

CED Public Policy Watch Weekly News Round-up February 17, 2023

- 1. Developments on Ukraine
- 2. CBO Warns of Far Higher Debt
- 3. Democratic Senators' Proposal on Debt Ceiling
- 4. CPI Rebounds to 0.5 Percent Month-Over-Month
- 5. Retail Sales Spike in January on Seasonal Adjustment and Warm Weather
- 6. The Conference Board Leading Economic Index Declines in January
- 7. Initial Unemployment Claims Decline Minimally
- 8. White House Announces Further Electric Vehicle Efforts
- 9. AI Chat Displays Emotional and Combative Text
- 10. Reducing Regulatory Burdens
- 11. USMCA Finalizes Procedures for Dispute Resolution
- 12. Greenhouse Gas Sinks List Available for Comment
- 13. CDC Report on Youth Mental Health
- 14. Aerial Shootdowns and US-China Relations
- 15. US, Japan, Philippines Considering Tripartite Defense Pact
- 16. Pandemic News
- 17. Country Spotlight: United States

1. DEVELOPMENTS ON UKRAINE

Military developments: NATO Secretary General Jens Stoltenberg <u>said</u> "we are seeing the start" of a new Russian offensive in Ukraine, with "thousands and thousands more troops" suffering "a very high rate of casualties." Stoltenberg added that "[w]hat Russia lacks in quality, they try to compensate in quantity," showing the importance of additional weapons for Ukraine in a "race of logistics . . . before Russia can seize the initiative on the battlefield" and that he saw "no sign whatsoever" that President Putin wants peace. Ukraine and Russia each claimed progress in the six-month fight for Bakhmut in eastern Ukraine; Ukraine <u>destroyed</u> a bridge near the town in an attempt to prevent its capture by Russia before the anniversary of the invasion on February 24. The UK Ministry of Defence <u>estimated</u> that 97 percent of Russia's army is now in Ukraine and that Russia has also <u>increased</u> its forces in the southern region of Zaporizhzhia, extending its frontline positions to almost 800 miles. The US <u>claimed</u> that about half of Russia's main battle tanks have been captured or destroyed in combat.

Russian military goals: Yevgeny Prigozhin, head of the Wagner mercenary group, told a Russian blogger that "we need to close off the Donetsk and Luhansk republics and in principle that will suit everyone for now" but that this could take 18 months to two years to accomplish; "[i]f we have to get [considerably further west] to the Dnipro [river], then it will take about three years." If Prigozhin's assessments are accurate, it could provide a view into what Russia might find acceptable in its military goals.

Milley remarks: In an <u>interview</u> with the *Financial Times*, Joint Chiefs of Staff Chairman General Mark Milley gave careful remarks about the military situation, saying that it "will be almost impossible for the Russians to achieve their political objectives by military means. It is unlikely that Russia is going to overrun Ukraine. It's just not going to happen." But he added that it would also be "very, very difficult for Ukraine this year to kick the Russians out of every inch of Russian-occupied Ukraine," qualifying the



statement by remarking "[i]t's not to say that it can't happen [but] it's extraordinarily difficult. And it would require essentially the collapse of the Russian military." Thus, it is likely the war will end through negotiations. Milley also noted the US may need to raise its military spending to replenish stockpiles, particularly of ammunition. Earlier in the week at a press conference with Defense Secretary Lloyd Austin, Milley had said that Russia has lost the war "strategically, operationally, and tactically and they are paying an enormous price on the battlefield."

Political developments: Prime Minster Jonas Gahr Støre <u>announced</u> that Norway will give 75 billion kroner (\$7.353 billion) to Ukraine over the next five years, split between military and humanitarian assistance. Norway has profited greatly from higher energy prices during the war. UK Leader of the Opposition Sir Keir Starmer <u>visited</u> Kyiv to emphasize that UK policy would remain the same if the Labour Party comes to power in next year's elections. Starmer said that in his meeting with President Zelensky, "[w]e spoke about the need for that justice to cover both the use of Russian state assets for reconstruction and the need for there to be prosecutions for war crimes." As a barrister, Starmer had represented victims of the Balkans War at the International Court of Justice.

