Has COVID changed everything? Opportunities and priorities in the pandemic and recovery

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Introduction

What decisions confront governments when it comes to COVID-19?

- How to trade off among income, unemployment, mental health, physical health, public confidence, and other factors? What price should we assign to loneliness?
- How to balance the wellbeing of different groups, including young and old, health workers and others?
- How to act in the face of uncertainty? and how to evaluate costs now and costs over the next decade?
- How to weigh death versus quality of life?

While the stakes are enormous and the uncertainties bewildering, this crisis in some sense presents a perfect example of the value of a life satisfaction framework which can integrate the expert priorities of epidemiologists, macroeconomists, and others.

This document has some starting thoughts for reflection on wellbeing budgeting in the (post-)pandemic context, but it is short on prescription.

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What’s been learned?

There may be new broad public awareness on issues such as:

What matters: People may generally have new reflections on what matters most in life, what was missing during the pandemic, what is essential.

Disparities: suffering has varied based on traditional predictors of disadvantage. The following have been publicly highlighted: ability to distance at work; ability to work from home; security of employment; pre-existing health; access to healthcare; housing security; housing density; violence at home; health knowledge and practice; discrimination (esp Asian-looking people); household
and childcare roles. There may now be a broader awareness of our universal vulnerability, and of who gets overlooked.

**Mental health:** we share a collective (unifying, equalizing) experience of anxiety, decreased cognitive function and productivity, and/or loneliness. These concerns have become visible and relevant.

**Skewed policy priorities:** we collectively watched society focus on avoidance of death and of macroeconomic disruption, without initial mention of mental wellbeing. The first focus on it was for healthcare workers; e.g., in one study 50% reported depression, 45% anxiety, 34% insomnia, and 72% distress. Loneliness-blind, married, older policy makers (internationally) advocated “social distancing.” This experience reflects the broader pattern in which policy tends to explicitly value physical health, avoidance of death, and economic activity while neglecting mental thriving.

**Dignity at end of life:** Canadians discovered the choices we are making for elders in need of full-time care — i.e., the embarrassing state of care in some elder care homes. It has been pointed out that 100 days of isolation from one’s loved ones is a significant fraction of life expectancy for many in care homes.

**Children’s welfare underrepresented:** No voice in halls of power to say “we are bored and miss our school friends”. Both current and future wellbeing of children are easily ignored in a crisis.

**Fresh air:** In some places and demographics, we’ve rediscovered the outdoors, exercise, walking our own streets, cycling, and holidays in local and provincial parks. We’ve experienced clear skies and pedestrian boulevards.

**Data:** In the U.K., the ONS deftly changed the OPN survey to weekly release, allowing tracking of life satisfaction, anxiety, loneliness, and other wellbeing-relevant measures through the epidemic.

**Banking and macro:** When it pays off, governments can mobilize unlimited resources. Reinvent macroeconomics and central banking (again)?

**Proactive governments:** Different outcomes are evident with different government approaches.\(^1,2\) Patriotism and trust in government rewarded concrete action. Decisiveness and clarity are likely to minimize anxiety.

**Basic income:** The idea of something akin to a basic income is more familiar due to CERB and related policies.

**Appreciation of teachers:** Many parents thrust into home schooling may have renewed respect for resourcing teachers.

**Child care:** Those who can easily afford childcare may have renewed understanding of the value of universal childcare.

**Costs in terms of wellbeing**

One study estimates the costs of the lockdown in the UK to be between 50% higher and 5000% higher than the benefits in terms of avoiding the worst mortality case scenario.\(^3\)

The UK life satisfaction data show a nationwide drop of 0.7/10 during the lockdown — equivalent to the effect of an 80% drop in income. Most of this drop is due to those who lost social contact at work; those who could still go to their jobs did not suffer the drop.\(^4\)

Another study, by McKinsey, estimates the pandemic’s impact on wellbeing (life satisfaction) in April to be 3.5 times the losses to GDP.\(^5\)

Another estimates the wellbeing costs of the lockdown and pandemic in the UK to be around
$3.89B/day, or $75/day per adult.\textsuperscript{6} At its low point, the nation as a whole was just under the threshold for psychiatric morbidity. They note higher effects on life satisfaction for women than men, and that “essential” workers experienced higher life satisfaction even while suffering from more anxiety than other workers.

