

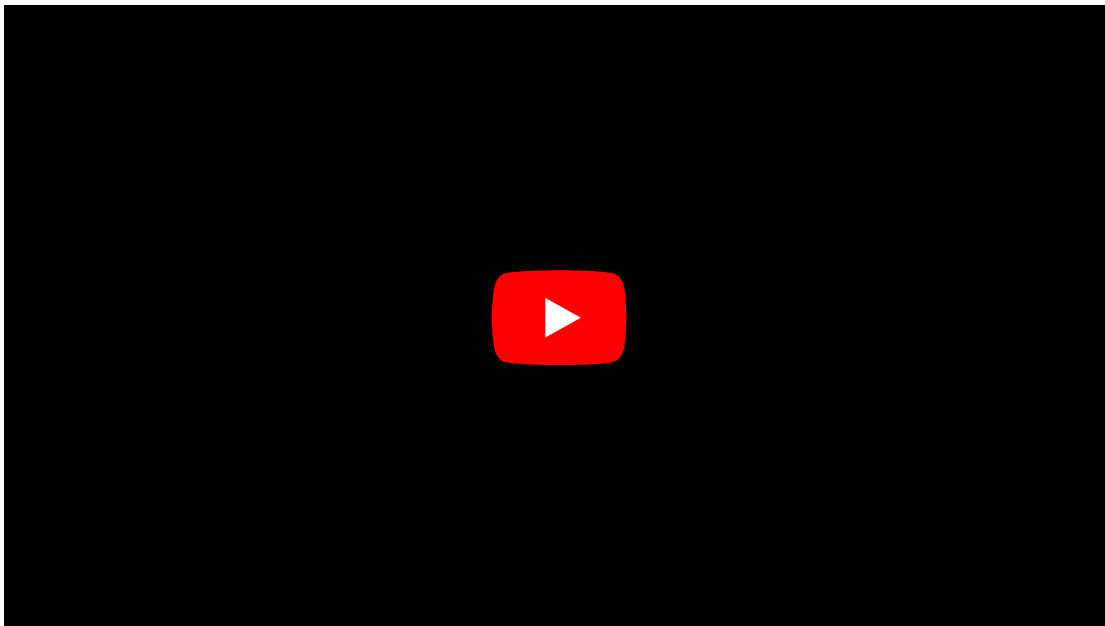
[Home](#) > [Former President Jim Bullard](#) > [Speeches, Presentations and Commentary](#)



[From the President](#)

## Bullard Shares Perspectives on the Pandemic during NABE Webinar

**May 5, 2020**



St. Louis Fed President James Bullard discussed moving through the pandemic threat during a National Association for Business Economics (NABE) event, which was part of the association's Perspectives on the Pandemic Webinar Series.

While the current shock is unlike any other in the post-war era in the U.S., the nature of the shock is well understood, Bullard said. He noted that the task at hand is to put the economy on pause and ask people to stay home in order to invest in national health.

He reiterated his view that the main disruption in the U.S. economy will be in the second quarter. "I do think we have a better chance of a swift recovery given this shock than others that we have seen in the past if we manage the situation carefully and we continue to keep our wits about us as we move through, day by day, the pandemic threat," he said.

Bullard said that one goal during the shutdown period is to provide support to the financial sector to avoid having a financial crisis in addition to a pandemic crisis. "I think that the Fed

has intervened effectively in financial markets in order to maintain market functioning," he said. "I think we can do more, but I think weâ€™ve done probably the most obvious steps so far."

Another goal during this period is to support the real economy, which the FOMC did right away by lowering the policy rate to zero, Bullard noted. He added that the fiscal response has also been aggressive in trying to compensate those who are being asked to pause in their businesses and their work, which is helping mitigate the risk of the crisis morphing into a very serious and long-lasting depression.

Bullard noted that the general-pause situation is OK right now, but it cannot be maintained for long. "I think the shutdown policy was appropriate to handle the initial surprise of the pandemic, but keeping the shutdown in place in the same way that we have it now as a blanket policy will cause too many problems longer term," he said, adding that he expects to see a more risk-based and granular policy going forward.

In terms of ending the crisis, Bullard suggested putting resources toward technology that is available, mainly testing. From an economic point of view, "what we really have is an information problem" in that people don't know where the virus is, he explained.

Having trouble with the video? [Watch it here.](#)