

# The Grumpy Economist

John Cochrane's blog

Friday, March 27, 2020

## Daily testing

What's the perfect answer? Larry Kotlikoff has a good candidate: [Daily testing](#).

Imagine everybody gets a test every day. Positive? Stay home and isolate. Negative? Off to work you go. It's over in a month. Nobody who is sick gets anyone else sick.

Testing includes

temperature scans, a quick chest exam by stethoscope, a quick questionnaire about Coronavirus (CV) related symptoms, multiple PCR (swab) tests, antibody tests (as soon as they are available), and saliva and urine tests if such become available.

Larry has a pretty intrusive regime in mind,

Anyone who is negative on all indicators/tests would be given a badge to wear during the day that would permit them to go work, frequent restaurants, shop, etc. Anyone who is positive on the indicators/tests would be quarantined together with their family members and have their contacts be subject to immediate tracing.

The passive voice (would be) hides a lot of questions -- who is going to do all this and how much interaction does that mean? But one needn't be so intrusive. At home tests, tests done by employers to everyone who shows up, and proper incentives would do a great deal. (If you are positive you get a free two weeks in a local empty hotel, and full salary.)

More generally, if we really can stop transmission, 100%, for just about three weeks -- so everyone who has got it now is over it -- then it's over. Full stop.

Why not? Well, because we don't have enough tests.

Like all perfect answers, I think this focuses the mind. The shutdown is costing us a trillion dollars a month. Daily testing of everyone would solve it. Why don't we have more tests? Why is the Federal government spending a trillion dollars handing out checks here and sunder, rather than a trillion dollars on one thing, test kits? (Ok, and masks, shields, and ventilators. \$500 billion each.)

More realistically still, any public health response has to include lots of random testing, so we know how many people really have it, in each town or neighborhood. If you don't have enough tests so you have to lock down, well, at least do it smart based on real data.

My understanding is that the piece, 3 hours old as I write, is out of date in its claim that the Administration does not want to test. The new letter from the Administration to governors will emphasize random testing as soon as possible, to isolate hot spots.

Posted by [John H. Cochrane](#) at 3:53 PM

Labels: [Commentary](#), [pandemic](#)

## 1 comment:



**Pabloria** March 27, 2020 at 5:53 PM

A trillion dollars? 5% of GDP? Seems excessive, is that figure correct? What do you mean by "cost"?

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Thanks to a few abusers I am now moderating comments. I welcome thoughtful disagreement. I will block comments

### About Me and This Blog



**John H. Cochrane**

This is a blog of news, views, and commentary, from a humorous free-market point of view. After one too many rants at the dinner table, my kids called me "the grumpy economist," and

hence this blog and its title. In real life I'm a Senior Fellow of the [Hoover Institution](#) at Stanford. I was formerly a professor at the University of Chicago [Booth School of Business](#). I'm also an adjunct scholar of the [Cato Institute](#). I'm not really grumpy by the way!

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with insulting or abusive language. I'm also blocking totally inane comments. Try to make some sense. I am much more likely to allow critical comments if you have the honesty and courage to use your real name.

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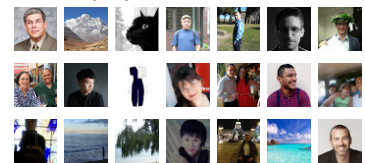
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