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The Costs of Michigan's Second Lockdown

Introduction

The Michigan Department of Health and Human Services issued a “Pause to Save Lives” directive on Nov. 15, 2020, which prohibited indoor dining at bars and restaurants, closed movie theaters and bowling alleys and forbid in-person instruction at high schools and colleges. This directive went into effect three days later on Nov. 18 and was originally scheduled to expire on Dec. 8, 2020. But a modified version of this directive was extended every few weeks, reopening movie theaters, bowling alleys and in-person instruction in high schools and colleges again on Dec. 21, for example. Indoor dining was allowed again on Feb. 1, at a 25% capacity restriction and not after 10:00 p.m.¹ Starting March 5, capacity limits doubled to 50% and restaurants could stay open one hour later, until 11:00 p.m.²

1 “Gatherings and Face Mask Order” (Michigan Department of Health and Human Services, Jan. 22, 2021), <https://perma.cc/Y3PR-NBN3>.

2 “March 2, 2021 Gatherings and Face Mask Order” (Michigan Department of Health and Human Services, March 2, 2021), <https://perma.cc/U66D-MKKX>.

The Cost of the Second Shutdown

Job Losses

Examining the cost of this second shutdown, which did not go as far as the first, is hampered by data availability. In addition, some of the businesses that were forced closed were allowed to reopen less than five weeks later, such as movie theaters, casinos and bowling alleys. These quick policy reversals make it more difficult to assess the costs of these policies in the commonly available economic data.

Nevertheless, the best sector to evaluate is the food service industry, namely employment in bars and restaurants, because they were closed for an extended period and data is available from this period. Figures on total employment in the bar and restaurant industry in Michigan is typically made available by the Bureau of Labor Statistics about two months after the fact.³ Thus, the most recent estimate for employment in this sector is for January 2021, with that estimate being a preliminary one.⁴

3 Employment in the bar and restaurant industry is given in the “Food Services and Drinking Places” (NAICS code 722) in the Bureau of Labor Statistics’ “Current Employment Statistics:” <https://www.bls.gov/sae/data/>.

4 Employment data for bowling alleys and movie theaters is not reported as stand-alone data like it is for bars and restaurants by the BLS. Bowling alleys are contained in the “Other Amusement and Recreation Industries,” which includes businesses such as golf courses, ski hills, marinas and fitness centers. Employment data for movie theaters is not reported as stand-alone data either. It is contained in the broad “Publishing Industries” sector, which includes things like book and media publishing.

Tables 1 and 2 below shows employment in the Michigan hospitality industry for October 2020 through January 2021. Employment data for this industry is also presented for the surrounding Great Lakes states of Illinois, Indiana, Ohio, Pennsylvania and Wisconsin.

Interstate comparisons are hampered by the fact that all states have slightly different COVID-19 restrictions. However, it is worth noting that only Illinois and Pennsylvania also closed indoor dining during this period. Not surprisingly, Michigan, Illinois and Pennsylvania saw the largest decreases in hospitality employment during these second shutdowns. But Michigan restaurant and bar employees still fared worse than their counterparts in all other Great Lakes states.

Michigan's employment losses in restaurants and bars were by far the largest in the Midwest from fall 2020 through early winter 2021. Jobs in the sector decreased by 23% from October through January, representing more than 64,000 jobs. Illinois also lost about 55,000 jobs, but this represents a smaller decrease of only 15%. Pennsylvania employment fell 7%, while Indiana, Wisconsin and Ohio saw decreases of about 5% or less.

The bulk of Michigan's job losses came immediately after the "Pause to Save Lives" order went into effect on Nov. 18, as can be seen in Table 2. Restaurant jobs nosedived by nearly 19% in just that one month, representing a loss of nearly 50,000 jobs. This was two-and-a-half times the number of jobs lost in Illinois and over three times the percentage decrease. Employment in the Michigan restaurant and bar industry continued to decline in January 2021, falling by 3,100 jobs, a 1.5% decline.

Based on information published by The New York Times, Michigan and Illinois prohibited indoor dining statewide for a significant portion of this period.⁵ Illinois' ban took effect on Nov. 4, while Michigan's started two

5 "See Coronavirus Restrictions and Mask Mandates for All 50 States" (The New York Times, 2021), <https://perma.cc/58PY-9C8D>.

