

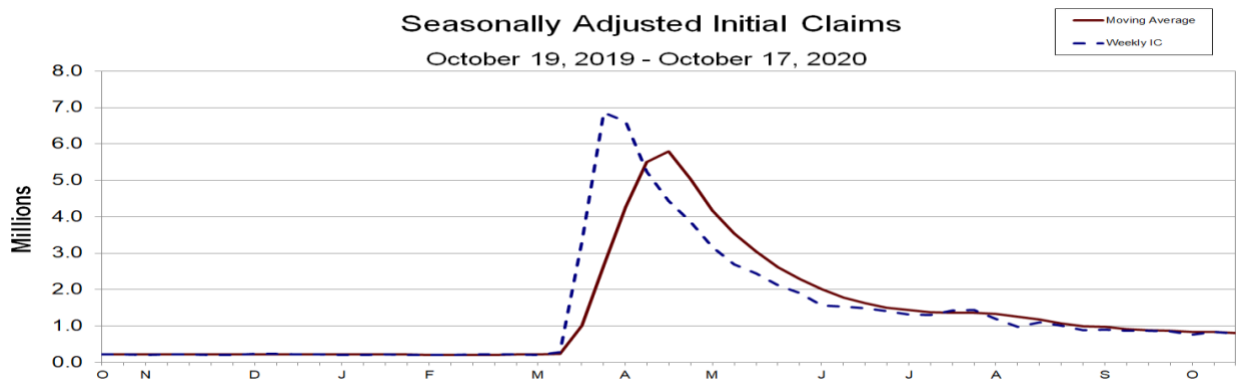
CED Public Policy Watch

10.23.2020

- 1. NUMBER OF THE WEEK: 3.7 TIMES**
- 2. UNEMPLOYMENT BENEFIT RECEIPT CONTINUES TO DECLINE, BUT REMAINS SEVERELY ELEVATED**
- 3. STATE UNEMPLOYMENT RATES IN SEPTEMBER SHOWED WIDE VARIATION IN CONDITIONS**
- 4. UNITED STATES TO OFFER SUBSIDIZED LOANS TO DEVELOPING COUNTRIES TO PURCHASE NON-CHINESE TELECOM EQUIPMENT**
- 5. VACCINE DEVELOPMENTS**
- 6. GLOBAL SPOTLIGHT ON REOPENING: FRANCE**

1. NUMBER OF THE WEEK: 3.7 TIMES

The number of seasonally adjusted initial claims for unemployment insurance in the week of October 17 was 787,000, down from 842,000 in the week of October 10. However, 787,000 is 3.7 times the figure from one year before, before the coronavirus pandemic. The gap between current and year-ago new UI claims is trending down, but it remains painfully large—indicating how far the economy remains from pre-pandemic normal.



2. UNEMPLOYMENT BENEFIT RECEIPT CONTINUES TO DECLINE, BUT REMAINS SEVERELY ELEVATED

Digging deeper into the numbers, [estimated](#) unemployment receipt of any kind declined 11 percent (to a little more than 23 million workers) between the start of September and the start of October. That

decline may be overstated by delays in reported transitions to and receipt of Pandemic Emergency Unemployment Compensation (PEUC) benefits. More than 2 million workers were [estimated](#) to have exhausted their regular Unemployment Insurance (UI) benefits in September, and may show up on the PEUC rolls in future weeks. New applications for UI and Pandemic Unemployment Assistance also continued a slow decline through the week ending October 17, although total applications remain above one million per week with weekly UI applications alone still running near the highest levels seen during the Great Recession.

Alaska and New Jersey are [expected](#) to soon begin paying out an enhanced \$300 unemployment benefit for eligible unemployed workers through the Lost Wages Assistance program that was created by executive order in early August. Alaska and New Jersey are the last states to begin making payments. Most states have already finished making the up to 6 weeks of enhanced benefit payments under this program, with most unemployment recipients no longer receiving any enhancement in their benefit level.

3. STATE UNEMPLOYMENT RATES IN SEPTEMBER SHOWED WIDE VARIATION IN CONDITIONS

Recently released BLS [data](#) show that state unemployment rates in September were estimated to have varied from 3.5 percent in Nebraska to 15 percent in Hawaii. Seventeen states, representing just under half the population of the US, had estimated unemployment rates of at least 8 percent in September.