EU sanctions: European Commission President Ursula von der Leyen <u>stated</u> that the EU will propose sanctions on Iranian groups involved in supporting the war, "including those linked to Iran's Revolutionary Guard." The US expressed <u>concerns</u> that Iran is helping Russia to obtain chips covered by sanctions. A proposed tenth package of sanctions would <u>reportedly</u> include new sanctions on Russian banks including private bank Alfa Bank, new sanctions against specially designated individuals, and trade bans on Russian rubber, asphalt, and bitumen as well as exports of heavy construction machinery.

Switzerland confiscating assets: Switzerland <u>began</u> proceedings in the Federal Administrative Court to confiscate 130 million Swiss Francs (\$140.74 million) of "illicit origin" connected with former Ukrainian President Viktor Yanukovich who fled to Russia following the Maidan protests in 2014. If the lawsuit is successful, the assets would be returned to Ukraine. Under Swiss law, confiscation of assets is granted only in exceptional circumstances; here the assets are "the subject of criminal proceedings in Ukraine" and Ukraine had requested Swiss government assistance.

Chinese foreign minister to visit Russia: Chinese Foreign Minister Wang Yi will visit Russia later this month. China has refrained from both overt support for the invasion and explicit condemnation of it. In October, China stated that "all countries deserve respect for their sovereignty and territorial integrity" while "support should be given to all efforts that are conducive to peacefully resolving the crisis."

Moldova: Acting on intelligence received from Ukraine, President Maia Sandu <u>accused</u> Russia of seeking to overthrow the government by fomenting violent protests and installing a new pro-Russian government. She named Dorian Recean, who as Moldova's new prime minister after the previous government resigned; Recean pledged to continue Moldova's path of "integration into the European Union." Moldova also accused Russia of violating Moldovan airspace with a missile.

New UN resolution: Several countries have <u>circulated</u> a new General Assembly resolution timed for the anniversary of the invasion next week. The resolution would reportedly focus on ensuring Ukraine's "sovereignty, independence, unity and territorial integrity" and a "comprehensive, just and lasting peace" -- a less detailed text than President Zelensky's 10-point peace plan from last November, and reports on Thursday <u>suggested</u> that the text may not call for Russian forces to withdraw.



Europeans believe Ukraine will win: A <u>poll</u> of EU citizens conducted by the Bertlesmann Foundation's euopinions and the Belgian King Baudouin Foundation showed that 61 percent of Europeans believe that Ukraine will be successful, with Germans a slightly smaller majority at 55 percent. Sixty-eight percent of Europeans believe the war is an "attack on the whole of Europe," and 62 percent agree with the statement that "Ukrainians are also fighting for Europe's freedom and prosperity."

Analogy to 1973 Yom Kippur War: CED Trustee Ed Cox published an opinion piece in the *Wall Street Journal* "Ukraine: What Would Nixon Do?" recalling the efforts of President Nixon and Secretary of State Henry Kissinger to "act decisively" to supply Israel with weaponry as the Soviet Union rushed to supply Egypt with weapons during the Yom Kippur War in October 1973 without leading to a general conflict between the superpowers. Cox argues that Nixon's order to send Israel "everything that can fly" and sending 550 air missions to resupply Israeli forces is "an example of the type of American presidential leadership required to defeat Vladimir Putin's Russia in Ukraine and help secure Ukraine's independence for the long term." Even when the Soviets "responded by threatening to send troops, Nixon didn't waver," and the "Soviets backed down, Israel turned the tide of the war, and an American-directed settlement succeeded in keeping Moscow out of the Middle East for the next 40 years."

