

US relief checks begin arriving as economic damage piles up

April 15 2020, by Christopher Rugaber, Paul Wiseman and Mike Corder



The Las Vegas Strip is deserted as casinos and other business are closed because of the coronavirus outbreak, Tuesday, April 14, 2020, in Las Vegas. (AP Photo/John Locher)

Government relief checks began arriving in Americans' bank accounts as

the economic damage to the U.S. from the coronavirus piled up Wednesday and sluggish sales at reopened stores in Europe and China made it clear that business won't necessarily bounce right back when the crisis eases.

With lockdowns and other restrictions bringing factories to a shuddering halt, American industrial output shriveled in March, registering its biggest decline since the U.S. demobilized in 1946 at the end of World War II. And retail sales fell by an unprecedented 8.7%, with April expected to be far worse.

The world's biggest economy this week began issuing one-time payments to tens of millions of people as part of its \$2.2 trillion coronavirus relief package, with adults receiving up to \$1,200 each and \$500 per child to help households make the rent or cover other bills. The checks will be directly deposited into bank accounts or mailed to households, depending on how they filed their tax returns in the past.

"Woke up to our Stimulus check in the bank!" Darla Shepherd of Bledsoe in Harlan County, Kentucky, posted on Facebook. "Thank you Mr. President Trump!"

Shepherd, 38, a health worker in the Appalachian coal-mining community, and her husband, Brandon, 44, are both working. But he was laid off from his quarry job the entire month of February, and his wife said in an interview that the payout would help them get caught up on bills.



An Indian homeless man sits in a bus as he is being evicted with other homeless people and migrant laborers from the banks of Yamuna River where they have been squatting during lockdown in New Delhi, India, Wednesday, April 15, 2020. Indian Prime Minister Narendra Modi on Tuesday extended the world's largest coronavirus lockdown to head off the epidemic's peak, with officials racing to make up for lost time. (AP Photo/Altaf Qadri)

"We're your typical America family. We live payday to payday," said Shepherd, who has a 9-year-old son. "It's a blessing. It means a lot."

In an unprecedented move, President Donald Trump's name will be printed on the checks. Two administration officials, speaking on condition of anonymity because they were not authorized to discuss the matter, said the checks would not be delayed because of the decision.

Meanwhile, the first steps in lifting the economically crippling restrictions in other parts of the world are running into resistance, with shoppers and other customers staying away from the reopened businesses and workers afraid the newly restored freedoms could put their health at risk.

In China, millions are still wary of spending much or even going out. Some cities have resorted to handing out shopping vouchers and trying to reassure consumers by showing officials in state media eating in restaurants.



A Hillsborough County lunch room worker holds up food while parents wait in a line Wednesday, April 15, 2020, at the Brandon High School in Brandon, Fla. Hillsborough County Schools have stopped daily breakfast and lunch pickups for students and are distributing a week's worth of food one day a week. The change was to help stop the spread of the coronavirus. (AP Photo/Chris O'Meara)

"I put off plans to change cars and spend almost nothing on eating out or entertainment," said Zhang Hu, a truck salesman in Zhengzhou who has gone back to work but has seen his income plummet because few people are looking to buy 20-ton rigs. "I have no idea when the situation will turn better."

In Austria, Marie Froehlich, who owns a clothing store in downtown Vienna, said her staff was happy to get back to work after weeks of being cooped up at home. But with her business dependent largely on tourism, which has dried up amid the travel restrictions, she expects it will take months to return to normal.

"Until then, we are in crisis mode," she said.

The scene was similar in hard-hit Italy, where the streets of Rome were largely deserted despite an easing of restrictions this week that allowed some stores to reopen.



