



**YOUR FACEBOOK FRIENDS  
ARE WRONG  
ABOUT THE  
LOCKDOWN**

A NON-HYSTERIC'S GUIDE TO COVID-19  
TOM WOODS

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## What Is This Book?

If you prefer to resume living a normal life, or not see everything you've spent decades building destroyed in a matter of months, or want your children not to waste away in a world of computer screens and "virtual playdates," you must want to kill people's grandmothers.

This is how discourse is actually being carried on in the United States right now.

Don't believe me? Take a glance social media. Fact-free hysteria, and accusations of murder, are everywhere.

I myself was initially very concerned about COVID-19, and my Twitter feed bears this out. I am still concerned, and I think vulnerable people should take sensible steps to protect themselves. But when I observed how people I now call the Doomers conducted themselves, I began to wonder: if this is such a home-run case, why are they acting like this?

Wild, exaggerated predictions carried the day. In Florida, my state, we were told we'd have 465,000 hospitalizations by the end of April. We had about 5500. Our governor closed down the state two weeks later than the Doomers wanted, so the Doomers predicted piles of corpses. These never materialized.

Some people tried to say: why, the reason we've done so much better than the predictions is that we've done such a good job living like vegetables – er, "social distancing." But the models generally assumed perfect compliance with social distancing, so they can't be saved that easily.

Then I noticed that good news from around the world was greeted almost angrily. I have never seen anything like this. It's as if some people need the virus to be an apocalyptic problem.

I would ask questions and get curt answers. "Wait two weeks," I'd be told. Then, I was assured, I would see that some country or state that hadn't joined the lockdown cult would get what was coming to it.

And then...nothing. (More on this in the chapters that follow.)

The technical ins and outs of precisely how a completely free society would handle a pandemic have been discussed on the Tom Woods Show, the Monday-through-Friday podcast I have been producing since 2013. For that material, which is rather technical, I refer you to [episode 270](#).

A book will someday be written about the regulatory thicket that slowed the response to the virus, though the number of headlines about government rules having to be suspended time after time for the sake of saving lives is a good early indicator of what we'll find when the full story is told.

This book brings together a few of my favorite articles about the virus, along with transcripts of a couple of episodes of the Tom Woods Show.

I release a new episode every weekday, incidentally, and I promise it will keep you sane during these bizarre times.

<http://www.tomwoods.com/show>

Tom Woods  
Harmony, Florida  
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## Chapter 1

### The Doomers and COVID-19 by Tom Woods

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It's astonishing how much the world changed in a matter of months.

As recently as March 7, 2020, I was having lunch in New York City with Gene Epstein, retired economics and book review editor at *Barron's*, and discussing some trips I had planned.

We were still speaking as if the decision to cancel or go ahead with these trips would be up to me, that I would make a rational risk assessment and proceed from there.

Little did we know that the world would be closed down.

One minute globalism was the best thing since sliced bread and only a xenophobe would object, and the next minute you were a grandma murderer if you so much as hinted at wanting to see the world.

What also changed quickly: the rationales for the draconian measures taken by the world's governments.

I can speak most confidently about the United States, where I live. First we were urged to "flatten the curve," which meant to spread out the infections over time rather than allow them to spike all at once and thereby overwhelm the hospitals.

(Now it's true: some advocates of "flattening the curve" believed that doing so could, in addition to minimizing the strain on the system by *spreading out* the deaths, also *reduce* the overall number of deaths. But this more nuanced position was not conveyed by the major spokesmen of the "flattening the curve" strategy.)

After most people had been confined to their homes for two or three weeks, the goalposts began to change. "Flattening the curve" became like Qbert and the Rubik's Cube. Now it was: "If it saves only one life." We heard this from Andrew Cuomo, governor of New York, and plenty of people since then: *if we save even one life with all these draconian measures, they will have been worthwhile.*

It became impossible to have a rational conversation. If you doubted any of this, you wanted people to die.

But there are perfectly good reasons to doubt it. For one thing, in no other circumstances would we think this way. If the *saving one life* criterion were honestly believed, we should ban all kinds of dangerous pastimes. We should restrict movement. We should prohibit the sale certain kinds of products.

But we don't.

Oh, but those things aren't contagious, came the reply from folks I call the Doomers.

But that's not the point. If the standard is *saving only one life*, contagiousness is of no relevance.

We don't ban the things I mentioned even though they can cause death *because we value liberty, and because these are things that make life worth living in the first place*.

For another thing, here are three recent items that pose a challenge to the glib "if it saves only one life, we must continue the lockdowns" school:

(1) The UK's Sunday *Express* – not exactly some obscure dispatch – [reports](#) that increased cancer fatalities will result from the redeployment of health resources caused by COVID hysteria. In fact, says Richard Sullivan, a professor of cancer and global health at King's College London and director of its Institute of Cancer Policy:

The number of deaths due to the disruption of cancer services is likely to outweigh the number of deaths from the coronavirus itself. The cessation and delay of cancer care will cause considerable avoidable suffering. Cancer screening services have stopped, which means we will miss our chance to catch many cancers when they are treatable and curable, such as cervical, bowel and breast. When we do restart normal service delivery after the lockdown is lifted, the backlog of cases will be a huge challenge to the healthcare system.

(2) A [United Nations report](#) in April warned that economic hardship generated by the radical interruptions of commerce could result in hundreds of thousands of additional child deaths in 2020. The report further warned that 42 million to 66 million children could fall into extreme poverty as a result of the crisis.

(3) Benjamin Miller of the Well Being Trust in Oakland, California, is co-author of a study that seeks to determine how many "deaths of despair" (from drug or alcohol abuse or suicide) will occur as a result of the pandemic.

[Their estimate: about 75,000.](#)

To be sure, some of this has to do with anxiety about the virus itself, but according to the study it's also related (obviously) to the unprecedented shutdown, extremely high unemployment, and months-long social isolation with (in many places) no clear end point.

Miller says it's crucial that people be allowed to get back to work. "People have to be working and we have to get people connected to other people," he said.

Dr. Elie Aoun, vice chairman of the American Psychiatric Association's Council on Addiction Psychiatry, said that this result, while shocking, wasn't

surprising: “I’ve been seeing this in practices and my colleagues have been talking about it, too.”

Aoun said social isolation has more consequences for the many vulnerable patients who suffer from depression, anxiety and addiction.

“Addiction patients are relapsing, and a lot of patients who don’t have drug use or alcohol problems are drinking more now, sometimes every day from 4 or 5 p.m., and they don’t stop until they sleep,” he said.

These three items go to show that shutting down the world, coupled with demands that we accept living like vegetables as the “new normal,” has consequences. They also suggest that those people who have taken the opportunity presented by COVID-19 to portray themselves as morally superior to others – unlike you selfish people, they say, I’m willing to stay home and save lives! – are not so unambiguously heroic.

Not to mention: these three items reveal the barrenness of the demand that we “listen to the experts.”

Someone may have a great deal of expertise in his field, such that we would indeed be foolish not to listen to him. When I need my car repaired I go to an expert, and pretend to understand what he tells me.

But there’s no college class that, say, an epidemiologist takes that teaches him how to balance mitigation of a virus against the secondary consequences that will follow, like the cancer deaths, child impoverishment, and deaths of despair I mentioned above. (Not to mention the scores of other avoidable causes of deaths and misery brought on by lockdowns.)

“Listen to the science,” urged the young climate activist Greta Thunberg in the middle of the COVID crisis.

Science, however, is not a neat set of infallible statements but an ongoing search for the truth. “The Science”™ has been all over the place in this crisis: how the virus spreads and doesn’t spread, the role of children (do they transmit the virus to others or not?), whether Sweden’s approach is a good idea (in April the head of the Health Emergencies Program of the World Health Organization praised Sweden’s avoidance of a lockdown as a “model”!), why some countries do so much better than others (the hysterics have ghoulishly rubbed their hands together in anticipation of a Japanese outbreak that never occurred), whether lockdowns even work (the numbers show pretty much no correlation between timing and severity of lockdowns on the one hand and the health outcomes on the other), and on and on.

We’re supposed to “listen” to a cacophony like that?

Moreover, when the “experts” act as if their concerns should be society’s only or primary concerns, they are reaching beyond their area of expertise. The “experts” are not qualified to judge for us what we should value.

Like most people, I am all for taking reasonable precautions and keeping an eye on the virus. And we can discuss which methods more effectively preserve biological life.

But is mere biological life worth living? This is not a question the “experts” are qualified to answer.

If people’s hopes, dreams, and aspirations are all dashed for an indefinite period of time, which purveyors of the present strategy almost flippantly propose, is that really living?

“Probably no large gatherings for a long time,” we’ve been told. How long?

And what are “large gatherings”?

Oh, just concerts, theater, lectures, church, sporting events, the arts in general – pretty much everything that makes life worth living.

The kind of “life” all this portends has a pulse, yes, but no soul.

If I may dwell on the “large gatherings” issue for a moment: for anyone who performs in front of an audience – dancers, musicians, comedians, magicians, athletes, singers, actors, whatever – the present pandemic strategy means your hopes and dreams are on indefinite hold, and may never be able to be fulfilled.

Dr. Zeke Emanuel of the ironically named Center for American Progress contends that we need to be on lockdown for 18 months until there’s a vaccine – as if there necessarily will be a vaccine. He says:

How are people supposed to find work if this goes on in some form for a year and a half? Is all that economic pain worth trying to stop COVID-19? The truth is we have no choice....

Conferences, concerts, sporting events, religious services, dinner in a restaurant, none of that will resume until we find a vaccine, a treatment, or a cure.

We have to be realistic, Emanuel urges us, and accept that we will be giving up cherished things for a long time, “things like schooling and income and contact with our friends and extended family.”

You read that right.

*Things like schooling and income and contact with our friends and extended family.*

This is insanity.

The response, meanwhile, has proceeded as if everyone were equally at risk. But the extraordinary thing about this virus, an aspect we had no right to expect, is that it takes a particular toll on the elderly.

Now let’s get the usual objection out of the way. *I know that some younger people have died.* Tragic as these deaths are, they amount to a rounding error. “But my friend knows someone who died at age 43” is the actual response I hear from people who



claim to be listening to The Science™. If you are responding to statistics with anecdotes, you are not qualified even to enter Science 101. It's like hearing someone say, "Men are generally taller than women," and coming back with, "What? My wife is 6'1"!"

The fact remains: more people over age 100 than under age 30 have died. According to Neil Ferguson, the principal architect of the major UK model of the virus, between one-half and two-thirds of all people dying from COVID-19 would have died within a matter of months in the absence of the virus. That means that instead of spreading our necessarily limited resources very thin, we can focus our efforts specifically on assisting the elderly until such time as an effective and widely available treatment becomes available (if it hasn't already), or until it runs its course.

In New York City, for example, the hardest-hit part of the United States, we've seen 11 deaths per 100,000 people aged 18-44. For people 75 and older, the rate is 80 times that. (If you're wondering about people under 18, their death rate per 100,000 is zero.)

But the 18-44 group – to which I myself do not even belong, I note in passing – is to be deprived indefinitely of all the wonderful things our older folks enjoyed as they grew up, despite being at virtually no risk of death from the virus.

If we have people 18-44 who are still frightened, they are free to remain isolated, have their groceries delivered to them, and so on. But they are not entitled to a chunk of your life, making you live like a vegetable, destroying everything you've worked your entire life for, or putting your hopes, dreams, and goals on hold on a semi-regular basis from now until the end of time.

My own observations in the early days of some states' reopening has been this: it's older people who seem more eager to return to normal life than younger ones. A whole bunch of them have been saying: go out and live your life. I have no right to demand anything from you. As an acquaintance of mine put it:

I relinquish any claim on the lives of the young. As an oldster who is presumed to be peculiarly susceptible to the ravages of COVID-19, I will not ask anyone to sacrifice days, weeks or months of their time, love, life, and livelihood on my behalf. It is grotesque for the old to ask the young to sacrifice for them. Go. Live your lives. Enjoy the beautiful spring weather. I have no claim on you for my welfare.

