

## Will the World Ever Recover from the Great Lockdown? Counting the Costs of Waging War on the Economy

## Graeme Donald Snooks

**UPDATE # 2 to "Fight the Virus, not the Economy!"** 

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"The Logos proves those first hearing it as numb to understanding as the ones who have not heard ... For wisdom, listen not to me but to the Logos, and know that all is one."

Heraclitus (c.535-c.475 AD)

#### 1 Introduction

The Great Lockdown of March to May 2020 was the outcome of a global war waged against the economy rather than the coronavirus called COVID-19. It is important to be very clear about this: the growing economic depression is the direct result, not of the coronavirus itself, but of the wrongheaded intervention of governments around the world. The current crisis is an **interventionist crisis** not a **coronavirus crisis**, as is universally claimed. There was another, less disastrous, way. A way not taken. In a paper entitled "Fight the virus, not the economy! How to avoid the 'interventionist storm" (March 2020), I warned in advance about the existential dangers of this unprecedented campaign—this "interventionist storm"—by making a four-fold prediction based on my realist general dynamic theory arising from 50 years of research into dynamic life systems:

- the global economy would descend rapidly into economic chaos and depression;
- the underlying dynamic mechanism driving human society would be damaged and felt for decades:
- the lessons learned from this experience would be disastrously wrong—namely that in the face of future crises, government intervention should be undertaken harder and faster, based on the flawed advice of 'displaced' science 'experts'; and
- the 'interventionist storm' would challenge not only the material progress of global civilization, but also the liberty of its citizens.

The disastrous economic costs of the Great Lockdown, therefore, were entirely predictable.

Also, in "Fight the virus, not the economy!" I outlined an alternative approach to combatting COVID-19 that would have avoided the worst impacts of the 'interventionist storm'. And in a follow-up paper entitled "COVID-19 and the Great Lockdown fiasco" (April 2020), I showed how the interventionist storm—which was artificially generating the fastest, deepest economic downturn since the Great Depression of the 1930s—was the outcome of a failure of strategic leadership, owing to its dependence on the advice of displaced science 'experts'.

By employing my general dynamic theory—first developed in *The Dynamic Society* (Snooks 1996)—it has been possible to accurately predict the Lockdown Depression, to explain why it happened, to describe how it would unfold, to count the cost in both the shortrun and longrun, and to outline what the future might look like. This is the power of a realist dynamic theory.

The objective of this paper—one of three I have published over the last two months on the Great Lockdown fiasco—is to count the material costs, both in the shortrun and longrun, of the current war on the economy. And the central question addressed is: will the global economy ever fully recover? By estimating the costs of the Great Lockdown, I have found the answer to be complex and many faceted—namely that:

- World real GDP *will* recover its 2019 pre-crisis level, but, in a worst-case scenario, only after 8 or 9 years. However, the cumulative annual loss of real GDP over this time—amounting to a staggering \$US170 trillion—will never be recovered. This is potential productive income lost for all time. It is the direct, shortrun cost of the Great Lockdown.
- World real GDP per capita, or material living standards, will, in a worst-case scenario, only recover its 2019 level in about 18 to 19 years. This is because of the damage inflicted on the underlying dynamic mechanism (which I call the strategic *logos*) by wrong-headed intervention.
- If this damage to the underlying dynamic system is compounded by an early return to climate mitigation—a degree of intervention that will make the Great Lockdown look like a slap on the economic wrist of global civilization—it will take material living standards, as measured by real GDP per capita, more than 30 years to recover. During that period, many millions of people in developing countries will be plunged into poverty and, possibly, starvation.

These are the potential costs generated by governments around the world following the advice of science 'experts' rather than those in tune with the underlying dynamic system or strategic *logos*.

#### 2. On the Nature of 'Experts'

As this paper focuses on the role of 'experts' in providing advice to governments about the direction to be taken by society, I should explain what I mean by this much abused term. There are three types of expert in this account of the Great Lockdown and its aftermath. In each case they are inadequate for the complex challenge presented to them by governments that have lost their way as strategic leaders (Snooks 2020b). This is a story about failed strategic leaders seeking advice from the wrong quarters—from 'experts' rather than the 'dynamic strategists'—those who invest their own time and resources in driving the dynamic process of society from which we all benefit (see Snooks 1996).

Experts are highly trained individuals, usually in a very narrow field, in both the natural and social sciences. There is no doubting their technical credentials in these narrow fields or their motivation. They are brilliant when working at their day jobs as natural scientists, medical scientists, and economists. The problem is that they are often called upon to give advice beyond their narrow fields of expertise. Then, they are the wrong people in the wrong role.

There are three types of expert in this story: the displaced expert, the metaphysical expert, and the ideological expert.

• The 'displaced expert' is the highly trained individual who ends up in the wrong place. Their training is right for their profession, but wrong for the advice asked of them by governments.

In this case, medical experts are the wrong people to be advising governments about how to run the economy. All crises, no matter what their origin—whether biological, environmental, military, or economic—are all about the dynamics of society. The usual "experts" are out of their depth in these troubled waters.

- The 'metaphysical expert' is the highly trained individual with the wrong theory for the problem in question. In this case, orthodox economists, who are trained to solve practical business and financial problems of a *static* and shortrun nature, are the wrong people to be advising governments about the *dynamics* of human society.
- The 'ideological expert' is the highly trained individual with the wrong philosophy. In this case their passionate advocacy of idealistic causes overwhelms their commonsense. They are concerned not with the world as it is, but with the world as their idealist philosophy suggests that it should be.

While all these groups of intellectuals are indeed experts in their own narrow technical fields, they are novices in the wider arena of societal dynamics. None has expertise in what is absolutely essential in advising governments about how to guide society through troubled economic waters—namely, expertise in the dynamics of human society. As such, these 'experts'—who are in the wrong place, with the wrong theory, and the wrong philosophy—are the wrong people to advise governments about locking down the global economy and creating economic and social chaos. Only a lifetime of thinking and writing about the dynamics of human society can provide the guidance required in existential crises. Technical experts cannot provide this guidance.

The word 'expert' in our contemporary world has lost much of its original meaning. Originally it was defined as a person who had acquired special skill or knowledge in a particular field, and who applied that skill only to that particular field. But increasingly today it is employed to refer to someone who has a special role to play in dispensing wisdom beyond their specialist training. In this sense, 'experts' are no longer experts!

#### 3 An End to Progress and Liberty?

Let's examine my four predictions, made *prior* to the Great Lockdown, in the light of events that have taken place at dizzying pace over the past two months.

#### 3.1 The Emerging Economic Depression.

In mid-March when I wrote "Fight the virus, not the economy!" hardly anyone was warning of the economic chaos that would inevitably result from the **irrational** war on the economy. Why irrational? Because a healthy economy is the basis of life, progress, and liberty. To attack the economy is to deny these essential things. Also, no modern nation has ever defeated an invading enemy by downsizing, let alone stalling, its economy. **This is a particularly acute form of political madness.** Throughout history, those nations that have been successful have always fired up their economies to fight the invader. In the Great Lockdown campaign the rallying cry was "Protect the Health System", whereas during a conventional war the rallying cry is "Ensure the Survival of the Nation". While the latter ensures the former, the reverse is not true. In any campaign against an invading enemy there will be casualties on both the front line and the home front. The critical issue is how to minimise these casualties within the context of defeating the enemy and maintaining a sustainable economy for the future. A failed economy kills many more people than the most virulent virus. This dire situation is already emerging rapidly in developing countries such as India and Indonesia, and in sub-Saharan

Africa and South America. This will be the catastrophic legacy of the failure of strategic leadership based on the advice of science 'experts'.