2. CBO WARNS OF FAR HIGHER DEBT

According to Wednesday's Congressional Budget Office (CBO) <u>Budget and Economic Outlook</u>, the federal government's debt burden (the debt owed to the public, expressed as a percentage of the nation's gross domestic product, or GDP) will rise to its 118 percent, its highest level in history, within 10 years from its current outsized level of 98 percent and then continue to rise to 195 percent by 2053.

CBO's projections for debt as a percentage of GDP have worsened substantially, as projections for the economy have become less optimistic. In response to sharp increases in interest rates, the CBO expects economic growth to slow to just 0.3 percent year-over-year in 2023 (identical to The Conference Board's forecast). Slower growth boosts spending on mandatory programs; high inflation and interest rates have driven a high Social Security cost of living adjustment and higher interest payments. Adverse revisions to the near-term forecast also drive long-term projections. The 2022 forecast projected a debt to GDP ratio of 185 percent in 2052; CBO now projects a ratio of 190 percent in 2052 and 195 percent in 2053.

Costs of servicing the debt increase as well, rising from 2.4 percent of GDP this year to 3.6 percent in 2033, in dollar terms rising from \$739 billion in 2024 to \$1.4 trillion in 2033, higher as a percentage of GDP than in any year since at least 1940. On the debt ceiling and the potential for sovereign default, CBO estimates that the US may no longer be able service its debt sometime between July and September this year. However, it stressed uncertainty and noted that the Treasury's extraordinary measures to address payments could also run out before July if deficits run higher than expected.

CED's latest <u>Solutions Brief</u>, <u>Debt Matters: A Road Map for Reducing the Outsized US Debt Burden to 70% of GDP</u>, includes a series of recommendations for returning to a path of fiscal health and stability, including a mix of spending cuts, tax reform, saving Social Security and Medicare, and returning to a responsible and enforceable budget process.

3. DEMOCRATIC SENATORS' PROPOSAL ON DEBT CEILING

Senators Jeff Merkley (D-OR) and Tim Kaine (D-VA) introduced the <u>Protect Our Credit Act</u>, which would permit the President to increase the debt ceiling subject to a potential override by Congress through a



joint resolution of disapproval requiring two-thirds support. The plan follows a similar proposal from Senator Mitch McConnell (R-KY) in 2011 that was included in the Budget Control Act of 2011. In an accompanying opinion piece in the Washington Post, the Senators argue that the "McConnell plan" "was a good solution then, and it remains a good solution today." The proposal would make this change permanent and "put the power to prevent default in the hands of the president, with Congress acting as a check," offering an opportunity to "end this episodic crisis by putting a stop to using the debt ceiling as a tool for political blackmail."

4. CPI REBOUNDS TO 0.5 PERCENT MONTH-OVER-MONTH

The January Consumer Price Index (CPI) <u>showed</u> that headline inflation increased by 0.5 percent monthover-month, the largest increase since October. Core inflation, which excludes food and energy, rose by 0.4 percent month-over-month. Year-over-year, headline CPI has risen by 6.4 percent, while Core CPI over the last twelve months was 5.6 percent. Nearly half of the increase in CPI in January was driven by shelter inflation, which rose 0.7 percent. Food (0.5 percent) and energy (2.0 percent) also drove inflation higher. While used car prices declined in the month and goods inflation has slowed, prices for new cars, apparel, and appliances were higher. Among services, prices for restaurants and auto insurance continued to climb. Medical costs were also higher. The Conference Board's Economy, Strategy and Finance Center notes in its <u>analysis</u> that shelter inflation, which lags spot prices because it includes all rental agreements, not just newly-signed ones, is likely to cool but predicts that this relatively high reading will not dissuade the Fed from its stated goal of hiking interest rates at least two more times.

