

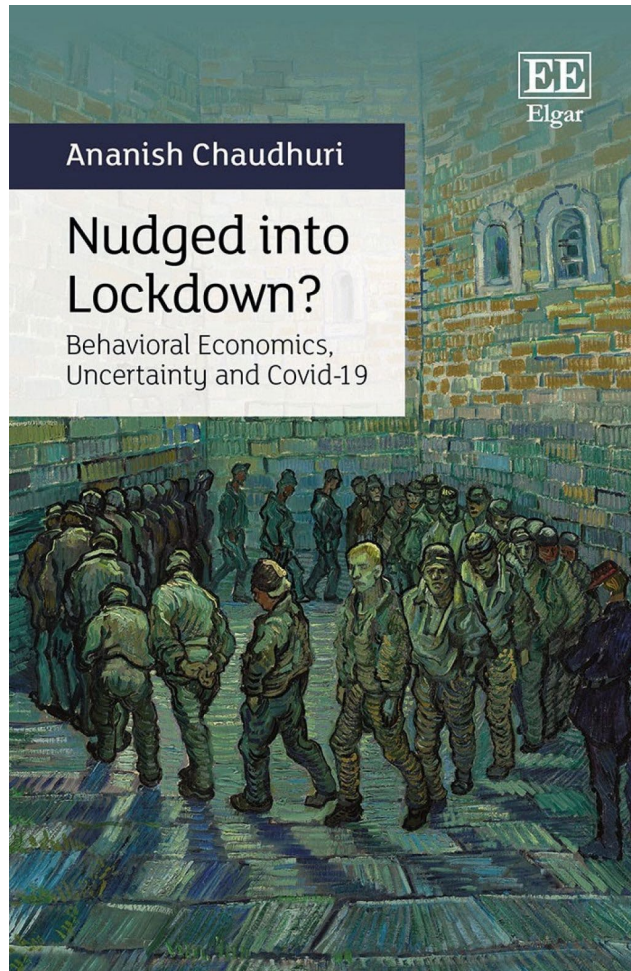
*Nudged into lockdown? Another  
perspective on our response to the  
Covid-19 pandemic*

*Ananish Chaudhuri  
Professor of Experimental Economics  
University of Auckland*

# The zero Covid mindset

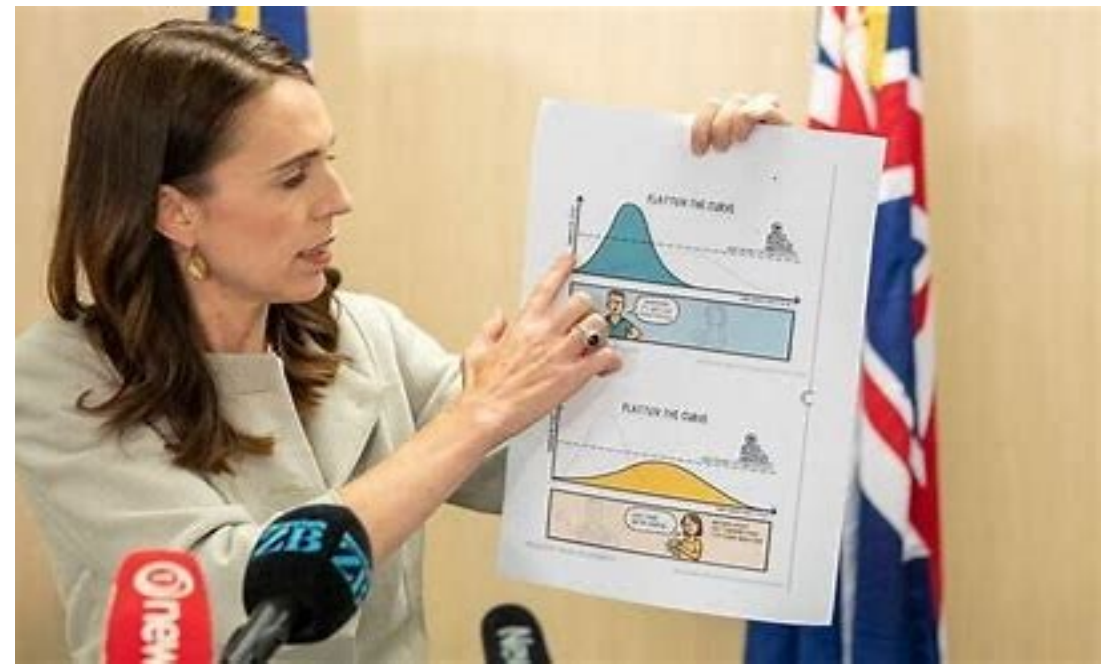
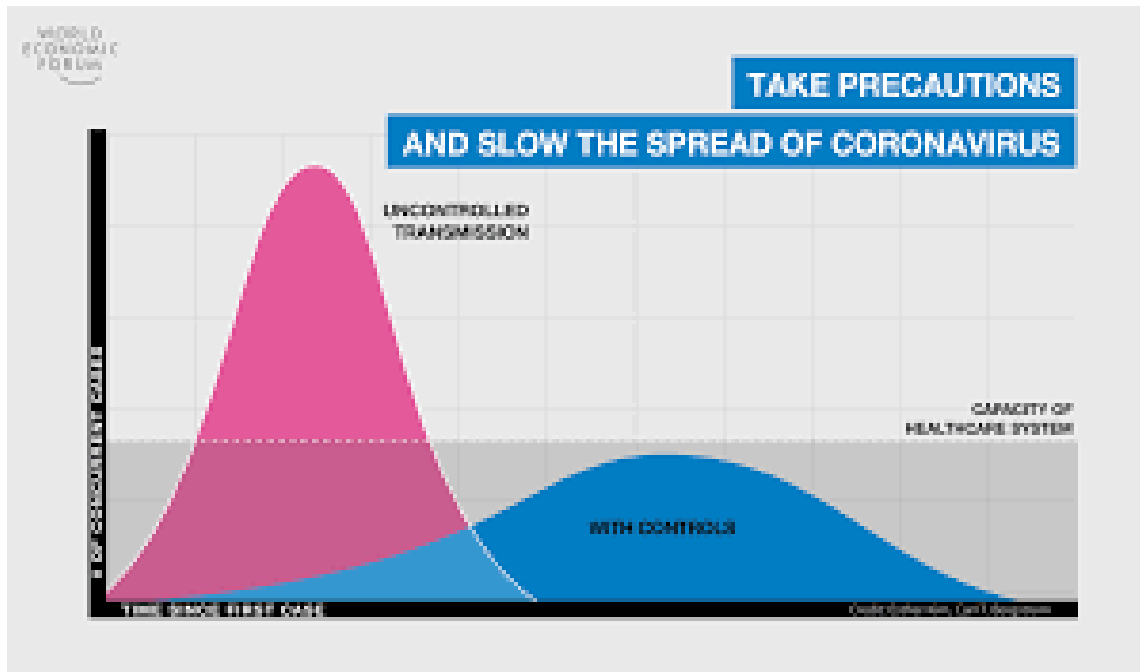
- Our government has been lauded for its “robust” response to Covid-19.
- Much of this is fallacious but you would not know it since dissenting views have been suppressed.
- I hope that I will have something new for you; something that you did not know or think of before.
- Or, at least, provide you with some ammunition to argue with the next person who talks up our government’s response.

