Everyone is concerned about the COVID-19 virus, more commonly referred to as the Coronavirus, and how it will impact the global economy. Many regions have quarantined to prevent the spread of the virus and the world is wondering how the virus will disrupt global supply chains and how it will impact global travel. Will businesses that are cut off from the rest of the world be able to contribute to the economy? Will they survive? While we cannot predict the economic consequences following from such a health shock, we can perhaps learn something from history.

The Coronavirus provides reminder of the importance of epidemics in recorded social and economic history. Some of the most notable pandemics of the last hundred years include the Spanish flu (1918-1919), The Asian flu (1957-1958), The Hong Kung flu (1968-1969) and the Russian flu (1977-1978).

While the total casualties of the Spanish flu have been fiercely debated over the past decades. A more recent study by Spreeuwenberg et al. (2018) concluded that earlier estimates of around 50 to 100 million deaths, have been too high. Their own estimate is 17.4 million deaths. Estimates for the death toll of the Asian flu vary between 1.5 and 4 million (Gatherer, 2009; Michaelis, 2009). According to a WHO publication the Hong Kong flu killed between 1 and 4 million people. The Russian Flu pandemic of 1977-78 was caused by the same H1N1 virus that caused the Spanish flu and caused 700,000 deaths worldwide. While the demographic consequences of these pandemics have been well explored, rather limited attention has been given to the economic effects of these epidemics.

While far from comprehensive, we attempt to address this shortcoming. The following visualizations plots how each of these pandemics impacted specific socio-economic indicators for several countries. Users can select the pandemic, the socio-economic indicator for several countries. The underlying data comes from Clio Infra (2015).

[INSERT APP-MACRO]

While this visualization can provide many interesting insights two things in particular stand out. Firstly, influenza pandemics are not rare, but the Spanish flu of 1918 was by far the most devastating influenza pandemic in recorded history. Secondly, using these socio-economic indicators as a proxy it seems that the global economy recovered rather quickly after the final wave of the Spanish flu subsided in February 1919. Whether this increase occurred because of the end of World War I or the end of the flu or both is impossible to say, but it does provide encouragement that once the coronavirus begins to subside, the economy will recover rather quickly.