

Clemson expert talks about virus' economic impact

BY NORM CANNADA
THE JOURNAL

SENECA — Social distancing has been promoted as a way of stopping the spread of the COVID-19 virus, and a Clemson University economist said it is also the most effective tool available to help temper the impact of the crisis on the economy.

"By practicing social distancing, what may finally occur is what we get is a drop in GDP (gross domestic product)

that is actually going to come back," said Scott



Baier

Baier, a professor and chair of the Clemson University Department of Economics.

Baier led a webinar discussion

Thursday night in partnership with the National Economic Education Delegation on the potential impact of COVID-19

SEE EXPERT, PAGE A5

THE JOURNAL **A5**

Endorses distancing

FROM PAGE A1

on the U.S. economy. About 200 people were registered for the event.

Baier talked about the coronavirus in terms of four levels — susceptible, exposed, infected and recovered. He said since a vaccine doesn't exist, social distancing can slow down the rate of infection or prevent people from moving from susceptible to exposed.

"If we limit how a susceptible person runs into an exposed person through social distancing, we can slow down the number of people who become exposed," he said. "By breaking the people apart, by having the people keep greater distance, the susceptible person is less likely to run into an exposed person. What we don't have is something that breaks this from people going from exposed to infected. We don't have a vaccine or we don't have that prophylactic someone can take to stop this movement from here to here.

"The one choice that we have from a medical perspective, an economic perspective and a social perspective — what we have to work on — is social distancing, because there aren't options once someone is exposed," Baier added. "If you have a great amount of social distancing, you can decrease the number of people who are exposed."

He cited the differences between Philadelphia and St. Louis during the 1918 bird flu.

"In Philadelphia, they didn't do much response and bird flu was very contagious," Baier said. "In fact, Philadelphia had a parade with 200,000 people — the very reverse of social distancing. St. Louis almost canceled every social gathering, whether it was restaurants or — at a time where it was more important — going to churches. It spread more quickly in Philadelphia."

Services, which represent more than 77 percent of the United States' GDP, are affected by social distancing, as they usually feature more face-to-face encounters, according to Baier.

He said economists initially didn't expect the coronavirus to make as big an impact in the United States as it has, because it was expected to affect manufacturing more than the service industry. Officials originally expected it to be more contained in areas around China.

"Once COVID-19 became less contained than we had hoped, we had to practice other things to limit its spread," he said. "They thought it was going to be a modest hit."

In response to a question about whether some restrictions like closing schools and canceling sporting events and other activities was an overreaction by officials, Baier sided with the restrictions.

"In this case, I tend to think an ounce of prevention is probably worth a pound of cure," he said.