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# The Pandemic Policy Dilemma in Japan: Stopping COVID's Spread or Mitigating its Economic Impact

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In January 2021, as COVID-19 infections surged in Japan and the country's medical infrastructure began to creak under the strain of the increasing load, the government declared a state of emergency. This paper, based on responses to the "Third Questionnaire Surveys on the Effects of the Spread of COVID-19 on Telework-based Work Styles, Lifestyle, and Awareness,"\* investigates the feelings of the Japanese people on the pandemic and their government's response to it, at this critical juncture, emphasizing three main points.

The first point is that while feelings of fear towards the virus directly correlate with a desire for the prioritization of measures to limit the spread of infection, factors such as a person's income and employment status heavily impact their policy preferences. Particularly salient is the impact on beliefs about whether the government should prioritize measures to mitigate economic damage over the aforementioned measures to prevent the spread of infection. Among survey participants, a larger percentage consistently supported prioritizing economic measures over limiting the spread of infection (although as will be shown later, neither option gained even a plurality.) Paradoxically however, even within the face-to-face service industries such as foodservice and hospitality, where the pandemic has dealt a particularly disastrous blow to incomes and livelihoods, there is a desire for stronger measures to halt the spread of infection even if it comes at the cost of the economy. Perhaps, against the backdrop of what employees in face-to-face service sectors perceive to be the limits of mitigatory economic measures, the fear of contracting COVID-19 through face-to-face interactions has become paramount, prompting workers in these industries to be increasingly inclined to support more decisive and thorough measures to combat the spread of the virus.

The second point is that a key piece of achieving a coherent policy to stop the spread of COVID-19 is the government's provision of clear, consistent and timely information on the pandemic in a way that is empathetic and resonates emotionally with the public. Amongst these efforts, the continued promotion of telework is paramount. The government should push Japanese society to further embrace telework, as it is among the most effective means of keeping the economy moving while strengthening measures to prevent the spread of disease.

The third and final point this paper highlights is the intense toll that the pandemic has taken on the Japanese public's mental health, with a sizeable increase in rates of suicide and mental illness being seen throughout the country. The situation is particularly severe amidst those under 40, and there is an urgent need to mobilize all resources available, including SNS, to proactively reach out to those in need of mental health care and suicide prevention.

 $<sup>^{\</sup>ast}~$  The survey was conducted in December 2020 by Keio University and the Nippon Institute for Research Advancement (NIRA).

# Introduction\*\*

In combatting COVID-19 (or indeed any new, rapidly spreading infectious disease) one of the central questions has been whether to prioritize measures to prevent or slow the spread of disease or to focus on measures aimed at alleviating the economic fallout caused by it. Japan's COVID-19 policy has continually wavered between these two important priorities.

Those who favor prioritizing the economy, emphasize the economic damage the pandemic has wrought, and the ways in which it has left many of Japan's citizens uniquely vulnerable. They point out how Japan's social safety net, designed in an era of regular employment and high-speed growth, is inadequate, failing to adequately protect the large number of irregular workers, who now comprise roughly 40% of the labor force. They highlight that if economic activity is curtailed, it is those without savings such as young people and working families, and those with unstable employment who will be forced to bear the brunt of the economic burden and risk falling into poverty. They charge that without putting the economy first, Japan risks widening the income gap between the "haves" and the "have nots," inciting a mental health crisis that will see suicides increase, while exacerbating social tensions that could lead to social unrest.

The opposing viewpoint is that prioritizing measures to prevent the spread of COVID-19 (that is infection control measures) does not equate to forgoing measures to mitigate the economic impact, noting that the two policies are not mutually exclusive. Proponents of this view highlight how some countries, such as China and Taiwan succeeded in taking aggressive measures to contain COVID-19, and in doing so managed to stabilize their economies, with China and Taiwan being the only major economies to post a positive GDP growth rate in 2020. However, Japan's political structure, legal system, and population size preclude the use of many of the more extreme measures imposed in both populous, authoritarian China, as well as democratic but relatively small Taiwan. In addition, there is no guarantee that the measures undertaken by those countries will continue to be effective in the face of current and future variants of COVID-19. While some countries, such as Sweden, have tried to combat the virus by forgoing lockdowns in favor of targeted measures to contain the virus's spread, the sobering reality is that many of those countries are now struggling with a sharp increase in the number of infected people and deaths. Looking at the debate overseas, just as in Japan there is little agreement even among experts about whether to prioritize mitigating COVID-19's economic impact or controlling the spread of infections in constructing an effective pandemic policy.

