

Government failures in the COVID-19 response: A comparative analysis of China, the UK, Italy, and the US

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Abstract. The COVID-19 pandemic has taken a significant toll on people across the world and leaders have had to tackle unforeseen challenges. From the time the outbreak was first identified in December 2019 to the time of publication, more than 24 million cases of coronavirus had been reported globally, resulting in more than 824,000 deaths. Many countries have taken various measures to combat the virus, but the wildly different responses and response timelines around the world resulted either in failures or successes, leaving people questioning which strategy works best. In this paper, the author examines the accounts of government failure in coronavirus responses in China, the United Kingdom, Italy, and the United States that contributed to the outbreak reaching unprecedented extremes. These government failures are contrasted with Sweden's successful laissez-faire approach which serves as a crisis response model. In sum, in the attempt to combat the COVID-19 outbreak, governments expanded and squeezed out individual freedoms and liberties which will ultimately have lasting consequences in the post-pandemic world.

Keywords. Big government, Government failure, Coronavirus.

JEL. F21, F68, O53, K23.

1. Introduction

National governments pride themselves on creating the next-best program intended to dramatically alter and improve the lives of its citizens. More often than not, the results of their efforts are quite the opposite. Through an analysis of government intervention overtime, many of government programs are utter failures and inflict more damage than assistance. The theory of government failure states that “the production and distribution of a commodity through a competitive market in which all the relevant agents are pursuing their own self-interest will result in an allocation of that commodity that is socially inefficient” (Le Grand, 1991). When government failure is present, Adam Smith’s “invisible hand” is void and competitive markets will work inefficiently. Through the greater presence of government, inefficiency invites corruption which, in turn, inhibits individual rights and freedoms. During a crisis, however, governments find the need to spend more money and increase regulation, all subject to waste, fraud, and abuse. Through increased regulation, politicians take advantage and use crises as perfect opportunities to succeed in their own bureaucratic or political agendas, satisfying their own self-interest. In the meantime, citizens find themselves adhering to their state’s agenda and are unable to exert their individual liberties. The consequences of government failure are widespread from economic damage to reducing personal freedoms and individual liberties. In order to properly analyze the shortcomings of enhanced

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government presence in daily life, the question: what causes government failure in the first place, must be asked. In “Why the Federal Government Fails,” Chris Edwards succinctly highlights 5 causes for all government failures:

1. Federal policies rely on top-down planning and coercion: Federal policies are then based on guesswork because there is no price system to guide decision making. Additionally, failed policies are not weeded out because they are funded by taxes, which are not contingent on performance;
2. The government lacks knowledge about society’s complex structure;
3. Legislators often act counter to the general public interest;
4. Civil servants act within a bureaucratic system that rewards inertia, not the creation of value;
5. The federal government has grown enormous in size and scope. Failure has increased as legislators have become overloaded by the vast array of programs they have created ([Edwards, 2015](#)).

Along with greater government involvement come failed programs and lackluster initiatives, that while attempting to help citizens, only plague the real needs of society. Through failed government programs, freedom and prosperity are crushed. Throughout history, various scholars have analyzed the causes of government failure and all reverted back to the same conclusion: government intervention causes more harm than good. Although the world may not be immune to government failures, government intervention makes situations worse. In 1912, welfare economist Arthur Cecil (A.C.) Pigou wrote in *Wealth and Welfare*:

“It is not sufficient to contrast the imperfect adjustments of unfettered private enterprise with the best adjustments that economists in their studies can imagine. For we cannot expect that any State authority will attain, or even whole-heartedly seek, that ideal. Such authorities are liable alike to ignorance, to sectional pressure, and to personal corruption by private interest” ([Pigou, 1912](#)).

Moreover, societies should not rely on government to swoop in and act as their savior. Although the government might think it knows what is best for its citizens, the government has no true way of knowing what is best for each individual. Often, a politician’s corrupt private interests will more often than not drive government action.

Along the same lines, in 1932, James Beck, a member of Congress and former U.S. solicitor general, shed a light on the reality of government programs and wasteful spending in *Our Wonderland of Bureaucracy*. He said that the Federal Farm Board, which spent \$500 million on programs, was an incredible failure. He believed that subsidies for farmers, shipping companies, and sugar companies made no sense. Federal “efforts to run businesses during and after World War I were ‘costly failures’ of ‘extraordinary ineptitude’” ([Edwards, 2015](#)). The problem with government according to Beck was “that the ‘remedy may often be worse than the disease’” ([Beck, 1933](#)). Government intervention will not solve society’s problems and when it steps in, worsens the state. In 1944, Friedrich Hayek, a classic liberal economist, commented on the failure of government planning in an economy. He warned in his most famous book, *The Road to Serfdom*, of the “danger of tyranny that inevitably results from government control of economic decision-making through central planning” ([Ebeling, 1999](#)). On personal freedom, Hayek emphasizes the importance of specialized knowledge that governments could never come close to understanding. Each individual comes to possess local knowledge in

“his corner of the division of labor that he alone may fully understand and appreciate how to use” (Ebeling, 1999). With a free market system, individual preferences and local conditions will be maximized. Government planning cannot access such valuable knowledge and since it is impossible to know all of the information required to guide society, the government will never be able to satisfy the needs of individuals through centralized programming.

