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Lockdowns Are Costing Us. It's Time to Be Smart.

COMMENTARY By Sanjay G. Reddy May 23, 2020 7:30 am ET



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Lockdowns, as broad and untargeted measures that affect the entire population, generate a huge cost. By their very nature they imply massive, damaging consequences for employment, incomes, and economic activity generally. They also directly and indirectly create health and social costs. Cancers go unscreened and therefore untreated; children go uneducated, and

even go hungry. There is an alternative: targeted measures that aim at enabling normal life to continue as much as possible.

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Call them “smart” measures. They focus most on protecting specific groups in the population that are most at risk. There is now overwhelming evidence that the elderly and otherwise vulnerable suffer higher mortality rates than others, many of whom face very low mortality rates, and that mortality rates among children are negligible. Risks of death have risen as a result of the existence of the virus for all age groups other than the elderly, but they are still in absolute terms low. Now that the possibility of complete suppression of the disease has become unlikely, at least until a vaccine or other solution emerges, there will remain some risk for all of contracting the disease. But through suitable efforts its prevalence can be limited, and more importantly its worst outcomes can be avoided.

We should start by creating a protective belt around the most vulnerable. An example, although it is being implemented very late, is the idea of testing nursing-home workers for the virus regularly. Far from minimizing risks, many nursing homes appear to have been run in a fashion that contributed to them.

Smart policies should aim to *enable* desired behaviors by providing support for those people for whom it is most important, both by removing obstacles to taking protective actions *and* by creating incentives that encourage them. Economists have clunky terms for these, referring to the former as the “participation constraint” and the latter as the “incentive compatibility constraint” that is involved when getting individuals to act in preferred ways. Are elderly people leaving the home to get essentials? It should be arranged to have them delivered instead. Intergenerational households are a particular problem; younger family members may need to go out and work, but when they do, they risk infecting their parents or grandparents. The smart policy would be to replace the incomes of those younger family members so that they can stay at home, or provide them with temporary accommodation elsewhere. The costs of such measures are sure to be small in comparison to those created by an untargeted lockdown.

Many other examples can be thought of, and some are being implemented as discussion mounts about how to reopen, schools, workplaces and communities. What’s missing is a way of understanding what unifies these approaches: a strategic direction that makes possible a reopening and at the same time protects lives. Although smart policies can use technology, such as testing, they are at their heart about implementing efforts in a specific and targeted way.

The economic case for smart policies is that by focusing incremental efforts where there is greatest incremental risk they can achieve the goal of minimizing deaths at the least overall cost to society. Although benefits and cost are economic concepts, they should not be understood here in a narrowly economic way, but rather in terms of the overall well-being of society. If deaths can be kept to the same number or lower by more focused and less socially costly efforts than with a general lockdown, then it’s easy to see the value of the targeted approach. The case for replacing a broad lockdown with smart policies is clearer still if we consider deaths from all sources, as we should. For instance, vaccination rates in countries around the world are dropping, as outreach programs close or parents keep their children from routine doctor’s visits. Children’s vaccinations in New York City [dropped by 63%](#) over six weeks, raising the risk of an entirely preventable outbreak of whooping cough.

It cannot be guaranteed that replacing lockdowns with smart measures would diminish deaths overall, even if they reduce some significant social costs, such as foregone education. But we do not always automatically prioritize the extension of lives over all other goals. The quality of life also matters, as do liberties. We take account of how decisions that might prospectively extend some lives are likely to affect others’ lives in other ways. If we did not do so, then we should spend all we have on health care. But regardless of the weights one places on different goals, if smart policies can make it possible to achieve them to a similar extent with lesser costs, then they must be considered.

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