REMDESIVIR OBTAINS FDA APPROVAL

Remdesivir (henceforth to be known by its brand name of Veklury) has moved from its FDA emergency-use authorization to full FDA [approval](#) as a therapeutic drug for COVID-19. Veklury is to be administered only in a hospital or other acute-care setting, to patients 12 and older who require hospitalization. Multiple studies have documented moderate effectiveness, with some limited reduction in duration of hospitalization, but with no evidence to date of reduced mortality.

4. UNITED STATES TO OFFER SUBSIDIZED LOANS TO DEVELOPING COUNTRIES TO PURCHASE NON-CHINESE TELECOM EQUIPMENT

The United States is [reported](#) to be prepared to offer subsidized loans to encourage developing countries to purchase non-Chinese telecommunications equipment. Even though the US at this point has none of its own equipment to sell (some new US firms might enter the market later), it will be willing to finance Nokia, Ericsson or Samsung equipment. China has been known to offer concessionary finance to market its Huawei and ZTE equipment. The US fears not only Chinese market domination in 5G telecommunications, but also risks to national security, and will argue to the developing nations that China has abused its power as a creditor to exploit other nations in the past.

5. VACCINE DEVELOPMENTS

Moderna has [announced](#) that its vaccine candidate in its Phase 3 trial has obtained its full target of 30,000 volunteer subjects. All 30,000 subjects have received the first injection of the two-shot regimen; 25,650 have received the second injection. The trial is anticipated to achieve sufficient passage of time to document safety by the second half of November. A demonstration of efficacy will require that a

minimum number of participants contract the disease, and that the participants who have had the injection are less subject to infection than those who received the placebo.

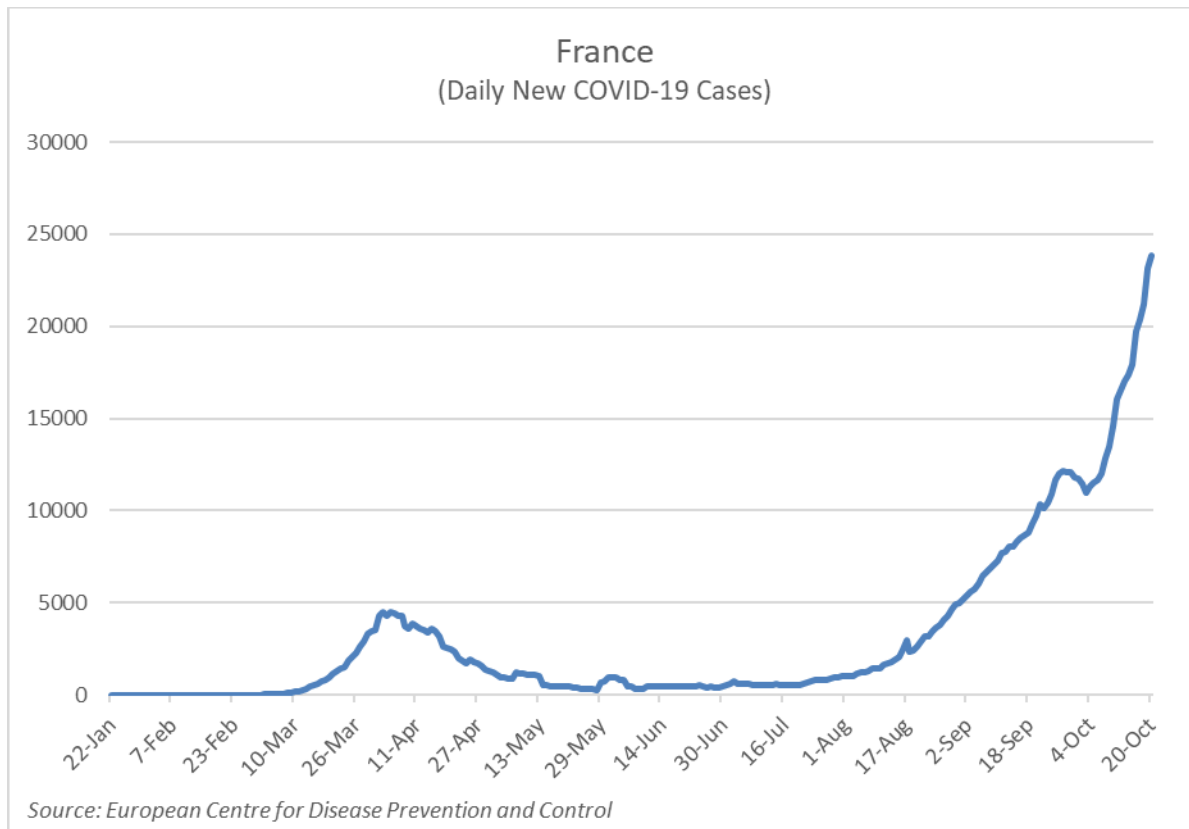
Meanwhile, a subject of the AstraZeneca/Oxford vaccine Phase 3 trial in Brazil has [died](#), but the trial will continue, indicating that the death is not related to the coronavirus. The AstraZeneca trial remains paused in the United States, however, because of the adverse health developments for a trial subject in the UK. Health authorities outside of the United States were satisfied to resume the trial, but US authorities continue to believe that they have not received sufficient information to justify resumption here.

