

If Trump Had Followed Vietnam's Lead On COVID, US Would Have Fewer Than 100 Dead



Prof. Robert Pollin

As the coronavirus pandemic rages on, exposing to the fullest the glaring weakness of our inequitable health system, and as the unemployment situation goes largely unaddressed, it's becoming more than obvious that the U.S. is in dire need of fixing. An advanced social welfare state, with a full employment agenda, is the way out, argues world-renowned progressive economist Robert Pollin in this exclusive interview with *Truthout*. Pollin is distinguished professor of economics and co-director of the Political Economy Research Institute at the University of Massachusetts at Amherst, and co-author (with Noam Chomsky and me) of the forthcoming book *The Climate Crisis and the Global Green New Deal: The Political Economy of Saving the Planet*.

C.J. Polychroniou: Bob, the coronavirus crisis is wreaking havoc on the economy, but it has also revealed how poorly equipped the United States is in dealing with major economic crises. In fact, as economist Joseph Stiglitz has pointed out, "We built an economy with no shock absorbers." With that in mind, and with millions of Americans unemployed and even struggling to meet basic needs, can you offer us a straightforward assessment of the Trump administration's economic response to the coronavirus crisis?

Robert Pollin: The short answer is unequivocal: The Trump administration's response has been nothing short of disastrous. Let's begin with figures on lives

that have been needlessly lost in the U.S. due to Trump's toxic combination of indifference, hostility to science, and racism. As of August 17, we are approaching 170,000 deaths from COVID in the U.S., more than triple the total U.S. death toll from fighting in Vietnam. We have no evidence that the death rate will be declining significantly anytime soon. This level of U.S. deaths from COVID amounts to 514 per 1 million people. By comparison, Canada's death rate is less than half that of the U.S., at around 239 deaths per million, even while Canada itself is also a relatively poor performer. Germany's death rate, at 110 per million, is 80 percent lower than the U.S., but Germany is still only a middling performer. Among the strong performers, the death rates are 15 per million in Australia, 9 per million in Japan, 6 per million in South Korea and 3 per million in China, even though the virus first emerged in China. If the U.S. had managed the COVID pandemic at the level of, say, Australia, fewer than 5,000 people would have died as of today as opposed to nearly 170,000.

Vietnam is the most extraordinary case. It has experienced a total of 22 deaths in a country of 95 million people, which amounts to a death rate of 0.25 per million. This is for a country in which the average per capita income is about 3 percent of that in the U.S. It is also a country, of course, that U.S. imperialists tried to destroy a generation ago. If the U.S. had handled COVID at Vietnam's level of competence over the past eight months, then [fewer than 100 U.S. residents in total](#) would be dead today from the pandemic.

In terms of managing the pandemic-induced economic collapse, the massive \$2 trillion (10 percent of U.S. GDP) stimulus program that Congress passed and Trump signed in March, the CARES Act, did provide substantial support for unemployed workers. Fifty-six million people — 35 percent of the entire U.S. labor force — [filed unemployment claims](#) between March and August. For the most part, they all received \$600 per week in supplemental support, which more than doubled what most would have received otherwise.

The CARES Act did also deliver huge bailouts for big corporations and Wall Street. Adding everything up, it was clear even at the time of passage that the CARES Act was not close to meeting the magnitude of the oncoming crisis. Among other features, it provided only minimal support for hospitals on the front lines fighting the pandemic, and even less support for state and local governments. The Upjohn Institute economist Timothy Bartik estimates that state and local governments are staring at upward of [\\$1 trillion in budget shortfalls](#)

through the end of 2021, equal to between 20-25 percent of their entire budgets. If these budget gaps are not filled in short order, we will begin to see mass layoffs of nurses, teachers, school custodians and firefighters. Of course, these budget cuts will only spread and deepen the ongoing economic crisis.

The Democratic majority in the House of Representatives did pass a second, and even larger, \$3 trillion stimulus measure, the HEROES Act, back in May. It included \$1 trillion in support for state and local governments. But Trump and the Senate Republican majority have blocked action on this for the past three months. Meanwhile, 16 million workers have now lost their \$600 per week in supplemental benefits and state and local governments are teetering on collapse. Trump appears to want to make unemployed workers and public sector programs starve, perhaps so he can appear to swoop in and bail them out right before November's election. Trump has held out a "compromise" proposal with Democrats. This would feature a payroll tax cut that would permanently decimate Social Security and Medicare. Trump also wants any new stimulus program to also incorporate his current top priority, which is to [destroy the U.S. Postal Service](#) in time to prevent people from voting against him through mail balloting.

The U.S. and Europe have addressed coronavirus-induced unemployment in fundamentally different ways, with the European approach seeking to maintain a stable work environment through subsidies to companies and by effectively nationalizing payrolls, while the U.S. approach seeks to foster a flexible labor market, and in fact, encourage workers, as Ivanka Trump put it, to "[find something new](#)" because old jobs are not coming back. The end result is that while unemployment levels have skyrocketed in the U.S. due to the coronavirus pandemic, many European countries have seen an increase of less than 1 percentage point in the jobless rate. Isn't this strong enough reason why the U.S. needs a European-style social-welfare state?

Back in April, Congresswoman Pramila Jayapal of Washington, a leader of the House Progressive Caucus, introduced the Paycheck Guarantee Act. Under this proposal, the federal government would provide grants to all private- and public-sector employers of all sizes to enable them to maintain their operations and keep all of their workers on payroll, despite the falloff in revenues these entities will have experienced resulting from the pandemic and lockdown. Through this program, there would not have been significant increases in unemployment.

Workers would also not have lost their employer-based health care coverage. This plan was similar in design and scope to policies that were in place in [several European economies](#), including Germany, the U.K., Denmark and France.