Who among my fellow oldsters will release any claims on the lives of young people?

One gimmick from the Doomers has been to ask, "Would you take a handful of jelly beans from a bowl of 100 in which three were poisoned?" This is supposed to

show me that cowering in my house (the equivalent of refusing any jelly beans) is the only rational response to the virus.

But think about it – and we’ll leave aside the gross exaggeration of the risk involved, which is far lower than three percent.

The question being asked is: would you reach in and take something if there was a chance it contained poison?

Well, it depends on *what you would suffer if you didn’t reach in*, doesn’t it?

People using this analogy are misleadingly suggesting that my only possible concern is the virus. But I have other concerns, too – namely, not spending months and possibly years living like a vegetable. That’s what happens if I don’t reach in. In the analogy, my reaching into the bowl is the equivalent of returning to normal life, and thereby taking a risk. And yes, *I am prepared to take that risk because I want to live a life that’s worth living.*

If the jelly beans represent everything I’ve worked for my whole life, if they represent financial solvency, if they represent all my hopes, dreams, and aspirations, you’d better believe I would grab that handful and eat them without the slightest hesitation.

Meanwhile, the media has for the most part been its usual demonizing self when it comes to treating people who dissent from the official version of events, who think maybe Wyoming might need a different approach from that of New York City, or who think the secondary effects of fighting the virus might wind up causing more destruction than the virus itself.

Note, for example, a story in the *Sun* (U.K.) regarding a public protest against the lockdown in Tennessee that urged the reopening of the state. The entire story involved a single sign held by a single protester. That sign read:

Sacrifice the Weak  
Re-Open TN

The article proceeded to explain to us that this was “vile” and “twisted.” Why, thank you, *Sun* reporter! Without that bit of profundity we’d never have realized there was anything objectionable about the sign! We sure couldn’t have been allowed to make up our own minds about it!

This paper must be written for people with IQs under 75.

And of course: that protester was obviously a fake. Nobody supporting reopening the state is going to say something as preposterous as “sacrifice the weak.”

What a surprise: the *Sun* didn’t even bother to interview her. Literally the entire story was about the sign.

Even though the *Sun* is a neoconservative paper, this kind of behavior is fairly typical of the left. It is impossible for them to conceive of how you and I could disagree with them apart from perverse wickedness. “Sacrifice the weak” was

doubtless the best this woman could do in summarizing why she thought people disagreed with her about the lockdowns – in the same way that the reason people might disagree with her about the welfare state is that they “hate the poor,” or they surely oppose some racial set-aside because they’re “racists,” etc.

This is projection, of course. The left portrays itself as crusaders for great moral ideals – and (if I may be more generous than they themselves are) I’m sure some of them really believe that. But I don’t think it’s much of a stretch to say that some of them are driven by baser motives: envy, hatred, and a lust to destroy.

So when they encounter people advocating, say, equal justice for all, they assume this must be cover for “racism” – because when they themselves advocate general principles, it is indeed a cover for something more sinister. Likewise, when they see people favoring a smaller public sector, this must be because those people “hate the poor.”

And when, amidst the lockdowns people advocate “freedom,” why, this must be cover for “sacrifice the weak.”

Needless to say, do not bother trying to hold a conversation with someone like this.

I also wish the Doomers would have at least a little humility. They think everything is reducible to a glib answer. Why, this state must be doing better than that one because it locked down sooner! Oh, really?

Not everything is attributable to lockdowns. In fact, based on data collected in the U.S., it’s not obvious that on net the lockdowns have helped. In the *Wall Street Journal* T.J. Rodgers wrote:

We ran a simple one-variable correlation of deaths per million and days to shutdown, which ranged from minus-10 days (some states shut down before any sign of COVID-19) to 35 days for South Dakota, one of seven states with limited or no shutdown. The correlation coefficient was 5.5% – so low that the engineers I used to employ would have summarized it as “no correlation” and moved on to find the real cause of the problem.

In early May, Governor Andrew Cuomo noted that 66 percent of a survey of 1000 recent COVID-19 hospitalizations involved people who had been – wait for it – staying at home.

“This is a surprise: Overwhelmingly, the people were at home,” said Cuomo. “We thought maybe they were taking public transportation, and we’ve taken special precautions on public transportation, but actually no, because these people were literally at home.”

For whatever reason, the virus has refused to behave the way Doomers have assured us it must. Supporters of The Science™ told me in mid-March when Hong

Kong was reporting a doubling of “confirmed cases” that I should start expecting deaths within a couple of weeks.

Eight weeks later, not one additional death.

For that matter, why did the wave of deaths predicted for Japan never materialize?

This one is a particularly interesting case study in how Doomers have operated. Despite plenty of contact with China and only modest coercive measures taken, Japan experienced very few COVID-19 deaths. Doomers had a ready answer for this: why, Japan is covering up the deaths because it doesn’t want to jeopardize the Olympics!

Then the Olympics were postponed. No stream of hidden deaths appeared.

In early April the Japanese government asked for voluntary compliance with further social distancing policies. The press was full of “too little, too late” gloating, and grim warnings of – what else? – overwhelmed hospitals.

At last Japan would pay for its laxity! The ghouls were practically licking their chops. It was deranged.

Two weeks went by. Three weeks. Four. Japan’s daily death toll continued to fall.

How did the Doomers account for this?

Why, the Japanese people are very concerned about hygiene, and wear masks, and don’t shake hands, etc.

Well, yes, but all these things *had already been true for many years*. If these things were enough to stave off disaster, then why did the Doomers predict disaster in Japan in the first place? Were they so ignorant that they didn’t know these features of Japanese life? Or are they trotting them out now out of sheer desperation, because according to their cartoonish view Japan really should be awash in deaths and they have no idea why it isn’t?

For that matter, why was Iran hit so hard, and neighboring Iraq barely at all?

What is so hard about admitting: *we aren’t really sure what’s going on here?* I realize that that isn’t as exciting as predicting the apocalypse, but it would be more humble, and more responsible.

Technical details aside, what it all boils down to is this:

Either we are going to live, or we are not.

Life is riskier in the age of COVID-19. That’s true.

But for the vast majority of people, it’s not that much riskier.

Thankfully, we know precisely the kinds of people who require special consideration and attention. We had no right to expect this from a virus. This should help us as we try to cope with it.

Or so you would think.

Instead, Doomers genuinely want to discontinue those life-giving pleasures that give meaning and fulfillment to otherwise drab existences.

Oh, well, they say, there’s nothing we can do.

There *is* something you can do! You can live!

You have an infinitesimally small chance of being someone who contracts and dies from COVID-19.

Was your risk level precisely where you needed it to be, down to three significant digits, before this virus came along? Because that would be an extraordinary coincidence: you were at just the risk profile you could tolerate, and then a very slight increase in risk meant you had to shut your life down.

But you could transmit the virus to someone else, they say. And that's true. This is why people most likely to suffer serious consequences from it should probably isolate themselves – but I'm certainly not going to render judgment on a grandmother who decides she'd rather take her chances embracing her family members than spending her time isolated in a nursing home, wasting away physically, mentally, and emotionally.

If we don't agree to focus our efforts on safeguarding the elderly in particular (remember, more people older than 100 have died from COVID than have people under 30), then life becomes a miserable series of deprivations.

Consider this social-media testimony from a choir singer. Imagine living like this:

I'll sum up for those who couldn't attend the ACDA/NATS/ChorusAmerica/BarberShop/national Pandemic webinar:

There is no safe way for choirs to rehearse together until there is a vaccine or 95% effective treatment in place, most likely one to two years. Perhaps occasionally outside in small groups, but only when the wind is not at your back. Masks and spacing do not protect your singers from contagion, and singers are super spreaders.

Though there may be some mitigation using a combination of UV lights and fan/atmosphere scrubbing inside, it is not 100% effective and the UV in particular may be both expensive and dangerous.

No concerts or public performances this fall, and frankly, maybe not for 1 to 2 years, though we actually don't know.

Once rapid testing becomes available, possibility to rehearse with immediate testing before every rehearsal with ironclad agreements from choir members.

AUDIENCE: liability insurance for your arts organization. Temperature checks at the door and required masks. US government phase THREE recommendations for actual safe return to public performances.

So instead of isolating the sick and vulnerable, every activity that brings people joy is to be made miserable or discontinued.

When will someone say: *we refuse to live like this?*

We already have some elderly and immunocompromised people, including friends of mine, saying: *We don't even want you to live like this! We're not asking for this! Go enjoy the one life you get, and we will do our best until conditions change! We don't want our grandchildren's lives ruined, and we don't want to spend our final days staring at a computer screen!*

At least that way we can focus our resources on people who really need it, instead of fruitlessly trying to ship millions of “tests” all over the place.

In the UK, Lord Sumption just wrote:

What sort of life do we think we are protecting? There is more to life than the avoidance of death. Life is a drink with friends. Life is a crowded football match or a live concert. Life is a family celebration with children and grandchildren. Life is companionship, an arm around one's back, laughter or tears shared at less than two meters. These things are not just optional extras. They are life itself. They are fundamental to our humanity, to our existence as social beings. Of course death is permanent, whereas joy may be temporarily suspended. But the force of that point depends on how temporary it really is.

Right on.

## Chapter 2

### No One Elected Bill Gates, Dr. Fauci, or the Infectious Disease Cartel to Perform a Social Science Experiment on the American People

by David Stockman

*David Stockman served as director of the Office of Management and Budget under Ronald Reagan, and publishes the indispensable [David Stockman's Contra Corner](#).*

We didn't know that Bill Gates had been elected to any public office.

But apparently the *Wall Street Journal* thinks otherwise, as indicated by today's [May 6, 2020] top-of-the-fold headline, claiming "government officials" are making dire new warnings about the COVID:

U.S. Officials Warn of New Virus Surge as States Reopen:  
U.S. Death Toll Could Reach 135,000 by Early August

The very first line of the story, however, backpedals to "researchers and officials" and then cuts to the chase. This whole scary headline story and doubling of the COVID mortality estimate comes not from elected officials at all, but from Bill Gates's personal think-tank and PR agency called the Institute for Health Metrics and Evaluation (IHME) at the University of Washington.

The latter has received upwards of \$400 million from the Bill and Melinda Gates Foundation over the years and has established itself as the go-to modeling joint for the WHO, CDC and other government health agencies:

The U.S. death toll could approach 135,000 by early August, according to the University of Washington's Institute for Health Metrics and Evaluation, which produces a COVID-19 forecast sometimes cited by the White House.

The institute doubled its previous death-toll projection to reflect **increasing movement of people and the relaxation of social-distancing guidelines in some places as many states start to reopen their economies**, the institute said.

Alas, the bolded sentence tells you all you need to know. If officialdom dares to allow citizens to move about freely and resume normal economic life, they are purportedly issuing a death sentence to tens of thousands of Americans.

Folks, that's unadorned malarkey. It not only threatens the very foundations of liberty and capitalist prosperity, but it is also junk science.

The model's equations falsely presume that the natural and virtually unstoppable spread of the coronavirus among the human population can be reversed by a state-ordered lockdown regime, which it can't; and that whenever such regime *isn't* toggled "on" in the model, the spreading virus generates a fixed probability rate of death among the exposed population.

That's self-evidently a case of junk in, junk out. That's because the overwhelming evidence is that the COVID mortality rate is a massively variable function of the age and health condition of the affected population, not the degree to which the state's social control regime thwarts the spread of the coronavirus.

You can't even remotely explain by the "increasing movement of people" why there has been a mortality rate of 194 per 100,000 in the Bronx versus a rate of 3.0 per 100,000 in Texas.