Table 1: Employment in the Bar and Restaurant Industry

Oct. 2020 - Jan. 2021

	October	November	December	January	% Change
Illinois	373.3	343.3	323.6	318.1	-14.7%
Indiana	221.7	218.1	217.2	212.6	-4.1%
Michigan	274.6	263.3	213.7	210.6	-23.3%
Ohio	387.6	388.4	384.7	378.4	-2.3%
Pennsylvania	328.0	326.9	305.7	305.8	-6.7%
Wisconsin	173.5	169.1	168.1	164.2	-5.3%

Note: Data is given in thousands of jobs

Table 2: Monthly Changes in Employment in the Hospitality Industry

Nov. 2020 - Jan. 2021

	November		December		January	
	Jobs Lost or Gained	Percentage Change	Jobs Lost or Gained	Percentage Change	Jobs Lost or Gained	Percentage Change
Illinois	-30.0	-8.0%	-19.7	-5.7%	-5.5	-1.7%
Indiana	-3.6	-1.6%	-0.9	-0.4%	-4.6	-2.1%
Michigan	-11.3	-4.1%	-49.6	-18.8%	-3.1	-1.5%
Ohio	0.8	0.2%	-3.7	-0.9%	-6.3	-1.6%
Pennsylvania	-1.1	-0.3%	-21.2	-6.5%	0.1	0.03%
Wisconsin	-4.4	-2.5%	-1.0	-0.6%	-3.9	-2.3%

Note: Data is given in thousands of jobs

weeks later on Nov. 18. This is reflected in the data, as the numbers for November show hospitality jobs falling faster in Illinois than in Michigan. The job losses in these two states, particularly the large December job losses in Michigan, compared to the surrounding states lends evidence that Michigan's second shutdown caused the state to experience the largest loss of jobs in the restaurant and bar industry in the region.

That said, there is another complication in examining the relationship between shutdowns and job losses in this industry. People would likely go to bars and restaurants less frequently as a precaution against COVID-19 with or without an indoor dining ban. This would result in job losses even absent a shutdown order. In fact, the data suggest just that, with jobs declining in the industry across the entire region, even in the states that did not ban indoor dining. This makes it more difficult to disentangle job losses due to a shutdown order from job losses due to changes in consumers' voluntary behavior as a precaution against COVID-19.

However, the fact that jobs fell more significantly in some states than others suggests that policy differences were, in fact, a factor. For instance, Michigan and Illinois both banned indoor dining and subsequently experienced the largest job losses. This suggests that lockdowns played a pivotal role in driving those job losses higher than they otherwise would have been. In other words, if not for the lockdown, Michigan's job losses in the sector would likely have been similar to neighboring states, about three to four times smaller.

Indeed, data suggests that policy interventions during fall 2020 may have had a larger impact on mobility and economic activity than the first round of lockdowns did in the spring of the same year. A study by University of Chicago economists Austan Goolsbee and Chad Syverson found that by examining consumer cell phone data, stay-at-home orders only explained seven percentage points of the 60 percentage point reduction in consumer traffic to businesses. This suggests that consumers would have largely stayed

at home absent a government-mandated shutdown. Their data spans March 1, 2020, to May 16, 2020, which is early in the pandemic, when the risks of COVID-19 were less known.⁶ It is likely that consumers feared a worst-case scenario and voluntarily restricted their travel to businesses out of caution.

It is unlikely that these results would hold for later in the pandemic, now that the risks of COVID-19 are better understood. For instance, according to Worldometers.info, COVID-19 cases and fatalities exceeded their April and May levels in December and January, yet consumer mobility did not fall to the levels seen in those earlier months. In other words, consumers did not voluntarily restrict their mobility as much later in the pandemic compared to earlier in it, despite the larger number of cases and fatalities.

