



POLICY BRIEF

The science shows that restrictive economic lockdowns are not a panacea

A comparison among states shows that economic lockdowns impose widespread social, emotional, and financial harm but do not have a significant effect on COVID-19 infection rates.

Mark Harmsworth,
Director, Center for Small Business

December 2020

Key Findings

1. States that have more restrictive lockdown rules for small business have similar or worse COVID-19 infection rates compared to states that have limited or no restrictions.
2. Common-sense recommendations on social distancing, wearing masks and frequent sanitization are as effective as mandated closure of businesses.
3. All states, irrespective of lockdown policy, have seen an increase in COVID-19 cases since October.
4. Washington, on average, is trending upwards in COVID-19 cases despite additional restrictions.
5. The data shows that infection rates are not significantly affected by strict, long-term lockdowns, while they do impose harmful mental health problems, increased social and family emotional stress and a strong negative economic impact on small business owners and working people.
6. With the right data and recommendations, business should be able to operate safely using reasonable precautions to reduce exposure to COVID-19.



POLICY BRIEF

The science shows that restrictive economic lockdowns are not a panacea

A comparison among states shows that economic lockdowns impose widespread social, emotional, and financial harm but do not have a significant effect on COVID-19 infection rates.

Mark Harmsworth,
Director, Center for Small Business

December 2020

3	<i>Introduction</i>
3	<i>Transmission rates in strict lockdown states compared to less restrictive states</i>
5	<i>Texas</i>
6	<i>South Dakota</i>
7	<i>Kansas</i>
8	<i>California</i>
9	<i>Washington</i>
10	<i>Conclusion</i>

The science shows that restrictive economic lockdowns are not a panacea

A comparison among states shows that economic lockdowns impose widespread social, emotional, and financial harm but do not have a significant effect on COVID-19 infection rates.

Mark Harmsworth,
Director, Center for Small Business

December 2020

Introduction

The recent decision to extend COVID-19 business closures has left many small business owners, working families and customers wondering if further lockdowns are necessary given the lack of data that has been provided to justify the government's actions.

Johns Hopkins University collects and publishes current research that shows COVID infection rates, testing levels, mortality rates and trends at the state and county level across the United States.¹ At the same time, governors in different states have adopted different lockdown policies, with some states being far more restrictive than others.

By comparing data from states that have a severe lockdown policy with states that have limited restrictions only, a conclusion can be drawn showing whether state-wide economic lockdowns are effective at reducing infection rates.

This study presents a review of several states with varying levels of lockdown restrictions as a sample to determine whether a strict lockdown policy effectively reduces the spread of COVID-19, or whether governors should be considering other actions to help reduce COVID-19 infection rates.

Washington has one of the most restrictive lockdown policies in the country.

The Johns Hopkins University data shows that the level of economic lockdown imposed on the people of a state had little or no effect on the transmission of COVID-19, while a policy of strict lockdown did impose widespread stress and economic harm among the population.

Transmission rates in strict lockdown states compared to less restrictive states

A sampling of five states with varying levels of lockdown restrictions, illustrates the low impact restrictions have on COVID-19 transmission rates. Governors in California and Washington have imposed some of the harshest lockdown restrictions, while governors in Texas and Kansas imposed minimal economic

¹ "COVID-19 Data in Motion," Coronavirus Resource Center, Johns Hopkins University and Medicine, December 16, 2020, at <https://coronavirus.jhu.edu/>.