# *Naked self-promotion* 😊



- ***Nudged into lockdown?  
Behavioural Economics,  
Uncertainty and Covid-19  
(Edward Elgar Publishing)***
- ***Available in hardcover  
and electronic form***
- ***Paperback out soon***

# Covid-19: Flatten the curve? Remember this?



# Covid-19: Flatten the curve?

- Even if you flatten the curve the area under the curve remains unchanged.
- All you have done is to push the infections forward in time.
- Flatten the curve for how long and at what cost?

# Lockdowns



Ananish Chaudhuri: Nudged into lockdown?  
ACT Party Meeting, July 23, Christchurch, New Zealand



- In the immediate aftermath of September 11, 2001, many Americans decided that flying was too risky.
- Instead, they chose to drive.

- In the following 12 months, an ***additional 1,500 people*** lost their lives on the road.
- This is more than the total number of passengers who died on the four planes.
- We tend to focus excessively on ***“identified lives”***; ***the loss of lives that are right in front of us.***



- We are afraid of losing a large number of lives in a short period.
- But, in doing so, we miss out on the loss of “*statistical lives*”, which may be much larger.
- But these are scattered all over and not reported on in the same breathless manner by the media.

# What does “*statistical lives*” even mean?

## The Telegraph of London, August 2020

- ...more than 6,700 extra deaths in homes across the UK in the past two months – of which just 203 involved coronavirus. ...
- deaths from other causes are soaring...
- millions of patients went untreated for killer diseases during lockdown.
- Among those under 65, the number of deaths caused by high blood pressure is up by one third...

# What does “*statistical lives*” even mean?

- WHO and New York Times , May 22, 2020
- ... at least 80 million children under the age of one were at risk of diseases such as diphtheria, measles and polio as Covid-19 restrictions disrupted vaccination efforts resulting in a surge in polio and measles.
- *According to the New Zealand Productivity Commission, the costs of extending our April 2020 lockdown by an extra five days outweighed the benefits by more than 90 to 1!*
- *New Zealand also experienced approx. 1200 “excess deaths” over and above historical averages in 2021.*

# Valuing human lives



- We don't put a value on human lives; that's not something that we usually do.



# Valuing lives by PHARMAC

- Money spent on a particular pharmaceutical has an ***'opportunity cost'*** because there is less money for other pharmaceuticals that could have been funded.
- The benefits of a pharmaceutical in ***cost-utility analysis*** are estimated using ***'quality-adjusted life years' (QALYs)***.
- ***QALYs are a measurement that can be used to compare benefits of different treatments in a consistent and standardised way.***

*David Miles, Imperial College and former member,  
Monetary Policy Committee, Bank of England*



***There are no situations where the benefits outweigh the costs for the UK.***

If 9% drop in GDP and with 440,000 lives saved, then net loss is 68 billion pounds.

If 9% drop in GDP but only 20,000 lives saved, then net loss is 194 billion dollars.

If 20,000 lives saved but loss of 15% of GDP, then net loss is 324 billion pounds.