The Johnson & Johnson Phase 3 trial pause continues as well. Some health experts have expressed [concern](#) that the company and the FDA have not revealed whether the patient whose illness triggered the pause had received the vaccine or a placebo, and also whether this pause is actually the first for the trial. Both questions would bear on the prospects for a successful vaccine. Authorities say that federal law prohibits releasing information about trial participants.

And according to a new medical journal [article](#), it is important to note that Phase 3 trials are designed to determine susceptibility to cases of a disease whose typical infection is mild. The trials do not delve deeper into the frequency of serious cases or fatalities. Thus, the ultimate benefit of a vaccine that satisfies the criteria of a trial will be revealed only in the fullness of time.

6. GLOBAL SPOTLIGHT ON REOPENING: FRANCE

As of 21 October, 2020, France has [confirmed](#) a total of 957,421 COVID-19 cases and 34,028 related deaths, with 1,754 patients hospitalized in the past 24 hours and 2,248 currently in the ICU. While the number of patients in intensive care had been falling in the past few months, [reports](#) show that the country is now encountering a significant second wave – leading to immense pressure on hospitals. Health authorities have expressed worry that hospitals in Paris may have to deal with coronavirus patients taking up close to fifty percent of the ICU beds by the end of October.



Coronavirus cases were detected in France as early as December via passengers arriving from Wuhan, China – leading Air France to suspend flights to and from Wuhan on 23 January – and large clusters of new local cases began being reported in the country from February. On 12 March, it was announced that all schools and universities across the country would be closed, and a day later, it was also announced that pubs, restaurants, cinemas, and nightclubs would also be closed. After [holding](#) the first round of municipal elections (with the record lowest turnout of voters) on 15 March, President Emmanuel Macron declared the start of a [lockdown](#) period from 17 March. Measures included restrictions on nonessential travel, a loan of 300 billion Euros to help support businesses, deferment of rent and utility bills for small companies, and childcare support for healthcare workers. France saw a dramatic increase in the number of COVID-19 cases and deaths (more than 10,000 are reported to have died) in April, leading to the [extension](#) of the lockdown period until 11 May.

Seeing a drop in the daily number of cases, schools were allowed to gradually [reopen](#) on 11 May, but universities were asked to remain closed. By the end of the month, [then] Prime Minister Édouard Philippe [announced](#) that the travel ban of 100 km would be lifted and that by the beginning of June, beaches as well as cafes, restaurants, and bars could reopen. However, these easing of restrictions did not apply to “high risk” areas like Paris, and cafes, restaurants, etc. could reopen in Paris only by mid-June. Towards the end of June, cinemas and public centers were allowed to reopen, and on 1 July, France reopened its borders with non-EU countries. The State of Health Emergency in France came to an end on 10 July, but restrictions like social distancing and mandated face masks in public spaces remained.

Coronavirus cases began to increase once again in France during the month of August – more than 10,000 cases were reported during the week ending 16 August. Towards the end of August, the number

of new cases began to exceed numbers seen during the peak in April, leading Paris (and other high-risk areas) to make face masks compulsory even outdoors. Due to the resurgence in cases, cities like Marseille and Paris once again shut cafes, restaurants, and bars by the beginning of October. While the French government insisted that there would not be a second nation-wide lockdown, on 14 October, President Macron announced that there would be nighttime (9pm–6am) [curfew](#) imposed, lasting a month, in several major cities which are considered as hotspots for the virus. In addition, only six people will be allowed to gather indoors. On 22 October, Prime Minister Jean Castex further [announced](#) that due to cases doubling every fifteen days, France will extend its overnight curfew to dozens more areas in an effort to slow the spread of the coronavirus, saying that, *“The coming weeks will be hard and the number of deaths will continue to rise... If we fail to stop the pandemic, we will be facing a dire situation and we will have to mull much tougher measures.”*