In January 2021, a state of emergency was declared in more than 10 prefectures in Japan, but there was not a lockdown, and there have been no restrictions on rights or penalties for noncompliance with government ordinances. Although requests have been made to the restaurant industry to reduce working hours and to the public to refrain from going out,

<sup>\*\*</sup> The questionnaire survey and data analysis were conducted by Toshihiro Okubo, Kiwamu Kato, Senior Architect for Future Corporation, and Atsushi Inoue, Kozue Sekijima, and Hironari Masuhara of NIRA.

it is far from certain that these measures will be sufficient to control the spread of infections going forward. In light of this challenge, it is necessary to better understand how individuals feel about the COVID-19 pandemic, the government's response to it, and how they have or have not adjusted their own behavior in response. In response to this need, The Nippon Institute for Research Advancement (NIRA) and Toshihiro Okubo (Keio University) carried out the "Third Questionnaire Surveys on the Effects of the Spread of COVID-19 on Teleworkbased Work Styles, Lifestyle, and Awareness" as part of an ongoing joint research project between the two. The results of the survey, presented in this paper, shed light on the Japanese public's feelings about the pandemic, bringing into sharp relief many details previously obscured.<sup>1</sup>

# Trends in the Telework Rate: Significant Differences in Telework Adoption by Industry

Both in Japan and around the world, the emergence of the pandemic has led to a previously unfathomable increase in the popularity and adoption of telework. This surge in popularity is largely because by enabling people to continue working while reducing direct human contact, telework can sustain economic activity while reigning in the spread of COVID-19. Looking at the data, it is clear that, although the number of those commuting to work has crept back up following the end of Japan's first state of emergency at the end of May 2020, both companies and individuals are continuing to experiment to find the best balance of telework and time in the office.

Figure 1 shows the change in the telework rate.<sup>2</sup> In January 2020, before the widespread emergence of COVID-19, the national average was about 6%, and the average for the Greater Tokyo Metropolitan Area (Tokyo, Kanagawa, Chiba and Saitama Prefectures) was about 10%. Following the Declaration of a State of Emergency from April to May 2020, the telework rate increased significantly, reaching 25% nationally, and 38% in the Greater Tokyo Metropolitan Area. From June 2020, after the Declaration of a State of Emergency was lifted, the telework rate declined significantly. Nonetheless, although the rate has remained lower than that seen during the first Declaration of a State of Emergency, it has remained significantly higher than pre pandemic levels, and seems to have stabilized with the second wave of the COVID-19 pandemic that began in September 2020, and even more so with the third wave that began in December 2020. Throughout this period the telework rate has hovered between 16% to 17% nationally and 26% to 29% in the Greater Tokyo Metropolitan Area.

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Figure 2 shows changes in the telework rate by major industries. There are still significant disparities in the telework rate by industry, and there is a particularly large gap between those industries most suitable for telework and those that are less so. For example, the information and telecommunications industry has seen consistently high rates of telework utilization, while the restaurant, accommodation, medical and welfare industries have seen consistently lower utilization of telework. This trend has not changed over time.<sup>3</sup>



Figure 3 tracks changes in the frequency of telework use amongst those within the

Greater Tokyo Metropolitan Area. Since June 2020, the average number of days spent teleworking has been decreasing, with the percentage of those who spent 5 days per week or more teleworking decreasing, and the number of those who spent 1 day per week or less teleworking increasing. This change, which has seen the number of days spent in the office gradually trending upward since June, suggests that both employers and employees are searching for the best mix of remote and in person work. Although telework has its advantages, there are still many jobs that cannot be done remotely, and it is clear that the workforce has been in a state of adjustment since June.<sup>4</sup>



# The Effects of Pandemic Economic Countermeasures on the Continuing Decline of Incomes in the Restaurant and Lodging Industry

Figure 4 tracks the change in income within major industries between the "First Questionnaire Surveys on the Effects of the Spread of COVID-19 on Telework-based Work Styles, Lifestyle, and Awareness," and the "Third Questionnaire Surveys on the Effects of the Spread of COVID-19 on Telework-based Work Styles, Lifestyle, and Awareness," upon which this paper is based. It shows the ratio of workers in each industry who experienced a change in income. The worker survey tracks individual samples over time, and it can thus be used to see the change in income of a single worker over the survey period. The survey asked respondents to indicate whether their income had increased, decreased, or remained the same as at the time of the previous survey.

