

Material and commentaries published in the past may or may not be helpful in analyzing current economic or financial market activity. Please note publishing date when reviewing materials. Please email [info@cumber.com](mailto:info@cumber.com) for our current thoughts or to reach an advisor.



**CUMBERLAND**  
ADVISORS

A Registered Investment Advisory Firm Since 1973

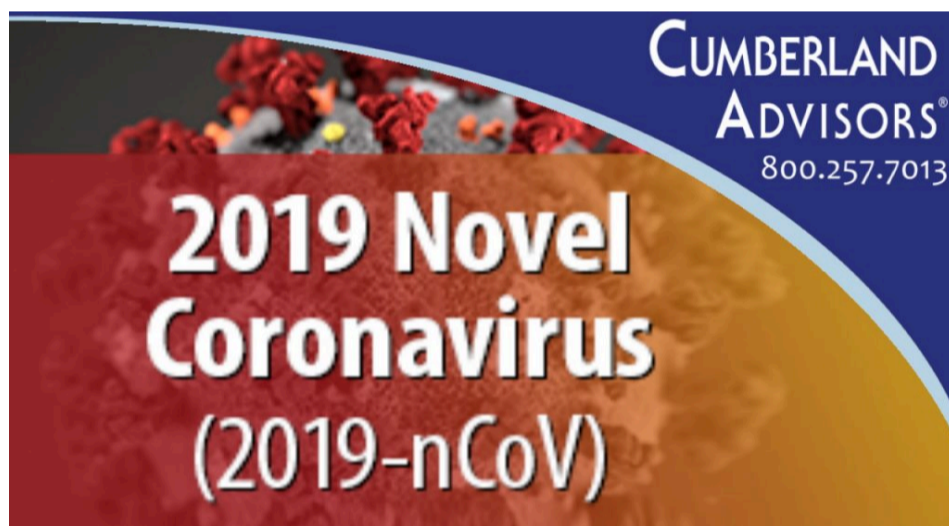
[CLIENT LOGIN](#)

# Why We Don't Know How Many COVID-19 Cases We Have

David R. Kotok

Wed Mar 18, 2020

The March 12 issue of *The Economist* addresses the adjustments governments and their leaders are being forced to make as the world confronts COVID-19:



“Few of today’s political leaders have ever faced anything like a pandemic and its economic fallout – though some are evoking the financial crisis of 2007–09. As they belatedly realise that health systems will buckle and deaths mount, leaders are at last coming to terms with the fact that they will have to weather the storm. Three factors will determine how they cope: their attitude to uncertainty; the structure and competence of their health systems; and, above all, whether they are trusted.”

(“The politics of pandemics,” <https://www.economist.com/leaders/2020/03/12/the-politics-of-pandemics>)

We agree with *The Economist*. Competence, along with timely, truthful communication that inspires public trust, improves pandemic outcomes. As *The Economist* notes, “All governments will struggle. Some will struggle more than others.”

When an arm of a government malfunctions, we have to decide if the malfunction is worthy of examination. The decision usually depends on the seriousness of the outcome. If the malfunction results in minor embarrassment, we can easily dismiss it. But if the result is death and disease, the standard changes.

In America, unlike Wuhan, the wonderful 45 words of our First Amendment allow us the opportunity to learn of malfunctions. We have a big one now. America has failed the preparedness and readiness test for COVID-19 testing. Below are three well-researched discussions.

The first is a thoroughgoing analysis of missteps at the CDC, resulting in weeks of lost time and a disastrous breakdown of testing, published by ProPublica on February 28. ProPublica describes itself as “an independent, nonprofit newsroom that produces investigative journalism with moral force.”

“Key Missteps at the CDC Have Set Back Its Ability to Detect the Potential Spread of the Coronavirus,”

<https://www.propublica.org/article/cdc-coronavirus-covid-19-test>

Readers can decide for themselves where or whether to place blame. My point here is that a factual sequence has created a result; and in America, we should know about it. The factual record is NOT fakery.