It cannot be argued that the Great Lockdown was the only possible strategy to fight COVID-19. In "Fight the virus, not the economy!" I outlined how, by going onto a wartime footing and gearing up the economy, it would have been possible to defeat the coronavirus and to emerge with an intact economy and vibrant underlying dynamic system. This is what the world has always done in the past. Those wanting details should consult my two papers "Fight the virus" (Snooks 2020a) and "COVID-19 and the Great Lockdown fiasco" (Snooks 2020b).

Only very recently (late April to early May 2020) have orthodox economists realised the enormity of the economic damage inflicted by the Great Lockdown. But now, true to form, they are all experts after the event—after the interventionist horse has bolted. Yet, while predicting deep depression after it has already happened, they are oblivious to the damage being inflicted on the underlying dynamic mechanism. Orthodox economists and their political clients talk glibly about a "rebound" or "snap-back" of economic activity in 2021. They attempt to give their guesses a semblance of scientific respectability by calling it a "V curve" or, even more ridiculously, a W or extended U curve. This is to cover the fact that that they have no understanding of societal dynamics—no general dynamic theory. Some even suggest that it will be possible to "reorder" or "reshape" capitalism after the crisis is over. Fat chance if these reformers don't even understand the existing form of capitalism! This is the Lego approach to reality discussed in my paper "COVID-19 and the Great Lockdown fiasco". Others, such as Chris Richardson of Deloitte Access Economics, talk arrant nonsense about the Lockdown Depression being the "crash we had to have" in order to defeat the coronavirus and save lives. Quite the contrary. The best way to save lives is to fire up the economy, not to trash it.

### 3.2 Deliberately Damaging the Global Dynamic System

In "Fight the virus, not the economy!" I employed my general dynamic theory to argue that the Great Lockdown would significantly damage the dynamic mechanism underlying the global economy. This possibility is not even canvassed by orthodox economists, then or now, because they have no workable theory to explain the dynamics of human society. Neoclassical economic theory, as the famous Cambridge economist, Joan Robinson, said many years ago, is all about determining the price of a cup of tea. Accordingly, in this section of the paper I discuss theoretically how the Great Lockdown has damaged the strategic *logos* and, in **part 4**, I estimate the costs—in terms of real GDP and real GDP per capita—to the world of this **deliberate destruction**.

The structure and operation of the dynamic-strategy theory are developed and discussed in a series of books I published over the past 30 years (Snooks 1993; 1996; 1997; 1998; 1999; 2000; 2003; 2008; 2010; 2015). Interested readers might like to consult those references. What I intend to do here is merely to outline the main variables of my general dynamic theory—and the central components of the dynamic system (or strategic *logos*) underlying the global economy—which are:

- **strategic desire** (or the need to survive and prosper), which drives the self-starting and self-sustaining nature of the dynamic system;
- the **dynamic strategies** that are employed by dynamic strategists to satisfy strategic desire;
- **strategic demand** generated by the unfolding dynamic strategies for necessary material, institutional, organisational, and cultural inputs;
- **strategic inflation**, which is the outcome of interaction (here called 'strategic exchange') between the forces of dynamic demand and supply, and is the indicator of strategic success;

- **strategic response**, which is how effectively dynamic strategists respond to strategic demand—how effectively they listen to the 'strategic *logos*';
- **strategic confidence**, which is a function of the success of the dynamic process and operates to hold society together;
- **strategic leadership** which involves facilitating the requirements of the dynamic strategists, not the experts; and
- Global strategic transition, which is the process by which an increasing number of societies around the world are drawn into the vortex of interaction between the most economically advanced nations.

How has the Great Lockdown impacted these key causal components of national and global dynamic systems?

#### 3.2.1 Strategic desire

Strategic desire—the impulse to survive and prosper—is the motive force that drives all biological and social systems. Without it life and human society would not exist. In a successful strategic society, the central maxim of my general dynamic theory rules its operations—namely 'desire drives, ideas merely facilitate'. Only when massive government intervention occurs under the influence of metaphysical ideas from 'experts' is this maxim shattered, the underlying dynamic mechanism is damaged, and the economy crashes. This is what happened during the Great Lockdown, where strategic desire has been constrained and redirected by government decree. Under the Great Lockdown, dynamic strategists no longer exercise strategic desire through the pursuit of profitable opportunities. Business people have been forced to close businesses (both large and small), postpone or cancel investment decisions, curtail orders for goods and services, and terminate workers' employment (or place them in government-funded suspended animation). Workers have been forced to stay at home, suspend their plans for residential construction or major renovation, and change their patterns and quantities of consumption. In the process, networks of local, regional, national, and global supplies of goods and services have been disrupted or even terminated. Similarly, underlying networks of trust have broken down as former trading partners engage in the blame game. With the damage done to strategic desire—the driving force in life—the question is: how long will it take to recover?

#### 3.2.2 Dynamic strategies

The dynamic strategies employed to satisfy strategic desire have been totally disrupted by the Great Lockdown. There are three main changes of an antistrategic nature that have been induced by the 'strategic storm'.

- First, dynamic strategists are now being forced to respond not to the strategic *logos*, but to non-realist directives. This poses the greatest possible danger to future progress and liberty of global civilization. The most extreme example of this in the modern world was the command economy of the USSR, which led to the total collapse of Russian society in the space of just three generations. But even in respect to the so-called "temporary" shift to totalitarian control during the Great Lockdown, the return to freedom will never be complete; with the result that the underlying dynamic system will be constrained and distorted, and material progress and liberty will be diminished.
- Second, the greater direct involvement of government in society is producing a development
  path more open to dangerous, non-realist (or metaphysical) ideas and less responsive to the
  dynamic mechanism that has enabled human society to successfully negotiate a series of

technological paradigm shifts over the past 2 million years. With the disruption of natural dynamic strategies, the probability of being able to negotiate the next great technological paradigm shift—the Solar Revolution—will be much reduced (see Snooks 1996: ch.13; 2010; 2015: ch.13).

• Third, the move to greater self-sufficiency to ensure the supply of products and services that are deemed essential by more interventionist governments, is disrupting the globalisation essential for rapid technological paradigm transition.

A central aspect of both reality and my dynamic-strategy theory is 'strategic imitation'—the process by which 'strategic followers' emulate the activities of the successful 'strategic pioneers'. The followers attempt to imitate not the intellectual operation of digital computers (rapidly calculating costs and benefits by employing large amounts of data) but the dynamic strategies of successful pioneers. And as the followers successfully imitate the successful pioneers, society's dynamic strategy unfolds and the society progresses. This concept is based on the demonstrable fact that the human species is driven not by ideas but by desires. We develop rules not to economise on information and 'trust' but on the world's scarcest resource, intelligence. But unfortunately, imitation can be antistrategic as well as strategic in nature. The 'interventionist storm'—which I identified for the first time in "Fight the virus, not the economy! How to avoid the 'interventionist storm"—is the prime example of 'antistrategic imitation'. It involved an interventionist overreaction to COVID-19 by a few large nations (Germany, France, Britain) based on the advice of health "experts", which was quickly followed by a large number of other countries fearful that they might be left out in the cold. This is what led to the disastrous lockdown and resulting depression. Interestingly, the withdrawal from lockdown was also begun by a few large and influential economies, which are now being followed even by die-hard advocates of severe lockdown (NZ and Victoria, Australia are a couple of examples)—for fear, once again, of being left out in the cold. What will happen, I wonder, when the infection rate begins to rise again, particularly if their economies fail to recover rapidly? Probably some form of policy fibrillation, and a return to hiding behind 'experts' (who are grateful for the attention, but insensitive to the longer-run impact of their advice on humanity).