Excluding the restaurant and accommodation industry, approximately half of the respondents answered "No change in income" within the January to March, March to June, and June to December periods of 2020. On the other hand, slightly little less than half of the respondents answered that their income had declined at some point within the January to December 2020 timeframe. For example, the percentage of those who answered that there was no change in their income from January to March 2020 but a decrease from March to June 2020 was relatively high, ranging from 10 to 18% depending on the industry. Furthermore, 6% to 27% of respondents indicated that their income continually declined from its figure during the first survey (January to March) through December 2020. Given that half of the respondents did not see any decline in income despite working in the same industries, however, indicates that over the course of the pandemic two distinct groups have formed, those whose income did not decrease, and those whose income has been decreasing. This highlights the emergence of a new kind of wage gap within the workforce.

Looking beyond the overall trend, the differences between industries are also significant. The percentage of people working in the restaurant and accommodation industries whose income did not change between January and December of 2020 was only 19%, while 27% of respondents reported a consistent decline, and 8% of respondents reported no change from January to March 2020, a decline from March to June 2020, and a decline from June to December 2020. Despite being within the industries that were the main targets of the "Go To Campaign" policy and other economic stimulus measures, almost none of the respondents said that their incomes increased from June to December 2020 after the first Declaration of a State of Emergency was lifted, and there are many whose incomes have not stopped declining. While this may appear troubling, a positive interpretation would be to say that the effect of these economic stimulus measures was to reduce or mitigate the extent of the income deterioration, staving off a much sharper decline in income and the economy.

	Indu	stry (%) <sup>°</sup>								
As of March 2020 (Compared to January 2020)	As of June 2020 (Compared to March 2020)	As of December 2020 (Compared to June 2020)	Restaurant and Accommodation	Other Services	Electricity, Gas, Water, Heating	Other	Education, Learning Support Services	Manufacturing	Finance, Insurance, Real Estate	Information Services and Research
Declined	Declined	Declined	27	11	11	10	9	8	6	6
		No Change	6	5	1	5	7	4	4	2
		Increased	2	1	0	2	2	1	1	1
	No Change	Declined	3	3	1	1	1	2	1	2
		No Change	5	5	2	6	6	4	5	4
		Increased	0	0	1	0	1	0	0	C
	Increased	Declined	1	0	1	0	0	0	0	1
		No Change	2	0	0	0	1	0	0	C
		Increased	0	0	2	0	1	0	0	(
No Change	Declined	Declined	8	5	6	5	4	7	5	3
		No Change	10	8	5	9	10	6	5	7
		Increased	3	1	0	0	2	1	1	C
	No Change	Declined	3	5	4	6	4	7	6	3
		No Change		48		48				
		Increased	3	1	2	2	1	2	3	2
	Increased	Declined	1	0	0	0	0	1	0	1
		No Change	1	2	1	2	2	2	3	
		Increased	1	1	1	0	1	1	0	1
Increased	Declined	Declined	1	0	0	0	0	0	1	1
		No Change	1	0	2	0	1	0	0	(
		Increased	1	0	0	0	0	0	0	(
	No Change	Declined	0	0	0	0	0	0	0	(
		No Change	1	1	2	2	1	2	2	1
		Increased	0	0	0	1	0	0	0	(
	Increased	Declined	1	0	0	0	0	0	0	(
		No Change	0	0	1	0	0	0	1	(
		Increased	1	0	1	0	0	0	0	(

# Figure 4 Time Series Change in Income by Percentage of Workers and Major Industry (%)<sup>5</sup>

## What to Prioritize - Economic Countermeasures or Infection Control

From the end of November to December 2020, as Japan's third wave of COVID-19 surged, the government shifted its focus from a pandemic strategy focused on economic countermeasures, the poster child of which was the "Go To Campaign" to one of mitigating the spread of new COVID-19 infections. The government emphasized that "the next three weeks are critical" in stopping the unchecked spread of COVID-19 and asked the populace to refrain from behaviors that might further spread infection.

During this period, the authors continued to survey employed workers, asking their opinions on a variety of policies aimed at both preventing the spread of COVID-19, and stimulating the economy to mitigate the economic impact of the pandemic. Of course, most people would likely agree that both infection control and economic countermeasures are important in combatting the pandemic's impact, but the authors tried to clarify how people felt by asking them to make a choice on which should be prioritized.