Evidence for this comes from Google mobility data, which is shown in Figure 1 for Michigan. In April, consumer traffic to retail and recreation establishments and to grocery stores and pharmacies was approximately 60% below their pre-pandemic baseline. Mobility had largely recovered to its pre-pandemic baseline by the summer months but did not significantly decrease in the fall even as cases increased. This is a noticeable drop in consumer mobility to retail and recreation establishments in Michigan in November, which would include bars and restaurants, which coincides with the timing of the second shutdown. But this is not matched by a drop in mobility to grocery stores and pharmacies, which suggests that the job losses in the restaurant and bar industry in November and December are closely associated with the “Pause to Save Lives.”⁷

Michigan restaurants and bars were also negatively impacted by the first round of lockdown orders issued last spring. But during the summer

6 “Fear, Lockdown, and Diversion: Comparing Drivers of Pandemic Economic Decline 2020” (Becker Friedman Institute for Economics at the University of Chicago, June 17, 2020), <https://perma.cc/MYY2-GA46>.

7 Baseline mobility data is consumer mobility between Jan. 3 and Feb. 6, 2020.

months, when indoor dining was allowed again, the industry regained many of those lost jobs. Approximately 327,000 workers were employed in bars and restaurants in February 2020. Approximately half of these jobs were lost in March and April, so that only about 150,000 people were employed in this industry by the end April. But employment in bars and restaurants had rebounded to approximately 275,000 workers by October. This is consistent with consumer mobility increasing later in the pandemic compared to the early months of it, making the November and particularly the December job losses being likely due to the second shutdown.

But the second shutdown wiped out all of those gains so that employment in Michigan restaurants and bars is currently lower than it was in June 2020. Employment has declined by 36% from February 2020 to January 2021, the largest decline in percentage terms compared to the surrounding Great Lakes states. Only Illinois, by nature of its larger population, has seen more total job losses in the sector since the COVID-19-related lockdowns began, losing 145,000 jobs compared to Michigan losing 116,000 jobs. However, the percentage decline of bar and restaurant jobs in Michigan is nearly double that of Illinois during this time period.

A correlation between shutdown orders and unemployment is clear from looking at data from the Bureau of Labor Statistics. Its “Business Response Survey to the Coronavirus Pandemic” reports the percentage of businesses that had to close due to a government mandated shutdown as of September 2020. Figure 2 below shows a scatterplot of these results for each state matched with unemployment rate for all 50 states in November 2020. The best-fit line indicates that a larger percentage of closed businesses is correlated with a higher unemployment rate.⁸ In other words, stricter shutdowns lead to more unemployment.

8 Increasing the number of business closures by one percentage point is correlated with a 0.2 point higher state unemployment rate. The t-statistic is 4.23, which is significant at the 1% level.

Figure 1: Google Mobility data for Michigan

Feb. 15, 2020 - Jan. 12, 2021

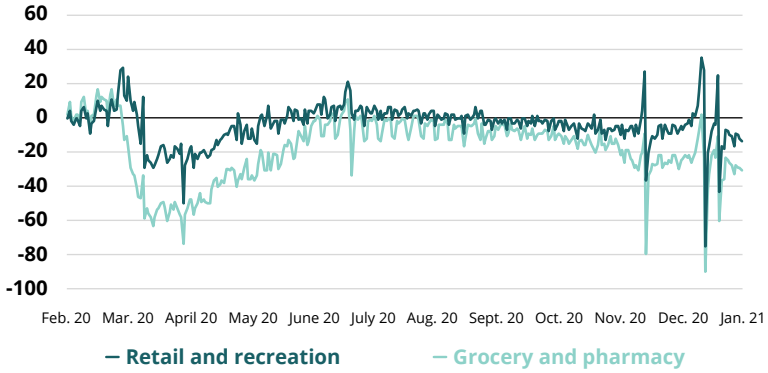
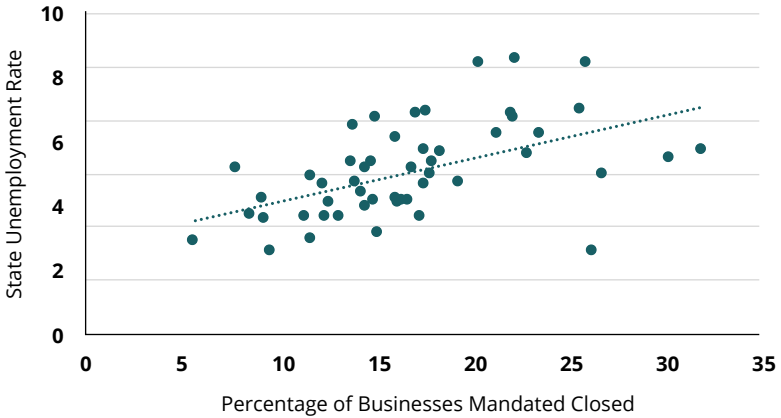


