

[Los Angeles Times, May 31, 2020](#)

Without universal testing, recovery will be slow

Whether economists ultimately label this episode a depression or a drawn-out recession is largely irrelevant. How we fare will depend critically on the approach we take to deal with the pandemic.

Allowing the economy to sputter while providing relief that still mostly [benefits investors](#) is misguided. Instead, we must address both the public health and the economic crises by making it safer to resume activities. Until effective vaccines and therapies are available, which may be many months away, our best approach is to invest heavily in increasing the capacity for testing many more people and isolating those infected.

Opening the economy while many Americans are rightly anxious is highly problematic. Those who can afford to shelter will continue to protect themselves, while those in lower economic rungs will suffer the bulk of the hardships and the risk of infection. Recovery will be slow and halting, and the inequality of income, wealth and opportunities that was already high will only grow.

Enforcing sensible safety rules such as [masks](#) is a good start, but such measures will still restrict activities and be insufficient to ensure confidence. Imagine, however, as economist Paul Romer has [suggested](#), that we invest in sufficient capacity so all of us, without regard to symptoms, are given accurate tests regularly (say, every two weeks) and we enable and even mandate isolation for those infected to prevent further spread. Methods like [group testing](#) (mixing several samples for a single test to see if the group tests negative, as the U.S Army did to battle syphilis during World War II) could help while testing supplies remain limited.

This approach will allow us to resume a fuller range of economic activities sooner and more safely. Even better, by protecting rich and poor alike, wide availability of testing and isolation would also begin the overdue process of building a more equitable and inclusive economy.

Anat R. Admati is a professor of finance and economics at the Stanford Graduate School of Business and the co-author of “The Bankers’ New Clothes: What’s Wrong With Banking and What to Do about It.”