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#### **1. DATA DIVE: UNEMPLOYMENT CLAIMS DECLINE, SLOWLY**

New unemployment insurance claims have continued their slow decline. In the week ending March 6, seasonally adjusted new claims under the regular state program, the headline number, fell by 42,000, to 712,000. The four-week moving average fell by 34,000. The level of new claims remains more than triple the rate of one year ago, before the pandemic broke. However, the special federal pandemic programs saw an increase in continuing claims for the week ending on February 20 (reported with an additional lag), which grew by more than 2 million to 20.1 million. The numbers from the prior measurement week (of February 13) likely were held down by the winter storms.

We again anticipate continued slow improvement in the labor market, barring any resurgence in the pandemic.

#### **2. STIMULUS CHECKS TO BEGIN THIS WEEKEND**

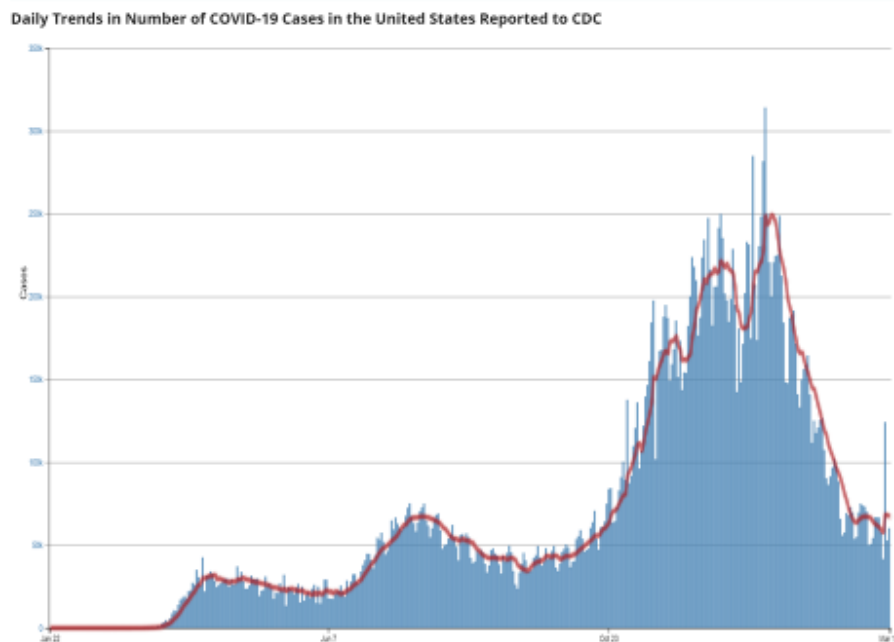
[According to the White House](#), direct deposits from President Biden's \$1.9 trillion relief bill will begin to be distributed "as early as this weekend," then will continue for several weeks.

The President will visit Pennsylvania on Tuesday. Vice President Kamala Harris heads west, with stops next week in Vegas and Denver, as part of a [nationwide tour](#) to promote the passage of the relief bill.

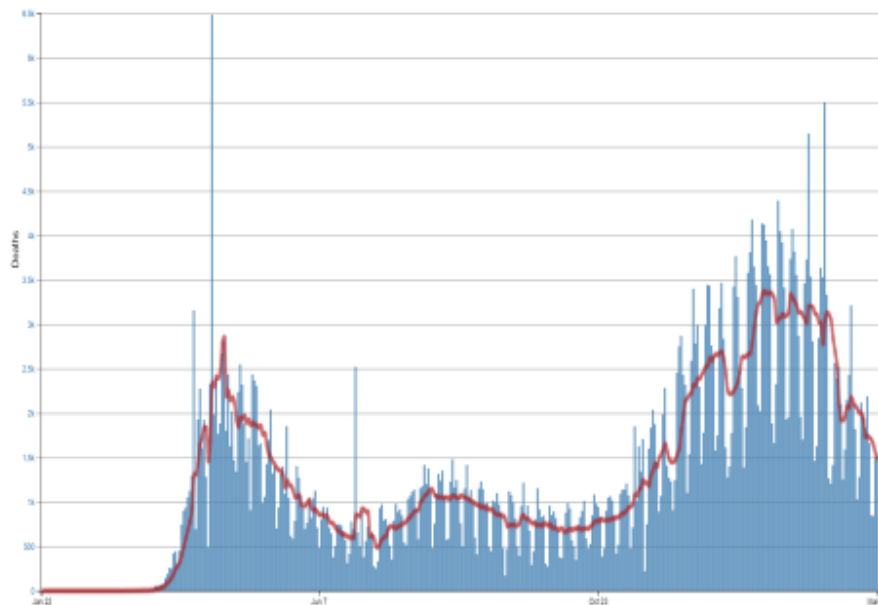
Read Joe Minarik's op-ed on [The Power of Compound Interest](#), 3/11/2021 as published in The Hill