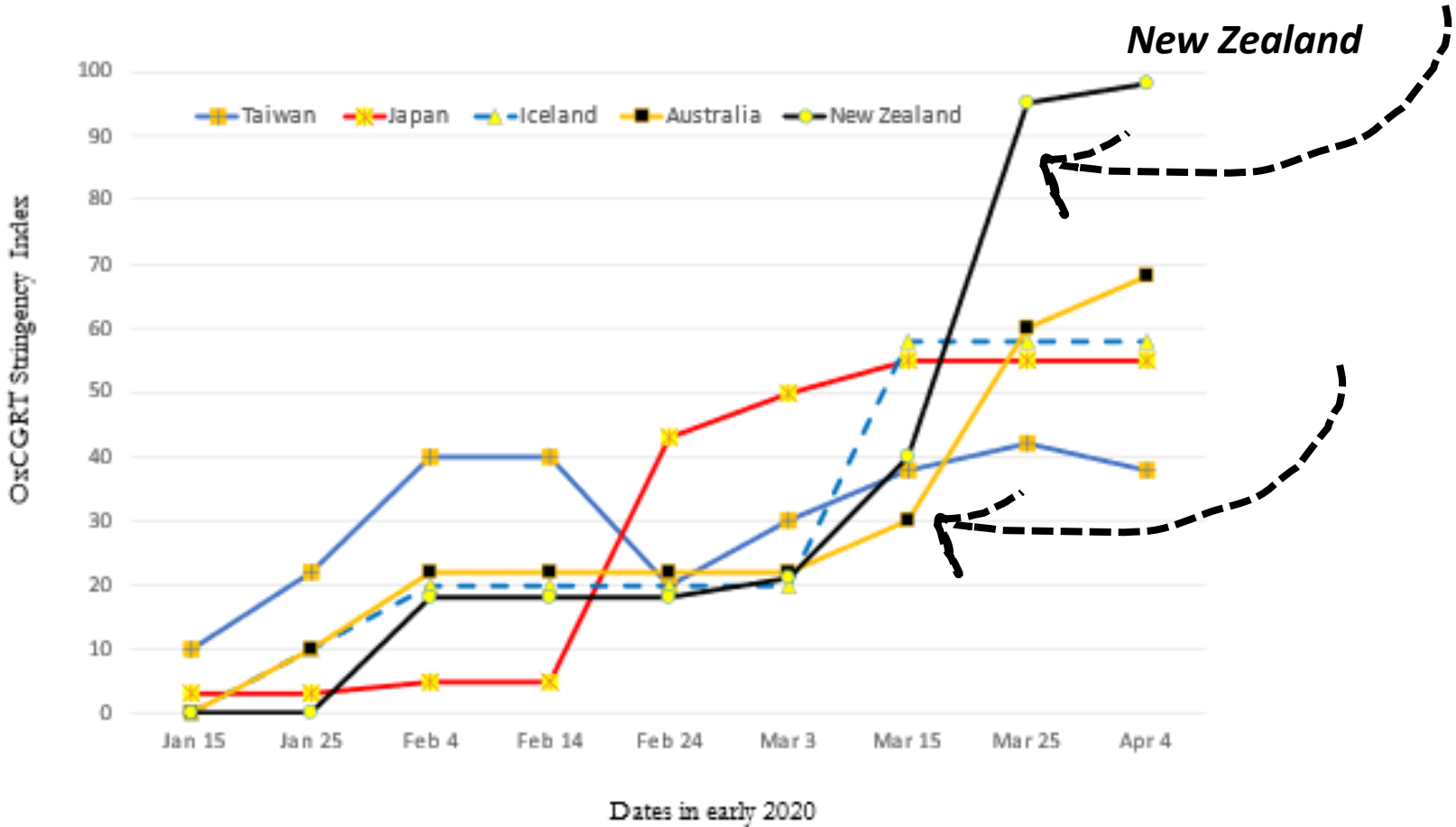
*Thomas Inglesby, Professor and Director of the Center for Health Security, Johns Hopkins University Bloomberg School of Public Health (2006)*

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- There are no historical observations or scientific studies that support the confinement by quarantine of groups of possibly infected people for extended periods...
- WHO Writing Group: “forced isolation and quarantine are ineffective and impractical.”
- Despite this...mandatory large-scale quarantine continues to be considered as an option...(This) reflects the views and conditions prevalent more than 50 years ago, when much less was known about the epidemiology of infectious diseases and when there was far less international and domestic travel in a less densely populated world.

# Did we really go hard and early?

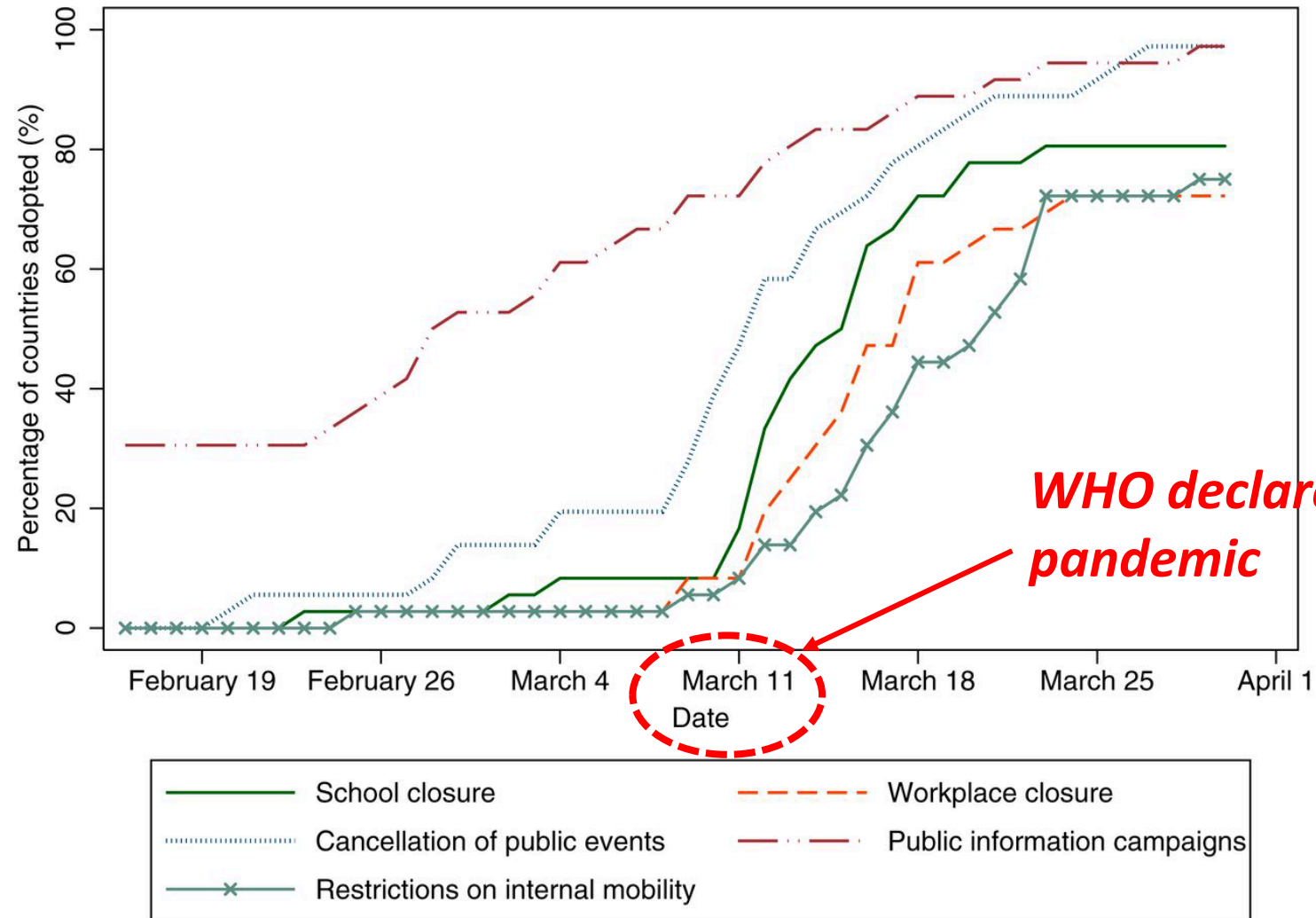
No!