#### 3.2.3 Strategic demand, strategic inflation, and strategic response

Strategic demand is generated by the unfolding dynamic strategies for material, institutional, organisational, and cultural inputs required in the dynamic progress of society. It is driven by strategic desire through the dynamic strategists, who are responsive to the requirements of the underlying dynamic system, or strategic *logos*. It is the core variable in both human society and my dynamic-strategy theory. It is not simply consumer or investment demand, which, in the hands of orthodox economists, is a partial static and shortrun concept. Strategic demand is dynamic demand, which operates comprehensively at all levels of society.

Owing to the Great Lockdown, strategic demand has been virtually eliminated. **Remove strategic demand and you have no strategic response.** Strategic demand is our societal compass. It provides the necessary direction for the strategic pursuit. The operation of strategic demand is reflected in the rate and pattern of 'strategic inflation' (as distinguished from dysfunctional 'non-strategic inflation' resulting from external shocks and/or bad monetary policy). When strategic demand is highly active, as a result of a rapidly unfolding dynamic strategy, strategic inflation increases to positive but sustainable levels; and its pattern reflects the nature and direction of economic growth. As government intervention, in the form of the Great Lockdown, has all but extinguished strategic demand, strategic inflation has become negative, and will remain negative until strategic demand revives (as I first pointed out in *Longrun Dynamics*, 1998, and *The Global Crisis Makers*: *An End to Progress and Liberty*? 2000).

Once again, the key question is: will the end of lockdown result in the reduced performance, even permanent distortion, of strategic demand? Will it be co-opted to the doomed mission of ideological interests? If so it will produce an 'antistrategic response' by the citizens of the world, which will adversely impact global material progress and liberty. The correct "strategic response" requires dynamic strategists listening not to 'experts', but to the underlying strategic *logos* through an unfettered strategic demand. As the great pre-Socratic Greek thinker Heraclitus (c.535–c.475) famously said:

For wisdom, listen

Not to me but to the Logos.

#### 3.2.4 Strategic confidence

Strategic confidence, which is the outcome of a successful dynamic strategy, is the force that keeps human society together. This concept is based on my dynamic-strategy theory developed in *The Dynamic Society* (1996), and was first coined in my follow-up book on institutions entitled *The Ephemeral Civilization* (1997).

A successful dynamic strategy leads to an effective network of competitive/cooperative relationships, together with all the necessary rules (institutions) and organizations. In societal transactions, individuals relate directly to the successful dynamic strategy and only indirectly to each other. It is not a matter of mutual trust as such—of having confidence in the nature of other individuals—but rather having confidence in the wider dynamic strategy in which they are all involved and on which they all depend. What we know of as trust is derived from strategic confidence. Once the dynamic strategy has been exhausted and cannot be replaced, or once the dynamic strategy has been distorted or disrupted, strategic confidence declines and, in extreme cases, evaporates completely. And as strategic confidence declines, so too does trust and cooperation. Strategic confidence is communicated directly to individuals in human society by the rise and fall in material standards of living—of employment, real GDP, and real GDP per capita. This can be observed in any period of economic chaos, such as wars, revolutions, and depressions.

The massive government intervention in the Great Lockdown has, as we have seen, caused the global dynamic strategy to crash. The immediate outcome has been a massive decline in employment, real GDP, and real GDP per capita. This has had an equally massive impact on strategic confidence. While a degree of recovery in strategic confidence will take place as economic prohibitions are removed, it is highly probable that the recovery will be slow, halting, and incomplete. This will mean that the under-performing role of strategic confidence will further impact on the future performance of the global economy.

#### 3.2.5 Strategic leadership

Strategic leadership is a concept that first emerged from the general dynamic theory of human society that I developed in my book *The Dynamic Society* (1996). This concept played a central role in a series of further books I published between 1997 and 2000: *The Ephemeral Civilization* (1997), *Longrun Dynamics* (1998), *Global Transition* (1999), and *The Global Crisis Makers:An End to Progress and Liberty* (2000). Here is what I had to say about strategic leadership in *The Global Crisis Makers* (2000: 57–58):

Strategic leadership is essential to the survival and prosperity of human society. It was ... the primary reason for the emergence of government at the dawn of human civilisation and for its extension and maintenance ever since ... Basically it involves facilitating the objectives of society's dynamic strategists. This is achieved by coordinating the efforts of strategists, directly through government directives and incentives, and indirectly through cultural institutions such as religion, ideology, and the arts. In particular, the state provides basic infrastructure that is beyond the financial resources of individuals and corporations, it negotiates political and economic deals with other societies, it protects the dynamic strategy at home and abroad, it encourages the emergence of new strategies during recession/depressions, and it provides basic facilities for the education, training, and research required to nourish the modern technological strategy. This is a proactive rather than a passive role, and it is provided by representatives of the strategists for the benefit of the strategists [who include consumers as well as producers]. To achieve this, successful strategic leaders listen carefully to what the strategists think they need to achieve their objectives.

As early as the publication of *The Dynamic Society* (Snooks, 1996), I was expressing concern about the possibility of the failure of global strategic leadership in the face of pressure from what I called the 'ecological engineers' of the 'limits to growth' or Club of Rome variety. These radical ecology 'experts' demanded that governments curtail economic growth in order to prevent overpopulation 'destroying the planet'. We were, they claimed in the early 1990s, on the edge of extinction. Events, however, confounded their doomsday predictions—as I said they would. Later, in *The Global Crisis Makers* (Snooks 2000), I warned about orthodox economic 'experts' inducing governments to pursue the anti-growth policy of 'inflation targeting', which subsequently constrained the growth of nations, particularly in the developing world. The history of metaphysically or ideologically driven 'experts' is long and tortured. The general pattern is that as their gloomy predictions are disproved by events, these 'experts' slip quietly away, only to reappear supporting new end-of-the-world causes such as climate change. Consequently, in subsequent work—*The Coming Eclipse* (2010) and *Ark of the Sun* (2015)—I analysed, using my dynamic-strategy theory, the failure of strategic leadership over the issue, not of climate *change*, but of climate *mitigation*.