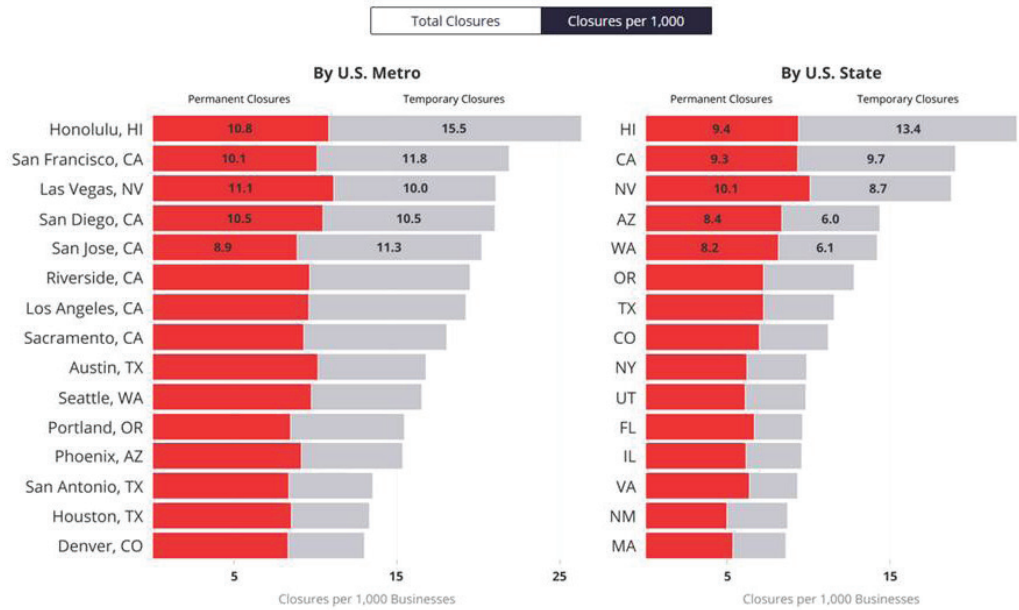
restrictions. The governor of South Dakota has imposed almost no restrictions on the public’s ability to engage in daily commerce.

State officials primarily use the daily reported infection rate, rather than the hospitalization or mortality rates, as their indicator of the effectiveness of state policy to control the spread of COVID-19. Utilizing the same daily reported infection rate data to determine the success of those policies, the following sections provide an overview of each state.

California has imposed the most economic restrictions and has the highest business-closure rate and the most lost jobs, but also that state also has one of the highest daily increases in COVID-19 cases, just behind Hawaii.

Where are the Most Businesses Closed?

Geographic areas with the largest number of business closures since March 1



Source: *Yelp Local Economic Impact Report*²

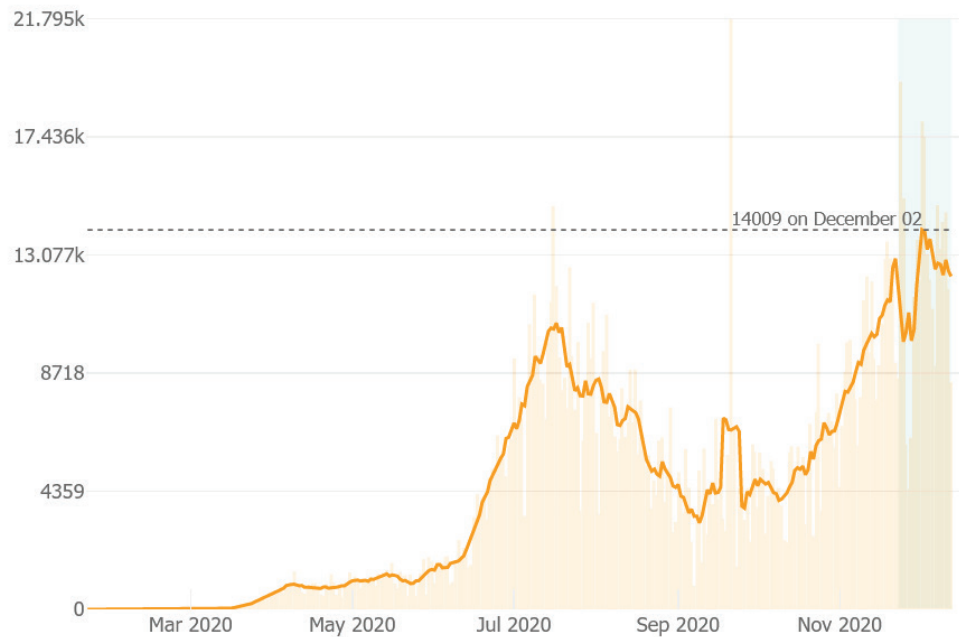
² “Yelp Local Economic Impact Report,” published in September 2020, accessed December 14, 2020, at <https://www.yelpeconomiccoverage.com/business-closures-update-sep-2020>.

