



FORECAST 2020

Panel 5: Implications of the Wuhan Coronavirus

February 5, 2020

Speaker: *Yanzhong Huang, Senior Fellow for Global Health, the Council of Foreign Relations*

Moderator: *Matt Margulies, Vice President, China Operations, USCBC*

Key Takeaways:

- The coming week will be very crucial. If we don't see the cases plateau, or hopefully drop, not just in Wuhan, but in China, then we really have a problem.
- We do not know exactly the fatality rate, and the current data is not that trustworthy. Each day it is a perfect 2.1 percent. If you plot the number of cases between each day, it's a perfect curve, which shows that it is most likely doctored.
- I think that the draconian measures will be in place for at least another week. But they can't be held too long without severely impacting society. I think the government should consider an exit strategy, and at least a mitigation-based approach that focuses more on treating severe cases and paying less attention to hunting people down and tracing infected.

This entire panel took the form of Q&A

Q: Matt Margulies: Can you give us an update on the current status of the coronavirus, and contextualize for us what that means.

A: Yanzhong Huang: Cases are continuously increasing in China and in other countries.

Of the 24,000 cases reported in early February, 80 percent are in Wuhan. Wuhan is like China's Chicago; it is a hub for central China. This greatly facilitated the spread of the virus. The new cases continue to increase every day. There were 731 cases yesterday. Outside of Wuhan, there is some optimism that this could potentially signal a plateau of transmission. But overall the cases in Wuhan have increased greatly. The entire healthcare system there is overwhelmed. They are building two hospitals, that altogether can only accommodate 2,000 cases. They are installing mobile cabin hospitals in stadiums, convention centers, etc. Still, this is not enough.

A leading Chinese scientist in Wuhan said that many cases that should be listed as confirmed cases are not. A large number of people in Wuhan and surrounding cities are sick but cannot be hospitalized. They are just told to go home. These people will continue to shed the virus.

This is even worse for the surrounding cities, because they have less resources. It has caused almost a complete paralysis there.

Q: You said that the transmission rate outside Wuhan is plateauing? Can you expand on that?

A: I wouldn't be that optimistic. It does seem that way in terms of new suspected cases and new confirmed cases. But we have not seen the light at the end of the tunnel. It is very likely we are entering the darkest before the dawn.

Q: How does this compare with SARS? Is that the appropriate lens to view this?

A: Obviously both are caused by the coronavirus. SARSs has a much higher fatality rate of 10 percent. This one we don't know exactly, the current data are not trustworthy as each day it is a perfect 2.1 percent. If you plot the number of cases between each day, it's a perfect curve. If you submitted the data to a journal, they would say it is impossible. There's still a ton we don't know. Maybe this is less severe than SARS, but the fatality rate is still probably higher than reported. In terms of reaction to the virus, that is, lack of transparency and reliance on draconian measures, we're seeing a very similar pattern of response.

Still, SARS will not be a good reference point as to what is going to happen next. There is just too much uncertainty.

Q: Is there an inflection point that you would point to as a signal that it will become a pandemic?

A: Sometimes these terms are not precise. Sometimes they are used interchangeably. Pandemic typically means epidemic worldwide. SARS spread to many countries but was still called an epidemic. H1N1 was a pandemic, even though it was far less virulent than seasonal influenza. Usually when outbreaks spread rapidly in more than three countries, that's a pandemic.

Q: You expressed doubt with official figures. What is China doing to contain the virus? Are these efforts adequate? Will they work over time?

A: Beginning January 20th, the government has taken decisive action. We saw a crusade being launched. In a way, the entirety of China has been quarantined by China itself (like shutting down outside events, restricting citizens from playing mahjong outside). China has displayed a very impressive capability to mobilize society and state to fight the common enemy. They are aided in this effort by high technology, big data, etc. For example, they have a system where you just put in your train/ plane number and they can tell you if you traveled with someone who had the virus. You can also use an app to see if there was an infection nearby when you went walking outside.

It is Impressive, but how effective that will be remains a question.