But it was the disastrous policy of economic lockdown and the resulting Lockdown Depression that brought the issue of the failure of strategic leadership out into the light of day. This is the subject of my very recent paper "COVID-19 and the Great Lockdown fiasco" (April 2020). As I show there, by turning once again to 'experts' rather than dynamic strategists (and through them to the strategic *logos*), governments around the globe have failed in their basic role—that of strategic leadership. The question is, will governments of the world finally learn the lesson of this mammoth failure, or will they compound it by a rapid return to radical climate mitigation policies as being urged by contemporary ideological 'experts'? **If they fail to learn the lessons of recent months, the economy and its underlying dynamic system will never recover.** 

#### 3.2.6 Global strategic transition

Global strategic transition is the process by which an increasing number of societies are drawn into the vortex of dynamic interaction between the world's most economically advanced nations. It is generated by the global unfolding of the prevailing technological paradigm'. This unfolding process is neither inevitable nor smooth, a reality reflected in the fluctuating fortunes of the world economy throughout the history of civilization. The twentieth century, for example, has witnessed world wars in the 1910s and 1940s, the Spanish Influenza Pandemic of 1918–20, the Great Depression of the 1930s, the 'golden age' of the 1950s and 1960s, and the slower, more uneven, growth during the past 45 years punctuated by strategic crises such as those in East Asia at the close of the twentieth century

and the Global Financial Crisis (GFC) at the end of the 2000s. And as the dynamics of the 'global strategic core' has waxed and waned, so has the rate of economic development of the rest of the world.

The attempt to model the global strategic transition in my book *Global Transition* (1999) was based on my dynamic-strategy theory developed in an earlier series of books (Snooks 1996; 1997; 1998). This theory of global strategic transition is the dynamic-strategy theory writ large. The mechanism is driven by a universal strategic desire, and is facilitated by the global 'strategic demandresponse mechanism' between the 'global strategic core' (advanced nations) and the 'global strategic fringe' (developing nations). It is this process, by which fringe countries are gradually drawn into the global strategic core that drives the unfolding of the existing technological paradigm. There have been four great technological paradigms in human history—the pre-paleolithic (scavenging), paleolithic (hunting), neolithic (agriculture) and modern (industrial). In each technological era the technological revolution began in a narrowly defined region—a dynamic hot spot—and subsequently spread to the rest of the known world. Once the technological potential inherent in the foundation economic revolution had been fully exploited by expanding throughout the known world, the exhausted paradigm begins to press heavily on living standards, providing the incentive to create a new technological paradigm shift.

Currently, the industrial technological paradigm is beginning to enter the phase of exhaustion, and, without the intervention of ideological 'experts', could be expected to be replaced by a new technological paradigm that I call the Solar Revolution (perhaps based on energy from the Sun beamed back to Earth by a series of advanced satellites revolving around that great energy source). What happens during the next three decades is crucial for the future of global civilization. The underlying mechanism of global strategic transition has taken a huge hit from the massive negative intervention by governments throughout the world during the Great Lockdown. If this is compounded by an even more massive and permanent hit from wrongheaded climate mitigation policies, it is unlikely that the new solar technological paradigm shift—which my general dynamic theory suggests would under normal circumstances emerge in the middle decades of the 21st century—will be successfully negotiated. The nation, or group of cooperating nations, that can throw off the shackles of non-realist ideological 'experts' and invest heavily in the technology of the new solar paradigm, will dominate the world for the next century.

#### 3.3 What Lessons Will Be Learned from the Great Lockdown?

In the affairs of men there is always a stark difference between the lessons that should be learned from experience and the 'lessons' that are actually learned. I suspect that in the case of the Great Lockdown, it is the wrong lessons that will be taken from this cataclysmic event.

The essential lessons that should be taken away from the Great Lockdown fiasco, and acted upon, are:

- that massive intervention in the economy will not only generate immediate and severe
  economic depression, but will also damage the underlying dynamic system and, thereby,
  linger for decades;
- that the direct cause of this type of intervention is the failure of strategic leadership through listening not to the dynamic strategists (and, hence, to the strategic *logos*) but to the science 'experts'; and
- that economic crises kill far more people over a longer period of time than does disease.

In "Fight the virus, and not the economy!" and "COVID-19 and the Great Lockdown fiasco", I suggested that these hard-won lessons from reality would be overlooked and ignored. Ideologically driven politicians, policy advisers, and self-interested scientific 'experts' would claim that the lessons for the future to be learnt from the COVID crisis are that scientific experts, rather than 'greedy' businessmen (dynamic strategists), should be urgently consulted, and that governments armed with this "expert" advice should intervene "harder and faster". Since making this prediction, there has been an outpouring of commentary (as is documented in **part 5**) by scientists, left-wing organisations, Green groups, and the left-wing media to this effect.

#### 3.4 The Challenge to Liberty

It is truly remarkable how quickly all the hard-won freedoms of global civilization forged over the past two centuries have been swept aside. In a matter of weeks, even days, the entire population of the World has been confined to their homes (a form of house arrest); denied the freedom to meet with members of their own families, let alone friends and colleagues; stripped of their jobs; prevented from frequenting pubs, restaurants, and cafes; denied the usual pleasures of going for a drive in the family car, sitting alone on a park bench, going to the beach, playing golf, fishing, attending the theatre, cinema, art galleries, churches, and even weddings. Many have been unable to be with dying relatives or to attend their funerals. Never in the history of western civilization has such a totalitarian situation existed. It truly is 1984 in 2020! Yet, throughout March and April everyone went meekly along with these outrageous dictates. Only in recent weeks have small protests broken out in countries such as the USA, Britain, Germany, France, Spain, Italy, Poland, Ukraine, Russia, Israel, Lebanon, Pakistan, Thailand, and so on—with protestors being branded as "Covidiots" by the antistrategists.

Those defending this unprecedented curtailment of liberty will argue that this was to save lives and was only meant to be temporary. But in the past, those fighting to achieve liberty have often used the slogan, "Liberty or Death!"—such as during the struggles for independence by the Scots in 1320, the Americans (Patrick Henry) in the 1770s, the French in the 1790s, the Greeks in the 1820s, the Brazilians in 1822, and so on. I have yet to hear this slogan raised against the perpetrators of the repression we know of as the Great Lockdown! Yet, governments are already running for cover, by pretending that this deliberate economic devastation is the result of the virus, not themselves.

Even if this repression of liberty is temporary—although it is hard to believe that all former freedoms will be returned everywhere in the world—consider the dangerous precedent that has now been established. In the future it will be possible to argue that if a *potential* crisis is considered life-threatening, this will justify a shift to totalitarianism. And, if it can be argued that the crisis is permanent—such as climate change—then the repression of liberty should also be permanent.

Waging war on the economy amounts to waging war on both progress and liberty; waging war on the economy amounts to waging war on the people. On the basis of my general dynamic theory, I have been warning of this possibility for the past 20 years. And now reality has proved the theory.

#### 4. Scenarios for the Future—Counting the Costs of the Great Lockdown Fiasco

There is, after the event, much speculation by orthodox economists and policy makers about the immediate future in the wake of the Great Lockdown. Most are naively optimistic. This optimism is based on little more than guesswork and a desire for the best possible outcome in the best of all possible worlds—a revival of Leibnizian optimism (but I doubt Voltaire's *Candide* is on their reading list). We are told that there will be a "rebound", even a "snap-back". But these Panglossian optimists have no underlying theory or even a sound understanding of the nature of past economic crises.