Texas

Texas restriction background: Most businesses in Texas are permitted to operate at 75 percent capacity if the business is in an area with a low number of COVID-19 hospitalized patients. Businesses in areas with high hospitalization rates must limit occupancy to 50 percent capacity.

The governor has imposed no occupancy limits on religious services, local government operations and recreational sports programs. Bars are also fully open, with the additional approval of each county's judge, but limited to 50 percent capacity. Masks are required outside when a six-foot distance from others cannot be maintained. Counties with no more than 20 active COVID-19 cases are exempt. Public gatherings of more than 10 people are prohibited in most circumstances unless local government officials approve them.³

Texas COVID-19 infection rate over time



Source: Johns Hopkins Coronavirus resource center⁴

- 3 “List of Coronavirus-Related Restrictions in Every State, Some states have begun rolling back reopenings,” by Dena Bunis and Jenny Rough, Government and Elections, AARP, accessed December 14, 2020, at <https://www.aarp.org/politics-society/government-elections/info-2020/coronavirus-state-restrictions.html>.
- 4 “America is reopening, but have we flattened the curve?, See trends in confirmed cases for all 50 states; Texas,” Maps and Trends, Coronavirus Resource Center, Johns Hopkins University and Medicine, accessed on December 14, 2020, at <https://coronavirus.jhu.edu/data/new-cases-50-states/>.

South Dakota

South Dakota restriction background: The governor has imposed no limits on normal business activity, social interaction, or religious services, but does require compliance with “reasonable health guidelines.” Employers must sanitize high-traffic areas and screen employees for illness. Employees exhibiting symptoms are sent home. Retail businesses should promote social distancing and limit the number of customers. Older adults and other vulnerable individuals are encouraged to stay at home.⁵

South Dakota COVID-19 infection rate over time



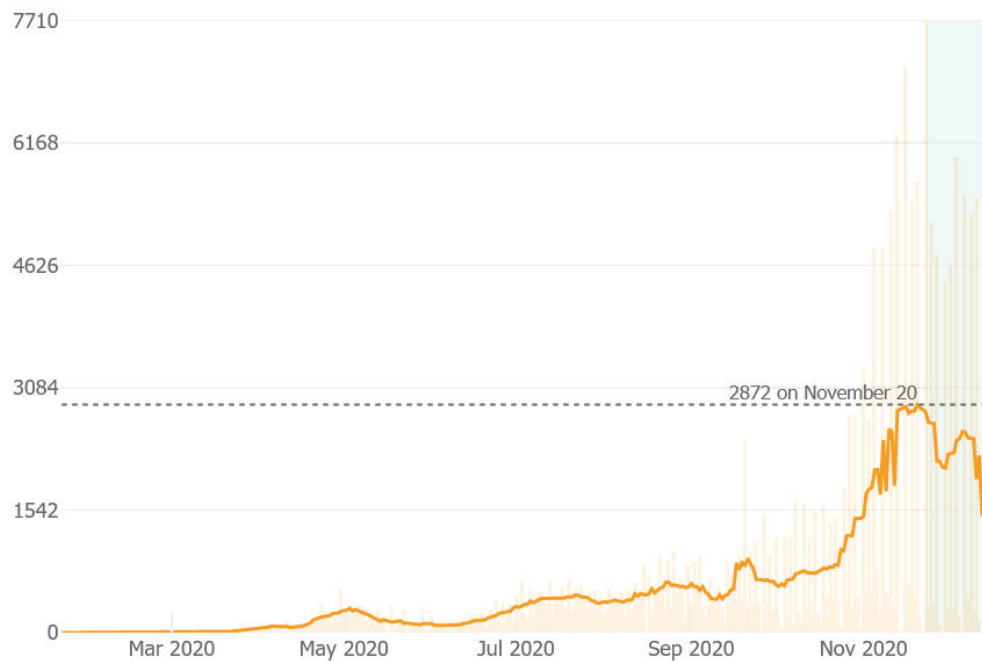
Source: Johns Hopkins Coronavirus resource center⁶

