

Economic and social consequences of the COVID-19 epidemic: distribution and opinion of the involved parties on the measures accompanying the epidemic¹

Summary of early May research of TÁRKI Social Research Institute² (as of 10.05.2020)

What we do know and what we do not (about those who have been affected by the disease and those who think they have been affected...)

Currently, we do not have any knowledge of the cumulative national rates of those who were infected with COVID-19 with or without providing symptoms – i.e how many people are over the infection in the past months. It can be estimated only after the evaluation of the clinical tests currently carried out by the four major medical universities in Hungary, regarding the limits of sampling 17 000 people and applied methodology. At the time of our study, there were approximately 2,500 people in the country who had been tested positive (including active infected and recovered patients). Counting nationwide this practically means three people out of ten thousand who had had their tests done in an official state institution. There are probably many more people showing similar symptoms (dry cough, lethargy, fever, etc.) but they cannot be known to have shown symptoms due to COVID-19 or some similar disease.

In our study of 878 people, a total of 30 people replied that they had experienced similar symptoms themselves in the period before the interview (not specified more precisely but

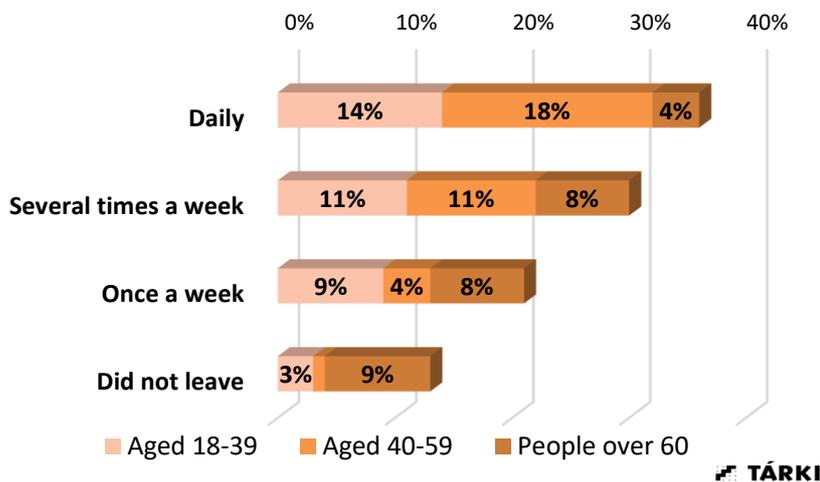
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² This data collection was conducted via telephone interviews between April 25 and May 3, 2020, using a national random sample of 878 people. The sample aims to represent the Hungarian population over 18, but now it is even more important than usual to highlight a limitation that usually occurs in similar studies: institutionalized people are always excluded from the population samples, which is particularly important in this case, as according to medical and clinical experiences, the majority of COVID-19 victims are elderly and institutionalized people. Due to the relatively small number of items in the sample, the margin of error is plus or minus 3 percent. This percent is further weakened by the fact that our realized sample shows the under-representation of the population of smaller villages, especially young people with lower education. Therefore, caution is needed in interpreting the results. Due to these constraints, we are careful with making national estimates, however, the database set up from the replies collected from the short, on average four-minute long interviews, can be perfectly used to examine certain ratios and correlations.

understood one and a half to two months preceding the outbreak). This means that a little more than three percent of the adult Hungarian population felt that they had had similar symptoms but obviously could not identify clearly the actually detected symptoms. No traditional (non-COVID-19) flu epidemic had been reported in the week of the data recording. According to official data the number of people who actually visited their GP with flu symptoms that week was below 800, which means (eight people out of every 100,000 people). (During a “normal” flu epidemic, this figure reaches 1 percent of the total population, i.e. 100,000 people out of the 10 million citizens).

From a public opinion poll perspective, however, it is not only the medically diagnosed disease but the feeling of the disease that matters. Moreover, when we research the effects, not only the experience of the subject influences opinion-forming, but also the cases in the wider family, or their feelings. Considering their number, the proportion of people who suspected having COVID-19 based on their perceived symptoms was around 5 percent, but the proportion of actual test-confirmed cases was obviously much less.