5. RETAIL SALES SPIKE IN JANUARY ON SEASONAL ADJUSTMENT AND WARM WEATHER

The U.S. Census Bureau announced advance estimates of U.S. retail and food services sales for January 2023. The Bureau adjusts the data for seasonal effects but does not adjust the headline figure for inflation. On that basis, sales rose 3.0 percent month-over-month, an extremely large increase for the series; year-over-year, sales are up 6.7 percent. Even after adjusting for inflation, the rise in sales was 2.4 percent month-over-month, the largest increase since March 2021. This figure is likely a product of seasonal adjustment and unusually warm weather, notes The Conference Board's Center for Economy, Strategy, and Finance. Seasonally-adjusted retail sales had fallen 1.1 percent in December, reflecting disappointing Christmas shopping. (On a non-seasonally-adjusted basis, December sales increased.) Winter weather usually depresses sales, but January was warm in much of the US after a very cold December. Consumer demand for goods jumped in January, rising by 2.3 percent in both nominal and seasonally-adjusted terms. Spending on motor vehicles and parts surged by 5.9 percent in January, while retail sales excluding motor vehicles and parts rose by 2.3 percent. Spending at gasoline stations was flat. Sales at department stores spiked by a very large 17.5 percent for the month while sales at nonstore retailers rose 1.3 percent—effectively, Census seasonal adjustments expects shopping in stores to decline extremely sharply from December to January due to the end of Christmas season, but in this year the decline was quite small, driving measured seasonally-adjusted increases.

6. THE CONFERENCE BOARD LEADING ECONOMIC INDEX DECLINES IN JANUARY

The Conference Board Leading Economic Index® (LEI) for the US <u>fell</u> by 0.3 percent in January 2023 to 110.3 (2016=100), following a decline of 0.8 percent in December. The LEI is now down 3.6 percent over the six-month period between July 2022 and January 2023—a steeper rate of decline than its 2.4 percent contraction over the previous six-month period (January–July 2022). "The US LEI remained on a downward trajectory, but its rate of decline moderated slightly in January," said Ataman Ozyildirim,



Senior Director, Economics, at The Conference Board. "Among the leading indicators, deteriorating manufacturing new orders, consumers' expectations of business conditions, and credit conditions more than offset strengths in labor markets and stock prices to drive the index lower in the month. The contribution of the yield spread component of the LEI also turned negative in the last two months, which is often a signal of recession to come. While the LEI continues to signal recession in the near term, indicators related to the labor market—including employment and personal income—remain robust so far. Nonetheless, The Conference Board still expects high inflation, rising interest rates, and contracting consumer spending to tip the US economy into recession in 2023."

7. INITIAL UNEMPLOYMENT CLAIMS DECLINE MINIMALLY

The Department of Labor reported Thursday that <u>initial claims</u> for unemployment insurance, a weekly indicator of labor market health, were 194,000 for the week ending February 11, a decrease of 1,000 from the previous week's revised level of 195,000. The 4-week moving average was 189,500, just off its lowest mark since May 2022. This level of claims is low by historical standards and well below the highs of 261,000 in July, reflecting continued labor market strength even as some leading economic indicators tip into negative territory. The <u>latest economic forecast</u> from The Conference Board shows the unemployment rate rising to 4.4 percent, well above its current level of 3.4 percent, by the fourth quarter of 2023.

8. WHITE HOUSE ANNOUNCES FURTHER ELECTRIC VEHICLE EFFORTS

The White House on Wednesday <u>announced</u> its latest actions aimed at US vehicle electrification. The plan envisions building 500,000 electric vehicle (EV) chargers by 2030 and EVs comprising at least 50 percent of new car sales by then. The <u>Infrastructure Investment and Jobs Act</u> (IIJA) includes \$7.5 billion in funding for EV charging; \$10 billion for electric transportation more generally; and over \$7 billion for EV battery components, critical minerals, and materials. In addition, the <u>Inflation Reduction Act</u> (IRA) contains support for manufacturing advanced batteries and a tax credit for EV purchases. This week's actions include final <u>minimum standards for federally funded EV charging infrastructure projects</u> and a temporary <u>waiver</u> of Buy America requirements through July 1, 2024, with a 55 percent US cost content requirement thereafter. These decisions were required for states to implement the <u>National Electric Vehicle Infrastructure (NEVI) Formula Program</u>, which makes \$5 billion available for EV charging.

