

## Go Hard, Go Early: Sound Advice, but the PM won't race!

The Treasury advice to government at the time of the Global Financial Crisis was to “go hard, go early” with counter-measures, and that has since become an accepted model when confronted with an unexpected, major, crisis. Although applied in some areas in dealing with the Covid-19 crisis, the unwillingness of the PM and his Ministers to follow that model in key areas has worsened our situation.

The fiscal and monetary response to the pandemic has followed the “go hard, go early” model, and succeeded in limiting the extent of the economic recession. Targeted income support measures helped to limit the distressing economic consequences for many, but not all, individuals and businesses. As the crisis has dragged on and in the latest Delta wave, however, the government has been slow to extend those measures.

Such quickly designed measures do run the risk of making errors, such as compensating those not needing support – as the Job-keeper “rorts” illustrate. It also remains to be seen whether the interest rate subsidies provided to banks via the RBA's Term Funding Facility led to lower borrowing costs for business or simply bolstered bank profits. But the errors pale compared to those of not acting quickly and adequately.

The State Premiers also understood the benefits of going hard and early. Lockdowns and other restrictions on social and economic activity proved successful in suppressing the virus in the earlier stages. Unfortunately, a tougher enemy in the form of the Delta variant, combined with hesitancy of the NSW Premier (apparently supported by the PM) to repeat the model, and a lack of widespread vaccination has seen the approach's efficacy diminish.

The current awful situation can be partly traced back to the failure of Prime Minister Morrison to adhere to the go hard, go early model in addressing the public health issues – with one exception. That exception was the closing of the international borders – something he perhaps found easy given his past callous behaviour on his way to the leadership in the “stopping the boats” saga, and resulting in inhumane detention of refugees.

Also a failing was the casual approach to the building of new quarantine centres. Hotel quarantine clearly didn't work well, and State premiers had to wait an inordinate amount of time for the PM to make decisions on what the Federal government would support. Now, hopefully this pandemic will be suppressed before they're usable!

But where he really failed was in not going hard and early to ensure an adequate supply of vaccines, as the recent exposure of (lack of) dealings with Pfizer have illustrated. Of course there may have been a risk of committing to purchase too much vaccine – but what a nice problem to have! Any surplus could have been provided to other, poorer, countries, bolstering our flagging reputation as a humanitarian nation.

Also a clear failure was his pronouncements that “it's not a race” – when “go early, go hard” sounds very much like the instructions for a runner in a sprint for survival. The precise consequences of those pronouncements are hard to identify, but the slow take-up by the populace of available vaccines is consistent with them wrongly accepting that “it's not a race”.

And then, there's the greatest challenge of our time – dealing with climate change. Our PM apparently prefers to go late and casually. In the race for survival of our planet, “go hard, go early” is the only option – although it may be too late.

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