A woman wears a face mask to protect against the spread of the new coronavirus as she rides an escalator at a shopping mall in Beijing, Wednesday, April 15, 2020. China reported several dozen new coronavirus cases on Wednesday, mostly from overseas. (AP Photo/Mark Schiefelbein)

Worldwide, deaths have topped 128,000 and confirmed infections have surpassed 2 million, according to the tally kept by Johns Hopkins University. The figures understate the true size of the crisis, in part because of limited testing, different ways of counting the dead, and concealment by some governments

The U.S. has reported more than 26,000 deaths—the highest in the world—and over 600,000 confirmed infections, by Johns Hopkins' count. Still, the nightmare scenarios projecting a far greater number of

deaths and hospitalizations have not come to pass, raising hopes from coast to coast.

In other developments:

— An investigation by The Associated Press found that six days of delays by China in alerting the public to the growing dangers of the virus in mid-January set the stage for the global disaster.



A woman wearing a face mask walks past a closed shop on Oxford Street in London, as the country is in lockdown to help curb the spread of the coronavirus, Wednesday, April 15, 2020. Experts in the UK have warned that the economy could shrink by up to 35% as a knock on effect of the lockdown. The highly contagious COVID-19 coronavirus has impacted on nations around the globe, many imposing self isolation and exercising social distancing when people move from their homes. (AP Photo/Frank Augstein)

— Millions of South Korean voters wore masks and maintained social distancing as they voted in parliamentary elections, with turnout surprisingly high. The government resisted calls to postpone the balloting, seen as a midterm referendum on President Moon Jae-in.

— The death toll in Iran is probably almost twice the officially reported figure of almost 4,800 as a result of undercounting and because not everyone with breathing problems has been tested for the virus, a parliamentary report said. The explosive allegation was buried in a footnote in the 46-page document.

Around the world, the economic damage from the effort to "flatten the curve" of infections has mounted alarmingly.

Signifying a huge shift in consumer behavior, grocery store sales in the U.S. jumped nearly 26% as Americans stocked up on food and consumer goods to ride out the crisis, while auto sales plummeted by one-quarter and clothing store sales slid by more than half, the government reported. The category that mostly includes online shopping rose more than 3%.



A Tulip field shines in different colors on a sunny day in Grevenbroich, Germany, Wednesday, April 15, 2020. Pretty soon the colorful view is over, when farmers chop of the heads of the tulips before they finish blooming. Growers are not interested in the flowers, they want the tulips to put their energy in multiplying their bulbs. (AP Photo/Martin Meissner)

"With clear signs of panic buying of necessities and the fact that lockdowns were introduced only around the middle of the month means that far worse is to come in April and the second quarter more generally," said Michael Pearce, an economist at the consulting firm Capital Economics.

U.S. manufacturing output dropped 6.3% last month, led by plunging production at auto factories, which have shut down entirely.

Trump has been anxious to see the stay-at-home orders and business

shutdowns lifted in the U.S. But those aspirations continue to meet stiff resistance on the state and local levels.

A day after New York City added nearly 4,000 deaths to its toll, in part by counting people who were believed to have the virus but were never tested before they died, liberal Democratic Mayor Bill de Blasio told Fox News that he intends to move cautiously.



Passengers wearing face masks to prevent the spread of coronavirus, walk along a tunnel connecting platforms in a metro station in Barcelona, Spain, Wednesday, April 15, 2020. Spain has eased this week the conditions of Europe's strictest lockdown, allowing manufacturing, construction and other nonessential activity in an attempt to cushion the economic impact of the pandemic. (AP Photo/Emilio Morenatti)



Workers at Egypt's agriculture and fruit exporting company, Gamco, wear face masks as a preventive measure because of the coronavirus pandemic, as they assemble oranges for export at a factory, in the Mediterranean province of Alexandria, Egypt, Wednesday, April 15, 2020. Egypt has been listed as the world's largest exporter of orange, according to Aswaq financial company. "Our exporting business to Europe is doing very well these days because people are in need of vitamin C and the demand is higher due to COVID-19," says Gamco general manager Mohammed el-Sherif. (AP Photo/Nariman El-Mofty)