Figure 1: How frequent did you leave your home last week? (period between 18 - 26 April 2020)



Effects of countermeasures against the epidemic

The impact of the curfew restrictions with the intention of "flattening" the epidemic curve has affected somehow almost everyone in the country and has significantly reduced the number of people leaving their homes regularly.

During the week before the interview, 36% of respondents left their home daily, 30% several times a week, 21% only once, and 14% did not leave their apartment or house at all. (Figure 1) Among those who stayed at home, the majority were over 60, while the number of elder people who went out several times a week was also significant.

Lockdowns and economic shutdowns in some sectors have occurred immediately, while in some other sectors the stoppage was gradual. At the time of writing, the overall economic impact was not yet known. 18% of our respondents had said that as a result of the restrictions their income had decreased significantly. Income loss has affected different degrees of sociodemographic groups (Figure 2) and regions (Figure 3). The decrease in income mostly affected the middle age groups (26% of the 40-59-year-olds), while only 9% of people over 60 said that their income was reduced. Obviously, the latter is partly younger working-

Figure 2: Significant loss of income due to the restrictions

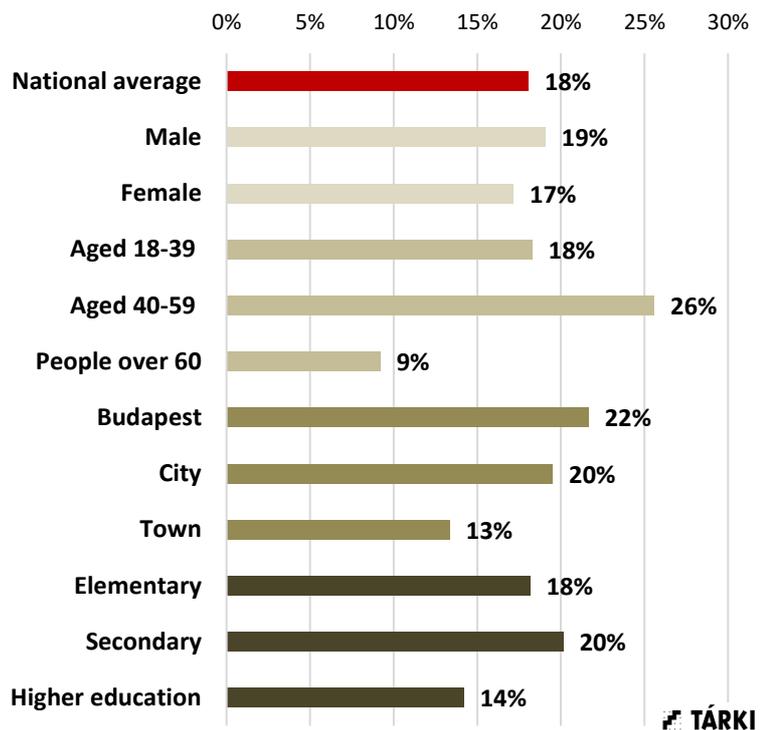
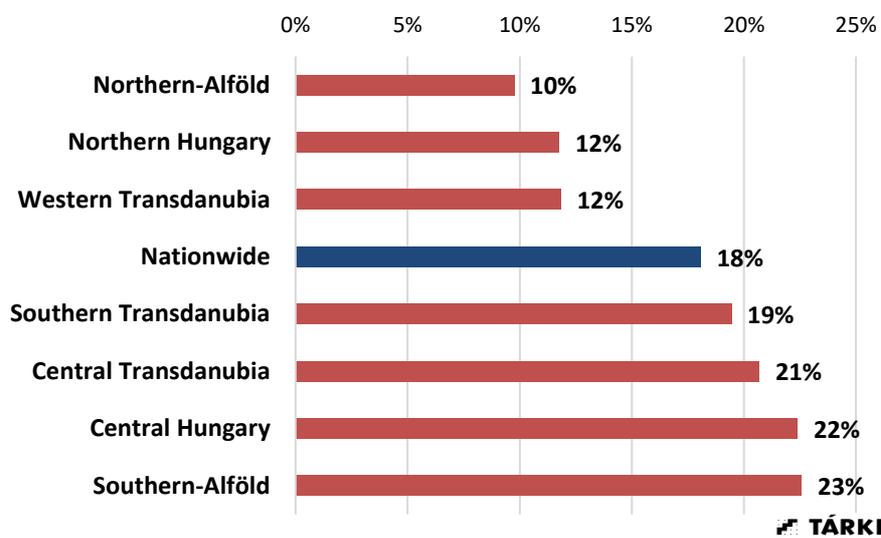