- 5 “List of Coronavirus-Related Restrictions in Every State, Some states have begun rolling back reopenings,” by Dena Bunis and Jenny Rough, Government and Elections, AARP, accessed December 14, 2020, at <https://www.aarp.org/politics-society/government-elections/info-2020/coronavirus-state-restrictions.html>.
- 6 “America is reopening, but have we flattened the curve?, See trends in confirmed cases for all 50 states; South Dakota,” Maps and Trends, Coronavirus Resource Center, Johns Hopkins University and Medicine, accessed on December 14, 2020, at <https://coronavirus.jhu.edu/data/new-cases-50-states/>.

Kansas

Kansas restriction background: The governor has imposed no limits on normal business activity, social interaction, or religious services, but does require compliance with “reasonable health guidelines.” Masks are required in outdoor public spaces if a six-foot distance cannot be maintained. Businesses must also require employees, customers, and visitors to wear a face mask when in an enclosed space where social distancing cannot be maintained. The state Department of Health and Environment mandated a 14-day home quarantine for people arriving in Kansas who have arrived from certain states or countries.⁷

Kansas COVID-19 infection rate over time



Source: Johns Hopkins Coronavirus resource center⁸

- 7 “List of Coronavirus-Related Restrictions in Every State, Some states have begun rolling back reopenings,” by Dena Bunis and Jenny Rough, Government and Elections, AARP, accessed December 14, 2020, at <https://www.aarp.org/politics-society/government-elections/info-2020/coronavirus-state-restrictions.html>.
- 8 “America is reopening, but have we flattened the curve?, See trends in confirmed cases for all 50 states; Kansas,” Maps and Trends, Coronavirus Resource Center, Johns Hopkins University and Medicine, accessed on December 14, 2020, at <https://coronavirus.jhu.edu/data/new-cases-50-states/>.