As noted by Hayek, a key cause of government failure is the lack of knowledge of an individual's personal preferences and choices. In an ideal world, the government would place an emphasis on preserving individual liberties and freedoms rather than squeezing them out. Milton Friedman, an American free-market economist, argued that a “key problem was that government policies destroy individual choice” (Edwards, 2015). Government forces people to act according to a common good or general interest rather than their own. Through central planning, governments expect citizens to act on their social responsibility to serve the interest of the greater good, but this inevitably leads to waste and fraud. According to Friedman, the individual, by pursuing his own interest, will “frequently promote that of society more effectually than when he really intends to promote it. I have never known much good done by those who affected to trade for the public good” (Friedman, 1962). Markets must promote diversity and the exploitation of each individual's potential, but government control requires uniformity, and, through uniformity, individuals cannot prosper. A citizen should be given the choice to control their success and not act according to what the government thinks is best. Furthermore, most known for his work on public choice theory, American economist James Buchanan comments on the government's structural failures that undermine public choice. Public choice theory suggests that the very presence of government likely produces government failure. Buchanan asks that “we tackle the essential task of political economy via a social contract, by which he means a constitution that simultaneously legitimizes and limits the activities of government” (Christainsen, 1988).

Although the previous analysis has its roots in right-leaning classical liberal literature, government failure has more recently been examined by those who identify closer to the center of the political spectrum. In a 2006 Brookings Institution study, Clifford Winston discusses the disappointing result of the United States government's microeconomic policies. He examines government policies that were intended to correct market failures but instead had major flaws. First, he found that government policy created “economic inefficiencies where significant market failures do not appear to exist” (Winston, 2006), but these failures were not confirmed by empirical evidence. Second, where market failures do exist, “government policy has either achieved expensive successes by correcting these failures in a way that sacrifices substantial net benefits or in some cases has actually reduced social welfare” (Winston, 2006). These government failures “cost the U.S. economy hundreds of billions of dollars a year” (Winston, 2006). Government intervention wastes precious time and resources. Similarly, in his book *Why Government Fails So Often – and How It Can Do Better*, Peter Shuck examines why so many domestic policies fail in the United States. The core proposal in his book states that “federal domestic policy failures are caused by deep, recurrent, and endemic structural conditions” (Shuck, 2014). Government failures grow out of a “deeply entrenched policy process, a political culture, a perverse official incentive system, individual and collective irrationality,

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inadequate information, rigidity inertia, lack of credibility, mismanagement, market dynamics, the inherent limits of law, implementation problems, and a weak bureaucratic system” (Edwards, 2015). Since then, we have seen the same cyclical nature of these government failures occur time and time again. Although the notion of government failure will be contested for many years to come, individuals with different political identifications must agree on the nature of a failure: “If a federal program is not achieving what policymakers promised, it is a failure. If a program is generating high levels of fraud or corruption, it is a failure. If the costs of a program are clearly higher than the benefits it is a failure” (Edwards, 2015). In many instances of centralized programming, individuals are faced with government failure.

Today, with the COVID-19 pandemic, federal programs intended to fight the virus in certain countries were the epitome of government failure. Countries with small government presences such as Singapore, Taiwan, and South Korea were able to act swiftly and efficiently. These countries were able to get the virus under control from the very start without wasting precious time and resources. Other countries, however, did not follow the small government model and thought enhanced government planning and programming would do the trick. These governments and their bureaucratic leaders thought they knew what was best for the health and safety of its citizens. This was not the case. Italian philosopher Giorgio Agamben speaks along these lines and is best known for his ideas on the “state of exception.” This theory nicely applies to the current crisis. Agamben states that the media and authorities have done their best to spread a state of panic, thus justifying serious limitations on movement and a suspension of daily life in entire regions. This plays into a vicious circle in which “the limitations of freedom imposed by governments are accepted in the name of a desire for safety that was created by the same governments that are now intervening to satisfy it” (Agamben, 2020). The governments in question continuously found grounds throughout the crisis to curtail the freedom of its citizens and thus, failed to the highest extent. Through the analysis of the responses of four specific countries, this paper attempts to prove how countries with high levels of government intervention failed to keep the virus under control and cost its nation lives, time, and money. Government failure will be documented and analyzed in countries that were/are the epicenters of the coronavirus: China, Italy, the United Kingdom, and the United States. The failure of combatting the coronavirus crisis in these four countries is rooted in failures to act quickly at the start of the outbreak, rampant corruption, and complex bureaucracies halting efficient responses. The failed responses will be contrasted by analyzing Sweden’s laissez-faire, no-lockdown approach which, at the time of writing, has brought wide success to country and its people. By protecting individual liberties, Sweden has been successful in “flattening the curve,” according to relevant statistics. In turn, the presence of big government in the coronavirus responses of these four countries crushed individual freedoms. In the future, policy measures, in order to be effective, must have well-defined objectives and act on those goals accordingly.

2. China

The Chinese government knew that COVID-19 appeared in late 2019 but they actively worked to keep the virus a secret from their population and the

world. The first human cases of COVID-19 were first reported in December 2019 by officials in the city of Wuhan, China. On January 7, 2020, the World Health Organization (WHO) announced they had identified the new virus named 2019-nCoV. On January 11th, China announced its first death from the virus, a 61-year-old man who had purchased products from a seafood market ([China Reports First Death, 2020](#)). On January 17th, a second death was reported in Wuhan and on January 20, China reported a third death and more than 200 infections, with cases spreading outside the Hubei province including Beijing, Shanghai, and Shenzhen. The same day, Zhong Nanshan, head of the National Health Commission and a prominent Chinese infectious disease expert, confirmed human-to-human transmission in an interview with China's CCTV state broadcaster ([China Confirms Human-to-Human Transmission, 2020](#)). This raised fears of a major outbreak as millions travelled for the Lunar New Year holiday at the end of January. At this point, the WHO said that the outbreak did not "constitute a public emergency of international concern and there was 'no evidence' of the virus spreading between humans outside of China" ([Timeline: How the new coronavirus spread, 2020](#)). That was the beginning of the WHO's cover-up for China of the global health emergency. Even though the WHO declared the coronavirus a global emergency on January 30th, it was not declared a pandemic until March 11, 2020. In the early stages of the virus, the Chinese government downplayed the extremity of the outbreak and made it seem as if they had everything under control when in reality, they did not. To preserve its bureaucratic interests, the WHO sided with China in preserving the realities of the coronavirus outbreak in its country. This would in turn caused a virus that could have been monitored and controlled into a devastating outbreak that crippled the rest of the world.