Figure 5 shows the results of the survey on the importance of economic countermeasures vs infection control. Despite the government's request for the public to

abstain from activities that might spread the virus and their admonishments that "the next three weeks are critical" about 40% answered that neither should be prioritized. Furthermore, nearly 30% of respondents still preferred economic countermeasures (Total of "Emphasis" and "Slightly more emphasis", hereinafter the same), compared to only 20% who preferred strengthening measures for infection control (Total for "Emphasis" and " Slightly more emphasis ", hereinafter).



Figure 6 shows the results of Figure 5 by income bracket. Up to the 9 million yen plus income bracket, the higher the income bracket, the higher the rate of emphasis placed on economic measures. On the other hand, there are a certain number of people in all income brackets who consider measures to stop the spread of COVID-19 to be of a higher priority. In general, however, the lower the income level, the lower the percentage of people who place importance on economic countermeasures, and the higher the percentage of people who place importance on infection control measures to stop the spread of COVID-19. Regardless of income, approximately 40% of respondents answered that "Neither" should be prioritized. Also, it should be noted that the lower the income bracket, the higher the percentage of people who answered "I don't know" regarding what should be prioritized, with 19% of those with an income of 2 million ven or less answering as such. As these are the people most likely to be employed in jobs with a high degree of risk for infection, that is jobs involving face to face interaction and or those which cannot be done remotely, it is likely that they feel hesitant to endorse the lifting of restrictions on economic activity. At the same time however, they are also those least able to cope with the economic disruption of the pandemic, which may lead to a feeling of deep ambivalence on pandemic policy.



The next section (Figure 7) looks at employment patterns. Breaking the data down by type of employment, there are large differences in the ratio of those who believe that emphasis should be placed on countermeasures to mitigate the pandemic's economic damage versus those who feel that infection control measures to prevent the spread of COVID-19 should take precedence. Regular workers, managers, and self-employed workers (with employees) tend to place more importance on economic measures than non-regular workers. It can be said that those in a position of responsibility for a company or business tend to emphasize economic measures to secure profits and maintain wages.



# Figure 7 Prioritize Economic Countermeasures or Infection Control Measures

Breaking down the results by industry of employment (Figure 8) also yielded notable differences of opinion on pandemic policy. Nearly 20% of respondents from across all industries said infection control measures to prevent the spread of COVID-19 should be prioritized to at least some degree. The percentage of people who said economic countermeasures should be prioritized however, varies widely by industry. Those working in industries where the nature of their job is such that in principle it cannot be done remotely, such as manual labor and in-person customer service, held a relatively low level of preference for economic countermeasures at around 20% to 25%, with those in the medical care, nursing, food and accommodation industries having the lowest percentages. Conversely, in the information and telecommunications industry, where telework can be implemented with relative ease, the preference for economic countermeasures over those aimed at stopping the spread of COVID-19 accounted for a relatively high percentage at around 30%. This tendency is even more pronounced when looking only at those who more strongly support economic measures (excluding those who only moderately support having economic measures take precedence).

As seen previously in Figure 4, those working labor centric or direct customer facing jobs in the service industry, most noticeably in the restaurant and accommodation industries, have seen significant declines in their income, and it is for precisely this reason that these industries became the main targets of the government's economic countermeasures. Ironically however, those working in these industries are the least supportive of the prioritization of economic countermeasures, perhaps because they felt like they were on the front line during the first Declaration of a State of Emergency. This is in spite of the fact that as many as 27% of those working in the restaurant and accommodation industry have seen their incomes decline. This may indicate that some people have come to see the government's ability to enact effective economic countermeasures to the pandemic as limited, and question whether an approach prioritizing economic countermeasures can actually make a difference in their lives. It appears that many of them may have written off temporary economic countermeasures as unable to address their needs, feeling that the only real solution is comprehensive infection control measures to stop the virus's spread, end the pandemic, and allow for the return of normal life as soon as possible.