### 3. PANDEMIC NEWS

And slow improvement continues on the coronavirus front as well. The number of [new cases](#) on March 10 was an estimated 58,530, and the seven-day average of new cases is down 16 percent from two weeks prior. This is not far below the peak of the 2020 summer surge, but it is only about one-quarter of the peak we endured during the winter holidays. Deaths on March 10 were 1,477, which is down by half from the one-week moving average during the winter surge. But deaths, again, remain above the 2020 summer peak. Total hospitalizations are reported by the CDC at 35,983 as of March 9, which is well below the 125,422 peak of January 5, but again not much below the 2020 summer peak. This progress is welcome, but the nation remains vulnerable to variants in the virus that could spread before the current rush of vaccinations can stamp out the disease.



Daily Trends in Number of COVID-19 Deaths in the United States Reported to CDC



#### 4. VACCINE NEWS

In further news of the pandemic, the President [announced](#) that he has reached an agreement to purchase another 100 million doses of the Johnson & Johnson COVID-19 vaccine (which is produced in a cooperative arrangement with Merck, which also was a party to the agreement). The Johnson & Johnson vaccine is effective with only one dose, meaning that this purchase by itself (on top of all of the other vaccine doses, including Johnson & Johnson, that have been purchased) is enough to inoculate about one-third of the US adult population. Because of that additional supply, the President committed to have enough vaccine by the end of May to cover the entire adult population, and to allow all states to offer vaccination to all of their adults, regardless of age or medical condition, by the beginning of May. The President also promised internet tools to allow people more easily to find vaccination availabilities near their homes, in place of the rather complex appointment search that many face today.

Some have wondered why the United States has made commitments to purchase so much more vaccine than it apparently needs. There are three reasonable answers. The first is that vaccine manufacturing is highly complex and uncertain, and so to be sure to have enough by a reasonable date one really needs to order too much. A second is that manufacturers are already responding to the evolving virus variants by modifying their vaccines, and it is well within the realm of possibility that people will need additional booster shots of vaccines tailored to a new threat. A third good reason is that the evolution of the virus with ever-more-threatening variants means that the United States (and everyone else) will not be truly safe until the virus is stamped out everywhere around the world. The United States therefore can serve its self-interest—and achieve a stronger diplomatic position—by contributing any surplus

of vaccine it may have to inoculating poorer countries that might otherwise give birth to new variants that will only rekindle the pandemic here, and elsewhere around the world.

Along with progress in vaccination has come some [confusion](#), along with a sense of inequity. Different states have progressed at different rates, according to the supplies of vaccine that they have been provided, and they have applied different priorities to different vulnerable groups. Accordingly, similar people in different states might perceive that they are being treated in very different ways.

## 5. NEW CDC AND CMS GUIDANCE

The CDC [released](#) new [guidance](#) this week for individuals who have been fully vaccinated. Although the guidance should be consulted in its entirety, it suggests that persons who have been vaccinated can be confident enough to gather in small groups, under the proper conditions.

In a further [release](#), the Centers for Medicare and Medicaid Services (CMS) [addressed](#) specifically the issue of visitation of residents of nursing homes, who have been at great risk both to the pandemic and of spreading it to others, including their own family members. CMS urges caution, but does suggest conditions under which visits can be safe with appropriate precautions.

## 6. THE LAST WAR AND THE NEXT PANDEMIC

Hindsight is 20-20, and so there is always a temptation to second-guess difficult past decisions. But to prepare for the future, it is helpful to consider what the past can tell us about the risks that we face. One perspective is that the preparation of the National Strategic Stockpile was overbalanced toward [bioterrorism](#) as opposed to pandemic. Another, which CED has [presented](#) in the broader context of overall public health, is that even in the context of pandemic risk, the Stockpile was [over-weighted](#) toward bacteriological rather than viral disease. Looking forward, and understanding how this virus has crippled the nation, we need to think systematically about how to prepare for future public health risks.

## 7. FOCUS ON REOPENING—ITALY, AND THE NEXT WAVE

Sadly, [Italy](#) appears to be on the cusp of yet another wave of the COVID-19 pandemic. After an extended period of relief, the daily death toll has risen worryingly, reaching 300 this week. Over 5 percent of Italians have now been infected.

Because of the extended period of relief after the first wave, Italy has not prioritized vaccination. Only 6.2 percent of the population has been vaccinated. Organizational problems in the vaccine distribution process (the AstraZeneca vaccine is the most plentiful) have been cited, and authorities have blocked the export of unused vaccine to attempt to revive the program. Local manufacturing of the Russian Sputnik V vaccine is planned.

Troublingly, the spread of new coronavirus variants is an apparent cause of the revived pandemic.