Figure 2: Relationship between Shutdowns and State Unemployment Rates



Permanent Business Failures

There are other costs besides job losses to a shutdown, but measuring these is also hampered by a lack of data. One important cost to consider is that the longer a business is closed, or its activity severely restricted, the less likely it will be to reopen. A business's costs do not fully disappear simply because it is closed. A business still faces some overhead, such as the cost of rent or the mortgage payment on a building. The longer a business is forced closed or restricted the more likely it is to exhaust its cash reserves, be unable to pay this overhead and ultimately fail. The federal Paycheck Protection Program was meant to prevent this from happening as much as possible, but small businesses found the program confusing and the application process cumbersome, with the rules behind the program ambiguous, and the funding was quickly exhausted.

According to the Federal Reserve's 2020 Small Business Credit Survey, 17% of small businesses would need to close or sell their business in response to a two-month revenue loss. A third said they would have to lay off employees. Only 14% would use cash reserves to cover a two-month loss of revenue. Forty-seven percent would use personal funds to keep the business afloat.⁹ The implication is that a typical small business has fewer than two months' worth of cash reserves on hand, since owners would have to resort to using personal funds to cover overhead. Thus, operating restrictions on businesses that extend for longer than a few weeks is enough to deplete many small businesses' cash reserves. Business owners who can afford to keep their businesses afloat during a lengthy shutdown may see their life savings exhausted in the process.

⁹ "2020 Report on Employer Firms: Small Business Credit Survey" (United States Federal Reserve System), 5, <https://perma.cc/SME5-7WH9>.

There is not data available that I am aware of that gives an estimate for the relationship between the length of a shutdown and the number of permanent business failings. However, in December, the National Restaurant Association estimated that 110,000 restaurants were either permanently closed or closed long-term, representing one-in-six restaurants in the United States.¹⁰ These restaurants had been in business for an average of 16 years, with 16% of them in business for at least 30 years. Only 48% of the owners of these shuttered restaurants planned on remaining in the industry in the future. Thus, the economy will exit the pandemic with nearly 10% fewer restaurants than before it.

In September, the National Restaurant Association estimated that 100,000 restaurants were either closed permanently or for the long-term.¹¹ Thus 10,000 more restaurants were shuttered between September and December. The more businesses that fail, the slower the economic recovery, as recovery entails a new entrepreneur entering the industry and opening a restaurant rather than an existing restaurant simply reopening. A second shutdown thus increased the likelihood that a business will permanently fail.

Given the more pronounced job losses experienced in Michigan restaurants and bars during the state's second round of business restrictions, the state should expect that a greater share of these businesses will permanently close compared to most other states, hindering Michigan's economic recovery compared to its neighbors.

10 "Restaurant Industry in Free Fall; 10,000 Close in Three Months" (National Restaurant Association, Dec. 7, 2020), <https://perma.cc/4Y52-GGGL>.

11 "100,000 Restaurants Closed Six Months into Pandemic" (National Restaurant Association, Sept. 14, 2020), <https://perma.cc/FMG2-KYBK>.