A helper of the German Red Cross DRK in protective suit, left, takes a smear from a patient outside a car, right, during the official opening of a drive-through (drive-in) COVID-19 testing center at the fair ground in Dresden, eastern Germany, Wednesday, April 15, 2020. The appointment-only drive-through testing center is starting today with working. Medical staff reach into a car to take a nasopharyngeal swab from a patient. (AP Photo/Jens Meyer)



Workers, wearing a full protective equipment, move the casket of someone who has died of coronavirus at the Fontaine-Fostier funeral home during a partial lockdown to prevent the spread of coronavirus in Montigny-le-Tilleul,, Belgium, Wednesday, April 15, 2020. (AP Photo/Francisco Seco)



Residents of the Alexandra township in Johannesburg wait for a distribution of food organized by the municipality Wednesday, April 15, 2020 downtown Johannesburg. Some waited in vain for over 6 hours, their names not being on the list or recipients provided by the municipality. South Africa is under a strict five-week lockdown credited with slowing the rate of COVID-19 infections and reducing overall crime.(AP Photo/Jerome Delay)



Health staffs in full protective gear prepare to enter a building under lockdown in Kuala Lumpur, Malaysia, Wednesday, April 15, 2020. The Malaysian government issued a restricted movement order to the public till April 28, to help curb the spread of the new coronavirus. (AP Photo/Vincent Thian)



A security guard and worker wearing face masks to protect against the spread of the new coronavirus walk past portraits of Chinese leaders, from left, Zhou Enlai, Mao Zedong, and Liu Shaoqi in the window of a photo studio in Beijing, Wednesday, April 15, 2020. China reported several dozen new coronavirus cases on Wednesday, mostly from overseas. (AP Photo/Mark Schiefelbein)



A motorcycle deliveryman rides past a billboard urging people to stay home over the coronavirus pandemic in Dubai, United Arab Emirates, Wednesday, April 15, 2020. The Middle East, already wracked by high numbers of unemployed youth, unrest, conflict and large numbers of refugees, will sink into a recession this year sparked by the double shock of the coronavirus outbreak and low oil prices, the International Monetary Fund said Wednesday. (AP Photo/Jon Gambrell)



Novice Buddhist monks with protective masks and face shields, seated maintaining social distancing, participate in a religious class at Molilokayaram Educational Institute in Bangkok, Thailand, Wednesday, April 15, 2020. All schools in Thailand were closed earlier than the scheduled school break due to the COVID-19 outbreak but about 200 novice monks remain in the monastic school due to travel restrictions and lockdowns implemented in provinces in Thailand. (AP Photo/Gemunu Amarasinghe)



Indian migrant laborers unload boxes of edible oil from a truck at a wholesale market during lockdown in Gauhati, India, Wednesday, April 15, 2020. Indian Prime Minister Narendra Modi on Tuesday extended the world's largest coronavirus lockdown to head off the epidemic's peak, with officials racing to make up for lost time. (AP Photo/Anupam Nath)

"In this case, I'll call myself a conservative," said de Blasio, whose city's death toll now tops 10,000. "Look, I want to see people back to work as much as anyone. I feel it urgently. But we've got to secure the health and safety first of all New Yorkers and, obviously, all Americans. ... We get one chance to get it right."

The European Union echoed such concerns even as it published a 16-page road map plotting a united course out of the crisis for the 27

nations. The EU warned that "any level of gradual relaxation of the confinement will unavoidably lead to a corresponding increase in new cases."

Foreign leaders, meanwhile, rushed to the defense of the World Health Organization after Trump vowed to cut off payments to the U.N. agency for not sounding the alarm over the virus sooner.

EU foreign policy chief Josep Borrell said the WHO is now "needed more than ever" to combat the outbreak.

"Only by joining forces can we overcome this crisis that knows no borders," he said.

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