Figure 3: Significant loss of income due to the restrictions



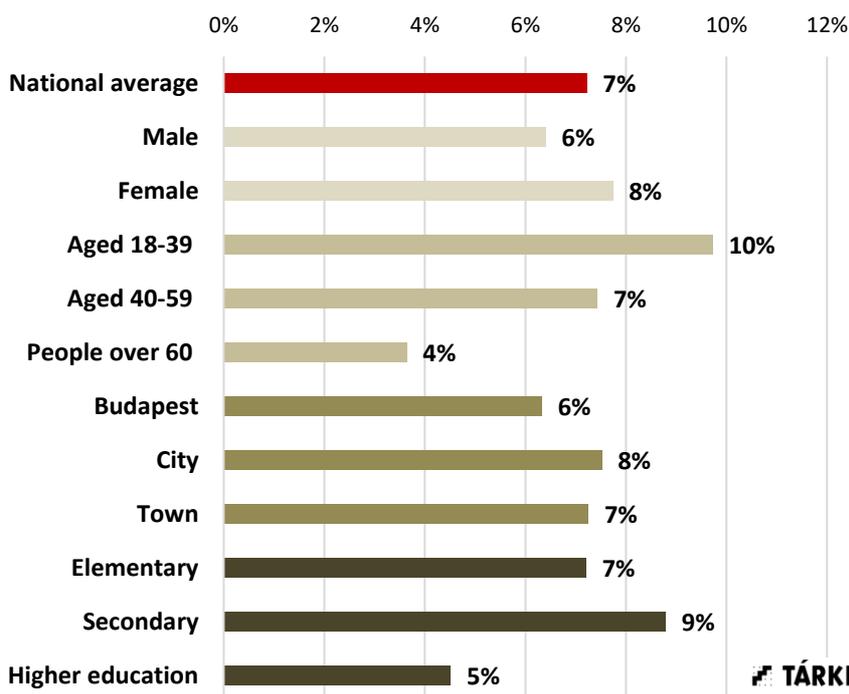
pensioners and employees close to retirement. Income loss was reported to a greater extent in Budapest than in the countryside, on the other hand, to a smaller extent among those with higher education than those with secondary or lower education. In terms of regions, according to reports, in Central Hungary and

the Southern Alföld, the problem is greater above the national average. In Southern Alföld, the proportion of those whose incomes have decreased significantly as a result of the epidemic is 23%, and in Central Hungary 22%.

The proportion of people who have suffered a loss of income is clearly higher than those who have lost their jobs (because many people have been affected “only” by pay cuts, forced leave, or because their business has survived but its turnover has significantly decreased, etc.)

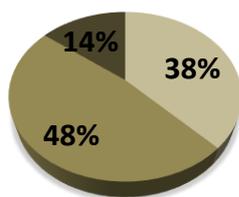
Overall, 7% of those surveyed reported having lost their jobs in the last month. The rate of dismissals reported was higher than the national average in the Southern Alföld (14%) and Central Transdanubian (10%) Region. Job losses (similar to and partly due to loss of income) are also mainly suffered by those with secondary and lower education, higher educated people are less affected.

Figure 4: Lost their jobs last month



The four panels of Figure 5 show the structure by age and education of those who lost their jobs.