#### Figure 8 Prioritize Economic Countermeasures or Infection Control (by industry)

# **Opinions in the Restaurant and Accommodation Industry**

As shown in Figure 8, the restaurant and accommodation industries have the lowest percentage of people who prioritize economic countermeasures over infection control measures. Figure 9 provides a further breakdown of their views by type of employment, demonstrating large differences between the self-employed, regular workers, and non-regular workers. A high percentage of those who are self-employed with employees (37%) and selfemployed without employees (28%) prioritize economic countermeasures to at least some degree. This is much higher than the percentage of regular and non-regular workers who emphasize economic countermeasures (20% in both groups). That said, those who are self-

employed with employees were also the group with the highest level of support for prioritizing infection control measures at 38%. This is in stark contrast to regular workers in the industry, of whom only 12% placed a higher priority on infection control measures versus economic countermeasures. While some caution is necessary in drawing conclusions due to the small sample size of the self-employed with employees, the group is remarkable in its near even split between a large percentage of individuals who emphasis economic countermeasures (37%) and a slightly larger percentage of individuals who prioritize infection control measures (38%.) The burden of responsibility placed on small business owners during the pandemic is immense and unrelenting as they struggle to pay wages, rent, and key suppliers to remain in business. It is thus natural that they are some of the loudest voices in favor of pandemic policies that prioritize economic support for their battered industries. At the same time however, it appears that many of them have also come to believe that an approach to the pandemic that prioritizes a thorough infection control regime is the fastest way bring about a true recovery and the resumption of business activities at full capacity. The polarization of opinion seen here is a clear outgrowth of just how badly the restaurant and hotel industries have and continue to suffer under the pandemic. This is further evidenced by the fact that, with the exception of regular salaried employees, over 20% of people in all other groups want to see the prioritization of measures against infection control, a relatively high rate. This is likely because, as mentioned above, those working in and around customer facing jobs with direct interaction are cognizant of the fact that they are among those most at risk of direct infection.



## Figure 9 Prioritize Economic Countermeasures or Infection Control (Restaurant and Accommodation Industry) (By Type of Employment)

\*Corporate directors and other positions with an extremely small sample size have been excluded from the above Figure 9.

# Degree of Economic Anxiety Does Not Correlate with a Preference for the Prioritization of Economic Countermeasures.

In the previous sections, this paper established that people's pandemic policy preferences regarding prioritizing either economic countermeasures or infection control measures differ according to industry, employment status, and income. However, within every group there is at least a subset of people who want to see the emphasis placed on infection control measures. The reason for this becomes clearer when digging further into the survey data. In the later sections, participants were asked about their fear of COVID-19 infection, along with their preferred approach to pandemic policy, and their level of economic anxiety about falling into poverty. Figure 10 shows the results obtained by combining these results with the responses regarding their preferences for the prioritization of economic countermeasures or infection control measures.



Looking at figure 10, fear of COVID-19 infection tends to correlate with a desire for more stringent infection control measures and for the prioritization of those measures over economic countermeasures. For example, 24% of people who feel constant anxiety about COVID-19 want to see infection control prioritized, dropping to 19% for people who feel only some anxiety about COVID-19, and just 9% for people who say they do not have any anxiety about the virus. As fear of COVID-19 increases, so too does the proportion of people who place importance on infection control measures. While one might infer that the opposite trend could also be seen in a lack of fear of COVID-19 correlating with a greater degree of support for economic countermeasures, this is not borne out by the data, with the level of support remaining relatively constant regardless of the degree of fear of the virus. The fear of COVID-19 clearly appears to be directly linked to a desire for the prioritization of infection control measures in pandemic policy. In other words, subjective factors such as feelings of fear and perceptions of risk have significant influence on whether one feels that infection control measures should be prioritized in pandemic policy.

On the other hand, anxiety about economic hardship does not seem to correlate with a desire for the prioritization of economic countermeasures at the expense of infection control. Figure 11 shows how feelings of economic anxiety translate into support for different types of pandemic policy. Regarding the percentage of people who wish to see economic measures prioritized, 29% feel constant economic insecurity, 28% feel it sometimes, and 26% do not feel it at all. While these numbers exceed those who wish to prioritize infection control in each group, in a reversal of what might have been expected, it is actually those facing the greatest economic hardship, or at least those who have the most anxiety about it, that are most likely to support pandemic policies prioritizing infection control. Neither the fear of, nor actual economic insecurity seems to correlate with a desire for the prioritization of economic countermeasures in pandemic policy.

This is consistent with the findings presented in earlier sections of this paper, and suggests that, rather than support for a pandemic policy prioritizing economic countermeasures being tied to subjective factors such as people's anxiety about their economic prospects, it is much more dependent on objective factors such as a person's industry of employment and employment status.



