



Guiding Principles for Re-Energizing Michigan's Economy in 2020

The severity of the state's reaction to the COVID-19 coronavirus outbreak took many Michiganders by surprise. It seemed one morning they dropped their kids off at school, put in a full day at work and met a friend for coffee; the next morning, school was canceled for the year and they were under a stay-at-home order. It is no exaggeration to say this outbreak has disrupted the lives of millions of Michiganders.

After consulting with our members, advisors and other scholars, these principles are the ones our organizations believe will help guide the state through this difficult period. We aim to maintain public safety while simultaneously igniting a full and speedy economic recovery. While these principles do not address every issue related to this coronavirus outbreak, we hope they will prove a valuable guide for the important decisions policymakers must make in the near future.

✚ Public Health and State of Emergency

- **Public Health First:** Policymakers' number one priority should be to protect the public health, but also remember that productive, rewarding work is a key to our physical and mental wellbeing. The state should focus on metrics related to safety and help businesses create safe workplaces as soon as possible. Businesses that can reopen responsibly using recognized safety protocols should be allowed to do so.
- **We Must Live With Risk:** Every day, millions of Michiganders take countless risks to their health and safety — driving their cars, working around the house, eating out. These are risks we are comfortable taking regularly, and eliminating all of them is not a realistic standard. Michigan's economic recovery must start even in the face of some risk.
- **This Emergency is Temporary:** Even though the emergency declaration Gov. Gretchen Whitmer issued was necessary, the Legislature remains an important voice in the debate and should evaluate the current and future orders, consistent with their powers. In addition, lawmakers and interested parties should thoroughly review the emergency powers in statute and improve them to better address future crises.

Policy Guidelines

- **Consistency and Clarity:** Policymakers will have to make many important decisions in the near future. They should strive for consistency and clarity, as these decisions will impact entrepreneurs, job providers and their employees. None of these decisions are easy, but the ability of businesses to adjust is improved if they are clear and follow a predictable logic.
- **Transparency:** The law grants the governor extraordinary power during a time of crisis, but that should not diminish the responsibility the government has to be transparent to the public. Policymakers should openly explain their decisions and the supporting rationale used to make them. This will help foster trust with Michiganders, many of whom have been severely impacted by these emergency orders.
- **Resist Playing Favorites:** While some firms have been impacted more than others, policymakers should not single out certain industries and businesses for special treatment in the recovery. Nearly every business has been impacted one way or another, and recovery policies should apply as broadly as possible.

The Economic Recovery

- **Economic Growth and Public Health Go Hand-in-Hand:** There is no need to sacrifice public health for economic growth, or vice versa. But there is a negative impact on public health from economic recessions, too. Policymakers need to make this part of the equation when crafting policies for the emergency and for the recovery.
- **A Limited Role for Government:** While providing important support and guidance, policymakers should view their role as a limited one in the recovery. It will be Michigan's entrepreneurs and hard-working employees who will ultimately rebuild Michigan's economy. Recovery plans should not be focused on expanding government's reach or creating new government departments.
- **Focus on the Fundamentals:** Full economic recovery will require creating a fertile environment for new businesses to start and incumbent firms to create new jobs. This should be the primary focus of state aid and policy in the recovery: promote free enterprise, entrepreneurship and new job creation.

The COVID-19 outbreak may be the most significant public health crisis our country has faced in a century. Although the immediate outlook is challenging and uncertain and we cannot yet tell the full damage this contagion might cause, we must take steps as soon as possible to restart our economy. Because we know Michigan employers and employees are resilient, we are confident our state will recover. If policymakers provide an appropriately limited and supporting role, Michigan can come out of this even stronger than before.