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global pandemic, economic recovery, forecast, business resilience, fiscal policy, monetary policy, private sector, stimulus, unemployment, productivity, growth, innovation

Speaker:
• Catherine Mann, Citi’s Global Chief Economist
• Moderated by Professor Kislaya Prasad of Maryland Smith

Synopsis:
It has been seven months since the World Health Organization (WHO) declared the novel coronavirus (COVID-19) outbreak a global pandemic. The global chief economist of Citi, Catherine Mann, saw the current state of the economy as the worst economic contraction in memory. The global pandemic left devastating impacts on the world economy. It is also anticipated that there will be some lasting changes, even after the pandemic has been brought under control.

While the economy experienced rebounds, they were not strong enough to return the economy to the pre-COVID state anytime soon. Officials across major economies responded to the pandemic with record fiscal and monetary stimulus to prevent corporate insolvencies and high unemployment levels. According to Mann, as the 2021 projection continued to be revised downward, governments needed to do more, do differently to get the economy back and reverse the loss of jobs and capital.

Critical Thinking and Discussion Questions:
1. What are the different levels of the short-term and long-term damage done to the global economy by the COVID-19 pandemic, and why have some countries fared worse than others?
2. How effective were the fiscal and monetary policy responses by different countries to handle the global health crisis?
3. What should be fiscal policy and monetary policy response in the United States, at the current time, seven months after the start of the crisis?
4. How are the economic policy responses to the Covid-19 pandemic different from the last financial crisis?
5. How can governments “catalyze” private sector activities in the short-term and long-term to bring back the economy?
6. How will companies operate differently, coming out of the economic recovery from the pandemic?
7. What are the factors that affect corporates’ thinking of global supply chain innovation?
8. How do governments bring existing innovation to a broader swap of companies within their country? Should a government incentivize the adoption of existing tech or incentivize the frontiers? How and Why?