Indeed, you can't even explain the massive variability within the state of New York – which is by all accounts ground zero of the pandemic – by the social control regime, which has been equally brutal from Buffalo to Montauk.

Yet the mortality rate ranges from 194 and 185 per 100,000 in the Bronx and Queens, respectively, to 125 on Staten Island, 84 in Suffolk County (eastern Long Island), just 17 per 100,000 among the 6.7 million New Yorkers who live outside the New York City metro area, and less than 3 per 100,000 in many out-state counties within the latter group.

Stated differently, when the same social-distancing/plenary quarantine regime produces a 12:1 difference in mortality outcomes among separate but adjacent multi-million populations, then even almighty "science" would suggest you look for other explanatory variables. And, of course, those are age and medical condition – neither of which are given the time of day in the Lockdown orders or the above cited IHME models.

As to the former, here is the age gradient for New York for the same data that embodies the massive regional differences cited above. To wit, the mortality rate per 100,000 for New York state overall as of May 3rd was:

- 0-29 years: 1.0;
- 30-49 years: 19;
- 50-59 years: 70;
- 60-69 years: 175;
- 70-79 years: 407;
- 80 years +: 1,893.

Q.E.D!



When the risk of death from COVID-19 infection is nearly *1900X* higher for the octogenarian population relative to those 29 years and under, then the point of across-the-board house arrest is self-evident: namely, in his “wisdom,” Governor Cuomo (and the infectious disease cartel for which he shills) have taken the 7.5 million New Yorkers under 30 years of age hostage, and made them involuntary instruments of a state-imposed maneuver to protect the elderly and infirm by stopping the contagion.

Stated differently, up to 20% or more of these 7.5 million New Yorkers under 30 years have already been infected based on the state’s own antibody studies, and doubtless 50-80% of those so infected have been asymptomatic, while most of the rest have recovered from a mild illness in the normal course of shaking off the flu. Actually, there have only been 78 reported COVID deaths in this entire age cohort.

So even if only 10% of the under 30 population has been infected, the implied IFR (infected-fatality rate) is just *0.01%* (78 deaths/750,000 cases) – or barely more than the odds of being struck by lightning.

Needless to say the infectious disease lobby does not give a whit about either the infinitesimal risk to, or the liberty of, these 7.5 million citizens. They are just pawns in an arrogant but futile quest to stop the spread of a virus than cannot be stopped, save for shutting down modern society for an extended period of time that is literally unsustainable.

If any proof is needed on that score, merely consider the fact that a few dozen meat processing plants have been shut down, and already wholesale prices are soaring and grocery chains are rationing customer purchases of steak and hamburger.

Indeed, if the above New York data is split at the 60-years of age demarcation line, the folly of the plenary lockdown orders and the spurious IHME models on which they are based is plain as day.

Even in hard-hit New York, the mortality rate as of May 3rd for the 15 million New Yorkers of school and working age (under 60) was just 17 per 100,000 or not even 3% of the annual mortality rate of this demographic; and as we show below, even that risk factor is concentrated heavily in a small share of the under-60 population that already suffers from hypertension, diabetes, high cholesterol, and coronary artery diseases, among a handful of other serious medical conditions.

What that means, of course, is that the WHO/CDC/NIAID/Gates Cartel has actually taken the 15.3 million New Yorkers, who account for 80% of the state’s population but only 15% of COVID-deaths, hostage to a social science experiment which has no precedent whatsoever.

Again, the implied IFR for the entire under 60 population at a conservative 10% true infection rate is just *0.17%* (2,595 deaths/ 1.532 million infected), or spot on the rate ordinarily attributed to the common winter flu.

Surely it can't be rational to flatten the economy and the very livelihoods of the state's population to protect these working-age and school-age citizens against a tiny medical risk for their own good.

Moreover, we are using an assumption of 10% of the population to establish the denominator in these IFR calculations, when the state's own studies showed population-adjusted infection rates of 21% in New York City and nearly 15% for the state overall.

The obvious point is that even that the minority of elderly and infirm above 60 years of age, who account for 85% of the COVID deaths in New York state to date, can be protected, shielded, assisted and treated directly. Just like in every other historic outbreak of viruses and related infectious diseases, the right solution has been to quarantine the vulnerable, not arrest the healthy.

Moreover, a further break-out of the New York State data on health conditions demonstrates that isolation and treatment of the vulnerable could be efficiently and precisely targeted based on the known health status of the elderly populations.

For instance, New York's small population of 382,000 persons 80 years and over account for 38% of all with-COVID deaths in New York; and actually 11% of all COVID deaths in the entire USA.

Yet among this very small population, where the mortality rate is 1900 per 100,000 to date, the 7,230 deaths were associated with comorbidities as follows:

- Hypertension: 4,508 or 62%;
- Diabetes: 2,267 or 31%;
- High Cholesterol: 1,667 or 23%;
- Coronary artery disease: 1,109 or 15%;
- Dementia: 1,596 or 22%;
- Renal Disease: 761 or 11%;
- COPD: 671 or 9%;
- Arterial fibrillation: 921 or 13%;
- Cancer: 650 or 9%;
- Stroke: 544 or 8%.

In all, more than half of this population died in retirement and nursing homes, and suffered from a total of 14,700 of the top 10 comorbidities or 2.0 per deceased.

Yet, apparently, the geniuses who operate the Infectious Disease Cartel did not have enough common sense to recommend and help execute a full court press on the nursing homes and the sub-population of the elderly being treated for these conditions by their own doctors and other health care providers.

Indeed, the 16,320 deaths among the 60 years and older population, which account for 85% of total New York with-COVID deaths as of May 3rd, consisted of persons who were literally afflicted with the above itemized comorbidities.

That is, this vulnerable population suffered from 32,160 instances of these 10 comorbidities, or 2.0 per deceased, including 10,430 cases of hypertension and 6,275 cases of diabetes.

Would it have been beyond the capacity of the New York health department along with help from the federal Medicare/Medicaid agencies and the local hospitals and health service providers to identify this 1-5% of the state's population truly in harm's way and come to their assistance?

We think not.

And we also think that this giant social science experiment was utterly unnecessary based on the plain record of past pandemics, which have been equally contagious.

For instance, the Asian Flu outbreak of 1957 ended up with a mortality rate of 67 per 100,000 or more than triple the 19 per 100,000 attributed to COVID-19 at present.

That's the equivalent of 172,000 deaths at the current US population level, but there was no national lockdown and no mass hysteria even remotely similar to the present MSM-fueled madness.

Jeffrey Tucker brilliantly put the matter in context in a recent [post](#) entitled "Elvis Was King, Ike Was President, and 116,000 Americans Died in a Pandemic":

The year was 1957.

Elvis's new movie "Jailhouse Rock" was packing the theaters. The last episode of "I Love Lucy" aired on television. The show "West Side Story" held tryouts in Washington, D.C., and opened on Broadway in September. Ford's new car the Edsel rolled off the assembly line. The Cold War with Russia was on and "In God We Trust" appeared on U.S. currency. The first Toys R Us store opened.

Also that year, the so-called Asian Flu killed 116,000 Americans. Here is the full summary from the Centers for Disease Control:

*In February 1957, a new influenza A (H2N2) virus emerged in East Asia, triggering a pandemic ("Asian Flu"). This H2N2 virus was comprised of three different genes from an H2N2 virus that originated from an avian influenza A virus, including the H2 hemagglutinin and the N2 neuraminidase genes. It was first reported in Singapore in February 1957, Hong Kong in April 1957, and in coastal cities in the United States in*

*summer 1957. The estimated number of deaths was 1.1 million worldwide and 116,000 in the United States.*

Like the current pandemic, there was a demographic pattern to the deaths. It hit the elderly population with heart and lung disease. In a frightening twist, the virus could also be fatal for pregnant women. The infection rate was probably even higher than the Spanish flu of 1918 (675,000 Americans died from this), but this lowered the overall case fatality rate to 0.67%. A vaccine became available in late 1957 but was not widely distributed.

The population of the U.S. at the time was 172 million, which is a little more than half of the current population. Life expectancy was 69 as versus 78 today. Even with shorter lives, it was a healthier population with lower rates of obesity. To extrapolate the data to a counterfactual, we can conclude that this virus was more wicked than COVID-19 thus far.

What's remarkable when we look back at this year, next to nothing was shut down. Restaurants, schools, theaters, sporting events, travel – everything continued without interruption. Without a 24-hour news cycle with thousands of news agencies and a billion websites hungry for traffic, mostly people paid no attention other than to keep basic hygiene. It was covered in the press as a medical problem. The notion that there was a political solution never occurred to anyone....

## Chapter 3

### The Three Nations of COVID and a Windbag Named Fauci by David Stockman

If you don't think our so-called mainstream rulers have gone off the deep end, just consider New York Mayor Bill de Blasio's recent menacing tweets to the orthodox Jewish community in Brooklyn, which has insisted on holding funerals, including one Tuesday [April 28, 2020] for a revered 73-year old rabbi attended by upwards of 2,000 mourners:

“Something absolutely unacceptable happened in Williamsburg tonite: a large funeral gathering in the middle of this pandemic,” the mayor said in one post. “When I heard, I went there myself to ensure the crowd was dispersed. And what I saw *will not* be tolerated so long as we are fighting the coronavirus.”

My message to the Jewish community, and all communities, is this simple: the time for warnings has passed. I have instructed the NYPD to proceed immediately to summons or even arrest those who gather in large groups. This is about stopping this disease and saving lives. Period.

Well, NYC is nearly a ghost town and now its idiotic ruling pols are suggesting that, apparently, only ghosts may attend funerals without governmental permission!

But actually, the photo linked below from the offending funeral is another picture worth a thousand words.

That's because by now, everyone, and we mean everyone, knows that COVID-19 strikes the elderly, the frail and the already disease-afflicted; and that these vulnerable populations need to not only “social distance,” but actually stay home and keep out of harm's way completely.

That appears to be exactly what happened at Rabbi Mertz' funeral. If you can spot an octogenarian in [this crowd](#), or even a grandfather, your eyesight is better than Clark Kent's.

And besides being preponderantly way under 50-somethings, they congregated outdoors and virtually all were wearing masks. Yet claiming to speak for some latter-day “Committee of Public Safety,” Mayor Robespierre actually threatened to bring in the gendarmes.

As to whether these citizens should be jailed or fined, let's start with a tale of two Lockdown Nations – New York City and the semi-socialist Republic of California.

Both have imposed severe stay-at-home and business shutdown orders almost from the day the Donald issued his unfortunate March 16 guidelines. Yet here are the results 45 days later with respect to their mortality rates, which is ostensibly the reason officialdom issued these draconian “cease and desist” orders in the first place.

To wit, the mortality rate as of April 28 was 143 per 100,000 in New York City and 4.6 per 100,000 in the state of California. Essentially the same public health policy lockdown, but night and day differences in the outcome.

Yes, New York is more dense than California on average, but that doesn’t even remotely explain the difference. That’s because by now there is overwhelming evidence that the severity of the quarantine regime has essentially zero impact on the mortality metrics.

And folks, even the Virus Patrol hardliners don’t claim their lockdown orders are designed to prevent 3-day hospital stays by people who get an unusually stubborn case of the winter flu. This is about death prevention and that’s why they run the Chyron of Death across the CNN screen day and night.

But there is zero correlation:

- California: Heavy lockdown, 4.6 deaths per 100,000;
- Iowa: No lockdown, 4.3 deaths per 100,000;
- Texas: Light lockdown, 2.4 deaths per 100,000;
- Washington state: Heavy lockdown, 10.0 deaths per 100,000;
- Colorado: Inconsistent lockdown, 12.2 deaths per 100,000;
- Georgia: Late Lockdown now lifted, 10.0 deaths per 100,000.
- Maine: Heavy Lockdown, 3.8 deaths per 100,000;
- Massachusetts: Heavy Lockdown, 45.7 deaths per 100,000.

