertise (and science) trumps populism
 - b. COVID crisis will make politics less polarized
 - c. Repeated flare-ups will undermine political leadership and lead to more extremism
 - d. Religion will be playing an increasingly important role as the crisis drags on

- Will voters recognize externalities from insufficient health insurance and change attitude towards universal health insurance?
 - a. Yes
 - b. No

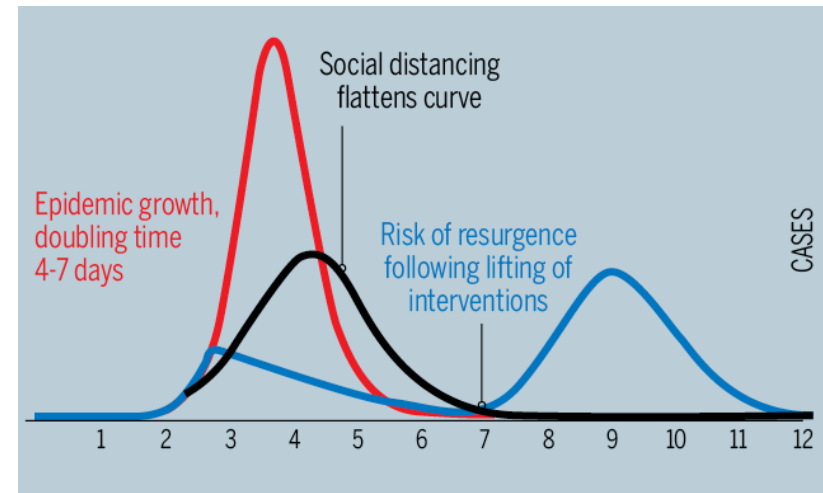
Lock-down exit decision

- Benefit of early exit
 - Fewer losses accumulate (buffers run out)
 - Political pressure will mount
- Cost of early exit
 - Second flare-up → uncertainty shatters confidence
 - economic instability (no investment)
 - political instability



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1 min pause to switch over from Markus to Tyler

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Social and political implications



Public opinion on China

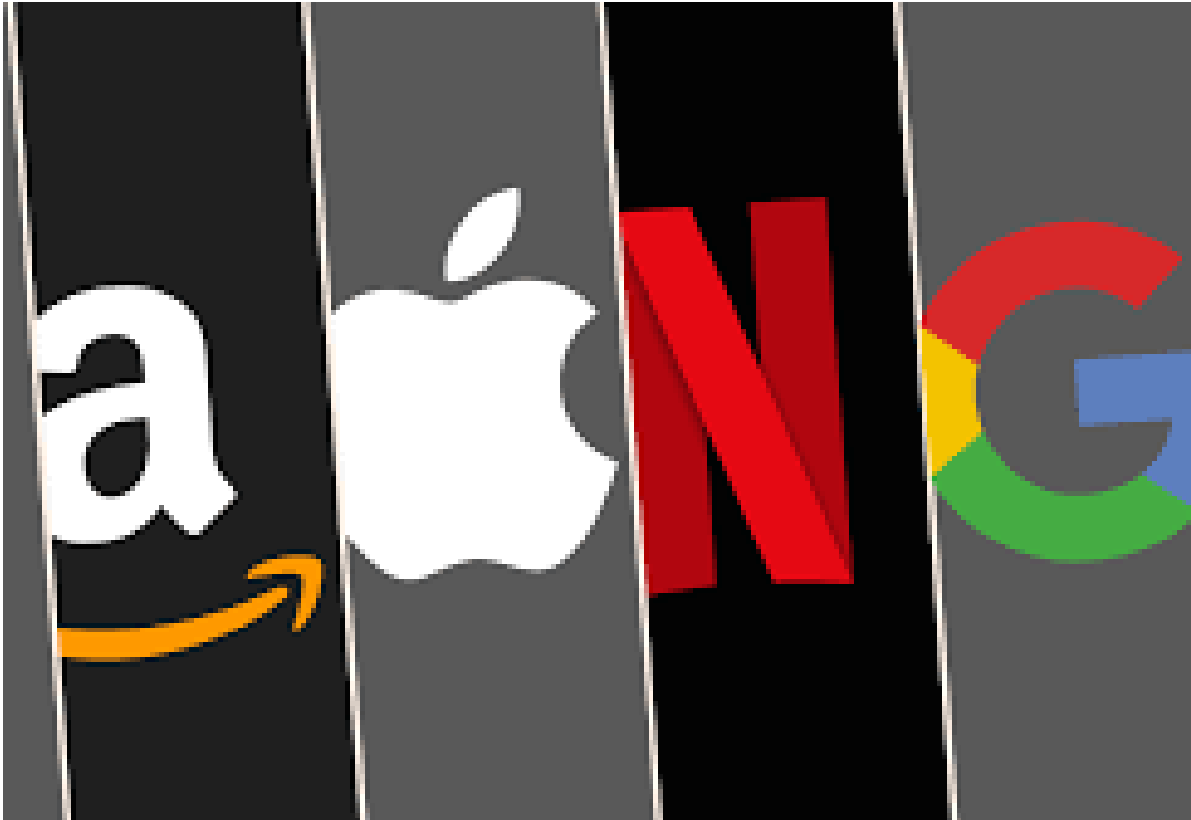


“Rally around the flag”

- Prime Minister Giuseppe Conte’s approval has rallied from 46 percent to 71 percent
- Merkel’s already stellar job performance numbers have [risen](#) 11 points, to 79 percent
- Macron has seen a 15-point jump to 51 percent [approval](#) in a country notorious for disliking its political leaders
- Cuomo’s support has [jumped](#) from 44 percent in February to 71 percent at the end of March.
- Trump?

Left, Right, and Center

- PRIVACY
- LOCKDOWNS
- GOVT. SPENDING
 - CENTRIST AUTHORITARIANISM



Well-
capitalized
firms



Deglobalization
and less
immigration

Social distancing



Telecommuting?



Services & public entertainments



Which countries/sectors will recover most quickly?



United States: rising or falling?



European Union: rising or falling?



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Thank you!

See you on Monday at 12:30

With Angus Deaton



“COVID and Death of Despair”