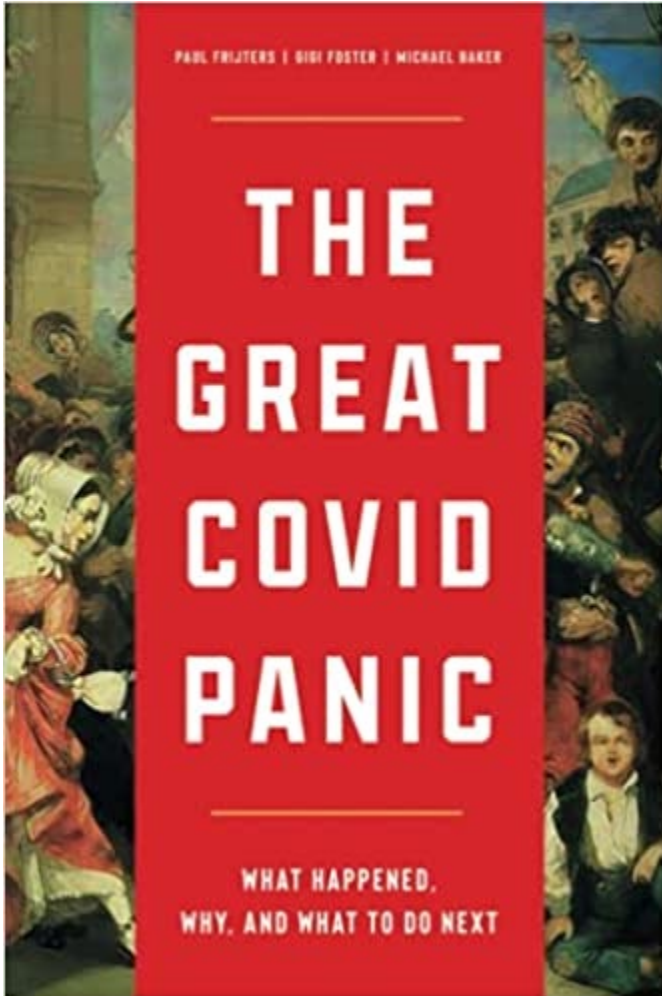


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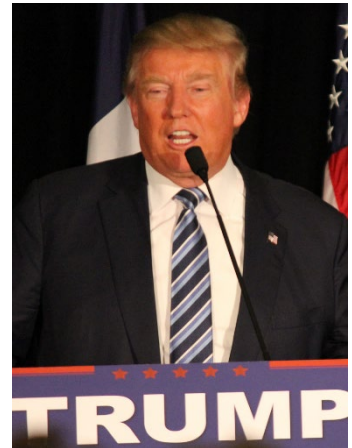


*4 out of 5 OECD countries adopted essentially the same measures within a 2-week period in March!*





- Internal politics in many countries in the West, has become *monocultural*; similar people with similar views of the world.
- This monoculture lacks the collective intelligence of a group that contains true diversity.
- Today's politicians are not individually stupid, but they all have the same sort of intelligence.
- They were sitting ducks for any wrong-headed notions proclaimed by supposed 'experts'."