We call attention to Washington state, Maine and Massachusetts especially because even though they all have severe statewide lockdown regimes and their overall mortality rates vary widely, from 3.8 per 100,000 in Maine to 45.7 per 100,000 in Massachusetts, they do share one thing in common. To wit, 40-60% of their COVID fatalities have been in nursing homes.

In Maine, 53% of COVID deaths were in nursing homes, meaning that the actual COVID mortality rate for the general population is just 1.8 per 100,000 and in Massachusetts 56% are nursing home fatalities, meaning the general rate is 21 per 100,000.

Ironically, Sweden has one of the least restrictive lockdown regimes in the world – schools, businesses, restaurants and retail remain open – yet its mortality rate of 22 per 100,000 is virtually the same as the lockdown state of Massachusetts.

Self-evidently, what matters is not how economically suicidal the lockdown regime is from one jurisdiction to the next, but the age, health status and general frailty/vulnerability of the populations at issue. In the case of Washington state where

the first corona cases occurred, upwards of 40% of the 690 deaths to date have been in nursing homes, meaning that its general population mortality is just 6.0 per 100,000.

As we amplify below, these single-digit rates are rounding errors on the scheme of things, even as all deaths are both regrettable and inevitable. But by what rational calculation does Governor Inslee insist on keeping the state in Lockdown and its economy heading into the drink?

Someone might dare inform him that the general mortality rate from all causes for his citizens is 900 per 100,000 annually, and that, therefore, he is imposing the economic mayhem evident in these charts below owing to a risk of COVID death for the general population of his state that so far has been 0.7% of the normal average.

**Exhibit 6: Activity in Seattle Shows Little Sign of Recovery**



Source: Goldman Sachs Global Investment Research, OpenTable

Stated differently, had Patient Zero (aka the Donald) not been the victim of malpractice by his doctors led by Fauci and the Scarf Lady, he might have been advised to dial in on day #1 to the heart of the COVID threat. Namely, the 15,600 nursing homes in America, which domicile some 1.5 million residents, of which one-quarter (425,000) are over the age of 80 years.

In the case of Massachusetts, where the majority of deaths have occurred in nursing homes, the average age of COVID deaths has been 82 years.

Needless to say, you did not need to be entombed in the infectious disease tunnel at the NIH for 52 years like Dr. Fauci, a pretentious 79-year old windbag who should have himself been put in a retirement home years ago, to realize that nursing homes are dense-packed with the frail, disease-afflicted elderly.

So rather than wipe out \$4 trillion of GDP via Lockdown Nation they might have started with, say, \$25 billion of incremental money for Medicare/Medicaid and the state public health agencies to zero-in on protecting, isolating and treating the nursing home residents.

After all, we find it easy to believe that spending \$20,000 per nursing home resident might have saved or extended a lot more lives than the WHO/CDC/Dr. Fauci blunderbuss assault on the entire US economy.

Indeed, with each passing update, the CDC data itself becomes an ever more dispositive indictment of the madness the Donald's doctors have imposed on the nation. It is now strikingly clear, in fact, that when it comes to COVID-19 there are three nations in America, and that the attempt to shoehorn them into a one-size-fits-all regime of state control is tantamount to insanity.

There is first the **Kids Nation** of some 61 million persons under 15 years, where even by the CDC's elastic definitions there have been just 5 with-COVID deaths thru April 28. You needn't even bother with the zero-ridden fraction of 1 per 100,000 (it's actually 0.008) to make the point.

That is to say, last year there were about 44,000 deaths among the Kids Nation – so coronavirus accounts for just 0.011% of the total, and in no sane world would it be a reason for shutting down the schools.

Of course, the Virus Patrol insists that the school closures are an unfortunate necessity because otherwise the Kids Nation would take the virus home to the **Parents/Workers Nation**. That is the 215 million citizens between 15 and 64, who account for the overwhelming share of commerce, job-holders and GDP.

Yet according to the CDC, there have been just 8,267 deaths with COVID in this massive expanse of the population, which figure represents a mortality rate of, well, 3.6 per 100,000.

But here's the thing. The normal total mortality rate for the 15-64 years old population is 335 per 100,000. So we are talking about shutting down the entire economy owing to a death rate to date which amounts to 1.1% of normal mortality in the Parents/Workers nation.

Finally, we have **Grandparents/Great Grandparents Nation**, composed of 52 million citizens. But they account for 32,000 or nearly 80% of the with-COVID deaths as of April 28 – with 15,000 of these being among those 85 years and older. By way of computation, that's 61 deaths per 100,000 for the group as a whole and 230 per 100,000 for the 85 years and older.

Stated differently, the risk of death posed by COVID-19 is 7,600X greater for Grandparents/Great Grandparents Nation overall than for Kids Nation, and 29,000 times greater for the several million Great-Grandparents afflicted with severe comorbidity and likely as not to be in the care of a nursing home. Needless to say, it did not take a catastrophic experiment with Lockdown Nation to figure this out. It was already known from China and the history of other coronaviruses.

If there were any reason or justice left in America, Dr. Fauci and the Scarf Lady and the whole CDC/WHO lobby that brought about this disaster would actually be headed for their own quarantine – the kind that doesn't happen at home and which can't be lifted by the whims of the Cuomo brothers or Mayor Robespierre.



## Chapter 4

### A Protest From France by Jörg Guido Hülsmann

*Jörg Guido Hülsmann is a professor of economics at the University of Angers (France). This chapter originally appeared at LewRockwell.com.*

After World War I, the distinguished British economist Edwin Cannan was asked, somewhat reproachfully, what he had done during the terrible war years. He replied: “I protested.” The present article is a similar protest against the current lockdown policies put into place, in most countries of the Western world, to confront the current coronavirus pandemic.

Here in France, where I live and work, President Macron announced on March 12 that all schools and universities would be shut down on the following Monday. On that Monday he appeared on television again and announced that the entire population would be confined, starting the very next day. The only exceptions would be “necessary” activities, especially medical services, energy production, security, and food production and distribution. This policy response was apparently coordinated with other European governments. Italy, Germany, and Spain applied essentially the same measures.

I think these policies are understandable and well-intentioned. Like many other commentators, I also think they are wrongheaded, harmful, and potentially disastrous. An old French proverb says that the way to hell is paved with good intentions. The present policies are no exception.

My protest concerns the basic ideas that have motivated these policies. They were clearly enunciated by President Macron in his television address of March 12. Here he made three claims that I found most intriguing.

The first one was that his government was going to apply drastic measures to “save lives” because the country was “at war” with the COVID19 virus. He repeatedly used the phrase “we are at war” (*nous sommes en guerre*).

Secondly, he insisted that it was imperative to heed the advice of “the experts,” that we all should listen to and follow the advice of the people “who know” – that is, who know the problem and how best to deal with it.

His third major point was that this emergency situation revealed how important it was to have a state-run system of public health care. How lucky are we to have such a system and to be able to rely on it now in the heat of the war against the virus!

Unsurprisingly, the president insinuated that this system would be reinforced in the future.

These are not the private ideas of Monsieur Macron. They are shared by all major governments in the European Union and by many governments in other parts of the world. They are also shared by all major political parties here in France, as well as by President Macron's predecessors. Therefore, the purpose of the following remarks is not to criticize the president of this beautiful country, or his government, or any person in particular. The purpose is to criticize the ideas on which the current policy is based.

I do not have any epidemiological knowledge or expertise. But I do have some acquaintance with questions of social organization, and I am also intimately familiar with scientific research and with the organization of scientific research. My protest does not concern the medical assessment of the COVID-19 virus and its propagation. It concerns the public policies designed to confront this problem.

As far as I can see, these policies are based on one extraordinary claim and two fundamental errors. I will discuss them in turn.

The extraordinary claim is that wartime measures such as confinement and shutdowns of commercial activity are justified by the objective to "save lives" that are at risk because of the coronavirus pandemic.

Here in Europe we have heard American presidents use such expressions since the 1960s – e.g., the "war on poverty" or the "war on drugs" or the "war on terrorism," or more recently in the "war on climate change." Odd language of this sort seemed to be one of America's many eccentricities. It also did not escape our notice that none of these would-be wars have ever been won. Despite the great sums of money that the US government has spent to fight them, despite the new state institutions that were put in place, and despite the great and growing infringements on the economic and civil liberties of ordinary Americans, the problems themselves never went away. To the contrary, they were perpetuated and aggravated.

Most European governments have joined ranks with Americans and consider that they, too, are at war with a virus. It is therefore appropriate to insist that this is metaphorical language. A war is a military conflict designed to protect the state – and thus the very institution that is commonly held to guarantee the lives and liberties of the citizens – against malicious attack from an outside power, usually another state. In a war the very existence of the state is under attack. Clearly this is not so in the present case.

Moreover, there can be no war with a virus, simply because a virus does not act. At most, therefore, the word "war" can be used here metaphorically. It then serves as a cover for and justification of infringements of the very civil and economic liberties that the state is supposed to protect.

In the traditional conception, the state is supposed to protect and promote the common good, so protecting the lives of citizens might therefore justify massive state interventions. But then the very first question should be: how many lives are at stake? Government epidemiologists, in their most dire estimates, have suggested that about ten percent of the infected might be in need of hospital care and that a large part of those would die. It was also known, by mid-March already, that this mortal threat in the great majority of cases concerned very old people, the average COVID-19 victim being around 80 years of age. The claim that instituting wartime measures that threaten the economic livelihood of the great majority of the population as well as the lives of the poorest and most fragile people of the world economy – a point on which I will say more below – in order to save the lives of a few, most of whom are close to death (a great many of whom, according to experts, would have died this year in any event), is an extraordinary one, to say the least.

Without going into any detail, let me just highlight that this contention squarely contradicts the abortion policies that Western governments have applied since the 1970s. There the reasoning was the other way around: the personal liberty and comfort of women who wished to abort their children were given priority over the right to life of these yet-unborn children. According to WHO figures, each year some 40-50 million babies are aborted worldwide. In 2018 alone, more than 224,000 babies were aborted in France. However serious the current COVID-19 pandemic may yet become, it will remain at a small fraction of these casualties. Not only have governments neglected to “save lives” when it comes to abortion, but they have in fact condoned and funded the killing of human beings on a massive scale.

They still do so now. Here in France, hospital services of nearly all kinds have been minimized or canceled to free up capacity for the treatment of COVID-19 victims – all except one, that is. Abortion services run unabated and have recently been reinforced by the legal obligation for hospital staff to provide abortions (it had previously been possible for individual doctors to refuse out of personal conviction).

The pretense that drastic policies are justified in order to “save lives” also flies in the face of past policy in other areas. In the past, too, it would have been possible to “save lives” by allocating a greater chunk of the government’s budget to state-run hospitals by further reducing speed limits on highways, by increasing foreign aid to countries on the brink of starvation, by outlawing smoking, etc. To be sure, I do not wish to make a case for such policies. My point is that it has never been the sole or highest goal of government policy to “save lives” or to extend lives as far as possible. In fact, such a policy would be utterly absurd and impractical, as I will explain further below.

It is difficult to avoid the impression that the “war to save lives” is a farce. The truth seems to be that the COVID-19 crisis has been used to extend the powers of the state. The government obtains the power to control and paralyze all other human concerns in the name of prolonging the lives of a select few. Never has this principle

been admitted in a free country. Few tyrannies have managed to extend their power this far. The current beneficiaries of these new powers are elder citizens and a few others. But make no mistake: once the state's new and previously unheard-of powers are firmly established, there is no reason that the elderly should remain especially dear to those in power. It must be feared that the very opposite will be the case.

I do not claim that the present French government seeks to grab power over life-and-death decisions, or dictatorial powers to introduce socialism through the back door under the cover of COVID-19. In fact, I cannot imagine that Macron and his government are driven by sinister motivations. I think they have the best of intentions. But the point is that there is a difference between doing good and wishing to do good.

