1. Title:
The Effects of Working from Home on Covid-19 Infections and Production – A Macroeconomic Analysis for Germany

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3. Abstract:
   We study the impact of confinement on infection risk and on the German economy. We first document that regions whose industry structure allows for a large fraction of work to be done at home also experienced much fewer Covid-19 cases and fatalities. We estimate the effect of working from home using a simple epidemiological model and show that it is very effective in reducing infections. Based on this observation, we then use a calibrated structural model of the German economy with input-output linkages to assess the economic cost of imposing social distancing rules in the workplace. We also discuss industry- and region-based policies for reducing confinement. Our model identifies the industries and regions with the largest value added gains per worker sent back to the workplace. Finally, we discuss alternative policies of sustaining maximum output while exposing as few workers as possible to infection risks.

4. Data description
   Eurostat economic data and RKI infections data

5. JEL codes for the project:
   E23, H12, I18, L14

6. Key-words:
   working from home, home office, Covid-19, reactivation policy, input-output network