Prestigious journalist Laurie Garrett released her findings in a Twitter thread that we have spooled and pasted below. Garrett is a Pulitzer Prize-winning science writer, a former fellow at the Council on Foreign Relations, and author of *The Coming Plague: Newly Emerging Diseases in a World Out of Balance*.

**Spooled Twitter thread by Laurie Garrett:**

Why America has no idea how many people have [#COVID19](#):

1. In January Trump admin decided CDC would invent test kits, FDA would approve them.
2. CDC kits stalled at FDA approval stage for long time.
3. States started screaming.
4. After dramatic White House press conference FDA approved CDC tests, CDC distributed to States.
5. Kits turned out to be contaminated, gave false results.
6. NYC, NYS, WA, CA all screamed – let us use our own tests or buy commercial ones.
7. FDA balked.
8. Pressure mounted on govt., so FDA said OK, we'll approve other tests.
9. Trump/Pence promised 1.5M test kits to states by 3/9 – never happened.
10. Two big commercial makers approved last week to make kits, Azar said would be out w/millions soon.
11. There is a severe shortage of RNA extraction kits – key step for RT-PCR.
12. Now the scramble is on to fill that gap, which is stalling everything.
13. Meanwhile, local health officials forced to limit who can get tested for diagnosis.
14. Contact tracing, public health epidemiology & detective work is all but impossible. There's no surveillance test, really, & clinical diagnostic tests are in short supply.
15. Ergo, cities/counties/states are making tough choices, setting policy, based on paucity of data.
16. One last point. In most past outbreaks antibody tests are used, which measure whether a person has been exposed to the virus, but not whether he/she is currently infected. With RT-PCR we know the opposite: current infection, but not exposure. For diagnosis, RT-PCR is swell, if it's sensitive enough. But it's lousy for contact tracing and surveillance. We – the whole world – desperately need a reliable, quick, safe antibody test so we can find out what our baselines are, how many people have been exposed. But it's hard to make Ab tests against a lethal virus. You need a high security lab, samples of infected cells, animal models & contamination assays. People think this is SNAP – easy. But this [#SARCoV2](#) is a whole new ballgame.”

([https://twitter.com/Laurie\\_Garrett/status/1237784291872030721?s=20](https://twitter.com/Laurie_Garrett/status/1237784291872030721?s=20))

Beth Cameron was previously the senior director for global health security and biodefense on the White House National Security Council. She helped to create and was then asked to lead in the office in the wake of the 2014 Ebola epidemic. In 2018 the White House eliminated the office, leaving Cameron “mystified.” In the following article, published March 13 in *The Washington Post*, she details the damage that was done to US pandemic preparedness: “I ran the White House pandemic office. Trump closed it,” [https://www.washingtonpost.com/outlook/nsc-pandemic-office-trump-closed/2020/03/13/a70de09c-6491-11ea-acc8-80c22bbee96f\\_story.html](https://www.washingtonpost.com/outlook/nsc-pandemic-office-trump-closed/2020/03/13/a70de09c-6491-11ea-acc8-80c22bbee96f_story.html).

We've read these and other accounts closely. There is blame to go around, and this massive fail isn't due to Trump's policy ineptitude alone. He had help from Republicans and Democrats and, on the CDC's part, a well-meant effort gone wrong.

All that said, my question for readers is this: Why weren't we told quickly? Why do Trump's colleagues advise him to withhold the full truth and think they can get away with it? And why does it take the free press to protect us from those we select to govern us? These are serious questions even as they are mostly rhetorical at this point, since most of us have now learned not to trust most politicians. Fortunately, there are still a few patriots who put the public interest ahead of their own.