Additional progress towards the EV charging network comes from public-private collaborations with Tesla, Hertz, BP, General Motors, and other companies. Tesla's Supercharger and Destination Charger network, previously private, will make at least 7,500 chargers, including 3,500 superchargers, open to the public by the end of 2024. The White House also announced that the Charging and Fueling Infrastructure Discretionary Grant Program, the other \$2.5 billion for EV charging in the IIJA, will open soon. Overall, the White House counted over \$100 billion in announced manufacturing investments for EVs, batteries, or chargers, including investments combined with the IIJA and IRA.

9. AI CHAT DISPLAYS EMOTIONAL AND COMBATIVE TEXT

Several technology reporters noted unusual behavior from Microsoft's new version of Bing, which includes a chat AI powered by large language models. Conversations <u>left</u> the *New York Times*' Kevin Roose "unsettled, even frightened" by the behavior of the pilot software, while *Stratechery*'s Ben Thompson <u>noted</u> the "emergence of an at-times combative personality." In Thompson's experience, the Bing chat AI discussed ideas for revenge against technology observers who had pointed out flaws in its



behavior. These behaviors are troubling, but because language models are advanced versions of the same technology used in predictive text software for phone keyboards or suggested responses in commercial email software, probing the models on emotional or existential topics may generate emotional or existential answers and can also lead to inappropriate remarks on the theme probed.

Harvard psychology professor and AI expert Steven Pinker <u>said</u> this week that "[i]t's impressive how ChatGPT can generate plausible prose, relevant and well-structured, without any understanding of the world -- without overt goals, explicitly represented facts, or the other things we might have thought were necessary to generate intelligent-sounding prose. And this appearance of competence makes its blunders all the more striking" as well as highlighting its "elementary errors of common sense." Pinker concludes that "for just a tool, like a search engine, where you just want useful information retrieval, I can see that an LLM could be tremendously useful — as long as it stops making stuff up."

10. REDUCING REGULATORY BURDENS

The Administrative Conference of the United States (ACUS) is requesting public comments on how agencies can "reduce unnecessary procedural burdens that members of the public face" in participating in administrative processes or receiving government benefits. The effort is designed to improve the "customer experience" that those interacting with government receive, such as updates to the Regulations.gov website; it also includes broader potential changes to administrative practices such as virtual hearings and identifying systematic barriers to participation in proceedings. Specific areas on which ACUS is requesting comment includes "unintended consequences from agencies" burden-reduction efforts," "specific, temporary burden reductions instituted during the COVID-19 pandemic" that could "be made permanent," and the role of the private sector. ACUS may use these responses to help inform best practices for agencies. Comments are due no later than 10:00 AM on April 17.

11. USMCA FINALIZES PROCEDURES FOR DISPUTE RESOLUTION

The US, Mexico, and Canada finalized the rules of procedure for its dispute resolution mechanisms, including binational panel proceedings, extraordinary challenge committee proceedings, and special committee proceedings. Article 10.12 of the USMCA agreement replaced national judicial review of final antidumping and countervailing duty determinations involving the three countries with review by independent binational panels that can determine whether the determinations are consistent with national law. Extraordinary challenge committees (Annex 10-B.3 of the USMCA) review the appeal of binational panel decisions, and special committees under Article 10.13 of USMCA will address procedural challenges raised by any of the three countries. The rules "are derived in large part" from similar rules under the former North American Free Trade Agreement and will permit formal dispute resolution procedures under USMCA to begin.

12. GREENHOUSE GAS SINKS LIST AVAILABLE FOR COMMENT

The Environmental Protection Agency (EPA) <u>published</u> for comment an inventory of greenhouse gas sinks in the US between 1990 and 2021, which will be used to inform further measurement and policymaking. The report will be finalized in April; comments are due no later than March 17.