What can be seen thus far is a clear asymmetry between fear of COVID-19 and fear of economic hardship. How can this knowledge be used to better combat the pandemic?

The government's decision in December 2020 to declare "the next three weeks critical" in reversing the country's worsening pandemic trajectory, and then in January 2021, to release a second Declaration of a State of Emergency, represented the turning point at which the government's pandemic policy shifted from a focus on economic countermeasures to a focus on infection control and containing the spread of COVID-19 within Japanese society.

Nonetheless, the number of people infected with the virus has yet to be fully controlled, and the medical system remains under growing strain. One potential explanation for this outcome is that people's fear of COVID-19 has begun to wane, leading to a dissipation of the shared sense of crisis that initially promoted collective action aimed at preventing the spread of the virus. If this is indeed the case, then it is imperative for both national and local government leaders to reengage with the public on the issue, by demonstrating an attitude of stoicism and restraint while reemphasizing and clearly explaining the seriousness of the threat posed by the current situation. Reaffirming public understanding, awareness of, and cooperation in the need for measures to mitigate the spread of disease is likely to be a key piece in increasing the effectiveness of measures to contain the spread of COVID-19.

## Measures against Infectious Disease in Everyday Life

Opinions on both what should be prioritized in pandemic policy (economic countermeasures or infection control measures) and the effectiveness of the government's pandemic response vary widely in Japan. Despite the lack of a consensus around the direction of the government's pandemic policy however, it does appear that efforts to encourage individuals to take steps to prevent the spread of COVID-19 in their everyday lives have been widely embraced and taken up by a large percentage of the population. Figure 12 shows the daily measures individuals reported taking against COVID-19. 74% of respondents said that they were thoroughly washing their hands and wearing face masks, "all the time", "usually", or at least "sometimes." In general, the majority of the public appears to be taking measures against the spread of COVID-19, such as wearing masks and social-distancing, when possible, in a stoic and consistent manner. This may be a manifestation of the fact that Japan has a culture of observing social norms.

Such measures against infectious diseases can be traced back to the "Spanish flu" epidemic of the early 20<sup>th</sup> century. When the Spanish flu was rampant between 1918 and 1920, the government urged people to avoid crowds, wear masks and social distance. As this was long before the invention of television or the Internet, preventive measures were detailed in cards distributed to households, signs posted on streets, and local newspaper reports. Each of Japan's prefectures also promoted a variety of original measures. The result was that since that time, various measures against infectious disease have taken root in Japanese culture, with the most prominent being the widespread wearing of masks as both protection and a means of preventing the spread of disease when one is sick. Despite a century's worth of advancement in science and medicine, these basic measures to prevent the spread of infectious disease are still effective today, and as relevant in combatting COVID-19 as they were in overcoming the Spanish Flu . Given this historical context, it is easy to see the critical role played by the central and local governments in disseminating information and carefully crafting measures against infectious disease. As has been stated earlier, the dissemination of accurate, reliable and timely information leads people to have an appropriate level of concern,

empowering them to practice appropriate measures to protect their own health against both pandemic and common infectious diseases.



# **Beyond Economic Countermeasures and Infection Control: The Need for Social Support and Suicide Prevention Measures**

Going beyond the debate over whether to prioritize infection control or economic countermeasures in fighting the COVID-19 Pandemic, there is an urgent need to pursue other types of policies in a more nuanced and holistic fashion. The pandemic has turned people's lives upside-down, taking a severe toll on their mental and psychological health.

The survey upon which this paper was based also measured respondents mental state from April 2020. Participants mental state was evaluated using multiple indicators and quantified using an index called "K6" in which the higher the value the worse the participants mental health<sup>7</sup>. The survey adopted the same format as the annual survey conducted by the Health, Labor and Welfare Ministry. Figure 13 shows the distribution of K6 as a histogram. Compared with the 2019 figures reported by the Ministry of Health, Labour and Welfare, the situation had worsened considerably by December 2020. In particular, the percentage decreased across the board at the lower values and increased across the board at the higher values. We can clearly see that the percentage of people with poor or deteriorating mental health has been increasing significantly.



Figure 13 Distribution of K6 indicators (Comparison between 2019 and 2020)

A further breakdown of the time series for the K6 indicators provides more insight into how the COVID-19 Pandemic impacted participants' mental health throughout 2020. Figure 14 highlights how marked differences in the mental health impact of the pandemic by gender and age group deserve special attention. There is a high probability that these differences also correlate with increased rates of suicide and mental illness.