First and foremost, China was ill-equipped to combat the virus. Since it was heavily affected by the 2002 SARS epidemic, China created a high-quality denominated infectious disease reporting system. This system would allow hospitals to input patients' details into a computer and instantly notify government health authorities in Beijing. However, this system created by the Chinese government failed. When the first patients were hit with the novel coronavirus in December 2019, the reporting was supposed to have been automatic. Rather, hospitals withheld information about cases from the national reporting system due to political aversion to sharing bad news, "keeping Beijing in the dark and delaying the response" ([Myers, 2020](#)). The central health authorities learned about the outbreak "not from the reporting system but after unknown whistleblowers leaked two internal documents online" ([Myers, 2020](#)). The failure of this government program was the beginning of China's shortcomings in controlling the outbreak.

Second, the outbreak in China worsened due to the lack of government transparency and communication of the extremity of the virus to its citizens. To no surprise, the Chinese government cracked down on freedom of speech in order make it seem like they were containing the virus. In the beginning of February, China embarked on a mission of censorship and suppression that went above and beyond of the Chinese Communist Party's routine practices. News coming out of Wuhan praised the Chinese government's strong grip on the outbreak. However, as citizens shared accounts of the havoc the virus was wreaking on their communities on social media, and as reporters wrote and published truthful stories about the outbreak, China's censors diligently

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deleted these posts and stories. Through this method, China was able to conceal the extent of the outbreak and inadequacy of its response. Through high-intensity censorship, the country could portray itself as a “benevolent savior to its people and a generous friend supplying medical equipment to the world” (Stevens, 2020). By May 2020, China voiced the narrative that its unprecedented quarantine measures gave the world a head start and instead blamed other countries for not seizing the opportunity and time China justly offered them.

Although China took extreme measures to maintain its domestic outbreak, it also took extraordinary steps to cleverly collect information and curate it to its own needs. According to Shawn Yuan, a Beijing-based journalist, two main kinds of content were sought after for deletion: “journalistic investigations of how the epidemic first started was kept under wraps in late 2019 and live accounts of the mayhem and suffering inside Wuhan in the early days of the city’s lockdown, as its medical system buckled under the world’s first hammer strike of patients” (Yuan, 2020). This information war became the center of an intense geopolitical debate where, due to various vanished accounts of the virus, the regime’s cover up of the initial outbreak in its country “certainly did not help buy the world time, but instead apparently incubated what some have described as a humanitarian disaster in Wuhan and Hubei Province, which in turn may have set the stage for the global spread of the virus” (Yuan, 2020). The state deprived citizens of vital information when they needed it most. Yet again, another instance of extreme government failure.

The most notable account of Chinese censorship is when the Chinese government took down an article written by Caixin, a prominent Chinese news outlet. On February 26th, Caixin published an article entitled “Tracing the Gene Sequencing of the Novel Coronavirus: When was the Alarm Sounded?” which offered a detailed timeline of the outbreak. According to the report, the provincial health commission began “actively suppressing scientists’ knowledge about the virus as early as January 1” (Yuan, 2020). According to Caixin, a gene sequencing lab in Guangzhou discovered in January that the virus that appeared in Wuhan shared high degrees of similarities with the virus that caused the SARS outbreak in 2003. According to an anonymous source, “Hubei’s health commission promptly demanded that the lab suspend all testing and destroy all samples” (Yuan, 2020). This information, however, could not reach the public quickly as it was taken down from the Chinese internet only hours after it was published. When asked to comment on Caixin’s investigation, China’s CDC responded, “We have made sure to respond to the COVID-19 outbreak as efficiently as possible and do not condone news reports that accused our center of mishandling the crisis” (Yuan, 2020).

News outlets were not the only subjects getting shutdown; Wuhan’s frontline health workers were also censored inside hospitals. On February 5, 2020, a Chinese magazine entitled *China Newsweek* interviewed a doctor in Wuhan who confirmed that physicians were told by heads of hospitals not to share any information in the beginning of the outbreak. Many other doctors supported this narrative. Doctors were not allowed to wear isolation gowns because it might stoke fears within the hospitals. They were obeying the rules but were extremely confused as to why they could not say anything or notify their patients as they had the right to know for their health and safety. The cyclical trend of publishing detailed timelines of the outbreak and accounts of

personal stories just to have them purged and deleted continued on. The real war on information between the Chinese government and its social media users began on February 7th after the death of Dr. Li Wenliang.

A doctor named Li Wenliang, a whistleblower who had raised a red flag about the coronavirus back in December 2019, and who was reprimanded on the basis of making false comments, died of coronavirus on February 6, 2020. The news of Dr. Li's death became the top trending topic on Chinese social media and brought with it demands for action. Citizens demanded that the Wuhan government offer Dr. Li an apology and "We Want Freedom of Speech" was among the trending hashtags in the nation. Naturally, the hashtags were later censored. This story is just one piece of evidence in blaming the CCP for the delayed public recognition of the virus. The government's treatment of Dr. Li contended that the lack of free speech in China facilitated the spread of the virus. The Chinese government attempted to take on the role as the savior and constructed its image to be savior-like to its citizens: they had it all under control and there was nothing for their country to worry about. The Chinese government was more worried about the image that would be presented to the rest of the world rather than telling the truth and putting the health and safety of its citizens first.