Now for the two errors.

The first is that the experts know, and the rest of us should trust them and do as they say.

The truth is that even the most brilliant academics and practitioners have in-depth knowledge only in a very narrow field; that they have no particular expertise when it comes to devising new practical solutions; and that their professional biases are likely to induce them into various errors when it comes to solving large-scale social problems such as the current pandemic. This is clear in my own discipline, economics, but not really different in other academic fields.

The kind of knowledge that can be acquired by scientific research is just a preliminary to action. Research gathers facts and yields partial knowledge of causal connections. Economics tells us, for example, that the size of the money stock is positively related to the level of unit prices. But this is not the whole picture. Other causes come into play as well. Real-world decision-making cannot just rely on facts and other bits of partial knowledge. It must weigh the influence of a multitude of circumstances, not all of which are well known, and not all of which are directly related to the problem at stake. It must come to balanced conclusions, sometimes under rapidly changing circumstances.

In this respect, the typical expert is no expert at all. How many recipients of the Nobel Prize in economics have earned any significant money by investing their savings? How many virologists or epidemiologists have established and operated a privately run clinic or laboratory? I would never trust a colleague who had the folly to volunteer to direct a central planning board. I do not trust an epidemiologist who has the temerity to parade as a COVID-19 czar. I do not believe a government that tells me it somehow knows "the experts" who know best how to protect and run an entire country.

The precious thing about science is not to be seen in the results, which are hardly ever final. What is crucial is the scientific process, which is a competitive process based on disagreements about the validity and relevance of different research hypotheses. This process is especially important when it comes to new problems –

such as a new virus, which spreads in unheard-of ways and has unheard-of effects. It is precisely in such circumstances, when the stakes are high, that the impartial confrontation and competitive exploration of different points of view is of paramount importance. Research czars and central planners are here of no use at all. They are part of the problem.

A government which bets the house on one horse and hands the management of a pandemic over to a single person or institution achieves, at best, only one thing: that all citizens receive the same treatment. But it thereby slows down the very process which leads to the discovery of the best treatments, and which makes these treatments rapidly available to the greatest number of patients.

It is also important to keep in mind that academics – and this includes epidemiologists just as economists and lawyers – are typically government employees, and that this colors their approach to any practical problem. They are likely to think that serious problems, especially large-scale problems touching most or all citizens, should be solved by state intervention. Many of them are incapable of imagining anything else.

This problem is reinforced through a nefarious selection bias. Indeed, those academics who opt for an administrative or political career, and who make it into the higher ranks of the civil service, cannot fail to be convinced that state action is suitable and necessary to solve the most important problems. Otherwise they would hardly have chosen such a career – and it would be virtually out of the question that they should end up in leadership positions.

Consider the current WHO director, Tedros Adhanom, who I understand is a former member of a communist organization. The point is not that a WHO director should have no political opinions, or that Dr. Adhanom is an evil or incompetent person. The point is that it is unsurprising that men like him occupy leadership positions in state-run organizations, and that the approach he envisions to deal with a pandemic is likely to be colored by his personal political preconceptions, not only by medical information and good intentions.

Along with such selection bias comes a peculiar ignorance in regard to the functioning of complex social orders. This brings me to the second fundamental error that vitiates the COVID-19 policies: thinking that civil and economic liberties are some kind of consumers' good – maybe even a luxury good – that can be allowed and enjoyed only in good times. When the going gets tough, the government needs to take over and all others should step back – into confinement, if necessary.

This error is common among people who have spent too much time among politicians and in public administration. The truth is that civil and economic liberty is the most powerful vehicle to confront virtually any problem. (The notable exception is that liberty does not help to consolidate political power.) The other side of the coin is that governments typically fail whenever they set out to solve social problems, even ordinary ones – think of state-run education or housing projects, for example.

Because of the mechanics of the political process, governments are liable to overreact to any problem that is big enough to make it into the news and to become an issue for voters. Governments will then focus exclusively on this one problem. To them it becomes the most important of all problems facing humanity. If such a government has no clue about economics, it is liable to propose technical solutions that neglect the social and political dimension of what it means to solve a problem. In the present case, the “experts” have blithely proposed to shut down the entire economy because this is what “works.”

Now I do not contest that shutdowns are effective in slowing down the transmission speed of a pandemic. I have no opinion at all on the most suitable way to deal with pandemics or other problems of virology or medicine. But as an economist I know the crucial importance of the fact that there is never one single goal in human life. Each of us always pursues a great and diverse array of objectives. The practical problem for each person is to strike the right balance. Translated onto the level of the economy as a whole, the problem is to allocate the right amounts of time and material resources to the various objectives.

For most people, protecting their own lives and those of their families has a very high importance. But irrespective of how important this objective is, in practice it cannot be perfectly achieved. To protect my life I need food, which means I need to work, which in turn means I need to expose myself to all kinds of risks associated with leaving the safe space of my house and encountering nature and other human beings. In short, human lives cannot be perfectly protected, even by those who are ready to subordinate everything else to them. It is a practical impossibility. When it comes to protecting lives the only question is: how much am I willing to risk my life and the lives of those who depend on me? And it often turns out that by risking much one protects best.

Now, most people do not actually cherish the preservation of their lives, or the extension of their lifespans, as their single highest goals. Smokers, meat eaters, and drinkers prefer a shorter, more joyful life to a longer life of abstinence. Policemen, soldiers, and many citizens are often driven by the love of their country and by a love of justice. They would rather die than live under slavery or tyranny. Priests would risk their lives rather than forsake their religious commitment. A believer in Christ would rather risk death than apostasy. Sailors risk their own lives to provide for their families. Medical doctors and nurses are willing to risk their lives to help patients with infectious diseases. Rugby players and race drivers risk their lives not only for the glory of winning but also for the excitement and satisfaction that comes with performing well in dangerous circumstances. For that matter, many young men and women gladly trade the excitement of dance for the risk of catching COVID-19.

All of these people in one way or another make material contributions to the livelihood of all others. Smokers and drinkers ultimately pay for their consumption not with money (which serves them only as a tool of exchange with others), but with

the goods and services that they themselves provide to others. If they could not indulge in their desired consumption, their motivation to help others would diminish or vanish altogether. If policemen, soldiers, sailors, and nurses did not have a relatively low risk aversion, their services would be provided only at much higher cost, and possibly not at all.

The preferences and activities of all market participants are interdependent. In the market order, each one helps all others in pursuing their goals, even if these goals may ultimately contradict his own. The meat eater might be a mechanic who repairs the cars of vegetarians, or an accountant may do bookkeeping work for a vegetarian NGO. The soldier protects pacifists. Among the pacifists may be farmers who grow the food consumed by soldiers, etc.

It is neither possible nor necessary to disentangle all of these connections. The point is that in a market economy the factors determining the production of any economic good are not just technical factors. Through exchange, through the division of labor, all production processes are interrelated. The effectiveness of doctors and nurses and their assistants depends not only on the people who directly supply them with the materials they need. It also depends, indirectly, on the activities of all other producers who have not the slightest thing to do with medical services in hospitals. So even in an emergency situation it is necessary to respect the needs and priorities of these other actors. Locking them down, far from facilitating the operation of hospitals, will eventually come to haunt the latter as well, when supply chains wither and consumer staples start to diminish.

Now one might contend that such consequences arise only in the longer run and that a government confronted with an emergency situation needs to neglect long-run issues and focus on the short-run emergency. This sounds reasonable enough, which is why governments have often appealed to arguments of this sort, most notably to justify expansionary macroeconomic policies, which also trade off the present against the future.

But the reasoning is flawed in the present case. The root of the error is to believe that the COVID-19 virus is an immediate threat to human lives, whereas the lockdown policies are not. But this is not the case. How many people have committed suicide because the lockdown measures have driven them to depression and insanity? How many did not receive life-saving treatments because hospital beds and staff were reserved for COVID-19 victims? How many have become victims at home because of the lockdown-induced aggression of their spouses? How many have lost their jobs, their companies, their wealth and will be driven to suicide and aggression in the months to come? How many people in the poorest countries of the world will be driven to starvation because households and firms in the developed world have cut back demand for their products because of the lockdown?

The inevitable conclusion is that even in the short run lockdown policies are costing the lives of many people who would not otherwise have died. In the short and

the long run, the lockdown policy does not serve to “save lives” but to save the lives of some people at the expense of the lives of others.

The lockdown policies are understandable as a panic reaction of political leaders who want to do the right thing and have to make decisions with incomplete information. But upon reflection – and certainly in hindsight – they are not good policy. The lockdowns have not been conducive to the common good. While they have saved the lives of many people, they have also endangered – and are still endangering – the lives and livelihoods of many others. They have created a new and dangerous political precedent. They have reinforced the “regime uncertainty” – to use Robert Higgs’s felicitous phrase – that bears on the choices of individuals, families, communities, and firms in the years to come.

The right thing to do now is to abandon these policies swiftly and entirely. The citizens of free countries are able to protect themselves. They can act individually and collectively. They cannot act well when they are locked down. They will greet any honest and competent advice on what they can and should do, upon which they will proceed responsibly, whether alone or in coordination with others.

The greatest danger right now is in the perpetuation of the ill-conceived lockdowns, most notably under the pretext of “managing the transition” or other spurious justifications. Is it really necessary to walk through the endless list of management failures by government agents? Is it necessary to remind ourselves that people who have no skin in the game are irresponsible in the true sense of the word?

The historical precedent that comes to mind is the Great Depression. Then, too, the free world was confronted with a painful recession, when the implosion of the stock-market bubble entailed a deflationary meltdown of the financialized economy, along with massive unemployment. This recession, dire as it was, could have remained short, as had previous recessions in the US and elsewhere. Instead it was turned into a multi-year depression, thanks to the folly of FDR and his government, who tried to manage the recovery with government spending, nationalizations, and price controls.

It is not too late. It is never too late to recognize an honest error and correct an unwise course of action. Let us hope that President Macron, President Trump, and all other people of good will may rapidly come to their senses.



## Chapter 5

### The Economics of COVID-19 and the State Response by Joseph Salerno and Peter Klein

*Joseph Salerno is professor of economics at the Lubin School of Business at Pace University, and Peter Klein is professor of entrepreneurship at Baylor University. This chapter is a transcript of episode 1620 of the [Tom Woods Show](#).*

**WOODS:** I've had a number of requests for a topic just like this, because I don't know that we've ever lived through anything like this. As horrible and tragic as it is, it might be an interesting case study, because maybe by looking at the way the international division of labor is disrupted, we may understand it better and how it is supposed to work in peacetime.

Let me start off with the distinction between essential and nonessential businesses. I admit that I haven't looked closely at the criteria they're using for determining what's essential and what's nonessential. But it seems to me that that very characterization carries with it a kind of central planning mentality. It may seem to the naive central planner that such-and-such business is really not essential, but it turns out that given the interlocking nature of the different stages of production and how complex it all is, the absence of one of them could seriously disrupt others. And maybe this particular thing this person is doing seems unnecessary, but it turns out that if my air conditioning goes out, I need that guy. I need that product. And without that, all the hospitals are going to be 110 degrees, that sort of thing. Am I off base on this? I'd like to know what you each think about that.

**SALERNO:** Well, the structure of production, which is really just the latticework of interrelated firms throughout the economy, related in very different ways horizontally and vertically, as inputs and outputs, no one can really survey that mentally. No one can get a grasp on its complexity. So the problem is that, as you said, there will be gaps throughout the structure of production, and that will shrink the economy. And that's what we have right now. We have a supply-side shock that is shrinking the economy, and the Federal Reserve, with all its different programs that do essentially the same thing, create money, cannot do anything to repair those gaps, some of which are caused by people being sick and staying home, but most of which are being caused by government mandates to shut down businesses.