Figure 14 Distribution of K6 by sex and age group (As of December 2020)

There are many people who say that economic countermeasures should be paramount, because without them, the number of suicides will increase. While it is true that the economic downturn caused by the pandemic, particularly when combined with fear of contracting COVID-19, has had a noticeable negative impact on mental health, the degree to which people are negatively impacted appears to be more highly correlated with age and gender than it is occupation or income. While mental health has declined across the whole of society, the deterioration has been especially prominent amongst those under 40, irrespective of gender. It is therefore necessary to implement a broader policy that targets not only those

who have fallen on hard times economically, but instead targets a broader range of society with the understanding that the deterioration of mental health goes beyond simple economic hardship. The government should undertake a "push type" policy that utilizes tools such as SNS to proactively reach out to those at risk. Government social policy must also come to reflect that the psychological impact of the pandemic goes far deeper than economic insecurity and is likely to last well into the recovery period.

# **Conclusion: The Need for a Broader National Discussion on Pandemic Policy**

This survey of workers has revealed the broad diversity of attitudes in Japan toward measures to combat the COVID-19 pandemic including both infection control measures and economic countermeasures. Subjective factors such as fear of COVID-19 are directly related to the importance people place on infection control measures. On the other hand, objective factors such as income, industry of employment, and type of employment seem to influence whether a given individual will more strongly support infection control measures or economic countermeasures in response to the pandemic. The restaurant and accommodation industry have been particularly hard hit by the pandemic, with the income of people in these industries continuing to decline. While this would lead one to suspect that people in these industries would be most inclined to support economic stimulus measures over infection control, the reality is that compared to other industries, they actually tended to show a higher level of support for prioritizing infection control measures to stop the spread of COVID-19 over economic countermeasures. They likely feel that the effectiveness of the government's economic measures is limited, and the everyday risk and fear of infection from face-to-face services is high, so they tend to emphasize thorough measures to prevent the spread of COVID-19.

Containing the pandemic and preventing another surge will require a shift in the public consciousness towards prioritizing infection control measures and this can only be achieved by a government that provides clear, up to date, and easy to access information on the pandemic that resonates with people on an emotional level. It is also critical for the government to continue to push firms to adopt telework where appropriate as it is one of the most effective means of reigning in the spread of disease while keeping the economy going. It should be more than possible to raise the percentage of those teleworking back to and even beyond the peak achieved in June 2020. While it is difficult for jobs in certain industries to be done remotely, even companies in such industries should be encouraged to do their part to promote telework by reviewing their operations, undertaking appropriate reforms, and pursuing digitalization wherever possible. While reform is never easy, such efforts will enable an ever greater number of industries to simultaneously resume more normal economic activity while also taking necessary measures against COVID-19.

Along with measures to prevent the spread of COVID-19 and mitigate the pandemic's economic impact, Japan also urgently needs measures to combat the psychological exhaustion

and deterioration of mental health caused by the pandemic, a trend that is particularly noticeable amongst the younger generation. This mental health crisis is emerging largely along lines of age and gender, not income or employment, and is particularly severe amongst those under 40 regardless of gender, so the measures must be tailored to proactively reach a wide range of society in a "push" manner.

Finally, while measures are debated and taken to prevent the spread of COVID-19, mitigate the pandemic's economic impact, and address its psychological costs, it is critical to promote a parallel discussion about what a "Post COVID" society should look. Japan must engage with its citizens on how society should change in response to what has happened during the pandemic, so that in the long term the country may emerge stronger, and more resilient in the face of future challenges. By proactively engaging citizens in the construction of a long-term vision for the country's post pandemic future, public support for broad changes can be secured and both the people and the government will have a better idea of how best to move Japan forward.