A report by Francesca Ghiretti, an Asian studies researcher at Istituto Affari Internazionali concludes that the coronavirus crisis reignited debates on the lack of freedom of speech in China. The crux of the report is that the outbreak "could have been better contained if it were not for Chinese restrictions on freedom of expression" (Ghiretti, 2020). If there was a higher flow of information, people would have known about the risks early on, and with reliable and updated information, could have planned accordingly. Some international voices praised China for its ability to implement such large-scale containment measures, but it is important to note that China's authoritarian nature was a feature that allowed the virus to spread uncontrollably around the world. A growing number of voices have argued that such a drastic reaction by Chinese authorities was "nothing more than an attempt to overcompensate for the initially slow response to the crisis" (Ghiretti, 2020).

Additionally, China's slow and complex bureaucratic processes played a crucial role in the rapid spread of the virus. The country's disease control and prevention system proved too weak to be effective against the coronavirus crisis. Since SARS, "China's spending on health has grown 10 times, with thousands of local centers for disease control and prevention established across the country" (Leng, 2020). Unstable annual funding coupled with complicated bureaucracy worsened China's preparedness to combat the coronavirus. The Chinese Center for Disease Control and Prevention (China CDC) was founded after World War II and was criticized for its lagged warning of SARS. The China CDC did not issue recommendations on how to contain SARS until April 2003, five months after the earliest case was identified. The same problems were repeated now in 2020, but in both cases, the China CDC did not have authority to issue warnings. China's CDC does not operate independently from state agencies as it obtains orders and funding from the National Health Commission, an executive level department. According to Xi Chen, an assistant professor at the Yale School of Public Health, "The China CDC is a research institution. They only issue reports to assist the National Health Commission to work on outbreaks, but they have no power to announce emergencies or take action against those who are spreading the

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virus. They have no power to mobilize medical supplies or staff members to other areas in China” (Leng, 2020). Therefore, China’s complex bureaucracy and entanglements within the organization of its bureaucracy organization lead to an exceedingly inefficient response to the coronavirus.

Due to the dominant presence of big government in China, trends of disappearing freedom are apparent. If online campaigns are being heavily censored and journalists continue to be undermined, freedom of expression in China is now worse off than it was before the COVID-19 crisis. The Chinese Communist Party, with this outbreak, will continue to offer the world more socialism, squeezing out private enterprising and presenting the world with less prosperity and poorer health. This is the trend with every crisis: as the size of government and the power of its repression grow, freedom is diminished. Although the Chinese government wanted to promote the narrative that the State saved its citizens and the world from the crisis, the truth is, in fact, quite the contrary. Government failure failed to mitigate the crisis and possibly even worsened the pandemic for the rest of the world.

3. United Kingdom

Since the first coronavirus case was confirmed in the U.K., the government struggled to get on top of the virus. The Global Health Security Index ranks the United Kingdom 2nd out of 195 countries overall for pandemic preparedness, classifying it as one of the most prepared countries in the world to tackle an outbreak (GHS, 2019). However, the actions taken by the U.K.’s government speaks otherwise. Its lack of early preparation, failure to provide adequate protective equipment, and ill-equipped health service are just a few reasons why big government failed to maintain the outbreak and worsened the coronavirus crisis for the U.K. and the world.

The U.K. was tremendously unprepared for the coronavirus pandemic. In 2016, the U.K. ran a simulation exercise codenamed “Cygnus” involving 950 officials from central and local government, NHS organizations, prisons and local emergency response planners. The simulation found that the country would face a massive shortage of ventilators and personal protective equipment (PPE) for health workers if a pandemic struck. The U.K.’s preparedness and response, in terms of its “plans, policies and capability, [was] currently not sufficient to cope with the extreme demands of a severe pandemic that will have a nationwide impact across all sectors” (Pegg, 2020). Although the country should have immediately addressed these shortcomings that resulted from the simulation exercise, the planning was “put on hold for two years while contingency planning was diverted to deal with a possible no-deal Brexit” (Yamey et al., 2020). This failure to address the massive hole in England’s health system hindered its ability to quickly and effectively combat the coronavirus crisis in 2020.

From the beginning, the U.K. failed to recognize the risk the virus would pose to its nation. On April 13th, Dr. Jenny Harries, England’s Deputy Chief Medical Officer, argued that track-and-trace was not needed, saying that the WHO is “addressing all countries across the world, with entirely different health infrastructures” (Yamey et al., 2020). It is true that all countries have different health infrastructures, but that does not mean the disease is going to respond differently in a certain country or other. The coronavirus came about in a moment of frigid relationships between the government and scientists in

England. The Johnson Administration claimed that all of its decisions were backed by science, but its Scientific Advisory Group for Emergencies (SAGE) was initially masked in secrecy, with hidden memberships and closed meetings. Former Chief Scientific Adviser to the U.K. government from 2000-2007, David King, told the New York Times that he did not know if the Johnson government was following science since there was no “freedom for the scientists to tell the public what their advice is” (Landler et al., 2020). Rather than learning from science-based success programs in the world such as Singapore or South Korea, the U.K. pursued a herd-immunity strategy, leading to a massive death toll. In the U.K., healthcare workers were sent into hospitals and other facilities without proper PPE or access to testing. Nurses were forced in some cases to “use trash bags to protect their bodies and bandanas instead of proper N95 masks” (Yamey et al., 2020). On top of this mismanagement and malpractice, the U.K. failed to recognize the importance of its frontline workers. In June, reports surfaced that trainee nurses in the U.K. who were moved to the frontline in March to complete their training will “no longer be paid after July 31st” (Lauder, 2020).