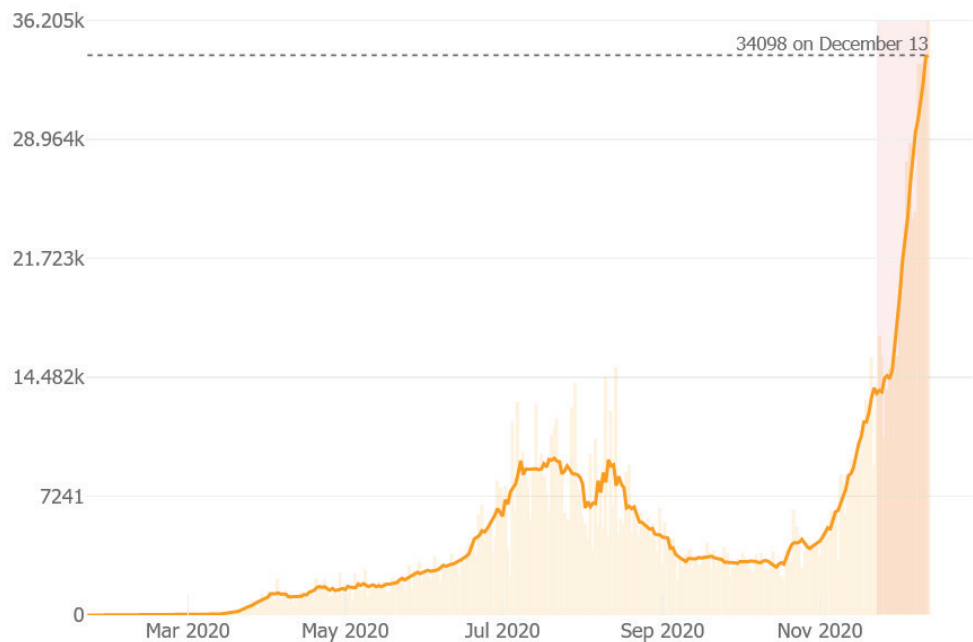
California

California restriction background: A regional stay-at-home order is imposed on the entire population if a region’s intensive care unit availability falls below 15 percent. When an order is issued, residents in that region must stay in their homes for a minimum of three weeks. People can leave the home briefly only for essentials, such as food and medication, or to exercise outdoors. Gathering with any person outside the household is strictly prohibited. Businesses such as hair salons, movie theaters, bars and breweries must close. Restaurants cannot offer indoor or outdoor dining but may continue takeout and delivery services. Retail stores can operate at 20 percent capacity and stand-alone grocery stores at 35 percent capacity.

Individuals who live in an area with a high infection rate are placed under curfew, and prohibited every day from engaging in activities outside the home or gathering with others between the hours of 10 p.m. and 5 a.m.

All persons must wear a face mask at all times in public spaces. Businesses must report COVID-19 outbreaks to local officials as well as any employees who may have been exposed to the virus, though not actually infected, while at work.⁹

California COVID-19 infection rate over time



Source: Johns Hopkins Coronavirus resource center¹⁰

9 “List of Coronavirus-Related Restrictions in Every State, Some states have begun rolling back reopenings,” by Dena Bunis and Jenny Rough, Government and Elections, AARP, accessed December 14, 2020, at <https://www.aarp.org/politics-society/government-elections/info-2020/coronavirus-state-restrictions.html>.

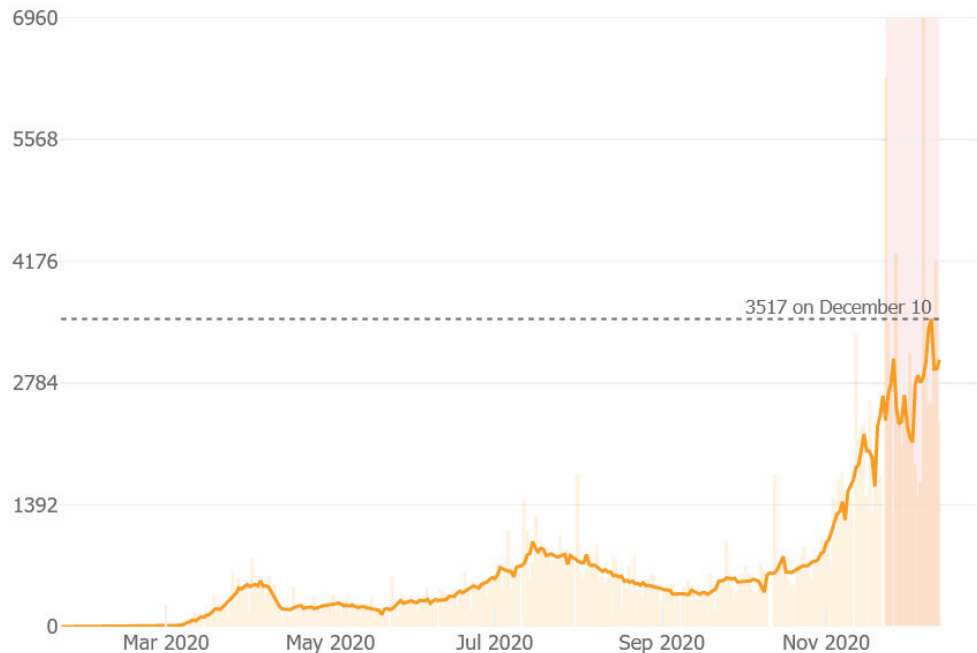
10 “America is reopening, but have we flattened the curve?, See trends in confirmed cases for all 50 states; California,” Maps and Trends, Coronavirus Resource Center, Johns Hopkins University and Medicine, accessed on December 14, 2020, at <https://coronavirus.jhu.edu/data/new-cases-50-states/>.