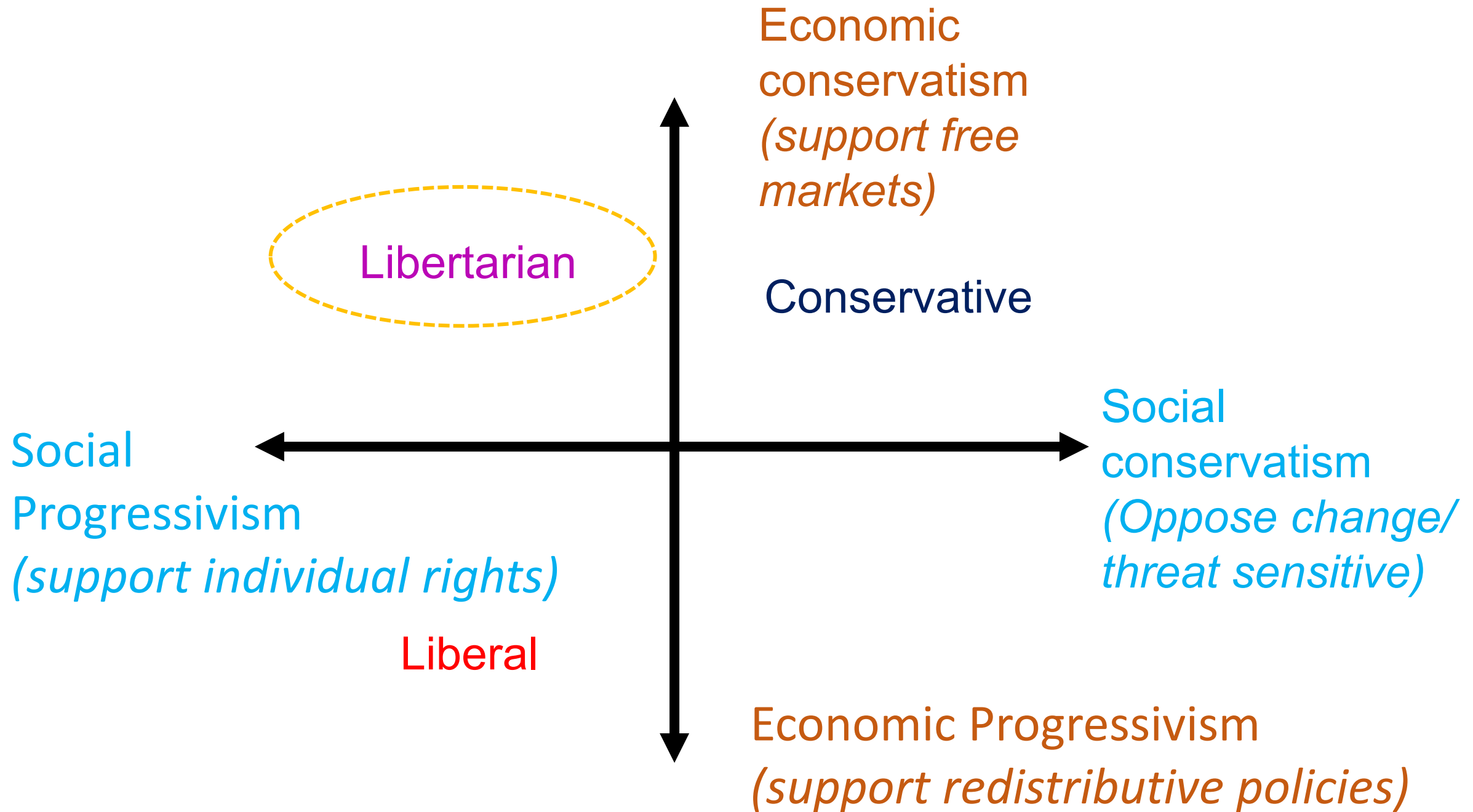


Liberal

Conservative

*Popular perception: Liberals were in favour of lockdowns;  
conservatives were opposed.*

*Incorrect!*



# The problem with “trust the science”

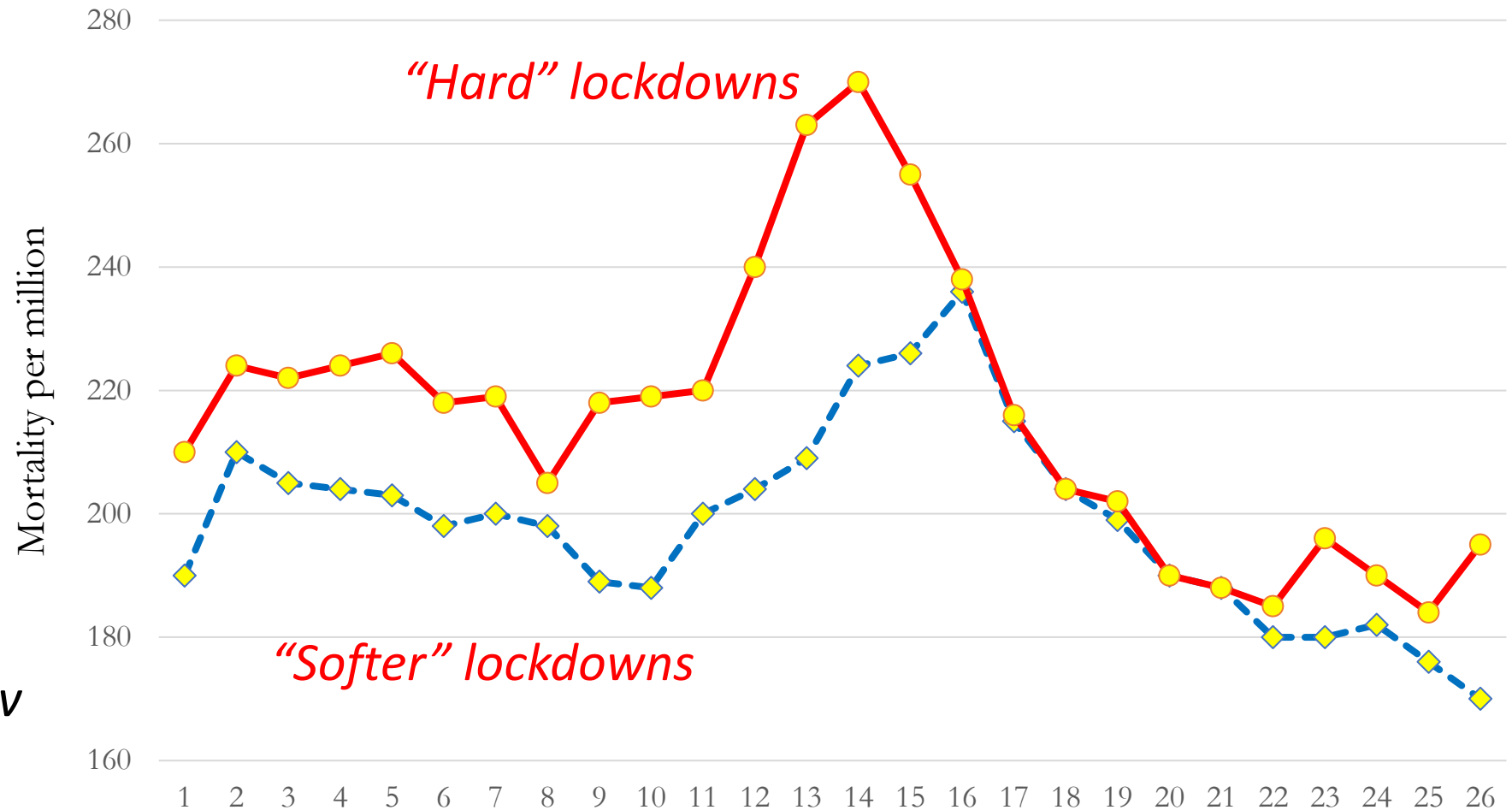
- Epidemiological models rudimentary and do not incorporate changes in human behaviour.
- Reduced transmissions came not from lockdowns but from voluntary changes in behaviour.
- This was a recession we were creating with one hand while fighting with the other.
- Government debt will go \$57 billion in 2019 to an estimated \$170b or 40% of GDP by 2023.
- Money printing to keep interest rates low resulted in a net transfer of wealth from the less to the more well-off.

