

Paul Frijters, Gigi Foster, and Michael Baker, *The Great Covid Panic: What Happened, Why, and What To Do Next* (Austin, TX: Brownstone Publishing, 2021). 408 pp. RRP \$29.72 paperback.

Economists have a knack of being unpopular. When our discipline was taking shape in the nineteenth century Walter Bagehot observed that ‘No real Englishman, in his secret soul, was ever sorry for the death of a political economist.’. This was the reaction to economists challenging various conventional wisdoms and established interests. A constantly recycled comment about economics being the dismal science comes from that nineteenth century defender of hierarchy Thomas Carlyle, but few realise its supposed dismalness is its insistence on equality, extending even to black West Indian slaves. Against the interests of Carlyle and his mates.

This book by Paul Frijters, Gigi Foster and Michael Baker stands in that grand tradition, challenging the policy consensus about the Covid pandemic and laying bare political and economic opportunism around the globe. Some might remember Professor Frijters as the University of Queensland economist who was sordidly pushed out for a paper he wrote with a student about racism on Brisbane buses that attracted the ire of university bureaucrats, reacting to the threat to the bureaucratic gravy train. The bus people were well connected donors by the way. Just before fleeing the country for his present post as Professor of Wellbeing Economics at the London School of Economics he managed to get out his hilarious and informative survey of the most lucrative rorts in the Australian economy *Game of Mates* (with Cameron Murray). Professor Gigi Foster is a fine economist at University of New South Wales who has herself been in trouble with the bureaucrats for her research on assessment standards in universities, threatening their international student gravy train. Michael Baker brings his expertise from the world of consulting and research translation.

Do the authors have the advantage over those they criticise of a year or so of hindsight about how the Covid pandemic has played out? Undoubtedly. Do they sometimes lack grace towards officials who were honestly trying to do the right thing difficult circumstances? Yes. Are there sometimes loose ends in their arguments? As with almost all real research and writing. But the big question of course is are they right. In my view the answer is essentially yes – their arguments are strong and evidence based.

The authors trace various ways Covid has been an opportunity for the powerful and wealthy to do over the vulnerable. They document ways that uncertainty and fear were used to accelerate the process. They observe rediscovery of the power of sin stories in a culture assumed to be secular and beyond that sort of thing, and the opportunistic deployment of that old trope that sacrifice will avert threat. There is some acute social science on the dynamics of crowds, including online crowds. They vividly describe the infantilisation of culture and lament the delusion that we have it in our power to live forever.

Evidence is plentiful. The vast sums made in quick time by dodgy but politically well-connected suppliers of masks and other protective equipment. The shunning of investigation of cheap and potentially helpful treatments in favour of treatments that do more for

corporate profits. The anti-competitive effects of centralisation of supply chains that has flowed from lockdowns. Cynical suspension of freedoms that actually worsened health outcomes. The growth of corporate and government bullshit, that they argue is optimised to hide the truth while maintaining enough functional capacity in the organisations for the opportunists to profit. The politicisation of epidemiology and economic modelling. These sorts of things have affected us in Australia, but the damage caused by political and economic opportunism in parts of the world we don't hear much about on the news has been much greater.

A feature of the book is the way the authors mix their economists predilection for data with personal stories of three hypothetical individuals experiencing pandemic. James the decider—the political and economic opportunist who lurks behind the narrative. Jane the conformer—worried about the pandemic and wanting to do the right thing. Jasmine the doubter—trying to stand against the crowd.

One thing that gets lost easily in the fog of a pandemic is a grasp of what really matters in the end. Is life merely about not dying? Is there some transcendent good? Is there a life fitted to our human nature which leads to flourishing? Or is it as the hard-nosed economist often insists, just about happiness as judged by individual?

Working within this philosophical framework where individual happiness is the standard the authors encourage the use of cost-benefit analysis to assess Covid policy responses. Benefits and costs are counted at the economists best estimate of value the individual themselves place on the items. This is a difficult business when markets and prices are in chaos during a pandemic. Valuing health and life are always difficult, and the authors discuss how measures like WELLBYS and QUALYS can be used alongside traditional economists cost benefit techniques. Gigi Foster has not just encouraged this sort of analysis but devoted time to actually doing it for Australian lockdowns. She took particular care with the consequences of lockdowns for mental health, social connection, young people's opportunities and other things that don't touch secure middle-aged work-at-home members of our sourdoughocracy. There is a generational as well as a wealth and power cleavage to lockdown policy.

It is interesting to read the authors speculations on how the pandemic will play out from here. Their comparisons with transitions out of past crises are helpful, such as the reckoning in Europe after the tragedy of World War I, the path out of prohibition in America in the 1930s, and the Nuremberg trials after World War II. Our authors best guess is that the opportunistic gains will be impossible to claw back, that lots of self-justificatory lies will be told, but hope remains for economic forces of competition and innovation to reassert themselves and move things in the right direction again. Diversity in all its forms, especially diversity of ideas, combined with markets that weed out the good from the bad are the way to go according to the authors.

In this spirit they offer lots of suggestions for economic and political life going forward. Citizen juries, contrarians embedded in bureaucracies (like the old court jesters?), random or citizen based components to public appointments, an overhaul of science funding. Even developing harmless forms of fanaticism to replace the noxious kinds. Even harmless forms of religion, such as the cult of Theoi that Paul Frijters explored in a previous publication (the experience

of artificially created in the wake of the French Revolution is not encouraging - Paul needs to think a bit harder about this).

Above all the authors are concerned about how we deal with the next crisis, rather than just accountability and path out of this one.

As an economist reading this book I was left wondering where the Australian economics profession has been during the crisis. Especially academic economists. Sadly, according to the authors, academic economists have mostly either been playing along with the consensus or ignoring the whole thing and beavering away at the academic publications and funding applications for career advantage. In other words, responding to the incentives in our higher education system. It has been a different story for younger and often female academics affected by the casual teaching staff bloodbath in universities, or for those who have survived and carried the burden of teaching on zoom in caring for their troubled students.

Despite working in universities, the authors have surprisingly little to say about these institutions. Sure the universities have hosted valuable scientific research behind the vaccines, but what about their role in hosting challenges to the conventional wisdom and established interests? Or different models of research education. For myself I've invested last few years in Alphacrucis vision to create a different sort of university—though currently tiny, disreputable and with lots of problems. But with some great things happening as well.

I'm also reading this book as a follower of Jesus reflecting on where the churches have been during the crisis. Seems to me there has been quite a bit of what Jesus complained about in the religious authorities of his day; power seeking, pandering to the crowd, and career risk minimization. Especially true of leaders of declining and fearful religious groups. Pentecostal leaders seem to me on the whole to have done better, resisting the economic and sectarian opportunism of the anti-vaxers, while not being captured by the Covid panic crowd. Hats off most of all to those who have quietly cared for the most vulnerable during the pandemic. Some of them working in our Christian social service organisations, and international development organisations. And of course our medical workers and school teachers.

This is an excellent and challenging book that deserves to be widely read, and even more to be discussed to test the authors suggestions about improving the way our economic and political institutions operate.

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