In addition to failing to address the risk of the virus, the U.K.’s nationalized health system, the Nationalized Health Service (NHS), was remarkably ill-equipped for the coronavirus crisis. Ultimately, the NHS has reached the point where it can no longer function. In March, 2020, an NHS health worker wrote that “when this is all over, the NHS England board should resign in their entirety” (Horton, 2020). The UK failed to test and contact trace and chose the “Contain-Delay-Mitigate-Research” strategy (Horton, 2020). This plan was adopted far too late in the course of events, leaving the NHS unprepared for the surge of critically ill patients. Richard Horton, Editor-in-Chief of the Lancet, asked NHS workers to contact him with their experiences and their messages were extremely disturbing:

“It’s terrifying for staff at the moment. Still no access to personal protective equipment [PPE] or testing.’ ‘Rigid command structures make decision making impossible.’ ‘There’s been no guidelines, it’s chaos.’ ‘I don’t feel safe. I don’t feel protected.’ ‘We are literally making it up as we go along.’ ‘It feels as if we are actively harming patients.’ ‘We need protection and prevention.’ ‘Total carnage.’ ‘NHS Trusts continue to fail miserably.’ ‘Humanitarian crisis.’ ‘Forget lockdown—we are going into meltdown.’ ‘When I was country director in many conflict zones, we had better preparedness.’ ‘The hospitals in London are overwhelmed.’ ‘The public and media are not aware that today we no longer live in a city with a properly functioning western health-care system.’ ‘How will we protect our patients and staff...I am speechless. It is utterly unconscionable. How can we do this? It is criminal...NHS England was not prepared... We feel completely helpless” (Horton, 2020).

The NHS was unprepared for this pandemic and they have a duty to make citizens aware. The month of February should have been used to “expand testing capacity, ensure the distribution of PPE, and establish training programs and guidelines to protect NHS staff” (Horton, 2020). But, in actuality, the results were chaos and panic and an embarrassment of the Nationalized Health Service. Due to the nation’s failure to recognize the extent of the virus, a complex bureaucratic structure between different government sectors, and a failing nationalized health system, the coronavirus took a unnecessarily massive toll on the United Kingdom.

4. Italy

Italy was one of the hardest hit countries at the onset of the pandemic, making the coronavirus disaster one of Italy's biggest crisis since World War II. Italy struggled to keep up with the spread of the virus. Now, policymakers all over the world are repeating the errors made early on in Italy, where, due to government failures, the pandemic turned into a catastrophe. From February 21st to March 22nd, Italy went from the "discovery of the first official COVID-19 case to a government decree that essentially prohibited all movements of people within the whole territory, and the closure of all non-essential business activities" (Pisano et al., 2020). Italian leaders were unable to maintain the outbreak due to the failure to recognize the magnitude of the threat posed by the virus, to organize an early and swift response, and to learn from past successes and failures of those who came before.

First, Italian politicians underestimated the effect the virus would have on its nation. In January, citizens called for severe measures to quarantine every single passenger arriving from China, but those were not considered by leadership. In late February, a few notable Italian politicians engaged in public handshaking in Milan to symbolize that there was no need to panic and life should go as planned. A week later, Nicola Zingaretti, leader of Italy's Democratic party, one of the national ruling parties, who was at this event, tested positive for coronavirus. He made a statement on Facebook shortly after announcing that he had tested positive for the virus: "I have always said 'don't panic' and that we will fight this" (Giuffrida, 2020). At this point, positive affirmations were the only virus-combatting tool dispersed to its citizens by Italian politicians.

From the beginning, Italy did not have a clear systemic approach and instead followed partial solutions to defeat the coronavirus. The Italian government dealt with the pandemic by issuing a series of decrees within lockdown areas which ultimately expanded until they applied to the entire country. Normally, this would be prudent, but, in this situation, according to Gary Pisano et. al, it backfired for two reasons. First, it was "inconsistent with the rapid exponential spread of the virus" (Pisano et al., 2020). The facts that were distributed on the ground did not help with predicting the situation a day later. Italy "followed the spread of the virus rather than prevented it" (Pisano et al., 2020). Second, the approach taken to only shut down certain areas might have catalyzed the spread of the virus, rather than stop it. If some regions went into lockdown, people then flocked to the south of Italy, spreading the virus to those regions that might have been not as hard hit at that time. The takeaway from this failed reaction is that "an effective response to the virus needs to be orchestrated as a coherent system of actions taken simultaneously" (Pisano et al., 2020). Testing is only effective if it is coupled with strict contact tracing, and contact tracing works most efficiently if it is combined with an effective communication system that collates and spreads information of the movements of people. Given Italy's lack of organization within the high levels of its government, this efficient response could not be achieved.

Second, Italy did not follow the valuable lessons that could have been replicated from South Korea, Taiwan, and Singapore, which were able to contain the virus early. Since the Italian health care system is decentralized

and left to the control of regional leaders, each region implemented different policy responses. The most notable difference in policy responses was the approach taken by Lombardy versus the approach taken by Veneto, two neighboring regions with similar socioeconomic profiles. Lombardy, one of Europe's wealthiest and most productive areas, was disproportionately hit by the virus. Veneto, on the other hand, fared significantly better and now symbolizes Italy's regional coronavirus success story. The trajectories of the regions have been shaped by a variety of factors, but it is becoming clearer that "different public health choices made early in the cycle of the pandemic also had an impact" (Pisano et al., 2020). Lombardy and Veneto applied similar approaches to social distancing protocols and business closures, but Veneto took a much more proactive approach towards the containment of the virus. Veneto's strategy was multi-faceted and was closest to that of the success stories in Singapore and Taiwan:

- Extensive testing of symptomatic and asymptomatic cases early on;
- Proactive tracing of potential positives. If someone tested positive, everyone in that patient's home as well as their neighbors were tested. If testing kits were unavailable, they were self-quarantined;
- A strong emphasis on home diagnosis and care. Whenever possible, samples were collected directly from a patient's home and then processed in regional and local university labs;
- Specific efforts to monitor and protect health care and other essential workers. This included medical professionals, those in contact with at-risk populations (e.g., caregivers in nursing homes), and workers exposed to the public (e.g., supermarket cashiers, pharmacists, and protective services staff). (Pisano et al., 2020).

