

# Finding Glimmers Of Hope In A Dark Time

**T**he coronavirus pandemic and its far-reaching impact are unlike anything we have chronicled in our 130 years. During the Great Depression of the '30s or the 2008 financial crisis, economic activity slowed dramatically and music industry revenues contracted, but what we're facing today is a near complete shutdown. As of this writing, due to the varying degrees of government-ordered quarantine, most of the industry's major suppliers have staff working from home, their factory workers on furlough, and their shipping departments idled. Similarly, retailers are closing stores or cutting hours, suspending purchases, and using technology to offer remote music lessons. We suspect that even without these "shelter in place" mandates, the industry would be in a similar predicament. The specter of a global pandemic has a way of focusing the mind on essentials—health, food, shelter, and toilet paper, it would appear—leaving little space left for discretionary items like musical instruments.

The global outbreak raises a multitude of valid questions. Is the coronavirus a health threat exponentially worse than the seasonal flu? Are the side effects of shutting down commercial activity worse than the virus itself, in terms of lost jobs, failed companies, and defaults? How long before things get back to "normal," and what will "normal" look like? Regardless of what the politicians or pundits say, at this point there are no answers. Remember, those people are in the business of pretending they have simple answers to complex problems, not in the business of admitting they have no way of knowing. This uncertainty calls for humility along with some faith in the power of human ingenuity.

It's difficult to find a bright side when sales are near zero and financial survival is a struggle. However, amidst the current hardship there are glimmers of hope. The crisis has focused the energies of a multitude of extraordinarily talented individuals (political class not included) on bringing this disease to heel. Shifts in FDA and Centers for Disease Control (CDC) regulations have spurred healthcare companies and medical providers to develop improved testing regimens. Production of masks, ventilators, and other protective gear is also ramping up. Taken together, population-wide testing and the distribution of protective gear for workers will hopefully speed the resumption of ordinary work.

Longer term, the Milken Institute reports that there are currently 58 treatments and 43 vaccines in various stages of development around the world, some of which are bound to prove effective. After showing promising results, anti-malarial drugs Chloroquine and Hydroxychloroquine have been

approved by the FDA as a treatment. Kervaza, a widely prescribed drug for rheumatoid arthritis, is also showing promising results in mitigating symptoms of the disease.

Although economists are calling for a double-digit decline in GDP in the second quarter, another glimmer of hope can be found in aggressive government stimulus programs that promise to reduce the burden on households and workers with limited income. Loan programs will also help companies weather the storm by lowering the cost of financing and hopefully avoiding a financial panic. These moves should also help stimulate the recovery once it unfolds.

And perhaps the pandemic may not be as severe as some have feared. On March 16, Neil Ferguson, an epidemiologist at the Imperial College in London, predicted that the coronavirus would claim 500,000 lives in the U.K. and 2.2 million in the U.S. Ten days later, revising projections based on social distancing measures now underway, he adjusted his forecast downward to just 20,000 fatalities in the U.K., mostly among the elderly and individuals with other serious medical conditions.

Finally, this too shall pass. The world was regularly subjected to life-threatening pandemics until the development of antibiotics in the early 20th century—think yellow fever, smallpox, typhus, and polio. Economic hardship has also been a recurring theme throughout human existence. And consider that anxiety-causing uncertainty, along with death and taxes, has been an eternal curse. Fortunately, in 2020, we confront these challenges armed with far better tools—remarkable medical technology and the highest baseline of prosperity in recorded history. Uncertainty will remain, due to our continued inability to predict the future.

While predictions are fraught at a time like this, we'll risk going out on a limb to say that the apocalyptic forecasts will be proved wrong. At least since British philosopher Thomas Malthus predicted imminent global starvation in 1798 (Malthusian Theory postulated that population growth was inevitably destined to outstrip food production), there has been a brisk trade in doomsday scenarios. Nuclear winter, runaway overpopulation, and the imminent depletion of oil reserves are a few of the more recent ones that come to mind. What they have in common is a failure to account for mankind's ability to adapt to and overcome adversity. While coronavirus and its economic aftermath represent a grave challenge, we're confident that it will be resolved, the world will continue, and there will be a place for music in it. Now the issue is remaining solvent for the duration of the shutdown.



**Brian T. Majeski**  
Editor

brian@musictrades.com