

## **COVID-19 coronavirus**

**In the context of this pandemic, we need a new form of social insurance, one that directly targets and works through businesses.**

**The most direct way to provide this insurance is to have the government act as a buyer of last resort.**

**If the government fully replaces the demand that evaporates, each business can keep paying and maintain its capital stock, as if it was operating under business as usual.**

**... take the case of the airline industry. If demand drops by 80%, the government would compensate this missing demand, in effect buying 80% of plane tickets and maintaining sales constant.**

**Emmanuel Saez and Gabriel Zucman**