Mental Health Costs

Lockdown restrictions produce mental health costs. The American Institute for Economic Research summarizes findings from a variety of sources that paint a consistent picture: Mental health in the United States has substantially deteriorated during COVID-19-related shutdowns.¹² For instance, according to a June 2020 survey by the Centers for Disease Control and Prevention, 40% of adult respondents were struggling with mental health or substance abuse. Over 25% of respondents were experiencing symptoms consistent with anxiety disorder, compared to 8% in 2019, a three-fold increase. There was also nearly a four-fold increase in depression, with 24.3% of respondents reporting symptoms consistent with depression, compared to 6.5% in 2019. Nearly 11% of adults contemplated suicide within the last 30 days when surveyed in June 2020, compared to 4.3% in 2018. A quarter of all respondents aged 18-24 reported having seriously considered suicide within the last 30 days, as did 16% of respondents aged 25-44.¹³

The AEIR report also outlines the economic deterioration associated with the pandemic and shutdown, including unemployment, loss of income, increased food insecurity, loss of education and the deterioration of health care. For example, the rate of food insecurity doubled from 14% to 32% between mid-2018 and 2020 for households with children, according to the Brookings Institution.¹⁴

12 “Cost of Lockdowns: A Preliminary Report” (American Institute for Economic Research, Nov. 18, 2020), <https://perma.cc/S6V8-C3PX>.

13 Mark É. Czeisler et al., “Mental Health, Substance Use, and Suicidal Ideation During the COVID-19 Pandemic — United States, June 24-30, 2020” (Centers for Disease Control and Prevention, Aug. 14, 2020), <https://perma.cc/F662-39UU>.

14 Lauren Bauer et al., “Ten Facts About COVID-19 and the U.S. Economy” (The Brookings Institution, Sept. 17, 2020), <https://perma.cc/K7V8-4ZLJ>.

Cancer screenings have substantially decreased in 2020, with breast cancer diagnoses down 52% compared to 2018 and pancreatic cancer diagnoses similarly down 25%. Total diagnoses for breast, pancreatic, colorectal, lung, gastric, and esophageal cancers are down collectively by 46%, according to research published in the *Journal of the American Medical Association*.¹⁵ This will likely result in worse outcomes for more cancer patients as cancer cases are going undiagnosed in the early stages, missing the opportunity for the patients to receive life-saving treatment.

These are national findings, but there's no reason to believe that the experience in Michigan differed significantly. In fact, it's more likely that these negative impacts are as large or greater, because Michigan's pandemic lockdown was more restrictive and lasted longer than those in most states.

15 Harvey W. Kaufman, Zhen Chen and Justin Niles, "Changes in the Number of US Patients With Newly Identified Cancer Before and During the Coronavirus Disease 2019 (COVID-19) Pandemic" (*Journal of the American Medication Association*, Aug. 4, 2020), vol. 3 (8), <https://perma.cc/Z9PU-PFQ6>.

What are the Benefits of a Shutdown?

The previous section described some of the costs of the shutdown. What are the benefits, and do the benefits outweigh the cost?

COVID-19 Fatalities

The purported benefit of a shutdown is that it slows the spread of the virus, leading to fewer infections, and thus, fewer fatalities. Data on daily COVID-19 fatality trends, however, do not seem to show a connection between shutdowns and a reduction in deaths. Figure 3 below shows a seven-day moving average of the daily number of COVID-19 fatalities from March 22, 2020, to Jan. 15, 2021, across the same Great Lakes states as in Table 1.¹⁶

Note that the pattern of the daily fatalities looks similar across all six states, despite the different interventions used in these states. There is an initial spike at the onset of the pandemic followed by a lull in the summer months. The rate of daily fatalities then increased in the fall and seem to start to plateau in most states by the end of November.

A stark example of this is comparing the trajectory of COVID-19 fatalities in California versus Florida. California has imposed heavy restrictions in response to COVID-19, including closing bars and restaurants to indoor dining, mandating masks be worn everywhere in public and a curfew

16 The data comes from the COVID Tracking Project at *The Atlantic*, <https://covidtracking.com>.

Figure 3: 7-Day Moving Average of Daily COVID-19 Fatalities for the Great Lakes States