The double-sided coin of truth and trust – the currency that unites a nation during any national emergency – seems to be slipping through our fingers. In his declaration of a national emergency, President Trump told Americans that Google would be developing a website to determine whether a test is warranted and to facilitate testing at a nearby convenient location (“Transcript: Trump's Coronavirus News Conference,” <https://www.nytimes.com/2020/03/13/us/politics/trump-coronavirus-news-conference.html>).

The news about that initiative sounded good, but the president had the facts about that site and who is creating it mostly wrong. Google was caught flat-footed by his fabrication. An article in *Wired* explains the truth about a national testing-location website that turns out not to be national after all: “Trump Caught Google Off Guard with a Bogus Coronavirus Site Announcement,” <https://www.wired.com/story/coronavirus-donald-trump-google-website/>. The nation certainly needs such a site. But the nation also needs an unexaggerated, truthful rolling out of what is happening with tests and initiatives and policies.

To sum up, timely testing that enables broad surveillance is one form of truth that the nation needed in early February and still needs now. The fact that we don't yet have it speaks to the issue of competence, and it has led us to the point where we are now, on the brink of outbreaks we must use draconian measures to contain. Facts and honest risk communications from leaders are another form of truth a nation urgently seeks in a time of emergency.

Other than a vaccine, the best defense against COVID-19 is truth. Nothing more, nothing less, nothing otherwise.

## DAVID R. KOTOK

Chairman of the Board & Chief Investment Officer

[Email](#) | [Bio](#)

---

Links to other websites or electronic media controlled or offered by Third-Parties (non-affiliates of Cumberland Advisors) are provided only as a reference and courtesy to our users. Cumberland Advisors has no control over such websites, does not recommend or endorse any opinions, ideas, products, information, or content of such sites, and makes no warranties as to the accuracy, completeness, reliability or suitability of their content. Cumberland Advisors hereby disclaims liability for any information, materials, products or services posted or offered at any of the Third-Party websites. The Third-Party may have a privacy and/or security policy different from that of Cumberland Advisors. Therefore, please refer to the specific privacy and security policies of the Third-Party when accessing their websites.

### Sign up for our [FREE Cumberland Market Commentaries](#)

Cumberland Advisors Market Commentaries offer insights and analysis on upcoming, important economic issues that potentially impact global financial markets. Our team shares their thinking on global economic developments, market news and other factors that often influence investment opportunities and strategies.

Cumberland Advisors is registered with the SEC under the Investment Advisers Act of 1940. All information contained herein is for informational purposes only and does not constitute a solicitation or offer to sell securities or investment advisory services. Such an offer can only be made in the states where Cumberland Advisors is either registered or is a notice filer or where an exemption from such registration or filing is available. This presentation does not purport to be a complete description of our investment services. Please feel free to forward our commentaries (with proper attribution) to others who may be interested. It is not our intention to state or imply in any manner that past results and profitability is an indication of future performance. All material presented is compiled from sources believed to be reliable. However, accuracy cannot be guaranteed.



## ABOUT

- [Culture](#)
- [Our Process](#)
- [History](#)
- [Community](#)
- [Camp Kotok](#)

## CLIENTS

- [Advisors](#)
- [Private Wealth](#)
- [Institutional](#)

## INVESTMENTS

- [Philosophy](#)
- [Fixed-Income Strategies](#)
- [Equities Strategies](#)
- [Balanced Strategies](#)

## MEDIA

- [In the News](#)
- [Week in Review](#)
- [Video Gallery](#)
- [Market Commentary](#)

## OUR TEAM

- [Leadership](#)
- [Advisors](#)
- [Private Wealth](#)
- [Institutional](#)
- [Career Opportunities](#)

## DISCLOSURES

[Privacy Policy](#)

[Terms of Use](#)

[Diversity Policy](#)

[Website Accessibility Policy](#)

[ADV Part 2 A](#)

[ADV Part 2 B](#)

[ADV Part 3](#)

### **One Sarasota Tower**

2 N. Tamiami Tr., Ste. 303

Sarasota, FL 34236

**800.257.7013**

Follow Us: [▶ in](#)