"How Much Lockdown is Enough"?: Between a rock and a hard place

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Summary:

The French School of Public Health just published a study that estimated <u>one month of lockdown prevented</u> around 60,000 deaths. China, South Korea, Spain, Germany (see Figure 1) and South Africa – all these countries and many more have seen significant declines in new cases since implementing restrictions. Lockdown measures have been an integral tool in the fight against COVID-19. But they come at a high cost, in the effect on economies, employment and incomes, education, food systems, mental health and even the potential for civil unrest. Some countries, notably South Korea, have <u>successfully contained the virus</u> with a <u>lower level</u> of closures.



As the pandemic has spread into more low and lower middle income countries, these debates, particularly as they relate to unemployment and hunger, become more stark. The International Labour Organization this week estimated that **1.6 billion** informal workers worldwide are in countries and sectors heavily affected, and that the last month saw an aggregate decline of **60 percent** in their earnings. And even for countries that have implemented stringent restrictions, there is recognition that these cannot be maintained for too long. Worldwide, it is increasingly apparent that approaches that are tailored to different country circumstances and can withstand medium and longer-term pressures are needed.

Source: NYU CIC, based on Oxford Blavatnik coronavirus tracker

The dilemma faced worldwide is how to balance the *value* of a high degree of caution in saving lives with the *cost* of that high degree of caution's socio-economic impacts—which may in turn also cost lives. The case of Sierra Leone, below, illustrates this dilemma well.

It is very early to draw lessons, but some clear questions that have arisen include the following:

- What are we learning about how to vary approaches in different country (or subnational) contexts?
- How have some countries used strong state-citizen communications and trust to enforce social distancing with a lower level of regulated economic and social closures?
- What types of social protection and economic support are most likely to produce an inclusive reopening and socio-economic recovery?
- What sequence of steps in reopening and in providing social assistance are likely to be durable, in terms of minimizing second-round infections, jumpstarting recovery, and producing a sense of fairness and confidence among business, labor, and the public?

Case study: Sierra Leone

Sierra Leone had <u>124 confirmed cases of COVID-19</u> at the end of April. The government has mounted a robust response with scarce resources. From March 22, all flights to and from Freetown airport were suspended, with land borders and the port closed from March 27 (with the exception of essential commodities). The country is under partial lockdown and curfew. Inter-District travel without special permission is prohibited. The government mobilized quickly to establish a public health response, and to work with donors to fill gaps in scant medical equipment (Sierra Leone had only 2 ventilators, nationwide, at the time of the outbreak, but this has increased to 19 by 30th April).

The effect of the measures taken will cause great hardship if they need to be prolonged. Tourism, a central part of Sierra Leone's new development plan, has been negatively impacted. Remittances have declined dramatically: something that was not the case during the Ebola outbreak when Sierra Leone's diaspora abroad was unaffected and could send much-needed assistance. Now the diaspora are themselves located in countries with COVID-19 outbreaks and subsequent loss of jobs and income, although Sierra Leoneans abroad have still done their best to send medical supplies and financial assistance. Trade restrictions have affected agricultural inputs that are needed for the next planting season. They are also affecting the import of medicines for non-COVID-19 diseases such as malaria and tuberculosis. As in other countries including the US, unrest in prisons has broken out as COVID-19 cases there are confirmed.

The government has established a five pillar socio-economic response, in addition to its public health response, including:

- Social protection for vulnerable groups and communities
- Maintaining supply chains of essential commodities, with the private sector
- Supporting small and medium enterprises, including special support to businesses providing essential services
- Employment and public works programs
- Support to agriculture and food systems

A separate private sector platform has been established to address specific concerns and contributions of the business community. A soft loan package has been established at the commercial banks by the Bank of Sierra Leone to support private sector businesses.

Analysis

While overall approaches have converged towards stringent measures (see figure 2), within regions countries have taken quite widely differing approaches. This has occurred not only between high, middle, and low-income groups (which might have been expected because of different economic structures and health and social protection coverage) but within each group (see figure 3).



Figure 2: Lockdown stringency across world regions over time (scale: 0-100)

Source: NYU CIC, based on Oxford Blavatnik Coronavirus Government Response Tracker

Figure 3: Lockdown stringency across countries (scale: 0-100)



Source: Oxford Blavatnik Coronavirus Government Response Tracker

Country examples: The cases below, while very incomplete both in country coverage and descriptions of measures within countries, give a sense of the significant variation even between income groups in approaches.