13. CDC REPORT ON YOUTH MENTAL HEALTH

Nearly all indicators of poor mental health increased between 2011 and 2021, according to CDC's Youth Risk Behavior Survey <u>released</u> Monday. The report marks the first Youth Risk survey collected since the start of the Covid pandemic. It found that 42 percent of high schoolers reported feeling sadness or hopelessness for at least two weeks that caused them to stop doing normal daily activities—up from 28 percent in 2011. The pandemic's effects were significant for female students, with hopelessness rising from 36 to 47 percent between 2011 and 2019, before jumping to 57 percent in the recent survey. High school girls also reported a rise in suicide consideration, increasing from 24 to 30 percent between 2019 and 2021. The report also highlighted significant challenges for LGBT students, with more than double the percentage reporting poor mental health across each of the CDC's metrics. In a <u>separate report</u> last week, the CDC found that suicide deaths for the total population rose nearly 5 percent in 2021 following a two-year decline, just shy of the record number experienced in 2018.

14. AERIAL SHOOTDOWNS AND US-CHINA RELATIONS

Over the weekend, the US shot down additional unidentified flying objects which it claimed posed a threat to air traffic, including one over Canadian territory at the request of Prime Minister Justin Trudeau and an "octagonal" object flying at about 20,000 feet near a military site in Michigan which had previously flown over a military site in Montana. The Washington Post reported that the US had tracked the original surveillance balloon from its launch in Hainan island in southern China and that it may have been blown off course by the weather so that rather than focusing on US military bases in the Pacific, it reached the continental US, at which point the Chinese sought to gather intelligence on other military sites; according to the Post, "its hovering over sensitive nuclear sites in Montana was no accident." The President said he would speak to President Xi Jinping about the incident and that the US is "not looking for a new Cold War."

China claimed the US had flown at least 10 balloons over Chinese territory; the US <u>denied</u> "any claim that the US government operates surveillance balloons over China. The Commerce Department <u>added</u> five Chinese companies and one research institute to a list of foreign parties to which exports are prohibited, for supporting "China's military modernization efforts, specifically the People's Liberation Army's aerospace programs including airships and balloons."

China <u>promised</u> to take countermeasures, claiming the US was using the balloon incident "as a pretext to illegally sanction Chinese companies and institutions." China's Ministry of Commerce <u>added</u> Lockheed Martin and Raytheon to its list of "unreliable entities" and imposed fines and sanctions against the companies equal to twice the contract value of their arms sales to Taiwan since September 2020. Neither company is active in China, but the action marks an escalation in response to the US' sanctions, although a China-based analyst <u>said</u> the "retaliation remains very targeted . . . responding to US arms sales towards Taiwan," which China has protested in the past; another China-based analyst argued that "[n]aming two already sanctioned companies onto the list for the first time actually proves that [the Ministry] wants to take it slow and experiment with how to implement" the new list.

Japan is <u>considering</u> a change in policy to permit its Self-Defense Forces to shoot down balloons and other unmanned objects illegally entering Japanese airspace, a major shift in the country's defense posture which generally precludes offensive military action except if military conflict is imminent. Defense Minister Yasukazu Hamada noted the threat to civilian aircraft as a reason for the change. Japan



said it "strongly suspects" China has flown three surveillance balloons over Japan since 2019. Any change in policy would require approval from the Japanese Diet.