The policies enacted in the Veneto region helped reduce the burden on hospitals and minimize the risk of COVID-19 spreading in medical facilities which was a drastic problem in hospitals in Lombardy. Lombardy, on the other hand, opted for a more laid-back approach to testing. On a per capita basis, Lombardy "conducted half of the tests conducted in Veneto and had a much stronger focus only on symptomatic cases – and has so far made limited investments in proactive tracing, home care and monitoring, and protection of health care workers" (Pisano et al., 2020). Although these regions are very similar, taking early, efficient approaches to combating the virus helped massively in maintaining the spread in Veneto. Not following this swift approach lead Lombardy down a death spiral.

In addition to Italy's lagged response time to the virus, the Italian nationalized healthcare system, to begin with, was in no shape to handle a crisis of this magnitude. Universal coverage is provided through Italy's National Health Service (Servizio sanitario nazionale, or SSN) and since February 21st, when the first case of COVID-19 was recorded in the country, the SSN faced increasing pressures. In the most affected regions, the SSN "is close to collapse" (Armocida et al., 2020). The SSN is regionally based, with local authorities responsible for the organization and delivery of health services. The Lombardy region, the region hardest hit from the virus, has a capacity of 724 intensive care beds at its standard operational level (Armocida et al., 2020). Given the extensive need for intensive care help, that number was far too little. The National Health Service had to innovate. To tackle the medical equipment shortage, Italian Civil Protection undertook a "fast-track public procurement to secure 3,800 respiratory ventilators, an additional 30

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million protective masks, and 67,000 coronavirus tests” (Emergenza, 2020). On March 8th, 845 million euros were allocated for additional medical devices in equipment (Ministero della Salute, 2020). There was also a shortage of health workers due to the decades of inadequate recruitment practices. Italy’s Ministry of Health put in place measures to recruit additional doctors and nurses to increase the capacity of intensive care units (Boccia et al., 2020), but, at this point, it was too late. Unfortunately, these measures have been implemented against a “backdrop of the loss of many health care workers who have been quarantined or fallen ill with the infection, some of whom, tragically, have died” (Boccia et al., 2020). According to a study by Benedetta Armocida et al., there are a few lessons to be learned from the Italy’s failing government healthcare system and the COVID-19 crisis:

“...health care systems capacity and financing need to be more flexible to take into account exceptional emergencies...in response to emergencies, solid partnerships between the private and public sector should be institutionalized. Finally, recruitment of human resources must be planned and financed with long-term vision. Consistent management choices and a strong political commitment are needed to create a more sustainable system for the long run” (Armocida 2020).

The Italian government did not have this long-term vision in mind when planning for the virus. They took small, partial steps along the way and hoped for the best.

The presence of big government leads to failing government institutions as Italy is plagued by poor statistical infrastructures. Italy has suffered from two data-related problems, namely data scarcity and data precision, depending on the timeline. Many suggest that the unnoticed spread of the virus in early 2020 may have been due to the “lack of epidemiological capabilities and the inability to systematically record anomalous infection peaks in some hospitals” (Pisano et al., 2020). Recently, although the Italian government shows regularly updated statistics on its publicly available website, many have noticed a “striking discrepancy in mortality rates between Italy and other countries within Italian regions may (at least in part) be driven by different testing approaches” (Pisano et al., 2020). In the absence of comparable data, it is hard to make policy decisions. On various accounts, the Italian government was not prepared to fight a virus of this magnitude. Due to an already failing health system, partial solutions, and a lack of data transparency, the coronavirus outbreak suffocated Italy, and the end is nowhere in sight.

5. United States

According to the Global Health Security Index, which ranks the United States 1st out of 195 countries overall for pandemic preparedness, the U.S. was the most prepared country to deal with the coronavirus outbreak (GHS, 2019). The U.S. federal government’s initial response to the novel coronavirus is a prime example of the failure of big government. At the onset of the virus, President Trump and his administration downplayed the coronavirus and the month of February was a missed opportunity to move quickly to combat the coronavirus. At the end of February, Trump claimed the United States had the virus under control. Although it is fairly easy to point fingers at who is to blame for the rapid spread of the coronavirus in the United States, it comes down to the failures of big government and enormous government intervention.

At the beginning of the crisis, the United States suffered a ventilator shortage that it should have been prepared for. In mid-March, there were not nearly enough lifesaving ventilator machines and there was “no way to solve the problem” before the disease fully hit the country (Kliff et al., 2020). Hospitals were desperate because they could not find any place to buy the ventilators to help patients breathe while facing these respiratory defects that accompany the coronavirus. The United States was too “slow to develop a national strategy for accelerating the production of ventilators” (Kliff et al., 2020). The problem was not unique to the United States. In China, Italy, France, and many other countries, there were just not enough to go around. The problem surrounding the ventilator was rooted in the global supply chain, which was disrupted by the coronavirus. Given the machine’s complicated makeups, many companies from all over the world are needed to produce a single ventilator. At that point, there was “no simple way to substantially increase the output” (Kliff et al., 2020). Although the virus took a toll on the global supply chain, this ventilator shortage was no news to the United States, and the government failed to act quickly. Thirteen years ago, U.S. public health officials came up with plans to address what they thought was a crucial medical system vulnerability: ventilator shortages. The plan was to build a large fleet of inexpensive (around \$3,000 each as opposed to \$50,000) portable ventilators to then use in a flu pandemic. They reached the point where money was budgeted, a federal contract was signed, and work was beginning to start production. However, the plan was halted when a “multibillion-dollar maker of medical devices bought the small California company that had been hired to design the new machines” (Kulish et al., 2020). Zero ventilators were ultimately produced. Now, with the coronavirus ravaging America’s healthcare system, the country’s emergency-response stockpile was still waiting for its first shipment. The scarcity of ventilators became an emergency, forcing doctors to make life-or-death decisions about who gets to breathe and who does not” (Kulish et al., 2020). If the U.S. government was prepared and acted sooner, lives could have been saved as a result.