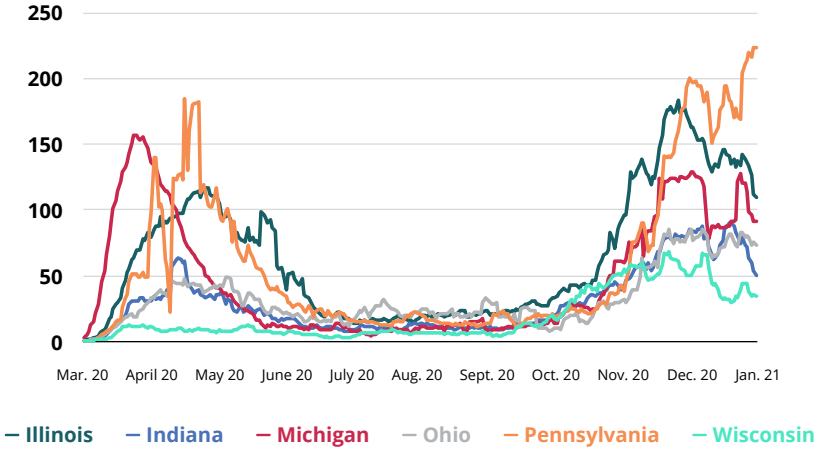
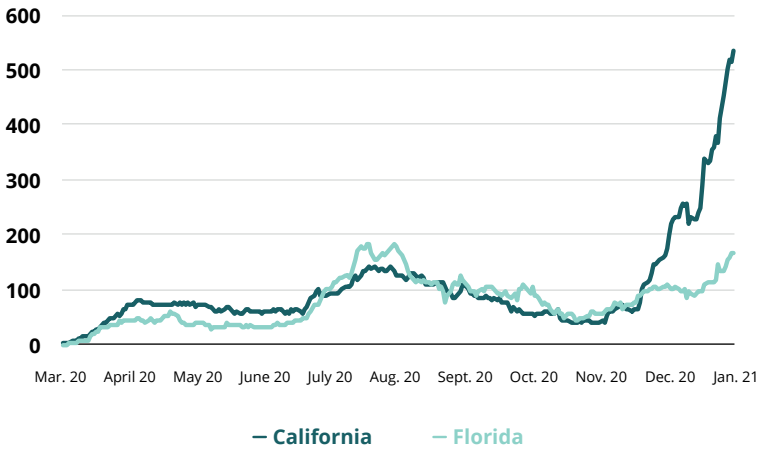


Figure 4: 7-Day Moving Average of Daily COVID-19 Fatalities, California and Florida



from 10:00 p.m. to 5:00 a.m., according to the New York Times.¹⁷ Florida, in contrast, had few restrictions, including no statewide mask mandate. Despite their heavier restrictions, California has seen a larger increase in COVID-19 fatalities than Florida, as show in Figure 4.

If restricting business activity was an effective way to minimize COVID-19 fatalities, the data should show that states with more business closures suffered fewer COVID-19 deaths. Figure 5 gives the scatterplot and best-fit line between the percentage of businesses mandated closed and the number of COVID-19 fatalities per million in each state on Jan. 15, 2021. There is no statistically significant correlation between the two.¹⁸ James Hohman of the Mackinac Center Public Policy found very similar results.¹⁹

A paper published on Jan. 5, 2021, by Eran Bendavid, Christopher Oh, Jay Bhattacharya and John Ioannidis from the Department of Medicine at Stanford University found no statistically significant evidence that mandatory shutdowns and stay-at-home orders slowed the growth in COVID-19 cases compared to voluntary measures.²⁰

Contact Tracing Data

What limited contact tracing data is publicly available indicates that few COVID-19 infections can be traced to the small businesses that were

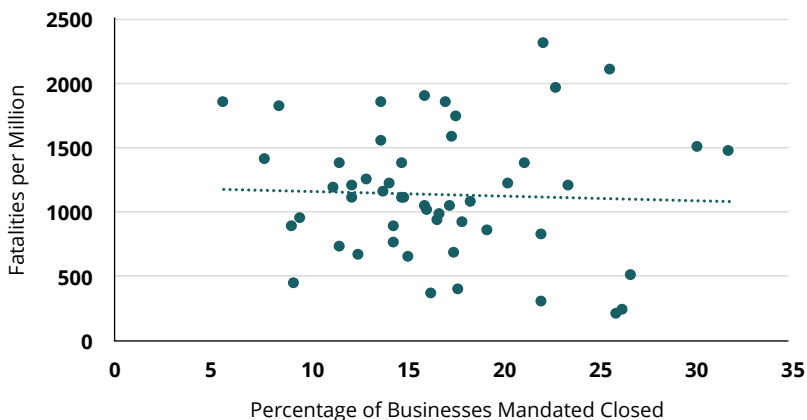
17 “See Coronavirus Restrictions and Mask Mandates for All 50 States” (The New York Times, 2021), <https://perma.cc/58PY-9C8D>.