**WOODS:** Peter, what are your thoughts?

**KLEIN:** I think you're exactly right. The mere fact that bureaucrats think they can make this sort of clean distinction between essential and nonessential illustrates that they don't understand the interconnectedness of all the different activities in the economy.

I've pointed out to people that the current lockdowns and shelter-in-place requirements and so forth can have a lot of negative spillover effects on scientific research, including research needed to find new treatments, both preventative and therapeutic, for coronavirus. And sometimes people tell me in response, oh no, no, that's not a problem at all, because these lockdown orders exempt healthcare workers and scientific personnel who are working on a cure. But of course that simply illustrates that these folks don't understand how all of these different things are connected.

The scientist who needs to commute to work to be able to get to the lab to work on a coronavirus treatment obviously needs food, needs transportation. If that person's car has problems or has a flat tire, they need a mechanic. Well, the mechanic needs tools and equipment and food and transportation and housing for himself and maybe schooling for his children and so forth. All of these things fit together, such that there are tremendous negative spillovers from shutting down one section of the economy on other sectors of the economy.

And the mentality of central planning – maybe this is implicit in your question as well – this idea that it's perfectly fine for the authorities to make these sorts of distinctions between important and less important activities and to tell us which are which and to direct people and to say which businesses can open and close, I fear that mindset will stay with us much longer than the coronavirus health crisis.

**WOODS:** I want to know, given that so many people are just not working – some people are working from home, but there are only so many things you can do from home – how will this manifest itself over time?

**SALERNO:** Well, I think if you want to talk about statistics, in a shrinkage or reduction of GDP, there are estimates that in the second quarter, GDP will shrink by 20%. I've heard from the Bank of America, Goldman Sachs, they're all talking in these terms. Others are saying that this is going to take a year and that it could shrink by 10% of the GDP. So stuff is not going to be produced, because as Peter pointed out, there are ramifications from shutting down one industry. It's just not that industry itself whose output is lost, but many other industries that depend on that particular industry.

**KLEIN:** Yeah, and I think, Tom, there are also ramifications that will be harder to see right away in the aggregate data. There are changes in the composition of production and trade. For example, to make the obvious point, small business has

been tremendously hurt by the lockdown orders, but Amazon, of course, is thriving and hiring more people. Some of the local retailers, grocery chains, Walmart and so forth, are expanding, as they need to, because these are businesses that are exempt from the lockdown orders.

Just yesterday I was out and about in my town going to a couple of grocery stores. The big chain stores, of course, were open and thriving, but I went to one small specialty food market. It's sort of like a restaurant. No one is allowed to go in, but they are allowed to operate a drive-thru lane. But of course, this is a small, local shop. I go there only occasionally. I really have no idea what to put on a shopping list unless I can go in and walk around. So the drive-thru was not useful to me, because I need to go in and see what's available that day to know what to buy. Whereas at the standard grocery store or at Walmart or Amazon where I get my staples, I can go to Walmart.com and place an order and then go pick it up without having to leave my car. I can't do that for the mom-and-pop. So clearly, one effect of the current policy response is that we're going to see some businesses helped and some businesses harmed – again, not in a way that's consistent with consumer preferences, but consistent with the policies enacted by bureaucrats.

**WOODS:** Typically the rhetoric we tend to use when talking about bailouts and whether they are defensible goes something like this: we don't want to bail out firms or industries because doing so just rewards irresponsible management of those firms or industries. So we prefer bankruptcy proceedings to take place and ownership of the assets to pass into more capable hands. Now, there's nothing wrong with that. That makes perfect sense.

But rhetorically, does that not sound a little tone deaf right now? Are we really saying *these sure are terrible managers because they didn't anticipate a once-in-100-years pandemic that would lead to massive closures across the globe?* Are we really saying that makes them bad entrepreneurs who should be punished? The answer Peter Schiff gave was along the lines of: if like responsible people they had prepared for a rainy day, they'd have a fund to see them through these difficult times. But they don't, partly because their business model expects cheap credit to continue forever.

**SALERNO:** I think that's correct. Since the 1970s the economy has become awash in debt, and businesses have become more and more addicted to cheap credit as a backstop and have not built up surpluses. This has been a problem especially since the financial crisis of 2008. You can argue about whether or not it's the fault of the current management since this is the way things are done today, but what we need is something that purges this from people's mentality.

And also, I think relative prices have to adjust. Things will not be the same after this pandemic as they were before. Some businesses will be permanently smaller or some businesses will close. Industries will be permanently smaller. We don't know

which ones are the ones that will be affected in that way, so we have to allow the market to play itself out.

**KLEIN:** I think that's right. I'm sensitive to wanting to express the point in a way that doesn't sound tone-deaf or that seems to apply moral judgment to those entrepreneurs whose businesses cannot make it just exactly right. It's more about the environment in which we live, an environment that has been established by central banking and other forms of government policy.

At the same time, remember, as Murray Rothbard liked to emphasize, bankruptcy doesn't mean that the physical assets – and nowadays we might say the human capital or the knowledge assets of the skilled workers and so forth – all of a sudden vanish. So if small- and medium-sized businesses – even large ones – have to shut down via the bankruptcy process, it may be that those assets are still useful and may be managed in a slightly different way, or even managed in more or less the same way. It might have been that the previous owners were just as good as or no worse than any other feasible owners on the scene.

So it isn't the case that all of that economic activity will go away and that all of those managers and entrepreneurs will necessarily be completely locked out of the division of labor. They'll find another place – maybe not doing exactly the same type of work, maybe not owning exactly the same assets as before. There's this constant sorting within the competitive process of the market that operates during normal times, but it operates during extraordinary times as well.

And I think that's an important more general point that applies to competition, entrepreneurship, and the price mechanism. Those things can work and should continue to work and be allowed to work even during extraordinary times, even during a huge supply shock. Your listeners have probably heard about the problem with price controls and laws against price gouging during a natural disaster or during something like an epidemic like we have now. The same applies to the bankruptcy code and competition among firms, competition among banks, and so forth. There's no reason that we should have to suspend the normal working of the market in the face of a huge supply shock. On the contrary, this is when we want to rely on markets rather than planning more than ever.

**WOODS:** Before we get into what the Fed's response has been and what the federal government wants to do, for the sake of argument let's say that since the crisis of 2008 we had had a policy of completely sound money. So let's take the Fed out of the equation of the past dozen years or so. I'd like you to contrast for us two scenarios: (1) an economy that has just spiraled into recession because of an Austrian business cycle, with an artificial increase in credit by a central bank being followed by an inevitable bust and (2) the kind of recession everybody says we're going to have now

which is just a supply shock that, unlike the scenario in example (1) could just as easily have hit a gold standard economy. How do these two situations differ?

**SALERNO:** This is a very good question. I think the difference is that in the current case the supply shock will have ramifications because of the fractional-reserve banking system and the very fragile financial system we have. Again, since the '70s we've had an over-financialization of the economy. The real economy, the structure of production, the aggregates of capital that entrepreneurs have brought together in firms and the connections between those firms, should be the dog that wags the tail. That's where the interest rate is determined, actually. It's the rate of return throughout the economy to investment in these firms. And the interest rate that everyone talks about, the financial interest rate on loan contracts, is really just the tail. It reflects the rate of return in the structure of production. That has changed because of the Fed. So in bailing out and having a "too big to fail" policy, these financial firms have become enormous, and the cheap credit that they have injected throughout the structure of production has caused fragility among firms.

So the bottom line I think is this: there is much greater chance of collapse that wouldn't need to take place under a gold standard. The supply shock under a gold standard would be just that, a supply shock. Some businesses would close down. People would be out of work for a while, and they would then come back and production would start again. But now we have the complications of collapses that are purely financial. And this I think is the main difference.

**KLEIN:** I would just add that the modern Fed-engineered system that we have now, is also very different from a free market under the gold standard in the recovery phase in that the mistakes that are made during the boom never get a chance to be corrected or purged – because of stimulus and because of bailouts of individual companies and so forth. In a free-market system, if you had some kind of horrible supply shock caused by pandemic or war or whatever, these disruptions would be unwound or could be recovered from much more quickly.

Tom, you've written about the early 1920s in the US, when you had a very sudden contraction, but a much more rapid recovery. Even today in the US economy, we're still suffering from the malinvestments that were made during the boom leading up to the financial crisis of 2008, which were never purged, which were never corrected. So I think it's this long-lasting, permanent misallocation of resources, because you don't get the necessary correction from a recession, that dogs the performance of the economy today.

**WOODS:** Talk about what the Fed is doing, and how the Fed must perceive the problem as compared to the way you guys perceive the problem that it would think its approach is the correct solution.

**SALERNO:** I think, taking off from what Peter said, that the Fed is aware of the fragility of the financial system. So what they want to do – and they stress this – is to prevent the bankruptcies and collapses that will result from financial difficulties that firms are having. So they're flooding the economy with money. I think they do understand that its origin is on the supply side and that it's mainly a supply shock, but they're afraid that there are going to be repercussions on the demand side. That's why they have a whole range of different ways of injecting money into the economy.

They act as if there's a demand shock since the demand for airline tickets and hotel reservations and restaurants has gone down. But let's assume for a moment that people continued to work, but were fearful of going into planes and hotels and restaurants and changed their demand. What's happening there is really a relative shift in demand. That's not really a demand shock, because people are now staying at home and spending money on other things instead – for example, Hasbro, the toy maker, is doing tremendously. Monopoly games are flying off the shelves. Life games are flying off the shelves. So this is a shift in demand that's been brought about by this pandemic.

**KLEIN:** I agree with Joe completely. The biggest challenge that we face, I think, is this notion that it's appropriate for the central bank to respond to a supply shock with a massive stimulus program to try to boost aggregate demand. But the connection between the supply side and the demand side – there's a lot of hand-waving in terms of how the spillovers in the former affect the latter within the mainstream, conventional view, as opposed to the view of the Austrian School of economics.

It is remarkable that I haven't seen in the mainstream discussion even the slightest question of whether a stimulus program like the ones we're seeing is appropriate. It's March 25 as we're recording this, and the Senate has reached agreement with the White House on a \$3 trillion stimulus package. There's lots of discussion about it and people quibbling about particular elements of the package, but I don't see anyone outside of our own Austrian circles even daring to suggest that maybe massive monetary and fiscal stimulus is not the appropriate response to a real contraction in the real part of the economy. I mean, that's so far off the 3x5 card of allowable opinion, as Tom Woods would say, that it doesn't even occur to anybody to raise this point.

**WOODS:** I want to turn to what the federal government is doing now. They're going to be sending people checks in the mail, in effect. I guess the thinking is: we're demanding that people stay in their homes. Many of them can't make their ordinary livings. Since we don't want civil unrest and we don't want people to starve, we're going to have to send them checks. How would you answer the man in the street to whom that logic seems appealing?

**KLEIN:** As Joe already pointed out, if the issue were simply people's unwillingness to patronize certain kinds of businesses, unwillingness to engage in economic activity, you'd think, oh, well, just give me a check. I can't work, so just write a check out of thin air. Give that to me as my salary. Give me a subsidy so that I can go out and buy things rather than working. If it were that easy to create real wealth out of thin air, why would we ever not do it? Why require people to work at all under any circumstances? Why not just create one of those economies like you see in a bad episode of Star Trek, some near-future society where we'll sit around and engage in philosophical dialogue, and no goods and services are ever produced, because we can wish them into existence? Times are tough now, but the fundamental laws of supply and demand, of production and exchange, haven't changed, and you can't just print your way out of a crisis.

**SALERNO:** The creation of money doesn't make up for the fact that less stuff is being produced. So if people really did rush out and spend this money – and that's not clear, since many of them are locked down in their homes – that's not going to replace the goods and services that are not being produced.