# Did lockdowns save lives?

No!



Christian Bjornskov  
Aarhus University



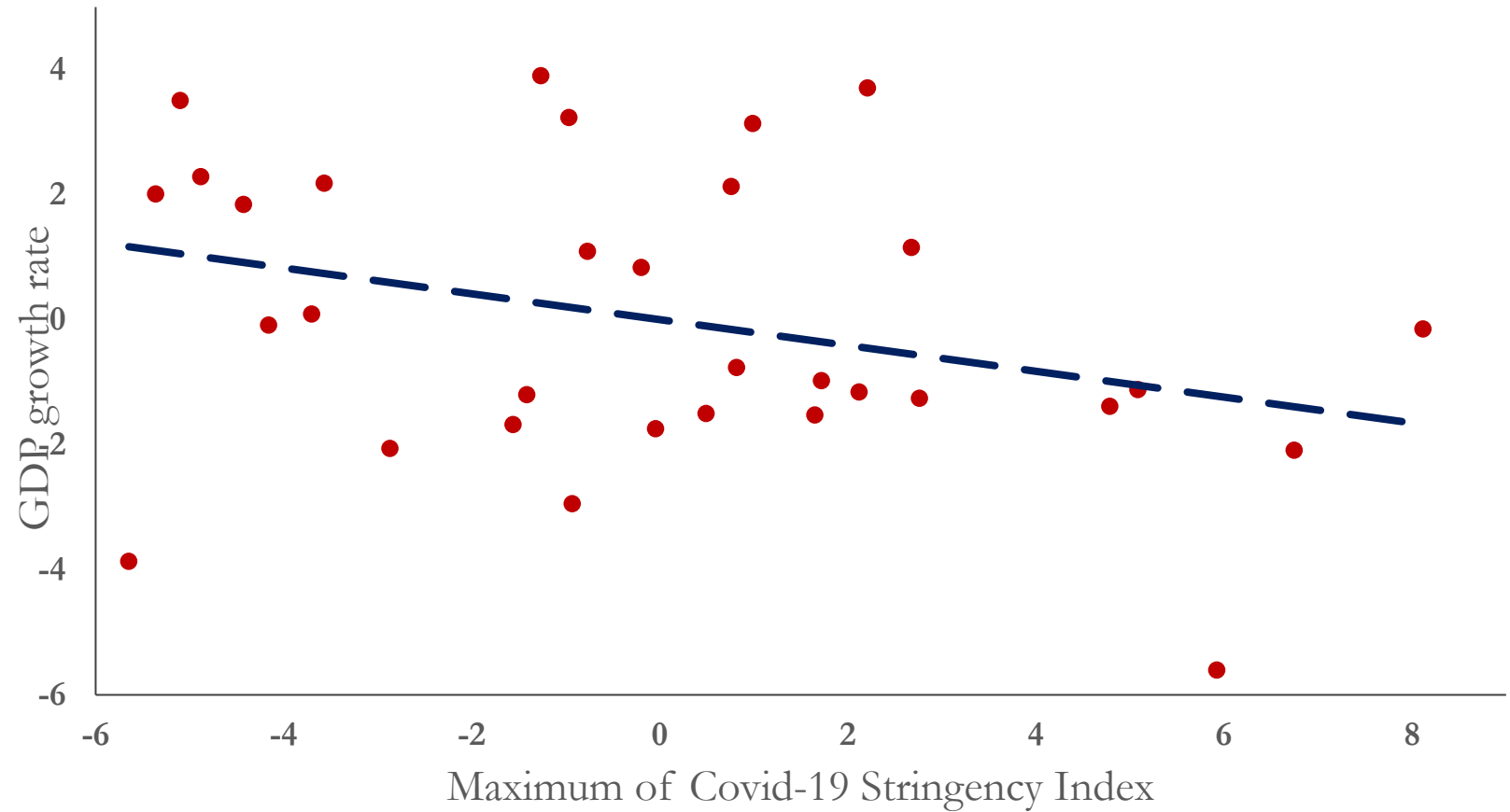
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# Was a strong health response the best economic response?

**NO!**



*John Gibson*  
*Waikato University*



# Why were we so willing to accept these lockdowns and the assault on our civil liberties?



*New Zealand*



## Covid-19: The view propagated by our government and the media in New Zealand



# Why were we so willing to accept the assault on our civil liberties?

- First nine days of our April 2020 lockdown found to be “illegal”
- Vaccine mandates partially “illegal”
- MIQ partially “illegal”
- Citizens not allowed to return home

## **Article 13**

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1. Everyone has the right to freedom of movement and residence within the borders of each state.
2. Everyone has the right to leave any country, including his own, and to return to his country.

# Why were we so willing to accept these lockdowns?

- Police allowed warrantless entry into homes to enforce social isolation protocols
- Prime Minister able to unilaterally suspend Parliament at the suggestion of the Director General of Health
- Ombudsman Peter Boshier “horrified” ...



**Sam Sachdeva**

Sam Sachdeva is Newsroom's national affairs editor, covering foreign affairs and trade, housing, and other issues of national significance.

