

Takeaways: Responding to the Coronavirus, Economic and Policy Responses & Strategies

April 28, 2020 Virtual Cohort Discussion

On April 28, 2020, FiscalNote and the Economist Intelligence Unit co-hosted a virtual cohort discussion, “Responding to the Coronavirus, Economic and Policy Responses & Strategies,” with industry leaders and subject-matter experts across the technology, financial services, healthcare, and consumer products industries. The discussion was co-facilitated by Dave Curran, Chief Sustainability and ESG Officer at Paul, Weiss, and Claire Casey, Global Managing Director of Public Policy at the Economist Intelligence Unit. The discussion covered the 9 key points outlined below.

The Global Economic Outlook

- **China is experiencing economic contraction for the first time in 50 years.** While businesses are beginning to re-open in China, it will take some time to reach full economic recovery.
- **Germany’s export manufacturing sector will shrink by 6%** due primarily to supply chain issues.
- **U.S. resumption of economic activity is projected to be in the 2nd half of the year.** That is also when we expect to see an uptick of resumed consumption. For now, most companies are operating at a slim margin as consumers are tightening their spending.

Lessons Learned

- **The economy runs in 10-year cycles** and we know that the 10-year economic expansion is not going to continue indefinitely. Now is the time to focus on your core business and retain customers, instead of using stock buy-backs to inflate value as a business strategy.
- **The post-COVID economy will look different than the pre-COVID economy.** Don’t expect a V-shaped recovery. Increased precautionary savings, less consumer spending, and delayed corporate investment can have a sizable impact on the U.S. economy.

- **Move past the normalcy bias and get used to the new reality.** The sharing economy has already taken a hit during the crisis. Instead of taking public transportation, people are using private cars and taxis. This gave the auto industry in China an opportunity to rebound because people prefer to travel in personal cars now to avoid sharing rides with others.

What You Can Do to Make an Impact Today

- **Make your organization more agile and better able to respond to crisis situations.** Focus on business innovation and operation to meet the needs of your customers.
- **Invest in Diversity & Inclusion and Corporate Social Responsibility.** Build an inclusive work environment for employees from different ethnic backgrounds and promote cultural sensitivity within your organization. Reach out and support vulnerable communities through grassroots actions.
- **Move past the crisis mode and start building a long-term strategy.** Some companies are already moving out of crisis management to think about the post-crisis economy. Start thinking about what your business operation will look like and where you should shift resources to adapt to the new normal.

The discussion closed with Dave Curran summarizing the key takeaways and thanking attendees for their thoughtful questions. To participate in a future virtual cohort session, please email FNEI@fiscalnote.com for more information.

Resource Highlights

Check out these resources highlighted at the virtual discussion:

- **EIU Global Health Security Index**: a comprehensive assessment of global health security capabilities in 195 countries
- **FiscalNote Coronavirus Updates and Resource Center**: a trusted source of consolidated coronavirus information including timely news coverage, transcripts, best practices/marketing content, policy guidance, and relevant federal, state, local and international data.