18 The t-statistic is 0.30, which is not significant at any traditional level of significance.

19 James M. Hohman, “Severe Lockdowns Show Up In State Unemployment Rates” (Mackinac Center for Public Policy, Jan. 7, 2021), <https://perma.cc/8Q86-RPJT>.

20 Eran Bendavid et al., “Assessing Mandatory Stay-At-Home and Business Closure Effects on the Spread of COVID-19” (*European Journal of Clinical Investigation*, Jan. 5, 2021), vol. 51 (4), <https://perma.cc/LK8C-KY2E>.

Figure 5: Relationship between Shutdowns and COVID-19 Fatalities per Million



closed due to pandemic policies, such as bars and restaurants. Data released by the state of New York found that 74% of infections there were traced to household and social gatherings. Only 1.4% were traced to bars and restaurants and only 0.06% were traced to gyms.²¹ According to the Jan. 16, 2021, update from the Minnesota Department of Health, only 4% of cases can be traced to “community outbreak,” a category which includes, but is not exclusive to, bars and restaurants.²²

Data reported by the Michigan Department of Health and Human Services shows a similar pattern. Historical data does not appear to be available on the state’s website, but it is available through the Internet Archive’s Wayback

21 Matt Butler, “State Releases First COVID-19 Contact Tracing Data Emphasizing Household Gathering Problem” (The Ithaca Voice, Dec. 11, 2020), <https://perma.cc/9LJB-XWKU>.

22 “Situation Update for COVID-19” (Minnesota Department of Health, March 31, 2021), <https://perma.cc/K2AX-GMAX>.

Machine. According to MDHHS data from Oct. 22, 2020, five of the 144, or 3%, of cases reported that day were traced to a bar or restaurant and only seven of the 302 ongoing cases, or 2%, were traced to a bar or restaurant.

This is consistent with broader data cited by the Detroit Free Press that only 4% of infections traced by the MDHSS could be sourced to a bar or restaurant, with a lot of missing or incomplete data.²³ With so few traced contacts sourced to bars and restaurants, shutting down indoor dining appears unlikely to significantly impact the amount of COVID-19 infections and fatalities.²⁴

Obviously, not every case is contact traced, so these figures do not provide a complete picture or represent all the spread that may occur at bars and restaurants. But these data do, nevertheless, suggest that COVID outbreaks are less likely to occur in this sector than in many others, including manufacturing, construction, education, retail and even office settings. Targeting bars and restaurants for interventions appears then based more on a hypothesis about how COVID spreads rather than on the empirical data we have about how it actually does spread.

Shutdowns Appear Not To Have Been Part of the Pandemic Response Game Plan

Calculating the “case fatality ratio,” which is the proportion of COVID-19 infections that result in a fatality, is complicated by the fact that nowhere near every infection is detected by a test. This, of course, also limits

23 Malak Silmi, “Tracing COVID-19’s Spread Through Metro Detroit Restaurants is an Inexact Science” (Detroit Free Press, Dec. 30, 2020), <https://perma.cc/3P8M-5ZRU>.

24 For a more in-depth discussion, see Jacob Sullum, “Has Restaurants’ Role in Spreading COVID-19 Been Exaggerated?” (Reason, Dec. 21, 2020), <https://perma.cc/KEN7-KLNE>.

the effectiveness of using the number of positive tests to gauge the spread of COVID-19. The CDC estimates that only one out of every 4.6 COVID-19 infections are reported as a case.²⁵ Nevertheless, researchers have attempted to estimate the most accurate CFR for COVID-19 based on the available data. The Wall Street Journal reports that estimates are converging on a COVID-19 CFR of between 0.5%-1.0%.²⁶ In contrast, the CFR for the 1918 Spanish Flu exceeded 2.5%.²⁷

The estimated CFR for COVID-19 would make COVID-19 a “level 3 pandemic,” according to the CDC’s “Pandemic Severity Index.”²⁸ A level three pandemic is expected to result in 450,000-900,000 fatalities in the U.S. After more than a full year of the COVID-19 pandemic, total fatalities in the U.S. are well within this range, according to the CDC.

