



The Daily Dish

The Omicron Moment

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The arrival (and it has almost [certainly arrived](#), the president's pointless [travel ban](#) notwithstanding) of the Omicron variant is hardly surprising. Disappointing, perhaps, but not shocking. Mutation is what viruses do. It is yet to be determined how transmissible and infectious the variant will be, but the general rule is that mutation should favor increased transmissibility (because that is how the virus can continue propagation) and less severity (because killing the host is bad for the survival of the virus).

Since the Omicron variant is not very much news, one would think it should produce little change in policy. Certainly, the public health mission should have already had the pedal to the metal on prevention (vaccines, rapid testing, masks) and treatment. The continued approval of new tests and therapies – especially the new oral therapies from Merck and Pfizer – means that for any given level of viral threat, capabilities are greater than even six months ago.

Similarly, the data indicate continued strong spending by [households](#) and [businesses](#), with concomitant continued upward pressure on consumer prices. There is no data-driven reason for the Fed to slow down its tapering asset purchases and moving toward normalization of its stance. Certainly there is no case to be made for any [fiscal stimulus](#). Nevertheless, the news is filled with states of emergency (declared in New York) and speculation about radical shifts in the stance of COVID policy. This is out of line with the substance of what is going on.

Lockdowns, in particular, have been misused in the United States. Lockdowns impoverish workers and harm social cohesion. They should be restricted solely to those situations in which a city/metropolitan area/regional health system is in danger of being overwhelmed by COVID-19 cases.

In short, as Eakinomics [put it](#) a while back, “The economy is healing and will continue to heal. There is little more policy can do to speed this process, and considerable harm that could arise from more interventions. It is time to accept combatting the virus as a normal part of life and move policies to normal as well.”