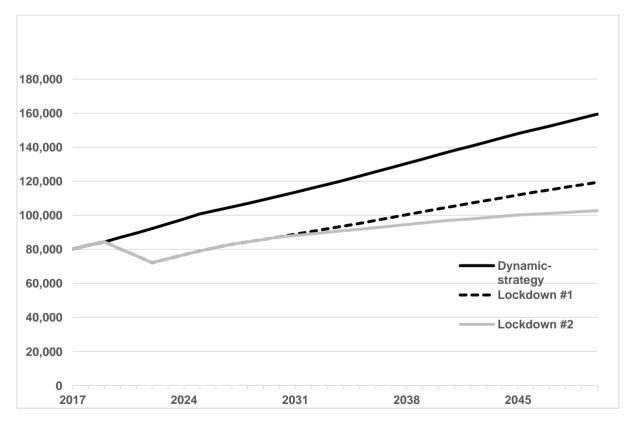
Rather than conducting rigorous analysis, orthodox economists and policy makers are employing metaphorical symbols such as the V curve, the W curve, or the extended U curve. What they are really telling us is that they don't have a clue what will happen over the coming months, let alone years. I've said it before and I'll say it again: what orthodox economics badly needs, but does not possess, is a general dynamic theory about the way human society (including the economy) *actually* works. The following discussion and calculations of the costs of inappropriate government intervention are based on my general dynamic theory—the dynamic-strategy theory.

The dynamic-strategy theory suggests a number of possible **lockdown scenarios** for the shortrun (next decade), the longrun (next 30 years), and the very longrun (next 80+ years). For comparative purposes, these scenarios are placed in an anti-lockdown context, namely the **dynamic-strategy scenario**. We turn first to the anti-lockdown, or dynamic-strategy, scenario.

#### 4.1 The dynamic-strategy scenario

The dynamic-strategy scenario is what the world would have looked like had there been no massive attempt by governments around the world to stall their economies—no 'interventionist storm'—by allowing the underlying dynamic mechanism (the strategic *logos*) to operate with minimal constraints. This would have been consistent with governments around the world **waging war on the coronavirus, not the economy**. This could have been done—as outlined in my earlier COVID-19 papers (Snooks, 2020a; 2020b)—by providing incentives for the economy to fire up and go on to a 'war-time' footing against the virus. This is my best-case scenario, which I advised, but was obviously not taken up.

Figure 1: World Real GDP for Dynamic-Strategy and Lockdown Scenarios \$US billions (2010 prices)



*Source*: Calculated using the Snooksian dynamic-strategy theory together with GDP data from the IMF

Figure 1 shows the progress of the dynamic-strategy scenario, in relation to two lock-down scenarios that will be discussed in the following sections. In the dynamic-strategy scenario World real GDP grows at 3% per annum during the 'war on the coronavirus' from 2020 to 2024 (similar to US experience during and immediately after World War II); settles down at 2% per annum between 2025 and 2039; then, under the growing constraints of an exhausting Industrial Technological Paradigm, falls to 1.75% between 2040 and 2044, and 1.5% per annum between 2045 and 2050. Under the dynamic-strategy scenario, world living standards, as measured by real GDP per capita, continue to increase steadily throughout the period 2019 to 2050, by 50%—a relatively impressive achievement.

By examining the operation of the strategic *logos* over the past 2 million years (myrs) in human society and the past 4,000 myrs in life, I have been able to chart and measure its reaction to changing physical and biological conditions, both gradual and sudden. As I show in *The Dynamic Society* (1996) and *Ark of the Sun* (2015), the biological/economic growth path driven by the strategic *logos* in the absence of systematic intervention, but in the face of external shocks, has traced out a regular exponential curve. This curve can be described mathematically by a simple algorithm:

$$y = a \left( 3^{t-1} \right)$$

where *y* is global biomas/output generated by genetic/technological change over the past 4,000 myrs and *t* is time (Snooks, *Dynamic Society*, 1996: 80). What this equation tells us is that each epoch of biological and societal progress takes place three times more quickly than the last. I call this the 'logological constant', which is akin to the cosmological constant (see Snooks, *Ark of the Sun*, 2015: ch. 3). In arithmetic terms the logological curve is exponential, whereas in geometric terms it is a straight 45 degree line. History, it would seem, is not only developing in a sustainable manner, despite all the many biological (disease) and physical shocks (asteroid attacks, continental drift, volcanic action, and even climate change) to which it has been subjected, it is also getting faster! All this without any significant government intervention—until now. It will, therefore, be interesting to discover how the strategic *logos* copes with something unique in history—massive antistrategic government intervention around the globe of the kind that occurred during the Great Lockdown of early 2020, and which may be intensified in the future through climate mitigation.

#### 4.2 The shortrun Lockdown scenario

The shortrun Lockdown scenario focuses on the impact of the Great Lockdown on levels of world real GDP and GDP per capita. My theory suggests the impact of the Great Lockdown—the massive and deliberate action taken by governments around the world to stall their economies—will be similar in magnitude and duration to the Great Depression of the 1930s. This is far more severe than orthodox economists are currently predicting. The synthetic statistical estimates of my old friend Angas Maddison (Maddison, 2003), show that advanced societies in Western Europe and the rest of the world (USA, Canada, Australia, New Zealand, South Africa, Argentina) experienced negative real GDP growth for three years of between 5-6% per annum; and that the recovery to pre-depression levels was slow, taking 7 years to be accomplished. The USA—the progenitor and epicentre of the Great Depression (Snooks, 1997: 384–390)—experienced falls of real GDP of between 7–12% per annum over a 3 year period, and, while recovery of pre-depression levels took 7 years, a renewed decline at the end of the thirties was only overcome by the stimulus to production provided by World War II. And USA real GDP per capita, or material living standards, took 10 years to recover predepression levels. Like the massive Lockdown cash handouts, Keynesian-inspired New Deal policies were not responsible for driving sustained recovery. Economic recovery is a dynamic, not a static, process.

This real-world experience, together with the explanation provided by my dynamic-strategy theory, suggest that the Great Lockdown Depression will be deep and prolonged. There will be no *sustained* "rebound" or "snap-back" in 2021; no V curve recovery. And we may find that an initial slow recovery is followed by a relapse. Even now, unemployment rates in countries like Australia—where individuals are being supported by governments, but who are not working, are taken into account—is of the order of 50%. Although this will be lower over the course of a year, the actual annual unemployment rate is likely to approach Great Depression levels. Some countries will even become technically bankrupt, as shown by the large number of countries (currently more than 100) seeking IMF bailouts.

Figure 1 shows that, under the Lockdown scenario, the global economy will take 9–10 years to recover pre-depression levels of real GDP. **During this depression decade, the accumulated deficit in world real GDP, amounting to \$US170 trillion**, will be twice the annual level in 2019. Or, to put it in another way, it would take the USA 8 years to generate that much real GDP. As far as world living standards are concerned, it will take 18–19 years to recover. During this deliberately induced depression, poverty and starvation in the developing world will increase markedly. This should be thought of as a **worst case scenario**. If the strategic *logos* is more resilient to massive intervention than I expect it to be, the depression will not be as deep, and the recovery will take place more quickly than these estimates suggest. But, nevertheless, the outcome will be massively worse than if a pro-dynamic strategy (the **best-case scenario**) had been pursued by governments around the world from the beginning of 2020. This is the massive cost of governments hiding behind science 'experts', rather than listening to the dynamic strategists.

