

Robyn Smith

From: Lombardelli, Clare - HMT
Sent: 05 June 2020 12:39
To: Economics Group SCS; Covid19Response; Smewing, Conrad - HMT; Drane, Chris - HMT; Josephs, Tom - HMT; Scholar, Tom - HMT; Roxburgh, Charles - HMT; Duffy, Philip - HMT
Subject: FW: Integration of the health/science/economics of the next phase of managing Covid
Attachments: The Economics of Lockdown_June 5 2020.pdf

I attended an odd seminar with the above title chaired by Ben Warner at No10 this morning. The castlist was the below plus some others. Not sure if anything will come out of it.

The discussion would felt very familiar – the economists all did a very clear pitch on smarter NPIs being able to deliver the same level of virus control at lower econ cost. The attached paper from Nick Stern and Tim Besley is good on all this in case not seen.

There was a general conclusion (by economists) that the economics is not being considered enough. And a desire for a place to bring this together. They posed 3 options:

1. An economics SAGE
2. A single model
3. Something more informal

The economists obv killed the single model, some liked the idea of an economics SAGE. It was agreed that Ben Warner would follow up with me, Vallance, Stephen Aldridge and Ian Diamod. Ideally we would doc this work and contacts into existing structures and processes and use it to get a greater weight on the econ arguments in No10 thinking.

There were also some useful titbits.

CBI have data on the impact of NPIs – Rain quoted 2m rule. Specifically they have data that 50% of the auto sector can work at 2m; 1m would deliver full capacity

Hospitality: 20-30% would be operable at 2m; 60-70% at 1m. most in the sector need 70/80% capacity to be viable.

Tim Besley is doing some analysis of new data on physical density of workplaces by sector and other factors.

Presumably the right people here have the access they need to this info? If not we can join up.

Whitty did note that less than 2m on hospitality would have a big impact on R. Though took the point from the economists that it still might be sensible and you could take offsetting measures elsewhere which has less economic impact.

Vanessa – Ian Diamond was extremely complementary of the econ group saying they are feeding in by far the best questions into the ONS surveys and analysis.

Clare

From: Stern,N <N.Stern@lse.ac.uk>

Sent: 05 June 2020 09:46

To: 'rain.newtonsmith@cbi.org.uk' <rain.newtonsmith@cbi.org.uk>; 'c.propper@imperial.ac.uk'

<c.propper@imperial.ac.uk>; 'Sandra.Mills@bankofengland.co.uk' <Sandra.Mills@bankofengland.co.uk>

Name

Name Redacted

@hmttreasury.gov.uk>; 'Chris.Whitty@dhsc.gov.uk' <Chris.Whitty@dhsc.gov.uk>; Imran

Shafi <Ishafi@no10.gov.uk>; 'CE-EDOffice@bankofengland.co.uk' <CE-EDOffice@bankofengland.co.uk>;

Lombardelli, Clare - HMT <Clare.Lombardelli@hmttreasury.gov.uk>; Simon Case <SCase@no10.gov.uk>;

'Government Chief Scientific Adviser (GO-Science)' <GCSA@go-science.gov.uk>; **Name Redacted**

Name Redacted @no10.gov.uk>

Cc: Stern, N <N.Stern@lse.ac.uk>; Besley, T <T.Besley@lse.ac.uk>

Subject: Integration of the health/science/economics of the next phase of managing Covid - Paper by Besley and Stern

Dear all,

Here is the paper that Tim Besley and I have worked on which might be of relevance to the meeting at 11.30am.

With best wishes,
Nick