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### Note

<sup>1</sup> The purpose of the "Questionnaire Surveys on the Effects of the Spread of COVID-19 on Telework-based Work Styles, Lifestyle, and Awareness" is to grasp the actual situation of the change of working style, life, consciousness and the effect on the business of the workers in the whole country by the infection expansion of new coronavirus. The survey conducted in December is the 3rd survey following the 1st survey conducted in April 2020 and the 2nd survey conducted in June. The survey was conducted from Tuesday, December 8, 2020 to Monday, December 21. Based on the results of the Ministry of Internal Affairs and Communications 'labour force survey' in FY 2019, we allocated samples according to sex, age (6 Categories), and region (5 Categories), and distributed and collected 10,000 samples of the target number of collected samples using a survey conducted on the Internet for affiliated monitors of Nikkei Research Inc. Of the 10,523 responses, 9,201 were received from samples continued from the 1st and 2nd surveys (Continued response rate: 64.6% of the 14,247 respondents in the 1st and 2nd surveys) and 1,322 from new samples from the 3rd survey. For details of the survey, refer to Toshihiro Okubo, NIRA (2020) "The results of 3rd Third Questionnaire Surveys on the Effects of the Spread of COVID-19 on Telework-based Work Styles, Lifestyle, and Awareness (flash report)".

<sup>2</sup> "telework" in this survey refers to flexible working styles regardless of location, using ICT (information and communication technology) such as the Internet and e-mail. This refers to working for a certain period of time outside the workplace, such as at home, satellite offices, cafes, and other public facilities, without going to the usual workplace (Company, customers,

locations, etc.). Specifically, this includes telecommuting, mobile work, and facility based work. However, it does not include the use of ICT in mobile transportation, outside transportation, or at customers' locations. In addition, when the respondents are sole proprietors, small businesses, etc., working in SOHO or side jobs (Those who do not have a sufficient degree of independent self-employment) is also included in telework. The definition of telework in the "Survey of Telework Population" of the Ministry of Land, Infrastructure, Transport and Tourism and the "Communications Usage Trend Survey" of the Ministry of Internal Affairs and Communications defines telework as working in a place other than one's usual workplace using ICT. It should be noted that the definition of telework is different from that in this survey, as it includes the use of telework by customers, by external parties, by means of transportation on the move, in stations, and in airports.

<sup>3</sup> Okubo, T. (2020). Spread of COVID-19 and telework: evidence from Japan. See Covid Economics, 32, 1-25.

<sup>4</sup> Okubo, T., Inoue, A., & Sekijima, K. (2020). *Teleworker performance in the COVID-19 era in Japan*. See Asian Economic Papers, 1-37.

<sup>5</sup> Of the 14 industry categories, 8 are listed from those with the highest percentage of decline in all 3 periods. The ratio of workers in income change by industry is shown, and the number of columns adds up to 100.

<sup>6</sup> This is a summary of the results of the responses to the question, "I would like to ask you about the spread of the new coronavirus. Do you agree or disagree with the government's efforts for the people as a whole, including the future? (one by one)" regarding "Promotion of policies that prioritize the revitalization of economic activities rather than the prevention of the spread of infection". The answers of "assent" are described as "emphasis on economic measures" and those of "opposition" are described as "Emphasis on measures against infectious diseases".

<sup>7</sup> K6 is Kessler et al. A measure developed in (2003) to screen for mental disorders. Furukawa et al. It is developed in (2008). The questions consist of 6 questions: "Did you feel nervous?", "Did you feel hopeless?", "Do you feel restless?", "Did you feel depressed and not relieved no matter what happened?", "Did you feel that doing anything was painstaking?", and "Did you feel that you are a worthless person?". They are answered on a 5-step scale. The answers to each question are scored by "Not at all." (0 Point), "Just a little." (1 Point), "sometimes" (Two points), "usually" (3 points), and "all the time" (4 points), and points are calculated by a simple total. It is also used by the Ministry of Health, Labour and Welfare 'National Basic Survey of Living Conditions' and is widely used as an index to measure mental health.

Kessler, R. C., P. R. Barker, L. J. Colpe, J. F. Epstein, J. C. Gfroerer, E. Hiripi, M. J. Howes, S. T. Normand, R. W. Mandersheid, E. E. Walters, and A. M. Zaslavsky. (2003) "Screening for Serious Mental Illness in the General Population," *Archives of General Psychiatry*, 60, 184-189.

Furukawa, T.A., Kawakami, N., Saitoh, M., Ono, Y., Nakane, Y., Nakamura, Y., Tachimori, H., Iwata, N., Uda, H., Nakane, H., H., Watanabe, M., Naganuma, Y., Hatah, Y., Kobayashi, M., Miyake, Y., Takeshima, T., Kikkawa, T. (2008) "The performance of the Japanese version of the K6 and K 10 in the World Mental Health Survey Japan," *International Journal of Methods in Psychiatric Research*, 17 (3), 152 – 158.