Along with the American government’s inability to provide enough ventilators, the bureaucratic nature of federal institutions slowed the country’s response to the virus. The most notable failure in the United States had everything to do with the Center for Disease Control and Prevention’s (CDC) testing kits and the U.S. Food and Drug Administration’s (FDA) ban of home testing. The CDC and FDA, two federal institutions, slowed America’s response to the coronavirus. The CDC’s initial coronavirus test, in an attempt to indulge in aggressive screening to help contain the virus, failed and resulted in a lost month in the fight against the virus. On February 5th, the CDC began to send out coronavirus testing kits, but due to contaminated reagents, the tests found faulty negative controls. When labs possessed failed negative controls, they had to ship their samples to the CDC itself for testing. Thus, between early February and early March, large-scale testing of possibly infected people did not occur due to technical flaws, “regulatory hurdles, business-as-usual bureaucracies, and lack of leadership on multiple levels” (Shear et al., 2020). The United States lost its best chance of containing the spread of the virus, and, at that point, Americans were blind to the extent of the global public health emergency (Alder, 2020). By mid-February, the United States was testing only about 100 samples per day, according to the CDC’s website. According to Dr. Thomas Frieden, former CDC Director, the

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“absence of robust screening until it was ‘far too late’ revealed failures across the government” (Shear et al., 2020). Given the limited testing capacity, the CDC’s criteria for who was able to be tested remained extremely slim for the following weeks to come: “only people who had recently traveled to China or had been in contact with someone who had the virus” (Shear et al., 2020). The lack of tests in the states also meant that local public health officials could not conduct surveillance testing. According to Jennifer Nuzzo, an epidemiologist at Johns Hopkins, if we “had done more testing from the very beginning and caught cases earlier...we would be in a far different place” (Shear et al., 2020).

The CDC’s faulty tests were not the only form of U.S. government barriers to testing as the FDA was a major roadblock in combatting the coronavirus in America. As soon as Alex Azar, the Secretary of Health and Human Services, declared a public health emergency on February 4th, new FDA regulations were set in place. From that point on, “any lab that wanted to conduct its own tests for the new coronavirus would first need to secure something called an Emergency Use Authorization from the FDA” (Baird, 2020). The FDA did not allow outside labs to create their own tests until the end of February, so the United States fell behind in the fight against the virus. The U.S. government, through red tape and regulation, lost precious time in containing the outbreak for its country and ultimately led its nation to be the most affected country in the world (COVID-19 MAP, 2020).

The CDC and FDA’s typical bureaucratic structure got in the way of America’s rapid response time. These institutions are typical federal bureaucracies: there is no independence from the president or Congress. Since their budgets and funding come straight out of Congress, the CDC and the FDA have a strong incentive to give Congress what it want. The House Committee on Energy and Commerce has oversight of the FDA, and their job is to legislate on drug safety. The FDA acts appropriately but along with their regulations come other unnecessary protocols and procedures that are harmful to society. The FDA acts “not just with long and costly drug approval processes, but with bans on N95 mask cleaning and rules banning hospitals from using foreign made KN95 masks that are essentially the same as N95s” (Jones, 2020). Garrett Jones, Senior Research Fellow at the Mercatus Center, examines the comparison between the CDC/FDA responses with that of the Federal Reserve, an independent institution. By just mid-April, the Federal Reserve’s assets have grown by about 50%, all without congressional hearings and without Executive Office interference. The Fed’s power of independence – to “buy municipal and corporate bonds, to create swap lines with other central banks, to buy mortgage bonds, to search for ways to create direct lending programs that bypass banks and get to small and medium-size businesses— has so far been one of the most successful government responses to the COVID-19 crisis” (Jones, 2020). The CDC and FDA could have that same independence and can act more successfully if it created a greater distance from politicians that just slow down their processes. Independence works. Ample evidence shows that countries that have independent central banks have lower inflation and fewer financial crises. Good governance at the CDC and FDA require longer-term planning, but “full democracy is a barrier to good health policy just as it is a barrier to good monetary policy” (Jones, 2020).

Given the U.S. government’s failure in mitigating the coronavirus crisis, the United States is the hardest hit country today. According to the Johns Hopkins Coronavirus Map on October 18th, the United States reports 8,127,522

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confirmed cases and 219,534 (COVID-19 MAP, 2020). In order to get back up on its feet, the United States must make rapid screening tests widely available. The U.S. must “fast-track approval and production of cheap paper-strip antigen tests that would alert the newly infected of the need to isolate” (Stock, 2020) rather than allow bloated bureaucracy to slow down testing processes. The coronavirus in the United States simply represented “one of the greatest nonviolent power grabs in U.S. history, pushing the lockdowns well beyond the initial three-week prediction, thereby taking control of 330 million lives” (Harrigan et al., 2020). American politicians never seemed to realize that “sometimes doing less, or even doing nothing, is by far the better approach” (Harrigan et al., 2020). With a decrease in regulation and government intervention, the United States could have been in a far better place.