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COVID-19

## **Officials pitched OIA suspension during lockdown**

# Conformity, peer pressure and herd mentality

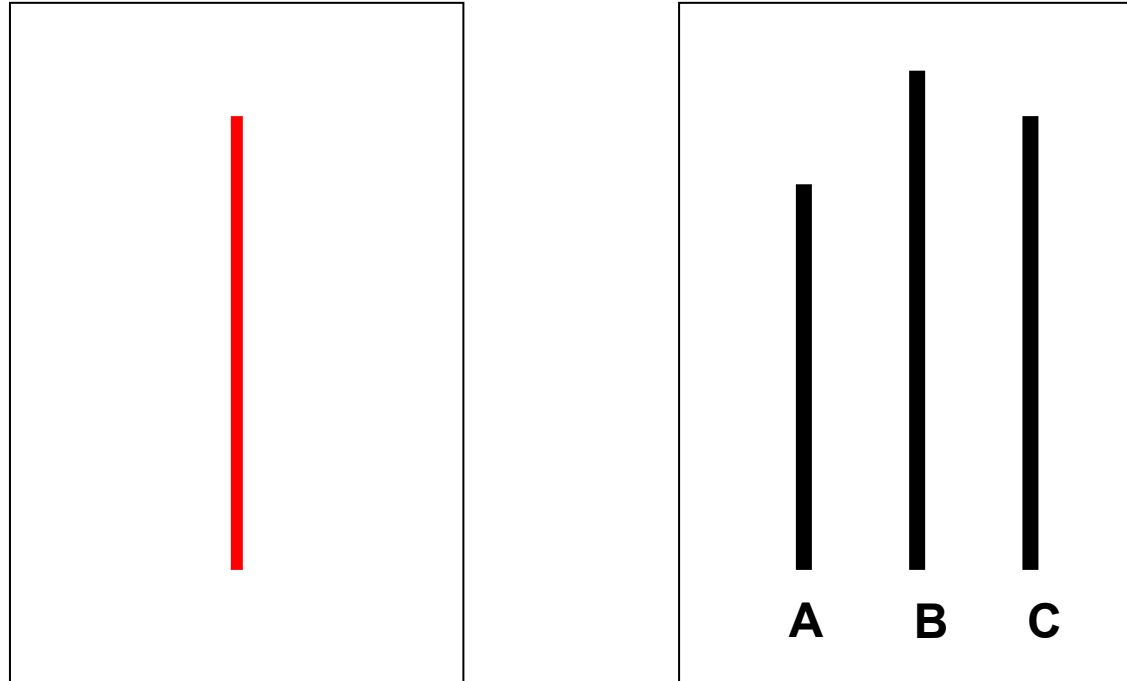


Figure 3-10: The cards with lines from Asch (1956)

# Conformity, peer pressure and herd mentality

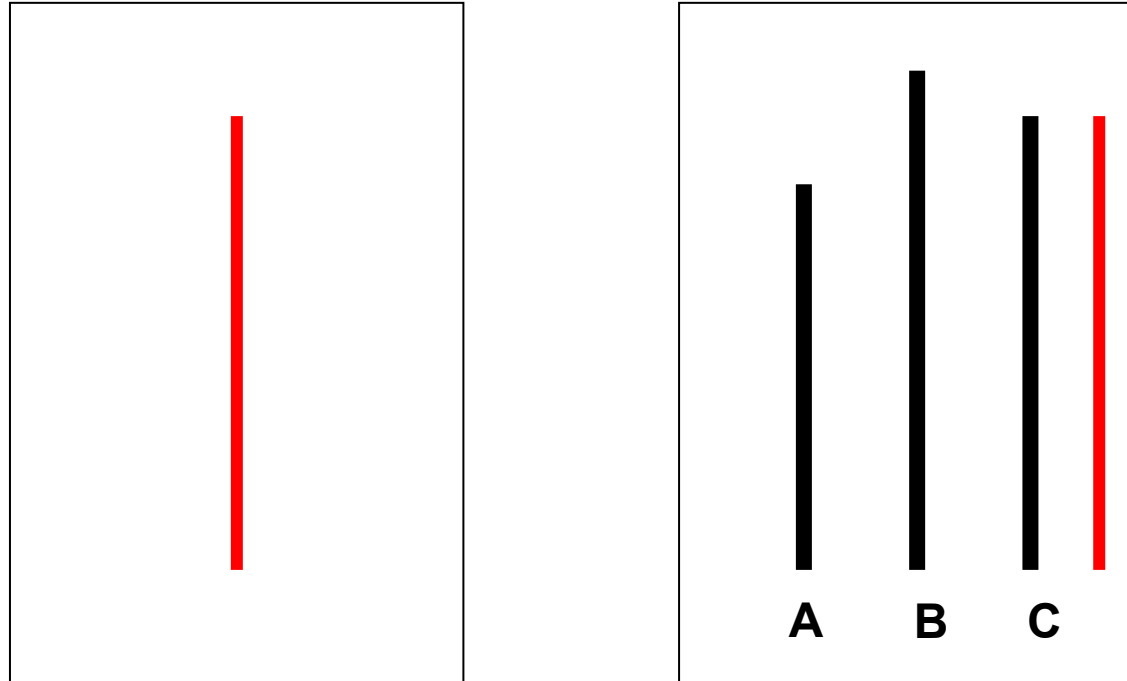


Figure 3-10: The cards with lines from Asch (1956)

# Conformity Videos

- National Geographic Brain Games “Follow the Herd”
- <https://www.youtube.com/watch?v=0IJCXXTMrv8>
- National Geographic Brain Games “Conformity”
- <https://www.youtube.com/watch?v=JYXF08ZS66w>

# National Geographic: Brain Games Follow the herd



Ananish Chaudhuri: Nudged into lockdown? ACT Party  
Meeting, July 23, Christchurch, New Zealand

# National Geographic Brain Games Conformity



Ananish Chaudhuri: Nudged into lockdown? ACT Party  
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# Framing makes a difference

- Survival rate of more than 99%!
  - Higher for people older than 70 but much lower for younger people
- Estimates suggest that out of every 1000 people who catch the disease only 7 will die and 993 will survive.
- ***7 out of every 1000 infected persons will die!***
- ***993 out of every 1000 infected persons will survive!***