Q: We had plants that have reopened, and have put in the health measures prescribed. There's word that the virus is transmitted by asymptomatic people. The US seems to be concerned by this as well. What can you say to that? What are medical professionals saying?

A: Many scientists seem to agree that asymptomatic carriers can shed the virus. However, there was a recent paper from a Yale University doctor who questions that. We're still not 100 percent sure. Anecdotal evidence suggests that is indeed the case. This is the weakest link in the Chinese mobilization of the state. You can lock these people down, but you don't know who actually has it. I'm not that sure that the government can be that effective in dealing with that problem.

Q: We shut down our manufacturing in China for this week. Is there any thinking that maybe the quarantine should continue for one more week?

A: I speculate that the quarantines will be in place for at least one more week. The Politburo standing committee just met. I think that the draconian measures will be in place for another week. But they can't be held too long without severely impacting society. I think the government should consider an exit strategy, and at least a mitigation-based approach that focuses more on treating severe cases and paying less attention to hunting people down and tracing the infected. A big question is do you have enough facial masks to provide these people? China can produce 20 million each day, but each day the demand is 1.8 billion. So, either people stay at home and change the mask once a week, or they go out and need a new mask each day. There are so many challenges. Also, the quarantine measures can be very sticky, and hard to demobilize.

Q: What will the political implications be for the government in the coming months? For example, in light of reports of people being turned away from hospitals.

A: I was told by a reporter that the government has sent 300 reporters to Wuhan. They are there to report on the heroism on the ground. And truth be told there are many people doing heroic work on the ground. The government is certainly considering this as a challenge to its legitimacy. But, also, there is a difference between central legitimacy and local legitimacy. So far, we haven't seen public criticism of the central leadership. If they handle it so badly that even ordinary people can recognize something is wrong, there is a significant amount of risk to its legitimacy. But he (Xi) probably will muddle through this crisis.

Q: USCBC has been approached by the Chinese Embassy to see if companies will donate. We've gotten some official looking documents from the government. One of the disappointments of SARS is that companies that participated were overlooked, and even potentially criticized. (*To the crowd*) If you are contributing, please let us know, we will at least let the embassy know and make sure they all know that we are a part of the solution.

My other question is, I'm worried about Manila, Jakarta, Bombay, Lagos. What if this were to spread to a full-blown pandemic in a country with less developed medical infrastructure?

A: Yes, those places have low state capacity for mass mobilization. Lab, diagnostic, and other surge capacities, are lacking there. This virus is highlighting how even having high state capacity doesn't matter, you can still have a huge disaster in Wuhan. Think about the impact on the economy, the global supply chain.

Q: What is the US's capacity to deal with the virus?

A: The US actually has a very robust capacity. I was recommending the Chinese government to adopt the US Public Health Service system. They are like firefighters that can be deployed if there is a disease outbreak. We certainly have the capacity to deal with outbreaks. My concern is if there are multiple outbreaks in multiple states and the cases increase to a level that exceeds our testing capacity, and this just instigates panic. Then that would cause a ton of damage to our surge capacity. It is also difficult because of the flu– if there are simultaneous outbreaks of flu and coronavirus that could be very dangerous. People might think they have coronavirus but have flu, and overwhelm testing capacities.

Q: There were news releases that said the CDC had appealed to go over to help but China never replied. Is the CDC now involved in helping?

A: Simple answer is “yes,” they did offer and the Chinese side was not enthusiastic. Now the CDC has joined the WHO taskforce. The Chinese government said there was no substantive US support to China. The spokeswoman was very unhappy, especially that the US imposed travel restrictions on China.

Q: On a scale of 1-10, how worried are you?

A: Seven. The coming week will be very crucial. If we don't see the cases plateau, or hopefully drop, not just in Wuhan, but in China, then we really have a problem. When the WHO announced the Public Health Emergency of International Concern, which was postponed one week, the guidelines attached to that declaration were abstract, general, and nothing new. The WHO should have assumed leadership in coordinating an international response, but they did not. Now we have all these countries competing with each other to announce response measures – this is not good, and is in fact panic-inducing.