Four months later, the results of the failure of the U.S. to pass the Jayapal proposal are before us. As of the most recent figures of this past June and July, U.S. unemployment was at 10.2 percent, while the rates for countries that had Jayapal-type programs in place included the U.K. at 3.9 percent, Germany at 4.2 percent, Denmark at 5.8 percent and France with the highest rate, at 7.7 percent. The [average](#) for the full European Union was 6.2 percent. For the U.S. economy, the difference between having an unemployment rate of 10.2 percent versus 6.2 percent translates into 6.4 million people without work — i.e. more people than the entire populations of Los Angeles and Chicago combined. In addition, a minimum of 15 million people — including unemployed workers and their family members — lost their employer-sponsored health insurance as U.S. unemployment rose.

So yes, certainly, on average, Europe has handled the unemployment crisis much better than the U.S. But this is not the time to be making sweeping endorsements of recent policies [and] actions in Europe. In terms of managing the COVID crisis, the U.K., France, Italy, Spain and even Sweden have death rates comparable to that in the U.S. Unemployment is 15.6 percent in Spain under a Socialist government, and is at 9.2 percent in Sweden under the Social Democrats.

In fact, European policymakers have been undermining their welfare state policies for 40 years now, since the ascendance of neoliberalism, beginning with the election of Margaret Thatcher in the U.K. in 1979. It is a valuable exercise for us to envision what the late, great economist Robert Heilbroner used to call “slightly imaginary Sweden.” But in doing so, we need to recognize that egalitarian policies in Sweden today bear only a weak resemblance to the [robust welfare state](#) that operated 40 years ago.

According to many health experts, coronavirus may never go away even when vaccines arrive, and the coronavirus recession may indeed become a long depression. In such a case, how can we best combat cyclical unemployment and ensure that there is no precipitous decline in the standard of living for working-class and middle-class Americans?

I am certainly no expert for assessing how long it is likely to take to bring COVID-19 under control in the U.S., or assessing the likelihood that it could remain as a public health threat indefinitely. But in the event that we are faced with a virus that we cannot adequately control, even through universal vaccinations, then I would say it is time to start learning from Australia, Japan, South Korea, China, and — in a great historic irony — maybe especially Vietnam about how to create a public health system that minimizes the spread of the illness. Step one would be to establish Medicare for All, so that every U.S. resident has access to good-quality health care, without having to fear financial ruin should they get sick with COVID or anything else. Creating something resembling a minimally effective public health system through Medicare for All would, in turn, enable us in the U.S. to advance a sustainable recovery on the foundation of a Green New Deal.

Over the longer-term horizon, the Green New Deal can equally serve as the foundation for building a full employment economy. As a technical matter, it is not hard to figure out a policy framework that can deliver full employment. The Western European countries, after all, ran near-full employment economies from roughly the end of World War II to the mid-1970s. Indeed, the main accomplishment of neoliberalism in Europe, starting with Margaret Thatcher, was to break the back of this then-dominant full employment policy framework. To sustain full employment over the long-term, we first and foremost need government policies committed to maintaining levels of public investment that will be sufficient to create an abundance of decent jobs at all levels of society. It is also obvious that, at this historical juncture, we desperately need large-scale public investments for at least a generation to build a green economy. As such, the full employment policy framework merges fully with the matter of saving the planet.

Should the Biden-Harris ticket win in November, do you expect that we will see fundamental changes in government response to the quadruple crises of health, climate change, racial injustice and a ravaged economy?

It is no secret that Joe Biden and Kamala Harris are both corporate- and Wall Street-friendly Democrats. If we are going to wait for them to enact fundamental changes in U.S. government policies, it is going to be an awfully long wait. But it is also clear that the Democratic Party can be pushed to the left — or, to put it more accurately — the Democrats can be pushed to support, among other things,

a public health system that can save lives and deliver quality health care at much lower costs than we now pay, and a Green New Deal program that can prevent a climate catastrophe while also serving as the foundation of a full employment economy. Stamping out racism and sexism will also have to be central to any such agenda. Making progress in fighting racism and sexism will, in turn, also be greatly strengthened within a broad agenda advancing equality and ecological policy.

We know that the Democrats can be pushed in this direction by comparing the official platform they are enacting this week relative to what they passed in 2016. The current platform is far more progressive than the 2016 version under Hillary Clinton. It's true that such platforms are almost entirely ignored the day after they become ratified at the party's conventions, if not sooner. But that brings us to the real question, which is: Who is capable of effectively pushing the Democratic Party to embrace the truly progressive features of the party platform? It will have to be the range of organizations and people that have been committed to such projects for a long time — including grassroots groups, such as the Labor Network for Sustainability, Jobs with Justice, and many more, as well as progressive groups, such as Progressive Democrats of America and the House Progressive Caucus. If we are going to succeed in building a transformative political project emerging out of our current historic moment of multiple and severe crises, grassroots and progressive groups are the ones who will make it happen — certainly not Joe Biden or Kamala Harris.

This interview has been lightly edited for clarity.

C.J. Polychroniou is a political economist/political scientist who has taught and worked in universities and research centers in Europe and the United States. His main research interests are in European economic integration, globalization, the political economy of the United States and the deconstruction of neoliberalism's politico-economic project. He is a regular contributor to *Truthout* as well as a member of *Truthout's* Public Intellectual Project. He has published several books and his articles have appeared in a variety of journals, magazines, newspapers and popular news websites. Many of his publications have been translated into several foreign languages, including Croatian, French, Greek, Italian, Portuguese, Spanish and Turkish. He is the author of [*Optimism Over Despair: Noam Chomsky On Capitalism, Empire, and Social Change*](#), an anthology of interviews with Chomsky originally published at *Truthout* and collected by Haymarket Books.