#### 4.3 The longrun Lockdown scenarios, 2020–2050

There are two possible worst-case scenarios here. The first—Lockdown scenario # 1—is the likely longrun outcome of the impact of the 2020 lockdown and its slow unwinding. The second—Lockdown scenario # 2—embodies the added impact on the underlying dynamic mechanism of an early global climate-mitigation program. Even in the very depths of the Great Lockdown depression, Green lobby groups, left-wing interests, UN affiliated international bodies, many orthodox economists, and the media have begun calling for a resumption, and ramping up, of climate mitigation action—for the need to "flatten the climate curve"—and for the imperative to listen to the science 'experts'. For example:

- UNICEF in an article entitled "Lessons from the COVID-19 pandemic for tackling the climate crisis" states: "Both climate change and the COVID-19 pandemic require us to listen to the experts, to unite behind the science and not play politics with peoples' lives".
- The UN body ESCAP in a piece entitled "Climate action lessons from the COVID-19 pandemic" by its director (S. Fotiou) and colleagues states: "Put science first ... policy for advancing climate action should follow science, rather than having political differences [i.e. democracy] interfering with, and preventing, scientific research being carried out ... science is not negotiable ... Adopt a 'whatever money it takes' approach" (original emphasis).
- In Imperial College *News*, Dr Ajay Gambhir of the Grantham Institute for Climate Change is reported to have said that the lessons to be taken from the COVID-19 crisis are: "First and most strikingly, experts are back on the agenda, and their place in informing public policy has been restored to some degree ... This is welcome, and hopefully a lesson that will be retained for the climate challenge."
- EOS—a source for news and perspectives about Earth and space science—in a summary of a webinar of "climate experts" discussing lessons from the COVID-19 pandemic (which was hosted on 7 April 2020 by Trinity College Dublin) quotes Irish academic Jane Stout as

- saying: "The coronavirus pandemic has shown us that governments can implement socially unpopular [i.e. undemocratic] policies in the interest of the public good [sic] and to the detriment of the economy [i.e. antistrategic policies] It's shown that we can respond to a crisis when we need to ... Society now needs to respond to the climate crisis with the same urgency and at the same comprehensive scale."
- These sentiments are reflected in the media. Interestingly, the editors of the influential journal *The Economist*—who should know better—have recently (May 2020) begun discussing the need to "flatten the climate curve". Clearly they are happy to bear the responsibility of the economic holocaust that will occur later in the 21<sup>st</sup> century. Also, in Australia an editorial in the *Sydney Morning Herald* during the first week of May 2020 stated that "the coronavirus response should be a template for global warming policy ... Above all, Australia should take the same evidence-based, scientific-led approach to climate change as we took to COVID-19".

All these examples—and there are many more—assert that science 'experts' have saved the world from a great calamity, while ignoring the fact that acceptance of their advice by most governments has plunged the world into an economic depression that will create mass poverty, starvation, mental disorder, and suicide on a scale that no viral pandemic could ever achieve. They even seem to delight in the undemocratic nature of 'expert' advice that can override popular desires and that is actually detrimental to the health of the economy. And they want to see the same approach applied to the larger, more complicated and permanent issue of climate mitigation. When listened to by governments, these antistrategic "experts" and their followers become dangerous people. Could it be a matter of the meek inheriting the Earth—or what is left of it?

My general dynamic theory shows that if climate mitigation (rather than climate-change repair) is resumed in the near future, the existing damage to the underlying dynamic system will be considerably inflated. As discussed in **part 5** of this paper on crisis policy, the growth path out of the Lockdown Depression will depend on what lessons are learned from this catastrophic experience. If it is realised, as it should be, that massive antistrategic intervention is bad for the economy, then Lockdown scenario # 1 (lockdown only) is the path the world will most likely take. But if the world believes that the problem is not massive intervention per se, but rather the failure to go sufficiently "hard and fast", then the pathway out of the global depression will look like Lockdown scenario # 2 (lockdown plus climate mitigation).

Table 1: Global Costs of Antistrategic Intervention:

### Real GDP Deficit Due to Lockdown as Percentage of Dynamic-Strategy Potential,

2022 to 210	(%)				
Scenario	2022	2030	2050	2075	2100
Lockdown # 1	21.5	21.5	25.1	78.0	90.1
Lockdown # 2	21.5	21.5	35.6	78.5	92.4

*Source:* Calculated by applying Snooksian dynamic-strategy theory to real GDP data from IMF publications.

Figure 1 shows the potential impact (admittedly of a worst-case scenario kind) of the two different types of lockdown policy. Both indicate an increasing divergence from the dynamic-strategy scenario that I advocated back in mid-March 2020 (Snooks, 2020a). The startling conclusion is that not only will the value of world real GDP and living standards lost during the Great Lockdown Depression never be recovered, but this unrecoverable loss will continue to grow through to the middle of the century and beyond. And Table 1 shows that by 2050, the accumulated annual cost of Lockdown # 1 will amount to 25.1% of world real GDP, while that of Lockdown # 2 will amount to 35.6%. World material living standards under these two lockdown scenarios will also fall far behind those of the dynamic-strategy scenario—namely by 74.9% and 64.4% respectively by 2050. Further, my estimates show that living standards in absolute terms for Lockdown # 2 begin declining again after 2045. What a huge price to pay for taking the wrong policy path, owing to a failure of strategic leadership based on advice from non-realist science 'experts', rather than the realist dynamic strategists.

#### 4.4 The most likely scenario

So far the best-case and worst-case scenarios—based on my general dynamic theory and historical dada—have been outlined. But where will the most likely scenario lie? As far as the shortrun is concerned, the horse has bolted. The perfectly feasible opportunity to pursue the dynamic-strategy path has been lost due to the failure of strategic leadership and the fundamental flaws in 'expert' advice. Governments now have to make the best of the decidedly bad hand they have dealt us all. The key questions now are: how badly damaged is the underlying dynamic system? And have we learned the correct lessons from this monumental fiasco?

It is difficult to tell how much damage has been done to the dynamic system, because we are in uncharted territory. Never before in the history of global civilization have governments around the world deliberately, massively, and concertedly shut-down their economies. The only guide we have is the manner in which economies have responded to the imposition of command systems, the exhaustion of their dominant dynamic strategies, or the sudden impact of rapidly falling export prices and capital inflows. The following outcomes are what history can tell us.

- In the case of the inevitable failure and demise of the USSR Stalinist system in 1991, Russia was economically devastated and struggled to recover over the following three decades.
- In the case of societies whose dominant dynamic strategies have exhausted themselves, the experience has been bleak. When Rome exhausted its conquest strategy, it declined and finally fell in 476 AD; when Greece exhausted its commerce strategy around 500 BC, it fell prey to its warlike neighbour Macedonia; when Venice exhausted its series of dynamic strategies (commerce followed by conquest) it declined to a shadow of its former self and finally fell to Napoleon in 1797. (These illuminating historical examples are explored in detail in Snooks, *Ephemeral Civilization*, 1997). More recently, we have witnessed advanced economies struggling once their dynamic strategy had been exhausted: for example the USA from the mid-1920s to the late 1940s, and Japan from the late 20<sup>th</sup> century.
- In the case of suddenly falling export prices and capital imports during the Great Depression, most countries around the world experienced deep and prolonged depression (Snooks, 1997: chs 10 & 11).