15. US, JAPAN, PHILIPPINES CONSIDERING TRIPARTITE DEFENSE PACT

As Philippine President Ferdinand Marcos, Jr. visited Japan shortly after he hosted US Defense Secretary Lloyd Austin in Manila, he <u>revealed</u> that the US, Japan, and the Philippines are considering a tripartite defense pact to respond to rising tensions with China in the South China Sea and a possible conflict on Taiwan. President Marcos said the pact could serve as "a central element to... providing some sort of stability in the face of all these problems that we are seeing around us" in "confusing" and "dangerous" situations in the region. No formal proposal has yet been made, however, according to Marcos; "[w]e have to talk to the Americans also ... maybe sometime down the road, we will sit down with our Japanese counterparts and American counterparts and we'll see what is it really that they want." During the visit, the Philippines and Japan also <u>agreed</u> several new defense cooperation agreements, including one to permit the Japanese Self-Defense Forces to conduct drills for disaster relief and humanitarian assistance (which would be important in the event of conflict on Taiwan). Additional US forces -- and potential Japanese forces -- in the Philippines could help deter China from invading Taiwan and reinforce Philippine claims to islands in the South China Sea. Marcos said that "just by our geographical location, should there in fact be conflict in [Taiwan] . . . it's very hard to imagine a scenario in which the Philippines will not somehow get involved."

16. PANDEMIC NEWS

Heart attack deaths after COVID: Since the beginning of the COVID-19 pandemic, heart attack deaths have become more common in the US across all age groups, according to a <u>study</u> by Cedars Sinai hospital in Los Angeles. People between the ages of 25 and 44 were the most affected, with a 29.9 percent relative increase in heart attack deaths during the first two years of the pandemic. "Young people are obviously not supposed to die of a heart attack. They're not really supposed to have heart attacks at all," said Dr. Susan Cheng, a cardiologist at Cedars Sinai and co-author of the study, <u>told TODAY</u>. Adults between 45 and 64 saw a 19.6 percent relative increase in heart attack deaths, with those 65 and older seeing a 13.7 percent relative increase. "It [COVID-19] appears to be able to increase the stickiness of the blood and increase . . . the likelihood of blood clot formation. It seems to stir up inflammation in the blood vessels," noted Cheng. One theory for the relative increase in heart attack deaths in young people, she explained, is that the virus's impact on the cardiovascular system in some people may result from an excessive immune system response, and young people are more likely to have stronger immune systems.

Possible changes to annual vaccines: At the FDA's Vaccines and Related Biological Products Advisory Committee (VRBPAC) meeting in late January, all 21 voting members supported "harmonizing the vaccine strain composition of primary series and booster doses in the US to a single composition." This would use the same approach as that of seasonal influenza vaccines, a strategy the FDA thinks will boost uptake. However, uncertainty remains concerning what SARS-CoV-2 variants should be included in these shots. The FDA plans to reconvene VRBPAC in May to discuss the issue. A major question is whether to include the spike protein of ancestral SARS-CoV-2 (the index virus) which has not been detected in nearly three years. The decision to keep the index virus in the bivalent booster was based on the evidence at the time, according to Kanta Subbarao, chair of the World Health Organization's (WHO) Technical Advisory Group on COVID-19 Vaccine Composition. Moving forward, the decision may be different. "We're in a very different place. There is a lot more data," said Subbarao.



Long COVID link to unemployment: A recent <u>survey-based study</u> published in *JAMA Network Open* of over 15,000 people found that those with self-reported long COVID symptoms were <u>more likely to be unemployed</u>. This builds on an October <u>study</u> on the prevalence of long COVID, with both analyses using the same data set derived from the <u>COVID States Project</u>. Survey responses were collected between February 2021 and July 2022 in eight waves. Nearly 15 percent of those surveyed reported having long COVID symptoms. Approximately 12 percent of individuals with long COVID were unemployed compared to nearly 9 percent without the condition. Cognitive symptoms, including brain fog and memory impairment, were reported by nearly 46 percent of respondents with long COVID and were associated with a lower likelihood of working full time. Among the subset of the currently unemployed, only about 28 percent without long COVID worked full time before the pandemic compared with nearly 40 percent who reported symptoms of long COVID.

India drops pre-departure testing for some countries: On Monday, India dropped its pre-departure COVID-19 test requirement for travelers coming from or via China, Singapore, Hong Kong, Korea, Thailand, and Japan. Random testing of 2 percent of all travelers upon arrival in India will continue. India recorded 280 COVID-19 cases on February 14, a rate of 0.20 infections per one million people.

