



# Preparing for future pandemics: a multi-national comparison of health and economic trade-offs

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## Key findings

We use a future-focused, multinational discrete choice experiment to determine

- how much the public in different countries are prepared to pay in foregone economic activity to avoid mortality from future pandemics; and
- which health and economic policies the public in different countries want their government to invest in.

In US dollars, Australians are willing to forego \$7.19 million per death avoided in a pandemic. This compares to \$5.57 million for the United States (US); \$4.39 million for the United Kingdom (UK); and \$3.92 million for Canada.

## What we knew

- During pandemics such as the COVID-19 pandemic, governments implement policy to reduce mortality at the cost of economic activity.
- Governments face a trade-off across different types of pandemic policy that have different economic costs.
- Policy response to the COVID-19 pandemic was heavily influenced by epidemiological modelling with little focus on public preferences across different policy choices.
- Lockdowns can only be justified with values of statistical (human) life (VSL) that are much higher than those conventionally used. We do not know whether the public changes its assessment of the value of human life during a pandemic.

## What we do

- We undertake a discrete choice experiment across four different countries: Australia, Canada, United Kingdom and the United States
- Participants are presented with six different scenarios for a future pandemic which would result in 150,000 cases per millions and 3000 deaths per million. (These numbers were turned into country-specific case and death totals based upon a country's population.)
- Each scenario contained two policy options with different impacts on pandemic deaths and economic output.
- Economic impacts were described in terms of changes to GDP, changes to unemployment, changes to house prices and changes to the stock market.
- We evaluate nine different health policy options.



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## What we find

- In all four countries, people were willing to pay considerable amounts of money to avoid pandemic death. The patterns of support for and opposition to health and economic policies were surprisingly consistent across the four countries.
- In all four countries, people supported four health policies:
  1. Increase medical supply of face masks
  2. Contact tracing
  3. Rapid vaccine development
  4. Improved health system capacity
- In all four countries, there was no support (or opposition to):
  1. Travel bans
  2. Social distancing awareness campaigns
  3. Health department surveillance of infections
- The economic policies which garnered the most support were:
  1. Cash transfers to individuals
  2. Wage subsidies
  3. Cutting interest rates
- Economic policies which were opposed were:
  1. Tax relief to firms
  2. Wider access to unemployment benefits

## What this means for policy

- We provide empirical evidence that the tax-paying public in Australia, Canada, the UK and the US are prepared to pay large economic costs to save lives in a pandemic.
- In Australia and the UK, our study suggests that people are willing to pay more per life saved (\$7.19 million and \$4.39 million, respectively) than the official VSLs (\$4.9 million and \$2.1 million, respectively) that are used by those countries.
- For Canada and the US, we find the willingness to pay to save lives (\$3.92 million and \$5.57 million, respectively) less than the official VSLs (\$4.9 million and \$7.4 - \$9.6 million, respectively).
- Our study provides specific information on which health and economic policies are likely to be most acceptable.

## More information

- Get the published paper here: <https://onlinelibrary.wiley.com/doi/full/10.1002/hec.4673>
- We would welcome the opportunity to present our research to your team and to discuss potential joint research projects on related or similar topics.
- Contact me at [robert.breunig@anu.edu.au](mailto:robert.breunig@anu.edu.au)