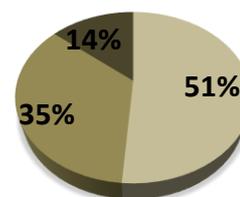
5a. The structure of those who lost significant part of their income by age



■ Aged 18-39 ■ Aged 40-59 ■ People over 60



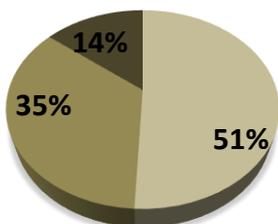
5b. The structure of those who lost significant part of their income by education



■ Elementary ■ Secondary ■ Higher education



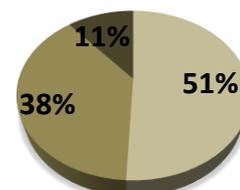
5c. The structure of those who lost their job by age



■ Aged 18-39 ■ Aged 40-59 ■ People over 60



5d. The structure of those who lost their job by education

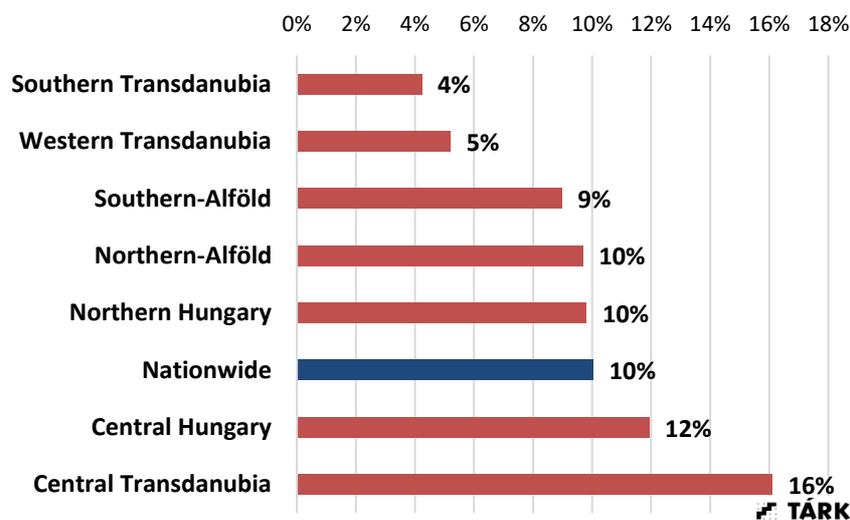


■ Elementary ■ Secondary ■ Higher education



As a “natural” consequence of the outbreak, the patients themselves postponed (for example, as a precaution) visiting a doctor, which would otherwise have been done in 'peacetime'. On the other hand, at least to this scale, treatments have been deferred, hospital beds have been freed up, etc. to unlock health capacities. Overall, this could have affected about one-tenth of the Hungarian adult population; 10% of respondents indicated that they had not received some necessary non-COVID related medical care. A further 12% of them are surrounded by someone (in the same household or the wider family circle) who did not have access to the necessary medical care during the emergency. Figure 6 shows the territorial distribution of these.

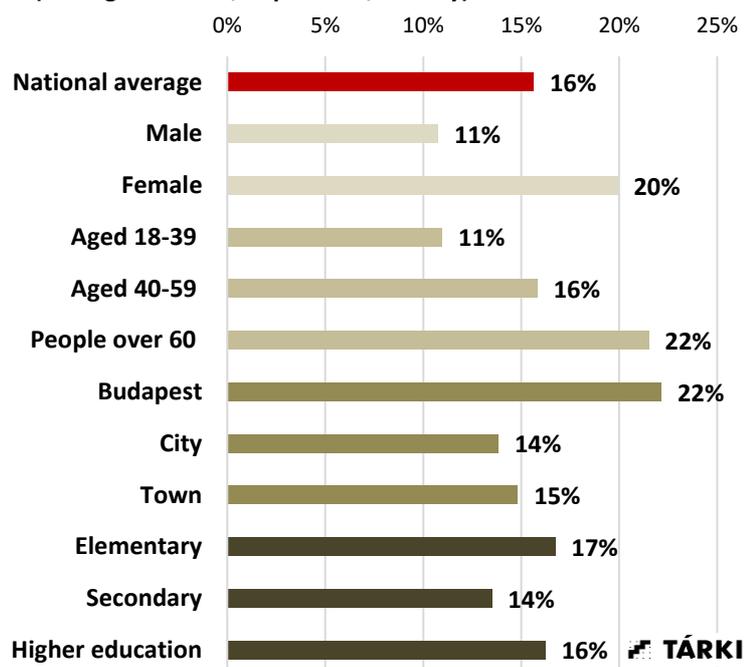
Figure 6: Did not get essential, non-COVID related medical care