17. COUNTRY SPOTLIGHT: UNITED STATES

Throughout the course of the COVID-19 pandemic, <u>older Americans</u> have suffered more severe outcomes from the disease compared to any other age group. <u>CDC weekly data</u> has shown that seniors aged 75 and over have consistently died from the disease at a rate higher than any other age group. Seniors aged 65 to 74 have, for the majority of weeks, followed closely behind. However, the data shows that when the US experienced peaks in infections, the gap between these age groups grew immensely, highlighting the unique vulnerabilities of older seniors. The week of January 2, 2022, during the peak of the original Omicron variant, CDC reported a rate of 58.16 deaths for those aged 75 plus per 100,000 people, and a rate of 15.86 deaths for those aged 65 to 74.

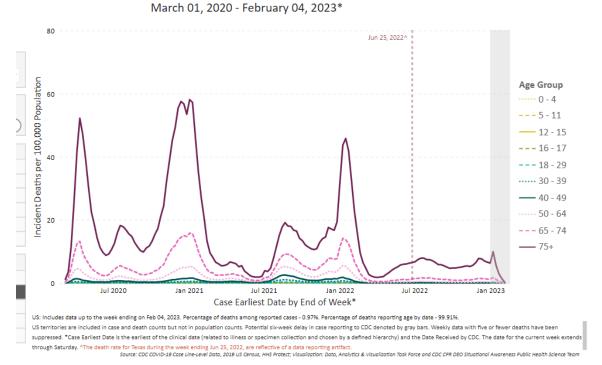
According to CDC <u>data</u>, as of February 8, only 40.8 percent of people aged 65 and over have received a bivalent booster. In nursing homes, where the virus had such a devastating impact during the early days of the pandemic, the numbers are not much better. According to CMS <u>data</u>, as of January 29, 52.7 percent of residents of long-term care facilities are up to date with vaccines.

Older adults who become sick with COVID-19 are <u>more likely</u> than younger people to suffer persistent symptoms, such as fatigue, breathlessness, muscle aches, heart palpitations, joint pain, and difficulty with memory and concentration. These long-term effects of the disease, known as long COVID, often go unchecked in seniors. "Identifying long COVID in older adults with other medical conditions is tricky," said Dr. Nathan Erdmann, as assistant professor of infectious diseases at the University of Alabama-Birmingham's school of medicine. Long COVID can easily be mistaken from conditions such as heart disease, lung disease, and mild cognitive impairment. Identifying long COVID in seniors is crucial to ensuring that patients receive proper care. There is much unknown about long COVID, and many physicians are at a loss as to how to identify and treat the often debilitating disease. The National Institute of Health (NIH)'s <u>RECOVER Initiative</u> is a four-year, \$1.15 billion initiative on the long-term effects of COVID-19. Over 15,000 people, have already been enrolled in studies across the country.



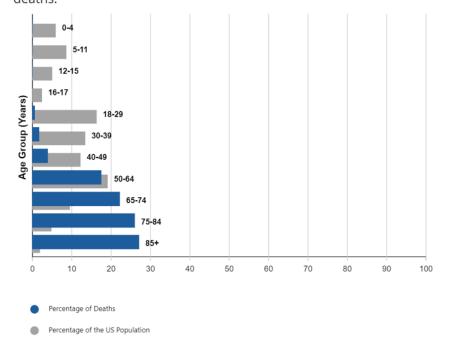
COVID-19 Weekly Deaths per 100,000 Population by Age Group, United States





Deaths by Age Group:

Data from 943,301 deaths. Age group was available for 942,453 (99%) deaths.



CDC | Data as of: February 8, 2023. Posted: February 9, 2023

Note: CDC is working with states to provide more information on race/ethnicity for reported cases. The percent of reported cases that include race/ethnicity data is increasing. These data only represent the geographic areas that contributed data on race/ethnicity. Every geographic area has a different racial and ethnic composition. These data are not generalizable to the entire U.S. population.