

**Global Economic Research**

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# Case Studies In COVID-19 Control

**There is no one-size-fits-all approach to dealing with COVID-19.**

By Carl Tannenbaum



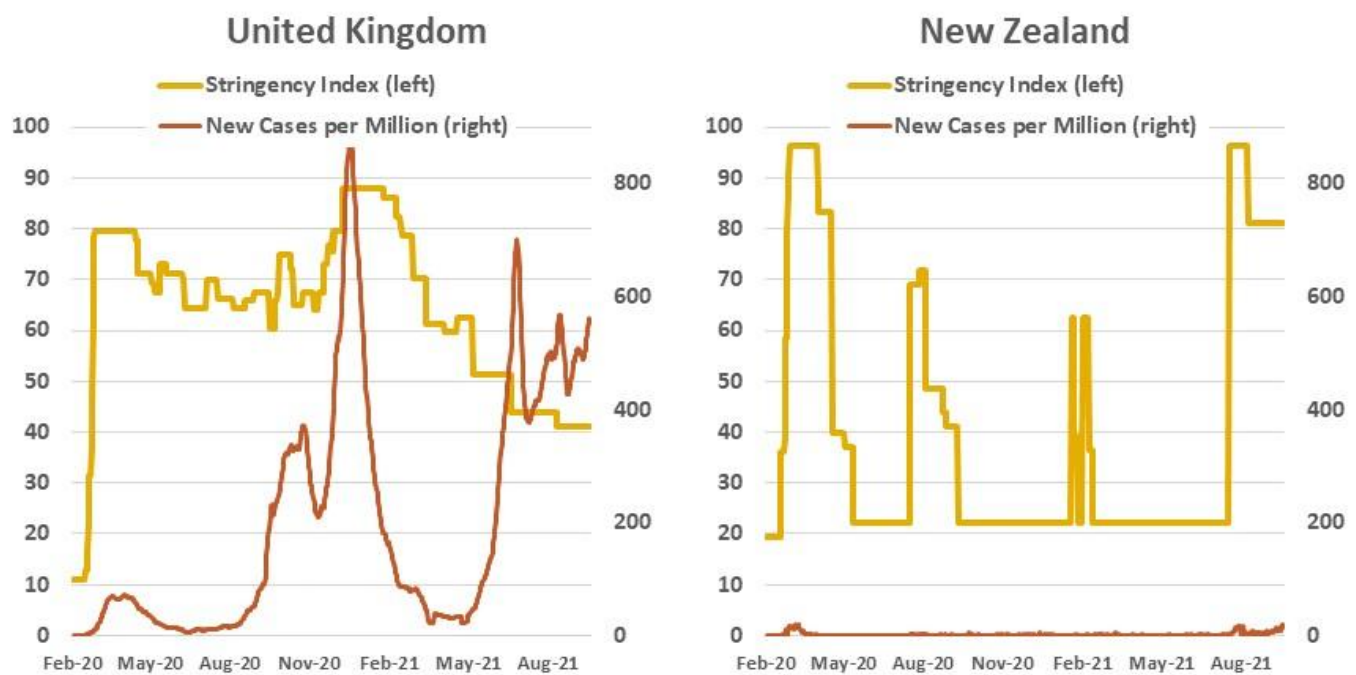
When COVID-19 burst on the scene early last year, it caused a panic. Its mode of transmission was not well understood, fatality rates were much higher than seasonal influenza, and vaccines were far off. The level of uncertainty provoked very tight public health restrictions.

A year and half on, we know quite a bit more about how COVID-19 behaves, and vaccination is a reality. Yet public health policies across countries have diverged significantly, as have their economic fortunes. The following case studies will be instructive as the world strives to “learn to live with the virus.”

The United Kingdom has had a wide range of experiences with COVID-19 in the last year and a half. Initially, the government was reluctant to implement restrictions, relying on predictions that herd immunity would be naturally acquired. That proved to be a major miscalculation, but officials quickly recognized their error and pivoted to an aggressive vaccination program. Two-thirds of the British population has been fully vaccinated.

The government lifted almost all restrictions related to COVID-19 in June. Economic activity has surged; real gross domestic product (GDP) is expected to expand at a 7% annual pace in the third quarter. Cases have remained elevated, but hospitalizations and fatalities are well down from their peaks of earlier this year.

*Countries have taken a wide range of approaches to coping with COVID-19.*



Sources: Oxford University, Our World in Data

New Zealand, by contrast, took a zero tolerance policy toward COVID-19. This tack produced early success, with very low case counts. But even the slightest increase in infection has provoked renewed lockdowns. New Zealand’s real GDP is set to decline by 7% in the third quarter, and the on-again, off-again pattern of restrictions frustrated residents.

To provide higher levels of assurance and stability, New Zealand belatedly embarked on a national vaccination program, which has brought its coverage rate from 5% on June 1st to nearly 60% today. While that is not far from the levels in the U.K., the New Zealand government has targeted a 90% vaccination rate to lift lockdowns. The experience of other developed countries suggests that may be difficult to achieve.

It is terribly hard to strike the right balance between protecting public health and promoting commerce. But the choice of where to stand along that spectrum remains a critical factor for

economic growth. And the asymmetry of approaches between countries will make it hard to restore global travel and global trade. Much as we want to put COVID-19 behind us, it is still very much present.

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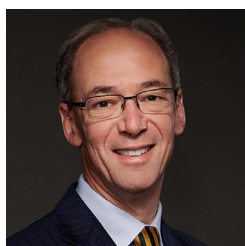
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