This page was exported from - Caledon Citizen
Export date: Thu Mar 28 13:11:31 2024 / +0000 GMT

The Plague: a few changes

by GWYNNE DYER

They teach you in journalism school never to use the phrase ?...X has changed the world forever?. Or at least they should. Covid-19 is certainly not going to change the world forever, but it is going to change quite a few things, in some cases for a long time. Here's nine of them, in no particular order.

1. The clean air over China's cities in the past month, thanks to an almost total shutdown of the big sources of pollution, has saved 20 times as many Chinese lives as Covid-19 has taken. (Air pollution kills about 1.1 million people in China every year.) People will remember this when the filthy air comes back, and want something done about it. India too.

2. Online shopping was already slowly killing the retail shops. The lockdown will force tens of millions who rarely or never shop online to do it all the time. (Yes, all the websites are crashed or booked until mid-April now, but there will be lots of time to scale them up to meet the demand.) Once customers get used to shopping online, most of them won't go back, so retail jobs will be disappearing twice as fast.

3. Not so radical a change with restaurants, but basically the same story: more take-aways and home deliveries, fewer bums on seats. Habits will change, and a lot of people won't come back afterwards. Food sold out the door generates much less cash flow than food served at the table, and half of the waiters' jobs are gone. There will be a severe cull of restaurants.

4. Once it becomes clear that ?remote working' actually works for most jobs, it will start to seem normal for people not to go in to work most days. So a steep drop in commuting, lower greenhouse-gas emissions, and eventually a lot of empty office space in city centres.

5. There will be a recession, of course, but it probably won't be as bad or as long as the one after the financial crash of 2008. It isn't a collapse of ?the market' that has cost people their jobs this time. It was a virus that made them stop working, and governments are doing far more than ever before to sustain working people through what will probably be a long siege.

When the virus is tamed and they can go back to work, the work (in most cases) will still be there. Although there will also be a few trillion dollars of extra debt.

6. Don't worry about the debt. Banks have always created as much money as the government requires. Put too much money into the economy and you'll cause inflation, which is bad, but just replacing what people would ordinarily be earning so that the economy doesn't seize up is good.

So President Macron can tell the French that no business, however small, will be allowed to go bankrupt. Prime Minister Johnson can tell the British that the government will pay them 80% of their normal income, up to a limit of £2,500 ($3,000) a month, if their work has vanished. And President Trump can talk about sprinkling ?helicopter money' on the grateful masses.

7. What is being revealed here is a deeper truth. ?Austerity' ? cutting back on the welfare state to ?balance the budget' ? is a political and ideological choice, not an economic necessity. What governments are moving into, willy-nilly, is a basic income guaranteed by the state.

Just for the duration of the crisis, they say, and it's not quite a Universal Basic Income, but that idea is now firmly on the table.

8. Collective action and government protection for the old and the poor will no longer viewed as dangerous radicalism, even in the United States. Welfare states were built all over the developed world after the Second World War. They will be expanded after the Plague ends.

Indeed, if Joe Biden were to drop out of the presidential race tomorrow for health reasons, Bernie Sanders would stand a fair chance of beating Trump in November.

9. Decisive action on the climate crisis will become possible (although not guaranteed), because we will have learned that ?business as usual' is not sacred. If we have to change the way we do business, we can.

So it's an ill wind that blows no good (a saying that was already old when John Heywood first catalogued it in 1546). Some of the anticipated changes are definitely good, but we are going to pay an enormous price in lives and in loss for these benefits. It could have been dealt with a lot better.

And the West should learn a little humility. Taiwan, South Korea and China (after the early fumble) have handled this crisis far better than Europe and North America. These are already more dead in Italy than in China, and America, Britain, France and Germany will certainly follow suit.