Another study uses life satisfaction accounting to combine effects from benefits (income, unemployment, mental health, confidence in government, schooling) and costs (COVID-19 deaths, more road deaths, more commuting time, more CO\textsubscript{2} emissions, worse air quality) to recommend a date to release the lockdown. They concluded in April that a June 1 date was best.\textsuperscript{7}

Another life satisfaction researcher has taken a strident advocacy stance for a radically less restrictive approach to COVID control and mitigation, based on aggregating effects across all determinants of wellbeing.\textsuperscript{8}

Data

As mentioned above, the U.K. has closely tracked life satisfaction, other subjective well-being, and other aspects of life relevant to the pandemic, making data available weekly and with minimal delay, rather than monthly or, as in the case of Statistics Canada social surveys, by year, two years after the fact.

Possibly as a result, there seems to be a vast array of studies on what has happened and what should be done for the U.K. A wealth of such evidence is being compiled by What Works Wellbeing, crowd-sourcing from researchers.\textsuperscript{9}

Death

The most contentious cost-benefit task may be the incorporation of the value of avoiding additional death in a framework which can evaluate the quality of life of the living. A greatly under-emphasized piece here is to properly take account of the quality of life of the dying, but besides that, as in all health care accounting, the experience of the survivors and carers is also typically underconsidered.

In any case, two recent frameworks explicitly treat death in a life satisfaction approach to cost-benefit accounting (Happiness Research Institute, 2020; Frijters et al., 2020). These approaches define “WALY’s or ‘WELLBY’s which use all-encompassing life satisfaction to avoid the well-documented problems with QALYs and DALYs.

This approach has been used to recommend a date to release the COVID lock-down (see section above).

We are social beings

Many of the channels by which our jobs, consumption, and other activities support our wellbeing are ultimately of a social nature. Even the ways we benefit from income have turned out to have deeply social components. It is for this reason that a broad, accountable, measurable wellbeing approach is important for broadly-impactful decisions.

It means that loneliness, alienation, discrimination, and exclusion should be top of mind for high-cost downside risks in future COVID-19 policy. At the same time, positive social influences on wellbeing must be considered just as seriously as positive material supports: for instance, the ability to give and to help others and to do something meaningful each day, to maintain societal and social roles and identities, to maintain social connections, to experience regular skin-to-skin contact\textsuperscript{10}, and so on.

Non-cognitive skills

One of the most promising possibilities for improving quality of life, generally, may be to offer more training to adults (through lifelong learn-
ing) and children (in school) in non-cognitive — i.e., social and emotional — skills. These include understanding and managing emotions, goal-setting, building lasting and positive relationships, empathy, love, ethics, problem-solving, management, leadership, child-rearing, intimate relationships, mental hygiene, mental first-aid, and self-care.

Interestingly, some disadvantaged groups have shown higher resilience and more stable life satisfaction, during the pandemic. During continued lock-down, during subsequent outbreaks, and for thriving in an altered normal that emerges in the long run, more policy attention should be given to these low-cost, high-potential investments.

Astronauts and polar researchers are able to prepare for loneliness and social isolation. Yet for much of the history of astronautics, mental health and social interactions were overlooked in favour of concerns about physical health, even in the context of long-term missions. This has changed.

Once one recognizes the scope of damages that are likely to result from physical distancing, lock-down, and stoppage of work, there are plenty of interventions to be encouraged or facilitated to mitigate the negative effects on well-being. From mental exercises and self-care to proactive social initiatives, story-telling, active learning, exercise, and etc, insights from life satisfaction can be turned into supportive policy and advice. The World Wellbeing Panel has collected such advice from life satisfaction researchers.

Lastly, in addition to including more non-cognitive skill training in school, we need to know the proper short- and long-run value of education, including non-cognitive learning, social interactions, physical contact, etc, when removing children from school.

Decisions: recovery

Ultimately, COVID-19 will be a paradigm shift as much as an interruption to normal life. Leveraging all the knowledge about what promotes well-being at work and home will be important to shift society towards new norms.

Above all: enormous fiscal expansion means enormous choice for direction, i.e., to back-cast from better futures we want. Disruption means an opportunity to re-think broadly, in light of knowledge about what makes for a good life.

Notes

9. https://docs.google.com/document/d/1BQfQFPRv-RP9WGZX-E_xe0l8xX3IS4OwhiB_SfhPFK0
10. https://whatworkswellbeing.org/blog/the-wellbeing-costs-of-physical-distancing
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Frijters, Paul et al. (2020). “A happy choice: wellbeing as the goal of government”. In: Behavioural Public Policy 4.2, pp. 126-165.


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