These numbers are lower than the national average in Transdanubia and higher in the central regions of Hungary (central Hungary and Central Transdanubia). One of the key elements of the defence against the virus is social distancing, which means isolation, and a sharp decline in social relations, which obviously has its psychological effects.

16% of respondents experienced mental problems (feeling closed off, depressed, anxiety). The proportions are increasing as age rises and type of settlements gets bigger. Among older people who are most at risk and residents of Budapest mental complaints are more common. It should also be noted that the proportion of complainants among women is almost double than that of men. (22%, Figure 7) This is obviously directly related to the age- and territorially differentiated effects of restrictive measures: whereas, on the one hand, Budapest residents, on the other elder people are affected by the restrictions the most.

Figure 7: Mental problems (feeling closed off, depression, anxiety)



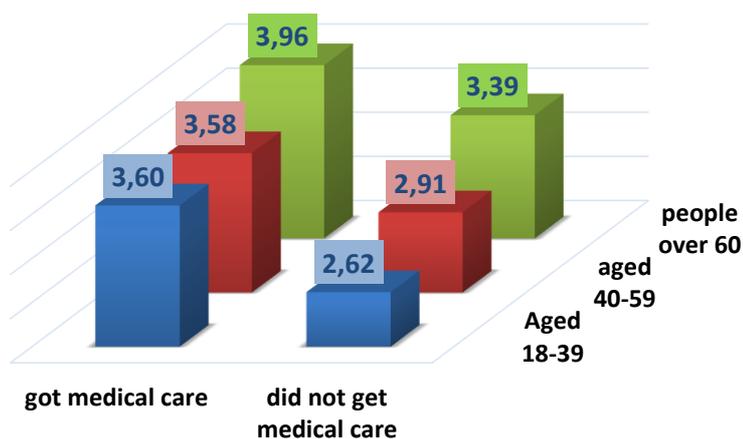
Assessment of government and municipal measures

In our study, we asked our interviewees three questions related to satisfaction. We were curious to see how they assess government measures in healthcare and the economy, and how they feel about the efforts of municipalities during the epidemic.

The interviewees had to rate their satisfaction on a scale of 1 to 5, similar to school grades. Overall, the lowest "rating" of the more or less similar mid-range assessments was given to the economic measures of the government (3.34), followed by health measures (3.56), while the highest rating was given to the activities of the municipalities (3.90). We cannot draw particularly strong conclusions from these absolute numbers since in all three cases the average assessment is based on complex multi-factor processes. The individual assessment of economic activity cannot be separated from the extent to which individual people were themselves affected by the effects of the crisis, the extent to which they would have been in a good or bad situation without the crisis, and the expectations of how much the government would have to 'defend' them, etc. There are certainly several motivations – political and non-political – in assessing the activities of municipalities, but it is also not always clear whether in such cases the measures preventing 'aliens' to enter the municipalities or the organisation of local social services provide the basis for the evaluation decision. Similarly, very complex factors for health measures together shape the final 'rating'.

Overall, the study of the multivariate (linear regression) results of the data shows a very strong age effect: younger people are less satisfied in all respects than older people. The impact of involvement in the measures concerned is also important.