- **Sweden:** Sweden's Deputy Prime Minister has called its approach to the virus "<u>a marathon not a sprint</u>." In order to avoid fatigue from and counter-reactions against harsh lockdown measures, Sweden has encouraged social distancing measures and implemented a <u>partial lockdown</u> relying on trust between citizens and the government. Schools, bars, restaurants, and shops are open, and gatherings of up to 50 people are allowed in the country, but special measures to protect the elderly are in place.
- **Republic of Korea**: Korea refrained from imposing lockdown measures across the country. The government sought to partner with citizens in the fight against the virus and implemented a "high intensity social distancing campaign" while promoting innovative tech solutions in the COVID-19 response, including the use of GPS and credit card data for contact tracing. Korea also implemented rapid early testing measures, and built on the strengths of its universal health system to ensure that both testing and treatment are provided free, or at only nominal cost. When shortages in masks occurred in shops, the Government stepped in to provide masks directly to citizens. Korea's response emphasized communications, including twice-daily press briefings given by the most senior public health officials in the country to provide facts, figures and emerging evidence to the population. The government also prioritized inter-ministerial coordination and close cooperation with local authorities. A new stimulus package will provide a universal cash transfer to all Korean households.
- **Uruguay:** In Uruguay, restrictions were placed on public gatherings, reduced hours for open street markets were introduced, and citizens were encouraged to work from home. Subsidies for internet plans were rolled out and the government implemented food assistance programs for the neediest. The government has established a COVID-19 solidarity fund for which public sector workers have taken a 20% pay cut to offset costs related to the pandemic. rive-through testing was made available to residents and testing fees were waived for suspected patients.
- **Indonesia:** With <u>55 percent</u> of the population employed in the informal sector and community spread having occurred relatively early, the central government issued Government Regulation No. 21/2020 on Large-Scale Social Restrictions on March 31. The restrictions are a midway between lockdowns and social distancing: they are large in scale, but not as restrictive of movement as a full lockdown. Indonesian civil society has also played a strong role. Indonesia has taken into account the need for a coordinated response between central and regional governments. Regional governments that seek to implement the social restrictions suggested by the central government must seek approval from the Ministry of Health to confirm that the virus is spreading in their regions and that they have the capabilities to provide for people's welfare when restrictions are imposed. Indonesia's Village Law COVID-19 response is expected to cover 10 million poor and often isolated families with income support, information, and remote area monitoring. It has already released funds to COVID-affected villages, 4,000 in one province alone.
- **Costa Rica:** In Costa Rica, the government has enacted movement restrictions across the country with the view to maintain safety while not completely shutting down the economy. For example, vehicular traffic has been approved for staggered times and according to plate numbers, and telecommuting has also been encouraged. President Alvarado banned water and electricity cuts in homes. Additionally, the commercial rate of these utilities is halved for the next 3 months, to be charged later. To ease teleworking, the state telecommunications office doubled internet speed in homes. The Social Security Institute is also treating coronavirus as a labor risk.
- **Ethiopia:** Ethiopia declared a 5-month state of emergency in March, <u>imposing movement restrictions</u> across the country and avoiding a full national lockdown to avoid harsh effects on those in the informal sector. Since April 12, there has been a 14-day mandatory quarantine for all arrivals at Alula Aba Nega airport, and bans on social gathering also remain in place. The government introduced a Multi-Sectoral Preparedness and Response Plan and <u>an aid package</u> of Br 5 billion (US\$154 million). Proposals to expand the Urban Productive Safety Net programme to 16 additional cities are also being discussed. Prime Minister Abiy Ahmed has also led the call for debt cancellations for poorer nations to assist COVID-19 responses.
- **Germany:** Starting March 22, Germany imposed strict social distancing measures. Restrictions were placed on public gatherings of more than two people, except for families and those who already live together. Non-essential businesses were asked to close and only restaurants that could offer delivery and pick-up could remain open. To decrease financial strain on the population, *kurzarbeit* (a German government program first introduced during the 2008 crisis) is being implemented along with other social protection programs. This program ensures that the government pays about 67% of an employee's salary to a company that would have otherwise laid off its employees. Germany will begin to open houses of worship, museums, gardens, zoos,

playgrounds, and monuments, but social distancing rules will stay in place at least until May 10 and there will be a ban on major public events.

- **New Zealand:** New Zealand released a 4-level alert system providing guidance on restriction measures. While at a level 4, no one was permitted to leave their home unless they were getting essential supplies and exercise. Restrictions are now being gradually reduced. A range of fiscal support measures were also announced to temper the economic impact of the restrictions. Similar to the Republic of Korea (see below), the government relied very heavily on citizen trust and cooperation, with Prime Minister Ardern providing regular Facebook Live updates to the public.
- **Spain:** Since March 14, Spain has imposed some of the world's toughest containment measures. Even children were banned from going outside for a month and a half. For essential workers who are still allowed to go to work, police are handing out protective masks at metro stations and other transportation hubs. Prime Minister Pedro Sanchez has now announced a four-phase plan to lift the restrictions, starting with the country's islands and progressing to less populated regions. Densely populated urban centers will be the last ones to reopen.
- South Africa: On March 26, South Africa implemented a nationwide stay-at-home order. From May 1, there will be a gradual reopening of some economic sectors, and a new curfew. The government provided a 5-alert system that outlined phases of restrictions. President Ramaphosa highlighted in a national address that infection rates have slowed. 40 billion rand of unemployment benefits has been set aside for those unemployed due to the crisis and 50 billion rand will be used to provide social grants for the poor, as well as 200 billion rand in loan guarantees to encourage bank lending to businesses in distress.

Figure 4: Lockdown stringency in the highlighted countries compared globally across UN groups



Source: NYU CIC, based on Oxford Blavatnik Coronavirus Government Response Tracker

Conclusion:

Cooperation

Countries face key choices right now on how best to approach extending lockdowns or reopening, and what sequence of steps to take. We are committed to facilitating an exchange of lessons, in particular between countries in the Global South where less information is available-and focusing on the links between public health, socioeconomic inclusion, and peace and justice. As the debate on planning for the post-COVID-19 world continues, we will also analyze the potential to use this crisis to build back better, supporting action that not only aims to restore livelihoods for the poorest, but seizes the opportunity to act on pre-COVID-19 challenges such as structural inequality and climate change.

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