# Framing makes a difference

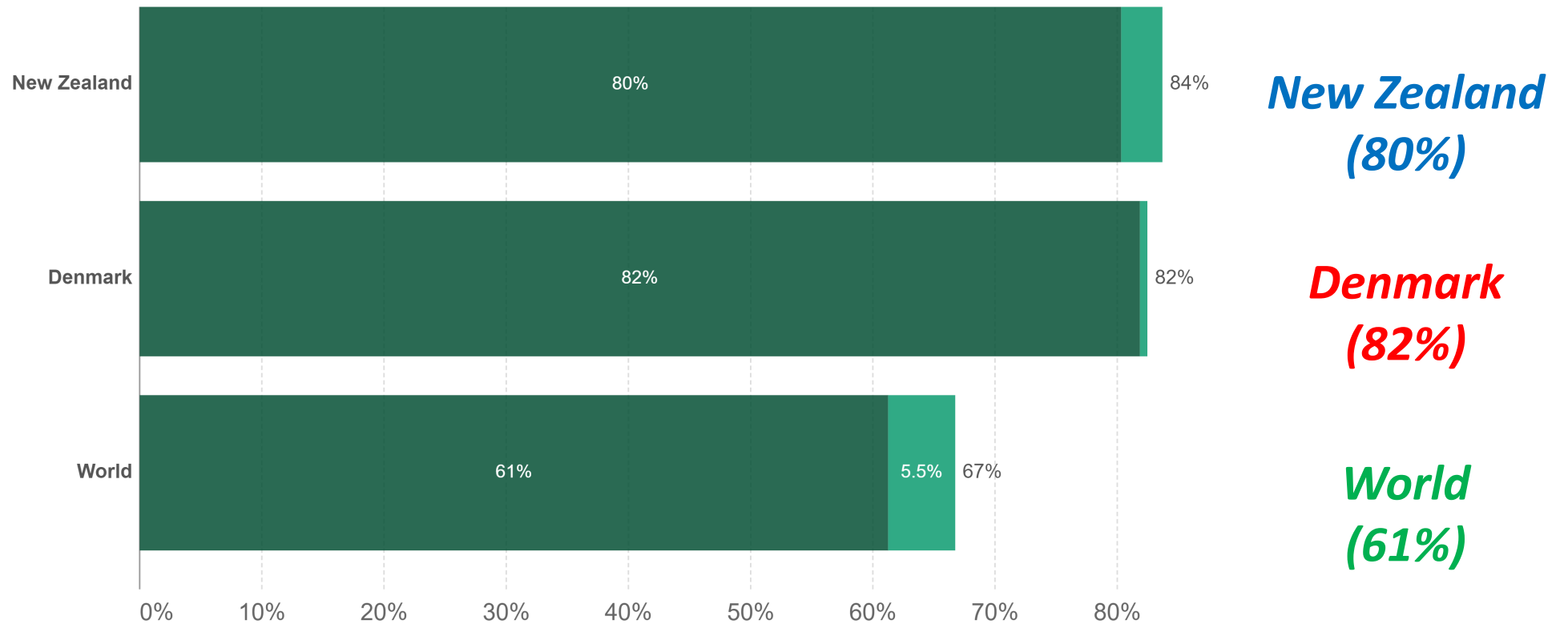
- As of November 2020, 240,000 people died of Covid-19 in the USA
- In 2018, more than 650,000 people died due to respiratory illnesses;
- Nearly 600,000 died from cancer;
- Around 167,000 from accidents and unintentional injuries;
- 85,000 died from diabetes;
- 51,000 from kidney diseases;
- and 48,000 from suicides.

# Did we need a vaccine mandate?

Share of people vaccinated against COVID-19, Jul 14, 2022

Our World  
in Data

■ Share of people with a complete initial protocol ■ Share of people only partly vaccinated



Source: Official data collated by Our World in Data

Note: Alternative definitions of a full vaccination, e.g. having been infected with SARS-CoV-2 and having 1 dose of a 2-dose protocol, are ignored to maximize comparability between countries.

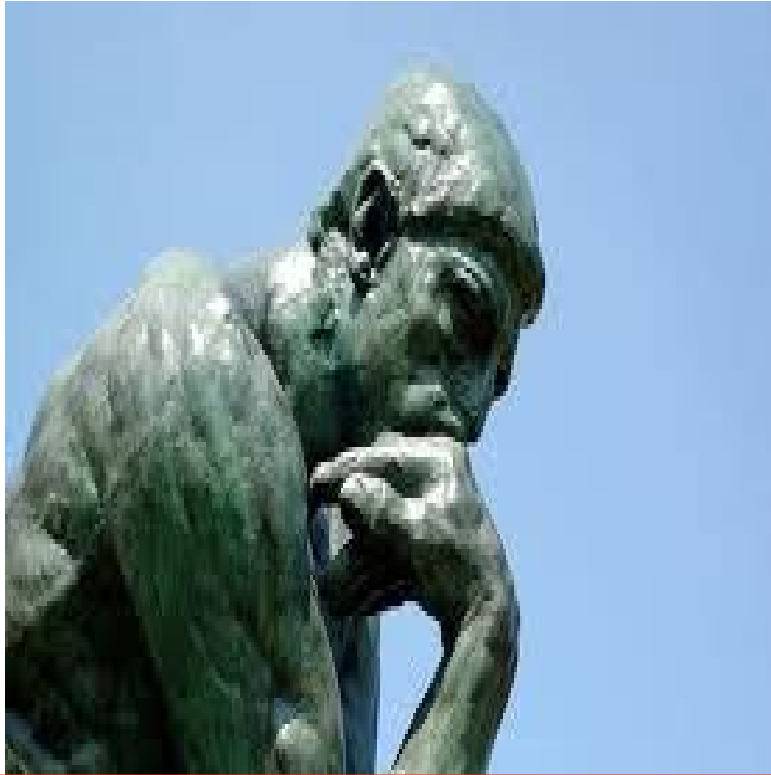
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# Concluding thoughts



*Jay Bhattacharya  
Stanford University*

- The idea of lockdown was simple and beguiling – if we reduced all human contact to an absolute minimum, the virus would not spread, and our hospitals would not be overwhelmed.
- However, the reality proved to be much more complicated and, indeed, much more harmful as governments sought to show how much they care about the mortality risks from COVID-19 at the expense of so many others ...
- In other words, it takes the wholehearted embrace of panic as a public health strategy.



*That's my story and I am sticking to it.*