

Prepare for an L-shaped recovery

Multiple waves of infection are to be expected in the future, making economic recovery a prolonged affair

Chia Kee Seng
and Ong Suan Ee

For *The Straits Times*

June 1 is just around the corner.

The number of community infections per day is down to single digits.

The number of new cases in foreign worker dormitories is stabilising and on the decline. The Government has announced that circuit breaker measures that have been in place since April 7 will be lifted in three phases.

Typically, this would be cause for celebration. However, as Covid-19 multi-ministry task force co-chair and Health Minister Gan Kim Yong said, there will be "no big party... just gradual reopening".

FROM A TSUNAMI TO BIG WAVES

Public sentiment suggests that many Singaporeans perceive phase one of post-circuit breaker measures as a mere extension of the circuit breaker.

They are not mistaken: Many existing restrictions will continue. These restrictions are still needed because we have merely averted a tsunami.

According to local projections, if Singapore had not detected the first few imported cases from Wuhan in January and organised an adaptable whole-of-government response, we would have over 100,000 cases of Covid-19, with hundreds or possibly even thousands of deaths. That is not the situation that Singapore is facing today.

We have been repeatedly reminded, both locally and internationally, that the risk of a second wave of infections remains very real. Many lessons can be drawn from observing the experiences of our regional neighbours, including China and South Korea, as they iteratively grapple with when and how to lift various restrictions while managing new spikes in infection numbers.

Singaporeans must be mentally prepared not just for a second wave – multiple waves may be the new normal for the foreseeable future.

Even in a scenario where we do not report any new cases for a two-week stretch, even when we take pre-emptive measures among higher-risk and hidden communities (for example, homes for the elderly, foreign worker dormitories, and entertainment and sex workers), the probability of subsequent waves is very high. A new wave could be easily



An almost-empty Terengganu Street in Chinatown on May 14. Many wish for a sharp, V-shaped recovery in the global economy after the steep decline in the first quarter. However, this is possible only if there is an effective treatment, or the Covid-19 virus has become less virulent. Current evidence suggests that neither is likely to happen soon, say the writers. ST PHOTO: CHONG JUN LIANG

seeded through imported cases. If we are not careful, if we abandon our social distancing practices and heightened personal and environmental hygiene practices, we increase our risk of multiple, large subsequent waves.

FROM V- TO U- OR EVEN L-SHAPED RECOVERY

The public has been asking: When will all this end? When will we get back to normal?

Many wish for a sharp, V-shaped recovery in the global economy after the steep decline in the first quarter. However, this is possible only if there is an effective treatment, or the Covid-19 virus has become less virulent.

Current evidence suggests that neither is likely to happen soon. Instead, what will probably transpire is a period of depression until a safe, effective vaccine is discovered and provided on a global scale: a U-shaped recovery, with a wide flat part of the U spreading over many months. The road from vaccine discovery to successful global implementation is also likely to be a long one.

The world worked together to eradicate smallpox from 1958 under the leadership of the World Health Organisation (WHO); this effort

took 20 years to succeed.

Today, we can hopefully do better than we did in the 1960s and perhaps halve the duration of the eradication effort from 20 years to 10 years, or more optimistically, even take a quarter of the time.

However, five to 10 years remains a long time to wait for life to return to the old normal.

Also, the time taken to discover and deploy an effective Covid-19 vaccine will hinge not only on scientific advances, but also on the values and mindsets of the research laboratories and biotech companies embarking on this effort. The world's first safe and effective polio vaccine was developed by Dr Jonas Salk and colleagues in 1952. Dr Salk famously did not patent the vaccine, which helped democratise its use and distribution; it went on to play a monumental role in preventing polio worldwide.

We have seen some encouraging developments that point to this positive history potentially repeating itself. At the recent 73rd World Health Assembly, Chinese President Xi Jinping announced that China would make the Covid-19 vaccine a global public good when it becomes available. The WHO also announced a "landmark collaboration" across the

international community to raise US\$8 billion (S\$11 billion) towards not only accelerating the development of a Covid-19 vaccine, but also ensuring equitable access to it on a global scale.

In preparing for an L-shaped recovery, individuals need to move beyond craving for our old way of living and longing for a definitive end to circuit breaker measures, and adopt a more proactive, positive outlook to adapt to our way of life. As a society, let's redefine what is of value and the right balance between wealth and health. Let's not waste this crisis.

FROM A 'WEALTH FIRST' TO 'HEALTH AND WEALTH' MINDSET

Despite these promising developments, it is perhaps wise to prepare for a recovery curve with a longer horizontal arm: an L-shaped curve.

At the personal level, such an L-shaped recovery is likely to entail more telecommuting, less international travel, greater social distancing at work and public transportation, and substantial shifts away from large-scale business and social events.

All these will directly impact our economy and translate to lower growth in personal income. Our exponential growth in per capita income, from around US\$400 in the 1960s to over US\$60,000 today, will not be sustained in the years ahead. It is a bitter pill to swallow, but we need to expand our "wealth first" mindset to a "health and wealth" mindset.

At the systems level, social, economic and health systems require further reforms to place equal emphasis on health and wealth. As we see first-hand the impact of health on our life, many people around the world are likely to question the value of the free market capitalist model and appreciate a more balanced system

of slower growth but better health.

The capitalist system, rooted in the principles of small government, low taxation and limited social security need to be re-examined. Social and health services need to be seen as investments rather than liabilities.

Excess capacity and duplication, especially in social and health services, may be a necessity to ensure resilience. Greater government involvement is needed, rather than continued reliance on voluntary welfare organisations and the private sector.

In preparing for an L-shaped recovery, individuals need to move beyond craving for our old way of living and longing for a definitive end to circuit breaker measures, and adopt a more proactive, positive outlook to adapt to our way of life.

As a society, let's redefine what is of value and the right balance between wealth and health. Let's not waste this crisis.

stopinion@sph.com.sg

Dr Chia Kee Seng is professor and founding dean of the Saw Swee Hock School of Public Health at the National University of Singapore, where Ms Ong Suan Ee recently completed her PhD.