Now, there is another argument, and that is that they have to pay their debts, that there are debts that are coming due that were contracted in the past: mortgages, credit cards, and so on, and money is needed for that. But in a situation like this, the banks, the mortgage companies, all understand that people are out of work. And banks don't want to foreclose on houses. If they realize that this is something that's out of the ordinary, it's an extraordinary event, they will work with those who have taken out the mortgages. They would rather have them earning an income and paying their debts. They realize that there's been an interruption because of the pandemic.

**WOODS:** As we wrap up, what do you guys think the long-term consequences of the interventions will be?

**SALERNO:** I would say it's not so much the long-term consequences, which if they really do inject all this new money into the economy, it's going to be inflationary, particularly with small supply of goods available for a while. I'm fearful of the mentality that it's instilling into people, the idea that we can, as Peter was saying, print our way into prosperity. People getting direct checks from the government is a scary thought, because now that the barrier has been broken, it will be resorted to for smaller crises and other things that are going wrong in the economy. In fact, just yesterday I saw an article by David Beckwith of the Mercatus Center, who's in favor of stabilizing "total spending" in the economy. But beyond that, he thinks that in times of crisis the Fed should have a rule that they send money directly to households. I'm fearful that helicopter money will now become an accepted tool for the Fed.

**KLEIN:** In the long run I'm very worried about the ratchet effect, to use Bob Higgs' very useful metaphor. Actions by the Fed, by the Treasury, by Congress, by the president that are really striking and distressing to people in extraordinary times can quickly become the new normal. And I worry that in a future age which might be constituted by all kinds of crises, real or imagined, the notion that bold, decisive action by the state is necessary to protect us and keep us safe is going to become more and more part of people's expectations.

We use the term "security theater" to describe the policies since 9/11: you know, no liquids more than three ounces and taking our shoes off and going through the porno scanners and so forth. Young people today have grown up in that environment and don't know what it was like to travel before 9/11.

I wonder what kind of pandemic theater we'll have to live through after this is all over? Will you have to have your temperature taken by some kind of TSA-equivalent worker every time you enter a public building? Will there be random health checks? I worry that socially, culturally, people are becoming more acclimated to a world in which the state controls the movements of persons and goods and the division of labor is retarded because it's just too dangerous to allow for a global division of labor. And maybe I'm overly pessimistic on that score, but I think we need to be especially vigilant, those of us who care about liberty, and try to push back against those things in the months and years to come.



## Chapter 6

### COVID-19, the Lockdowns, and Human Flourishing by Alex Epstein

*Alex Epstein is the founder of the [Center for Industrial Progress](#), hosts the *Power Hour* podcast, and is the author of *The Moral Case for Fossil Fuels*. This chapter is drawn from episode 1627 (April 6, 2020) of the [Tom Woods Show](#).*

**WOODS:** Regardless of how governments have responded, and regardless of whether certain models are correct or incorrect or don't take enough into account, what is your overall assessment as a layman of the seriousness of this virus?

**EPSTEIN:** I definitely assess it as serious, and in particular I think it's serious to people who have vulnerable immune systems – and there's a lot of overlap between that and being elderly. If I could wish the world to be different, I would really wish that it didn't have COVID-19 and this new coronavirus going all over the place. It's definitely not, I think, on a level where people should be in a state of panic. It's not as if Ebola became incredibly contagious.

And I know that there's a huge amount of uncertainty about the deadliness of it, mainly because when they're calculating the deadliness of it, what they're usually doing is saying how many people died divided by how many diagnosed cases there are. And yet we know this is something that's very contagious, in part because most of the cases are not diagnosed because they're asymptomatic and because we don't have enough testing, or there hasn't been enough testing to register that. So there are very credible estimates that there are 10 times, maybe even 100 times more cases than are diagnosed, and that would be very good news. But even in those cases, it's something that's deadly for a lot of people and damaging for a lot of people, so it's something of concern.

**WOODS:** I've been seeing, and I'm trying to track down the number, but something like it took this virus 85 days to reach I guess 20,000 deaths or whatever the figure was, and then to reach that figure again took only seven more days. And that that's the concern, is the speed with which it grows. So all this time, I haven't known exactly what to think about this. I more or less take your view. At first, I was extremely alarmed at the potential for this. Now, sometimes I have some skepticism of some of the more outlandish claims, but that kind of figure is alarming. Regardless of whether it's actually going to amount to the wild figures that have been thrown around, that still is alarming. And I think one of the things we've been facing is this idea that if we don't accept the massive lockdown solution that so many governors are adopting, that

we think nothing should be done. But obviously, as you've been saying and a lot of us have been saying, that's a false choice.

**EPSTEIN:** Yeah, it's a false choice, but also, you don't get to rewrite reality. And you can say there's a lot of fault in terms of China, there's a lot of fault in terms of early detection, and maybe it was possible at an early stage to isolate ourselves from it. I think that's doubtful; I think this was inevitably going to spread.

And that's one thing we have to decide: is this something that's inevitably going to spread, where we can perhaps slow it down, or is it something we think we can eradicate? I think it's very dubious that we can eradicate it. Government has to be very clear on that. But I think there's this idea that we should eliminate or minimize this particular virus at all costs, because we don't like it and it's new and we wish it didn't exist. I think you have to think very carefully, because a lot of the things that people are doing to reduce this at all costs are coming at a heavy cost, namely the freedom and lives of hundreds of millions of people.

**WOODS:** Once they've done this, once they've locked us all down, on what grounds can they say it's safe to open back up if maybe it leads to another wave of infection? Then we go back into our homes? Are we really waiting 18 months for a vaccine, according to some of these people? What do you think the reasonable people are saying the endgame looks like, and what do you think we should think about it?

**EPSTEIN:** Well, I'll start with how we should think about it. It all depends broadly on what you think the purpose of government is, and then what you think the purpose of dealing with this particular infectious disease is. And I think I diverge from a lot of people, because I think the purpose of government is to protect our freedom. That's different from saying the purpose of the government is to prevent early death from any given cause.

If you really believe that, then you believe the government should control your life for anything. Locking people down seems to be decreasing the death rate. Whether it decreases the death rate from coronavirus, it's definitely decreasing the death rate from, say, car crashes. And is that justified? Because the government can say, well, we want to save lives. And I think most people would think, no, there's something wrong with that.

The government's purpose is to protect our freedom. In exercising our freedom, we decide how to sustain our lives, including how to make different kinds of risk/reward tradeoffs. That's one thing I think is lost when people think it's the government's job to "save lives." I think it's to protect freedom.

With something like a pandemic or an infectious disease, I think there's a case that in certain circumstances, you can say, yeah, the government should forcibly intervene, because this if this continues in a certain way, it will really restrict

everybody's freedom. And in particular, if there's a point of containment early or if you can quarantine certain individuals, I think that's when you can really call for something, or if there's a specific area where there's an outbreak.

But this goes to what's the purpose with this particular virus. If it really is the case that this is something that can't be contained and that it's inevitable that a lot of us are going to get it, then the only kind of priority that's relevant is management, managing the speed of it. And you see a lot of ambiguity from governments about this, because sometimes they say "flatten the curve," which is a management thing. I believe Fauci said yesterday that we can start relaxing these controls when there are zero new cases.

**WOODS:** Yeah, I saw that, too.

**EPSTEIN:** That is a call for indefinite totalitarianism. So unless he has a specific plan by which we can eradicate this, and that contradicts everything that he's said and that everyone else said, then you have to think of it as management. And then if you think of it as management, you think of it this way: this is a new, unfortunate fact of life we have to deal with. How can we deal with it rationally and humanely?

Part of that involves isolating those who are most vulnerable in order to protect them. But also, if you're concerned about a spike in hospital resources, they're by far the biggest likely users of hospital resources. So that kind of thing can make sense.

And then you can talk about rational and I believe voluntary measures that most of us can take, that are low cost, that slow the spread of the virus. That's very different from eliminating it or eliminating its spread. And I do not think that eliminating it is at all compatible with human freedom or human flourishing, given everything we're told about its nature and in particular its contagiousness. That would be different from something like Ebola that isn't super contagious, so you can isolate a couple of people and get rid of it. But nobody's saying we can isolate the flu, and this is supposedly much more contagious than the flu.

So this clarity of purpose about whether the government is supposed to protect our freedom, and then whether protecting our freedom can involve eradicating this – it seems like no – and therefore, it can only be that it's protecting our freedom through managing this, and in particular, managing a really catastrophic spike in, I should say, the government-controlled health care system. And that's a big part of the problem, that the health care system is in many ways inept because of government controls. I'm sure you've enumerated many of the reasons why.

But even given that it's government-controlled, you can say, yeah, maybe we can do certain things to slow the spread, and they should focus on liberating free people to produce more of the treatment. That's one of them. But then insofar as isolation is necessary, it should definitely focus on the most vulnerable, so it should be

selective isolation, versus universal isolation, which is the dominant policy. Universal isolation is completely indefensible morally and cannot be the optimal way to achieve any kind of management.

**WOODS:** One of the points you've been making on your podcast is that it's wrong to proceed according to the assumption that people won't change their behavior, especially as they observe something like this taking place, that that's incorrect. And you said to your cohosts we have all made changes in our behavior, and we all know people who are making changes in their behavior. But I don't know. I bet there would be skeptics of that claim. It'd be the same old argument: you people are too stupid. You need to have overlords ruling over you telling you what to do, or this thing gets out of control.

**EPSTEIN:** But this depends, again, on your view of the purpose of government in general and the purpose in managing this in particular. I'm not saying that if you leave people free, they will optimize for the prevention or even slowing the transmission of this disease. They absolutely won't, some for rational reasons and some for irrational reasons.

But if your focus is freedom, the fundamental point is that people need to be free to live their lives. That's what really matters. It's not just preventing people from dying from a particular virus; it's that ultimately we want to be free so that we can flourish according to our ideas of how best to live our lives.

I think there's a false standard by which people say: if individuals don't optimize to minimize this particular virus, then they're acting irrationally, and then I get to control them.

And that's why it has to be really clear: what is the government's prerogative here? Again, it's not to eliminate the virus or to slow its spread to zero. It can only be: there's a temporary thing that we can alleviate through certain kinds of measures. I'm open to coercion perhaps being necessary very temporarily if it's clearly defined. But that has to be rational, and part of its being rational is that it cannot be universally applied. It's crazy to say: even though this virus is overwhelmingly targeting certain demographics, we're going to isolate everybody universally. So there's no justification for the particular form of coercion that's being practiced.

Likewise, the present approach does not respect all of the other values in life that are achieved via freedom. Hundreds of millions of people's lives are being really destroyed – and by destroyed, I mean that people's plans and hopes and dreams have been disrupted for years and years and years. And I regard that as a kind of death. That's a kind of suffering, where people's lives are getting ruined. That matters, and if that doesn't matter to people and they think the only thing that matters is that we not die of this particular virus, well, there's something off with that.

**WOODS:** That's the way I've been thinking: we have a finite number of years on this Earth, and if you listen to some of these people, a non-trivial chunk of that is about to be taken from us if we let them get their way. So is the idea that we're going to slice off 1/75th or more of everybody's life and redistribute it somehow? This is crazy.

Then there's the dichotomy according to which people like you and me care about the economy and not people. What do you say to that?

**EPSTEIN:** Well, I think it's the exact opposite. The economy is an abstraction, so I think in terms of individuals flourishing and being free as a means to flourishing. Your livelihood is a big part of a meaningful concept of flourishing, and that in turn means individuals must be free to produce value and to live off the proceeds of that value. By stopping human interaction you're destroying or severely interrupting the livelihood of tens and even hundreds of millions of people in this country. That diminishes their quality of life now and will drive some to suicide. It'll end their lives now. But it has years and years and years of negative consequences, including earlier death and mass suffering.