Washington

Washington restriction background: The governor has prohibited all indoor gatherings with people outside the household unless people have been in quarantine for 14 days beforehand or go into quarantine for seven days followed by a negative COVID-19 test result within 48 hours the gathering.

The governor's order prohibits restaurants and bars from offering any indoor service. Limited outdoor dining is permitted, but no more than five people can be seated at a table. Retail stores and other service industries must restrict customer occupancy to 25 percent. Places of worship and religious services must limit occupancy to 25 percent or 200 people (whichever is smaller). Gyms, fitness centers, movie theaters and other entertainment venues must close indoor services.¹¹

Washington COVID-19 infection rate over time



Source: Johns Hopkins Coronavirus resource center¹²

11 “List of Coronavirus-Related Restrictions in Every State, Some states have begun rolling back reopenings,” by Dena Bunis and Jenny Rough, Government and Elections, AARP, accessed December 14, 2020, at <https://www.aarp.org/politics-society/government-elections/info-2020/coronavirus-state-restrictions.html>.

12 “America is reopening, but have we flattened the curve?, See trends in confirmed cases for all 50 states; Washington,” Maps and Trends, Coronavirus Resource Center, Johns Hopkins University and Medicine, accessed on December 14, 2020, at <https://coronavirus.jhu.edu/data/new-cases-50-states/>.

Conclusion

Public health data shows there is little or no difference in COVID-19 case trends in this sampling of states with the most economic and social restrictions compared to the states that impose the least restrictions. In fact, the rate of confirmed cases is declining faster in the states with limited restrictions. California, where the governor has imposed the harshest restrictions, is seeing some of the fastest increases in confirmed COVID-19 cases.

States vary in size, but the clear trend, taken as a percentage of cases within a population, follows a similar pattern across states. Despite South Dakota having a higher overall infection rate, it is still trending down. The states in which officials have imposed little or no restriction on normal businesses, employment and social activity over a greater period are seeing a larger reduction in cases now.

In contrast, Washington state, with one of the harshest policies in the country, is still, on average, trending upwards, despite additional business lockdowns and other economic restrictions.

The data shows that infection rates are not significantly affected by strict, long-term lockdowns, while they do impose harmful mental health problems, increased social and family emotional stress and a strong negative economic impact on small business owners and working people.

With the right data and recommendations, business should be able to operate safely using reasonable precautions to reduce exposure to COVID-19.

Government leaders in Washington should return to a science-based approach by easing severe and harmful lockdown measures, and allowing all businesses, including restaurants and other hospitality related facilities, to re-open under reasonable previously issued health guidelines.

Published by Washington Policy Center

Washington Policy Center is an independent research organization in Washington state. Nothing here should be construed as an attempt to aid or hinder the passage of any legislation before any legislative body.

Chairman	Mark Pinkowski
President	Daniel Mead Smith
Vice President for Research	Paul Guppy
Communications Director	David Boze

If you have any comments or questions about this study, please contact us at:

Washington Policy Center
PO Box 3643
Seattle, WA 98124-3643

Online: www.washingtonpolicy.org
E-mail: wpc@washingtonpolicy.org
Phone: (206) 937-9691

© Washington Policy Center, 2020



About the Author

Mark Harmsworth joined WPC in 2019 and became WPC's Center for Small Business Director in January 2020. He was elected in 2014 to the Washington State House of Representatives where he served two terms. His focus was on transportation and technology, including serving as the ranking member on the House Transportation Committee.

Prior to the legislature, Mark served two terms on the Mill Creek City Council and was elected Mayor Pro-Tem in his last year.

He recently finish serving as a Director on the Everett Community College Foundation Board and currently serves as a Director on the Boys and Girls Club of Snohomish County.

Mark works in the technology industry and is an owner of a small business after completing a long career at Microsoft and Amazon.

Mark and his family live in Mill Creek, Washington.