The CDC’s suggested responses to a level three pandemic are much less restrictive compared to what has actually been implemented for COVID-19. The CDC suggested that workplace social distancing, voluntary home isolation and voluntary quarantining of contagious or exposed individuals, cancelling mass events and closing schools for less than four weeks be “considered” for a level three pandemic. These actions are only fully recommended for a very severe, level five pandemic, which means a CFR of at least 2.0% and a projected 1.8 million deaths, which would be a pandemic on the order of the 1918 Spanish Flu. The CDC does not recommend a

25 “Estimated COVID-19 Burden” (Centers for Disease Control and Prevention, Jan. 19, 2021), <https://perma.cc/7J69-V9H8>.

26 Brianna Abbott and Jason Douglas, “How Deadly Is COVID-19? Researchers Are Getting Closer to an Answer” (The Wall Street Journal, July 21, 2020), <https://perma.cc/TVP5-RTSS>.

27 Jeffrey K. Taubenberger and David M. Morens, “1918 Influenza: The Mother of All Pandemics” (*Emerging Infectious Diseases*, 2006), vol. 12(1): 15-22, <https://perma.cc/G4QB-BRG8>.

28 “Goals of Community Measures” (Centers for Disease Control and Prevention), <https://perma.cc/XD7S-JXEA>.

large-scale economic shutdown for any of these pandemic levels or closing individual sectors of the economy, such as bars and restaurants.

A 2019 World Health Organization report for pandemic mitigation also recommended much less restrictive measures than have been used for COVID-19. The WHO did not recommend contact tracing or quarantining exposed individuals who were not confirmed as infected, deeming these actions as ineffective. School closures of limited duration were only recommended for a “severe” pandemic. Workplace closures are considered a “last step” and should only be considered during an “extraordinarily severe” pandemic. “Severe” and “extraordinarily severe” pandemics are not defined by the WHO, but one might suspect they correspond to a level four or five pandemic on the CDC’s scale. Avoiding crowding at large events such as sporting events, large meetings and transportation hubs were conditionally recommended by the WHO, with the strategies to reduce crowding dependent on the severity of the pandemic. Neither a broad nor targeted economic shutdown is recommended for a pandemic of any severity by the 2019 WHO report.²⁹

A 2019 study from Johns Hopkins University, informed by public health officials across the globe, suggests that travel restrictions and quarantines “might be pursued for social or political reasons by political leaders” instead of being based on “public health evidence.” The study recommends that the WHO “rapidly and clearly articulate its opposition” to inappropriate interventions such as these, especially when they “pose increased risks to the health of the public.”³⁰

29 “Non-Pharmaceutical Public Health Measures for Mitigating the Risks and Impact of Epidemic and Pandemic Influenza” (World Health Organization, 2019), <https://perma.cc/KE9J-J894>.

30 “Preparedness for a High-Impact Respiratory Pathogen Pandemic” (Johns Hopkins Bloomberg School of Public Health, Sept. 2019), <https://perma.cc/7A2S-7NTH>.

Given that lockdown measures were generally not recommending by public health officials prior to COVID-19, a large burden of proof to demonstrate the necessity of such actions should fall on government officials who enact them. In the Johns Hopkins study, experts write that public health “authorities will need to provide strong evidenced-backed reasoning for the necessity” of shutdowns, “especially for [actions] such as social distancing that inherently limit civil liberties.” Based on the available data, it does not appear that Michigan state officials have met that standard of proof.

Conclusion

Economic shutdowns provide massive, concentrated costs on those businesses and individuals impacted by these restrictions. Many businesses who were mandated to close will never reopen. Many individuals who worked in the affected industries consequently will have a difficult time finding a new job. Many business owners will see their life savings depleted. Mental health issues have surged and other medical ailments, such as cancer, have gone undiagnosed. It is questionable, at best, whether these shutdown orders have delivered benefits in addition to what could have been achieved through less costly public health interventions that were previously recommended by public health agencies such as the CDC and WHO.



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