This is part of the reason that, again, the purpose of the government is not to extend people's lives. It's to leave us free to live our lives as we judge best. When we're free to do that, in general we get really good at extending our lives. That's why kingdoms were a lot worse at having people live a long time and protecting them from infectious diseases than free countries. I think of it this way: for the individual, flourishing is the end. But freedom is the political means to flourishing, so for the government, freedom should be the end. It's upsetting to me that there's so little talk about freedom, and instead there's this talk about government as a collective optimizer that says, well, we're just going to save these lives. What that really means is that it's sacrificing the livelihoods and freedom of hundreds of millions of people in the name of supposedly prolonging these particular lives. I don't believe that kind of sacrifice is the job of government. I think it's supposed to protect all of our freedom.

**WOODS:** The trouble is, although you have states like California that were very much out in front of where public opinion may have been at the time, now it really does seem as if it's public opinion driving some of these governors into these actions. People are begging to be locked down. Please lock us down. That adds another wrinkle to the frustration.

**EPSTEIN:** I don't know about the polling there, but one thing is the way this issue is being catastrophized. I have a lot of experience with that, with different kinds of alleged environmental catastrophes, although this is much closer to a catastrophe than those things. But again, it's not that Ebola is contagious or that a huge percentage of us are going to be wiped out. It's a really bad disease, but it's still just a really bad disease. But because people think it's the end of the world and because there's this

myopia that this is the only thing that matters, people are being panicked into saying, Yeah, lock us down. But I and a lot of the people I meet don't feel like that. They feel like there must be a better way. There must be a way that most of us can be free to live our lives and take responsible precautions.

If you want to talk about a kind of measure government could take if there is genuine danger, it's much more rational for government to mandate specific virus protection practices than to lock everyone down. So for example, if it says, we've determined scientifically that six feet is the right degree of social distance, then say, venues can exist where there's six feet of social distance. Or if a mask is really helpful – and I think it's much more helpful than has been let on, which is another kind of distortion. Instead of saying we have a shortage of masks so the priority is medical personnel, they just said, oh, masks don't really work, which, that makes no sense at all for something that transmits primarily via droplets coughed out.

In any case, these rational protection measures, if they're really necessary to protect everybody for a period of time, are what should be legislated. But instead they're locking everyone down. And that makes no sense even from the point of view of protecting against the virus. A lot of what you're doing is locking down older, vulnerable people with younger people who may be carriers but may be asymptomatic, and you're generally keeping people indoors, which is how all the worst cases of this spread.

So no matter how serious you think this disease is, the way the government is responding makes no sense. It's unwarranted. At most what should happen is selective isolation versus universal and “best practices” laws versus blanket lockdowns. And on top of that, there should be clear explanations and plans and timetables versus indefinite terror.

**WOODS:** I don't think you or I are necessarily the exclusive source of these best practices, and I'm sure people listening could come up with others, but what would be a few more that you think would reassure a reasonable person that it's not an absurd proposition that he should go out and enjoy himself somewhere?

**EPSTEIN:** Well, I can give other examples, but the context has to be really clear that what we're doing is managing the spread of the virus so that you have a better chance of getting treatment when you need it. But we're not eliminating the spread, and one should think about it and take precautions accordingly. So as long as there's this idea that there should be a way to just eliminate this at no cost and that it shouldn't exist and the only thing that matters is for it not to exist – at this point, that world doesn't exist. We have this new thing in the world, and the fact is, as far as everything I've heard, this thing will go all over the place, ultimately. So we can slow it, but we can't eliminate it. Because if people think we can eliminate it, then it just leads to all of these kinds of distortions we're talking about.

But there are all kinds of things people are doing. One is to extend the workday in order to space workers out more. You're having people do temperature checks, because even in the absence of good testing, fever is a really good indicator. Better sanitary practices. And we don't know exactly how much of a difference all these make, but they clearly make a difference, just understanding the physical nature of transmission. And I think that the voluntary things that I've done, that other people do, make a huge difference.

And one aspect that seems very true is that the load of exposure is a huge deal. This actually has fascinating applications. The amount of it that you're exposed to is a huge thing. So if you're a medical professional, you're not protected and you're exposed to a ton of it, it can be really bad. But if there's kind of a more minimal dose, then you're not going to get it as badly. That has a lot of implications, even it might make sense that certain people would voluntarily get infected with very small doses. But certainly, the kind of practices we're doing right now and that we could continue to do voluntarily, or even involuntarily but they're much better than lockdowns, these obviously make a huge difference in the amount of the thing you're exposed to. Getting it off a table in a small quantity is totally different than the way you might have gotten it a month and a half ago with no awareness, somebody coughing on you.

There's so much we can do without ruining our lives, and I just want to keep stressing that this virus is bad, but the indefinite isolation of hundreds of millions of people for months on end and the destruction of their livelihoods and plans and hopes and dreams, from an American human flourishing perspective, that is the most unimaginable catastrophe.

I think some people are afraid of death. I'm afraid of living death. I'm afraid of a decade or more in which we're in this state of panic and we no longer produce value and we're no longer free to interact with one another and we're just perpetually terrified of this virus. That's what I'm afraid of most of all. So that's why I've put it in this context. I'm not unconcerned with the virus, but if you tell me we're destroying the freedom of a country in the name of this particular virus, that concerns me much more.

## Chapter 7

### What Governors Can Do by Jeff Deist

*Jeff Deist is president of the [Mises Institute](#), on whose website this chapter first appeared, and served as chief of staff to Congressman Ron Paul. This was an early libertarian proposal for how to move forward.*

Which state has the courage to become the Sweden of the US, and take a different (read: better, freer) approach to coronavirus?

As of yesterday [April 7, 2020], five US states remain at least reasonably “open” in terms of their implemented measures to fight the pandemic. Arkansas, Nebraska, and South Dakota have no state orders in place closing businesses and forcing residents to stay home, while Iowa and North Dakota shut down “nonessential” businesses but have not issued stay-at-home orders.

Three states, Oklahoma, Wyoming, and Utah, have partial lockdowns in place.

The other forty-two states have varying orders in place, and some regions such as the San Francisco Bay area have issued their own stricter shutdown policies. Population-wise, nearly 95 percent of all Americans today live under some kind of restrictions on movement and business, decreed either statewide or by counties and cities.

There is a tremendous opportunity here for state and local politicians to distinguish themselves. South Dakota governor Kristi Noem in particular has been steadfast in resisting political pressure to order a statewide lockdown, and surely most Americans readily understand how sparsely populated Western states might approach a pandemic very differently than big urban cities.

What should that approach look like? Here are some broad brushstrokes:

- First, one brave governor (or county supervisor, mayor, etc.) gets the ball rolling by forming an impromptu coalition of states interested in staying open or reopening. Political pressure to go along with other states is strong, and the federal government has a long and sordid history of bullying states into compliance with national edicts using the carrot and the stick. The Trump administration thus far has been surprisingly reluctant to issue a nationwide shutdown, and governors looking for daylight should seize on this. They will need each other to stand against the tide against Noem.
- Hold a press conference to announce the coalition, pick a marketable name for the effort (something like “South Dakota – Open for Business!”), and hold weekly calls



open to media. Discuss conditions, options, and ideas, but make it clear that each state is wholly independent and that decisions are necessarily localized – this is not an interstate compact.

- Announce guidelines, not orders, to citizens along these lines: people over seventy are strongly encouraged to self-quarantine in a strict manner. Those over fifty who have existing medical vulnerabilities to the virus are encouraged to do the same. Healthy people under fifty are welcome to return to daily activities but are strongly encouraged to wear masks (proven to be effective in several Asian countries). Of course many residents will self-quarantine regardless, and some businesses will choose to shut down regardless, per their individual choices.
- Reopen government courts, and set a deadline of sixty or ninety days hence for resumption of contract enforcement (including evictions). Ask the state bar association to set up statewide centers for landlords and tenants to meet and renegotiate – using realistic numbers – rental agreements. Hard-line landlords can go to court, and hardline tenants can refuse payment, but evictions benefit neither party in the immediate term.
- In stages, reopen public schools and universities based on local conditions. Hold parental votes online to determine whether each school district will continue online classes or revert to physical attendance.
- Announce that restaurants, bars, and retail outlets are open as usual, with the strong caveat that provable cases of virus transmittal will be heard in state courts under a broad doctrine of premises liability. This will encourage the kind of measures by owners that have been seen in Taiwan and Singapore, ranging from using digital thermometers at store entrances to relentless scrubbing of surfaces in restaurants.
- Immediately bid out a statewide insurance claims facility for coronavirus deaths so that in worst-case scenarios families will be compensated for loss of loved ones. Insist that payments are retroactive to cover deaths prior to the bid, and use the model of airlines after crashes (quick payouts, little paperwork, claims personnel with good bedside manner). Payouts of \$1 million would not be impossible to insure against in low-population states, where deaths likely will remain well under five thousand. Insurers themselves can go to the reinsurance markets, and insurance companies would have every incentive to test, treat, and take measures necessary to keep citizens alive. They would become de facto partners when it comes to securing medical equipment, hospital beds, and personnel. Insurance companies also would have a strong incentive, unlike politicians, to determine what constitutes death “from” the virus as opposed to death with the virus simply present in the body. Use bond revenue (discussed below) to cover premiums.
- Immediately bid out to pharmaceutical companies for a supply of hydroxychloroquine, azithromycin, and other promising drugs. Eliminate unnecessary state restrictions on prescribing and dispensing such drugs, and consider making them

available over the counter until infections subside. Distribute them widely across the state, and charge break-even (cheap) prices for generic versions.

- Issue state bonds for sale to private equity investors, hedge funds, foundations, and individuals. Take a deep breath, and secure them with real estate owned by the state – make government, rather than taxpayers, sacrifice for once! Price them aggressively, with higher than market rates of interest (but not junk bond rates). Make these bonds nontaxable by the issuing state itself, both with respect to income and capital gains. Use the funds to provide insurance, medical equipment, hospital capacity, testing centers, and protective gear as needed.
- Encourage regional airlines, or major airlines serving the state, to relocate aircraft there and resume "domestic" flights (and/or flights between "open" states).

None of these ideas is particularly difficult to implement per se, but do any governors have the political will to do so? They should if they take an honest look at the landscape of a country that is coming unglued. Every day there is less and less to lose by trying something different. In a crisis, bold usually wins. So the choice at present appears to be bold freedom or bold tyranny.

Americans are reconsidering federalism and even nullification in an era of intensely polarized anti-Trump sentiment. The Left argues for soft secession in the form of "Bluxit" from the hated red states; conservatives such as Angelo Codevilla call for strategic defiance of the feds in what he terms a "Cold Civil War." Golden State governor Gavin Newsom even recently referred to California as a "nation-state," and why not? With 40 million people, a huge economy, tourism, Hollywood and Silicon Valley, ports and coastlines, and major universities, not to mention beaches, deserts, and mountains, the state easily could be an independent nation.

We were already in uncharted territory, but the coronavirus truly laid bare the deep and intolerable political divisions wracking our country. Governor Noem and others could begin the healing process now, literally and figuratively, by showing us a way forward without DC. The virus could be the catalyst for a new map of America.

## Your Next Steps

(1) Join tens of thousands of libertarians in making the [Tom Woods Show](#) part of your daily routine. You'll get an important dose of sanity not just about the virus but also about a lot of issues on which the mainstream view is destructive and ill-informed.

(2) If you're thinking about homeschooling, don't run yourself ragged: use the self-taught Ron Paul Curriculum and give your children an excellent education while maintaining your own mental health.

In addition to the standard subjects, we cover topics that give our students an unfair advantage: personal finance for teens, how to operate a home business, how to write good advertising copy (if you're good at this you'll never be poor), how to run a YouTube channel and a blog, how to be an effective public speaker, and more.

Be sure to join through <http://www.RonPaulHomeschool.com>, my special link, because only there can you get my \$160 in free bonuses, including a signed, personalized copy of my *New York Times* bestseller *The Politically Incorrect Guide to American History*.

(3) If like most adults you suffered from educational malpractice in high school and college, unlearn the propaganda with my dashboard university, [Liberty Classroom](#).