Figure 8: How satisfied are you with the measures taken by the government to manage the pandemic and medical care? (average values on a scale of 1-5)

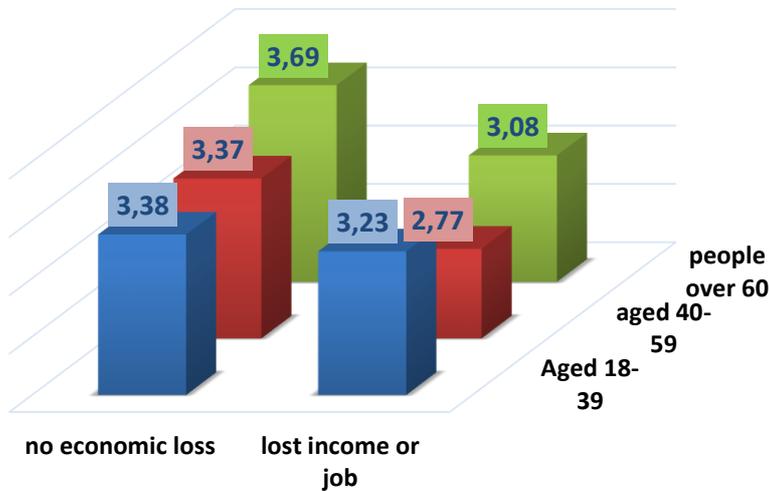


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The most satisfied are those over 60 citizens whose family did not have any postponed non-COVID related medical treatment. (Figure 8) Their level of satisfaction (average: 3.96) is significantly higher than the rating given by 18-39-year-olds who themselves or someone in their

family were forced to postpone or give up some medical care. Satisfaction with managing the economic crisis by the government is affected by incidence and by age, but since the combined distribution of age and incidence also shows a specific pattern, it also colours to the overall assessment of the economic measures taken by the government. (Figure 9)

Figure 9: How satisfied are you with the measures taken by the government to manage the pandemic from an economic point of view? (average values on a scale of 1-5)

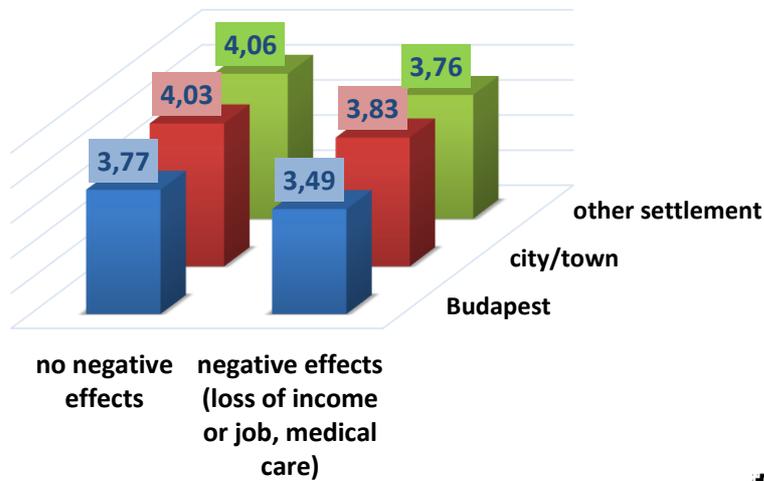


The least satisfied are those, who are the biggest victims of the economic effects, people aged 40-59. It should, however, also be noted that the internal variance in this age group that is relatively high, mostly related to the exposure of the households a loss of income or even loss of employment as a result of the epidemic (or its management).

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Finally, as we have stated above, respondents were most satisfied by measures initiated by their local governments. The internal distributions of this are shown in Figure 10 by settlement type, and by the experience of some negative economic or healthcare related consequences of Covid-19.

Figure 10: How satisfied are you with the measures taken by the local governments to manage the pandemic? (average values on a scale of 1-5)



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Satisfaction with the activities of the local government in Budapest is lower than in the smaller cities or settlements. The difference between towns and villages is not significant, although its trend is higher in small settlements than in cities. However, satisfaction in this distribution also strongly depends on whether the household had had any negative experience in relation to the economic and medical care management efforts.