While the collapse of current societies is unlikely—owing to the existence of international financial and development organisations like the IMF and World Bank, and by the realisation of the major powers that we rise and fall together—some nations will experience technical bankruptcy and will need to be bailed out. In an earlier age they would have collapsed and been taken over by predatory neighbours. As far as the Great Depression was concerned, we know that societies around the world were plunged into severe economic distress and took more than a decade to fully recover. But even during the Great Depression, the strategic *logos* was free to deal with the type of external shock to which it had evolved to respond. There was no total lockdown. The question now is: will total lockdown in 2020 result in greater damage to the strategic *logos* and, hence, inflict slower and less complete recovery in the long term? If the answer is 'yes', then the actual growth path will closely track the lockdown scenarios sketched in Figure 1. If the answer is 'no', or 'maybe', then the actual future growth path will lie somewhere between the best-case and worst-case scenarios. My research suggests that it will lie closer to the growth paths shown by the Lockdown scenarios.

The actual future growth path for the world economy will also be influenced by the lessons governments take away from the Great Lockdown fiasco. If the lesson learnt is that intervention during the COVID-19 crisis was not sufficiently "hard and fast" and that they must always rely on antistrategic 'experts' rather than their society's dynamic strategists, then the actual growth path will closely track that determined by Lockdown scenario # 2. If, instead, it is decided that massive intervention based on 'expert' advice was a huge mistake, the actual future growth path will more closely track that described by Lockdown scenario # 1—still far distant from the dynamic-strategy growth path.

#### 4.5 The very longrun, 2020–2100

In the very longrun—from now to 2100 and beyond—the costs of the Great Lockdown fiasco will be overwhelmed by one of two **mutually exclusive** developments that will emerge in the second half of the 21<sup>st</sup> century—**either** the emergence of a new global technological paradigm shift **or** the forging of a global climate-mitigation command society. Why mutually exclusive? Because in order to achieve the degree of climate mitigation demanded by the rapidly growing numbers of antistrategic 'experts' and their followers, it will be necessary to establish a global command economy that will completely displace the strategic *logos* currently driving the coming technological paradigm transition. The relevant historical model here is the Stalin command system, developed in Russia during the first half of the 20<sup>th</sup> century to displace the Imperial capitalist strategic *logos*. Only a forcible takeover, involving a highly centralised and authoritarian set of controls, would be able to overcome the powerful market forces of the strategic *logos* to achieve these antistrategic ends. By taking place at the global level, however, it will involve government intervention, and inevitable collapse, on a massive scale. It is possible that a world war could break out as some nations attempt to break free from the debilitating controls of global totalitarianism to pursue their own more viable strategic path.

When I first analysed this issue at the end of the 2000s (Snooks 2009; 2010), I imagined some eyebrows being raised about the possibility of massive government intervention on a global scale and within a very short timeframe. My confidence in this possibility was based on historical precedent: for example, the antistrategic societies developed by Akhenaten in Egypt in the 1320s–30s BC, by the Spartans in the late 4<sup>th</sup> century BC, by Hitler in Germany during the 1930s and 1940s, and by Stalin in Russia during the 1930s to 1950s, all of which emerged suddenly, eliminated the former strategic *logos*, commanded their societies, and then collapsed just as suddenly. **But then, out of the blue, the** 

response of governments throughout the world to the coronavirus—just one of the many diseases that have plagued mankind in the past—is exactly what I had predicted about the response to climate mitigation—the rapid and massive emergence of a global command system. Even if the Great Lockdown command system is not very systematic, and even if it is dismantled almost (but not quite) as completely and as quickly as it emerged, this amazing occurrence shows quite clearly that totalitarianism is a very real possibility in the face of a major crisis. And that if the crisis is permanent, then so will be the totalitarianism—at least until, like all antistrategic systems, it

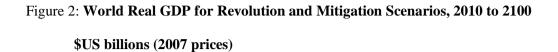
collapses just as suddenly. The Great Lockdown provides an extremely dangerous precedent for

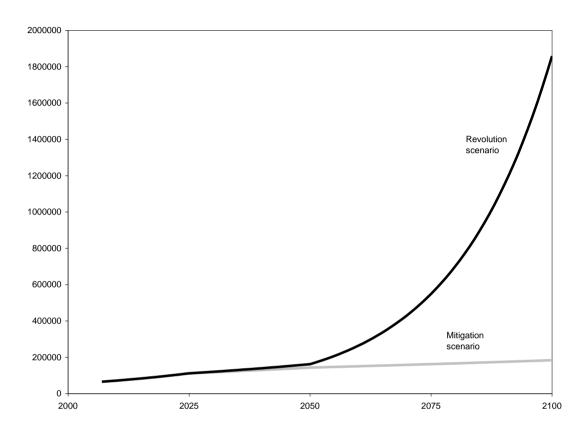
the future.

Climate change, we are told by the science 'experts', is not an ephemeral or trivial matter. It cannot be turned back by temporarily turning off the economies of the world like a tap. It will require a permanent and massive intervention in the global economy to crush the wicked strategic *logos* that is generating climate change. Already, the call is out to "reform" and "reshape" industrial capitalism—to replace it with a system of 'benevolent' central command run by science 'experts' (actually, even Stalinist USSR was not silly enough to place scientists in charge of the economy!). And once a global climate-mitigation command economy is embarked upon, it will need to be permanent if it is to turn back the massive degree of climate change currently predicted by scientists.

The question we need to ask is what would be the economic costs to the world of permanent massive intervention? As I argue in *The Coming Eclipse* (2010) and "Exploding the great myth of climate mitigation" (2019b), the dynamic costs of climate mitigation are the **foregone benefits** that would have resulted from the coming Solar Revolution in the middle decades of the 21<sup>st</sup> century, as predicted by my general dynamic theory. These dynamic costs are immensely greater than the static costs calculated by orthodox economists employing, not a general dynamic theory, but rather their usual limited cost-benefit analysis. While their theory is static, shortrun, and marginal (small scale), the issue of climate mitigation versus technological-paradigm transition is dynamic, longrun, and non-marginal (i.e. huge). A complete mismatch!

Having discussed the nature of the coming Solar Revolution in detail elsewhere (Snooks, 1996; 2009; 2010; 2015), I will not repeat myself here. What I want to show is how poorly a global climate mitigation command system would perform relative to the existing freely-operating, marketled dynamic-strategy system over the period 2050 to 2100. Figure 2 shows the estimated growth paths of both the 'Revolution' and 'Mitigation' scenarios for the second half of the 21<sup>st</sup> century. These two estimated growth paths diverge dramatically, until **by 2100 the dynamic costs per annum amount to 90.1% of world real GDP!** This is far in excess of the claim by orthodox economists that the costs of climate mitigation will only amount to 1–2% per annum forever! This is the difference between measuring static costs using fundamentally flawed theory, and dynamic costs using a general dynamic theory.





Source: G.D. Snooks, The Coming Eclipse (2010: 62).

This calculation of dynamic costs was made in 2008, a decade or so before the Great Lockdown. At the time I estimated the dynamic costs of climate mitigation in 2050 to be 11.6% of world real GDP. By taking the Great Lockdown into account, I discovered that these dynamic costs for 2050 would increase to 35.6% of potential world real GDP—3 times greater! And for 2100 they would increase from 90.1% to 92.4%. In other words, any major attempt to follow the advice of the science 'experts' will be incredibly costly, and, as history shows, will lead to complete collapse. And this time, at the global level. Global civilization will never recover from this monumental mistake. I find it difficult to believe that in the midst of such silliness, some strategic leaders will not emerge and break away from the global mitigationists. The nation, or group of co-operating nations, that does so (hopefully without world war), and rejects the antistrategic advice of climate mitigation 'experts' in favour of the strategic advice of the dynamic strategists (who listen to the strategic *logos*), will lead the way to the Solar Revolution and will dominate the world economically for the next century. The rest will struggle in their wake.