6. Sweden

Sweden’s *laissez-faire* approach helped the country avoid dangerous government failures. Since the start of the pandemic, Sweden was an outlier as the country took a different approach; it never went into lockdown. Businesses, gyms, and restaurants were not ordered to shut down and its day care centers and schools mostly stayed open, regardless of the ban on gatherings of 50 or more people (Swedish Approach, 2020). Starting in May, deaths began to fall and continued to fall through the summer as Swedes started to gather in more crowded places like beaches and restaurants, mostly without masks. Although many critics had doubts and it is too early to make final consensus, the “no-lockdown approach” seemed to work in Sweden’s favor. As coronavirus cases rise in the majority of European countries, they have been sinking all summer in Sweden. On a “per capita basis, they are now 90 per cent below their peak in late June and under Norway’s and Denmark’s for the first time in five months” (Milne, 2020).

Sweden’s success lies in its ability to follow its constitution and protect individual liberty and freedom of movement. The Swedish response’s success lies in one of the most important parts of its constitution: Chapter 2, Article 8, otherwise known as the Regerings form. The section states: “Everyone shall be protected in their relations with the public institutions against deprivations of personal liberty. All Swedish citizens shall also in other respects be guaranteed freedom of movement within the Realm and freedom to depart the Realm” (Instrument of Government, 2019). On that note, the Swedish Constitution rests on robust independence of public authorities from government interference. Thus, bureaucracy entanglements are limited, and policy implementation runs smoothly.

Sweden’s political institutions, therefore, are free from political meddling in its constitution, increasing the strength of its democracy. The Public Health Agency of Sweden is an important public body to highlight given its high degree of independence from the government. The Regerings form states that no public authority or “decision-making body of any local authority may determine how an administrative authority shall decide in a particular case relating to the exercise of public authority vis-à-vis an individual or local authority, or relating to the application of the law” (Jonung & Hanke, 2020). Therefore, the Public Health Agency of Sweden is operated by experts, not politicians. These experts have developed a broader approach than most epidemiologists, and the numbers speak for themselves. As of October 13,

2020, Sweden has 0.11 daily new confirmed COVID-19 deaths (rolling 7-day average) per million people and this figure has been steadily declining since peaking in mid-April ([Coronavirus Pandemic Explorer, 2020](#)). Sweden only has 100,654 confirmed cases of coronavirus and 5,899 deaths, which is relatively small compared to its European neighbors ([COVID-19 MAP, 2020](#)). From the onset of the crisis, Swedish economists knew the enormous economic costs a lockdown would pose to its society and made sure Swedish epidemiologists and the public were aware of the risks. Thus, Sweden's remarkable response to the coronavirus rests on its written constitution, the protection of individual liberties, and public trust in the country's public officials. With its laissez-faire approach, Sweden avoided the government failures experienced in China, the United Kingdom, Italy, and the United States that will remain in the post-pandemic future. Sweden's coronavirus response should serve as a model for countries who continue to struggle in combatting the virus.

7. Conclusion

The coronavirus crisis exposed some of the most significant government failures in recent history, including the failure to act swiftly and efficiently and bloated bureaucracy getting in the way of smooth policy responses. Politicians and bureaucrats acted in a way that would benefit them, in turn squeezing individual liberties and citizens' right to know what was occurring in their country. Government cannot be counted on to correct market and political failures. The Chinese failed by covering up the extent of the virus and holding this information hostage from its people and the rest of the world, causing the outbreak to spiral completely out of control. It pioneered an information war that not only led leaders to craft their own narrative as to how they were handling the virus, but repressed freedom of speech in ways that exceeded expectations and do not seem as if they will disappear anytime soon. The United Kingdom not only undermined the virus but had a weak government-run healthcare system that was ill-equipped to handle the capacity it was meant to serve. In Italy, leaders did not act swiftly, and the complex bureaucratic system entangled itself in the nation's response, causing it to be one of the hardest hit countries from the pandemic. In the United States, federal agencies lost precious time needed to get ahead of the curve by preparing beforehand and instead had failing tests and strict regulation on testing which harmed the speed at which the virus was tracked in the nation. An effective approach towards combatting the virus requires a war-like mobilization in terms of resources, efficiency, and coordination. Rather than following unnecessary laws that are preventing health professionals from rapidly responding to the pandemic, policymakers must approach further crises with facts and figures, following success stories and learning from failures. By protecting individual liberties and freedom of movement, Sweden was able to "flatten the curve" with its laissez-faire approach. The Cato Institute summarizes the proper role of government in a pandemic:

"Humility counsels policymakers not to assume in every case that they can better assess the benefits and costs of shutdowns or lockdowns than private citizens, nor that federal policymakers can do so better than states or localities. To ensure containment efforts are proportionate and do minimal damage to the American people, policymakers must base

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them on solid epidemiological information and commit to lifting them upon reaching prespecified targets” (Proper Role, 2020).

The need for immediate action is crucial in containing the spread of the virus, and in the cases of China, Italy, the U.K., and the U.S., these nations lost precious time that lead each country into their own death spiral.

The coronavirus crisis in these four nations proved that big government intervention caused more harm than good. The same lesson could be applied to other countries who are struggling to combat their outbreaks. Furthermore, the COVID-19 crisis must lead to some set of institutional reforms so that countries can be better equipped to respond to future public health risks. As Chris Edwards succinctly stated it in his 2015 study on why government fails: “political and bureaucratic incentives and the huge size of the federal government are causing endemic failure” (Edwards, 2015). The more government tries to intervene in hopes of providing a better life for its citizens, lower qualities of life will consequently ensue. The first step to a more efficient and prosperous life for all is reducing the size of government and placing power and knowledge back into the hands of the people.

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