#### 5. Battle for the Policy Highground

In the contemporary world, a tension exists between the 'experts' that governments rely upon for policy advice and the dynamic strategists (both producers and consumers) actively engaged in the strategic pursuit we call 'life'. It is a reflection of the growing conflict between **desires** that drive human society and the **ideas** that, at best, facilitate and, at worst, frustrate this progression (Snooks 2000). Before the modern era, when governments understood their role as strategic leaders, ideas tended to be subordinated to desires in the policy arena (Snooks 1997).

In the opening weeks of the viral assault in the Western world (January to February 2020), the dynamic strategists were generally supported by their governments in doing business as usual. But as the number of infections began to rise during March 2020, those same governments turned increasingly to medical experts and health administrators for advice. By the middle of March, health experts were advocating radical economic restrictions to "flatten the curve of infections" in order to "protect" the health industry from being overwhelmed, and to "save lives". One wonders where the orthodox economic experts were when "flattening the curve"—and, hence flattening the economy was being proposed. Britain provides an interesting example of the triumph of medical over economic advice: the lectern at press conferences held by government ministers has been, and still is, branded with the slogan "STAY HOME, PROTECT THE NHS, SAVE LIVES". This is equivalent to Winston Churchill brandishing the slogan "Stay home, protect the Army, save lives" during the dark days of World War II. This is no way to win a war against invaders either of the national or biological kind. At that critical stage (mid-March), I warned—in "Fight the virus, not the economy! How to avoid the 'interventionist storm'"—that this policy amounted to waging war against the economy. A war that would be more devastating than the coronavirus. And so it has come to pass! Needless to say, this type of advice was totally ignored in the rush of lemming-like governments attempting to outdo each other in locking-down their economies. Thus creating the 'interventionist storm'.

By the end of April 2020, the enormity of what they had done was beginning to dawn on some of the more perceptive leaders. They began to realise that their naïve plans to support their economies through massive cash handouts and wage subsidies (sanctioned by treasury and central bank officials) was not going to work out as they had hoped, and that these stop-gap schemes could not be continued forever owing to the rapid decline in revenues. This was the opportunity for orthodox economists to break their silence and to begin outlining the shortrun, static costs of the Great Lockdown. And it has resulted in **an avalanche of papers showing great insight into the problem after the event**. The strategy of backward-looking prophets! Yet, even now, these experts have ignored the dynamic costs arising from the damage needlessly inflicted on the strategic *logos*. Unlike the backward-looking prophets, my position hasn't changed since well before the Great Lockdown—indeed, the roots of my argument go back to *The Dynamic Society* (Snooks 1996).

By mid-May 2020, a great struggle for control of the policy highground had emerged between health experts and dynamic strategists around the world. Economic experts in academia and the media have sometimes supported one or the other of these competing policy camps. Health experts, now on the defensive, while conceding ground are still warning about removing restrictions too early and too quickly; others are threatening that the virus will never go away, thereby requiring continued economic control of society by the health industry. The WHO is a leader in this respect. On 13 May 2020, WHO representative Mike Ryan, declared that: "This virus may never go away", and therefore will require a "massive effort" of (antistrategic) economic control—a "massive moonshot"—"even if a vaccine is found" (my emphasis). The WHO wants to maintain its prominent policy role whatever

happens in the future. This antistrategic stance is inevitable because UN-associated bodies have not emerged in response to the strategic demand of the strategic *logos*. Indeed, there is no strategic *logos* at the global level, only a large number of national strategic *logoi*. As world-wide organisations are the source of much antistrategic policy today, they need to be reminded of their supportive, not leading, role.

Other medical experts in countries around the world, as mentioned earlier, are also advocating the subjection of the economy to health control. This is their opportunity to maintain the policy highground. A biosecurity expert, C. Raina MacIntyre at the University of New South Wales, represents this position well by claiming: "It is likely we will face alternating epidemic and nonepidemic periods, and will need to continue to manage COVID-19 with intermittent returns to stronger restrictions—very significant control." In other words, every time the economy gets back on its feet (or knees), it should be knocked down again if infections increase. Health experts just don't seem to understand that if you have no economy you have no health anyway. It is, as I stressed in mid-March 2020, the economy that sustains us all, including the sacrosanct health industry. This problem is particularly acute in developing countries such as India and Indonesia. In India, for example, some 20% of the pre-coronavirus population were mired in poverty. Since the Great Lockdown, many millions more have been thrown out of employment and into the slums, or are left travelling without sustenance into the countryside. A similar situation exists in Indonesia, where lockdown is expected to cast at least another 9 million into poverty. Pre-lockdown Indonesia already had an estimated 33 million people subsisting below the poverty line. Mass starvation and suicide are very real and frightening possibilities throughout the developing world. This is the legacy of the 'interventionist storm' and of the role of science 'experts'.

The dynamic strategists (both producers and consumers), on the other hand, are keen to remove all economic restrictions and to get back to business as usual. These are the groups in society that are responsive to the demands of the life-giving strategic *logos*. And it is these groups to whom governments should be primarily listening. Some political leaders are sensitive to the requirements of the dynamic strategists—usually those with business experience—others prefer to hide behind non-realist ideologues or 'experts'. The latter have forgotten, or failed to understand, that listening to the *logos* via the dynamic strategists is the prime reason for the existence of governments. Only by listening to the strategic *logos* will our global civilization survive. The costs of the political madness called the Great Lockdown will, as I have estimated, be very substantial in both the shortrun and longrun. But if we fail to learn the lessons that it has provided, global civilization will **never** survive the renewed onslaught of climate mitigation.

#### 6. Conclusion

"The oracles that Circe, the beautiful goddess, told me ... in order that knowing them we may either die or, shunning death and fate, escape. First she bade us avoid the voice of the wondrous Sirens, and their flowery meadow." **Homer, The Odyssey** 

Global civilization stands at the crossroads of history. It has already taken a wrong turn in backing ideologically advised government intervention on a massive scale to eradicate a biological terrorist that can and has taken lives, but is unable on its own to threaten our strategic survival. The losses already in train, as we try to extricate ourselves from the interventionist quicksands, will never be recovered. But the situation, as bad as it is, is not irretrievable. The world can stem the loss of strategic vitality by turning away from 'experts' and back to the dynamic strategists. Like the crew of Odysseus, governments around the world need to block their ears to the Siren song of 'experts' in

order to avoid being dashed on the rocks of antistrategic interventionism. If we manage this, we should be able to shrug off the massive intervention currently being urged by the climate mitigationists and take part in the coming technological-paradigm transition later this century. A paradigm transition that will revolutionise our world. If not, our global civilization will surely grind to a halt, and will probably explode into a series of international conflicts as the only strategic alternative in our exhausted world. The decision is ours, and we must make it now if we are to resume our successful odyssey into the future.

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**NOTE**: All the above working papers are available on my *Researchgate* and *Academia* sites.