

# Prudence seems a lost virtue

Henry Ergas Fri July 17, 2020



A locked store in Melbourne's CBD. Picture: Wayne Taylor

This has been a hard year for the traditional virtues, not least that which used to be known as prudence.

Standing first among the cardinal virtues, prudence was not a synonym for fearfulness. Rather, in the intellectual tradition that stretched from Aristotle to St Thomas Aquinas, it was the disposition, acquired by experience, of thinking well in order to act well.

Precisely because no decision is without risk, and no action without unforeseeable outcomes, prudence involved proceeding cautiously, carefully defining the aims being pursued and the consequences of pursuing them.

But as Victoria's second shutdown locks millions of Australians into their homes, jeopardising an already fragile economic recovery, all signs of

prudence seem to have disappeared.

What is certain is that vast costs are being imposed, with the Treasurer estimating the economic damage at \$1bn a week. However, even that figure, which would once have been considered shocking, greatly understates the harm, as it excludes both the immediate loss consumers suffer when they are prevented from engaging in actions that they value at more than their cost and the longer-term weakening of the nation's productive capacity.

Adding to the pain, there are costs to the social fabric and to the quality of life, including through the erosion of basic freedoms, that are no less real for being impossible to quantify.

Yet the goal for which all those costs are being incurred is increasingly ill-defined, making it impossible to know whether they are worth bearing.

After all, given the expansion in intensive care unit capacity, in Victoria and in the other states, there is less risk of the medical system being overloaded, particularly if effective measures are in place to secure our borders, protect the most vulnerable, shut down hotspots, limit mass gatherings and isolate infected individuals.

As a result, while it remains sensible to invest heavily in controlling the disease, the initial justification for the lockdowns — to prevent the health system from collapsing under the strain of new cases by “flattening the curve” — is significantly less than it was.

Nor can Victoria's measures be readily justified in terms of the lives they might save. There are, for sure, compelling arguments against simply assessing this, as so many pundits have, on the basis of the metrics Australian governments conventionally use to allocate health system resources, including the “value of statistical life” and the cost of an intervention per “quality adjusted life year” gained.

In effect, those measures are only valid for small (or, as economists say, marginal) changes in risk, and are generally estimated from situations where the people affected by a risk exercise a degree of control over the extent of their exposure. But even adjusting the metrics for those biases, Victoria's lockdown would need to save more than 500 lives a week to be justified — a number that (given a fatality rate of about 0.5 per cent) could be reached only if the lockdown, entirely implausibly, prevented at least 100,000 infections each week.

Rather, the lockdown appears to be based on an unstated goal of eliminating the risk entirely. That goal should not be dismissed out of hand: there are some diseases so devastating that it is sensible to seek their complete eradication. Ebola, for example, is extremely contagious and highly lethal; equally, polio savages young lives, inflicting suffering no community should tolerate.

But now its behaviour is relatively well understood, it would be hard to claim the coronavirus falls into that category.

Nor is at all realistic to believe its outright eradication is feasible, unless Australia is willing to seal itself off, at costs that defy the imagination, from the rest of the world for what may be years to come. And the difficulties the Victorian government has experienced in properly implementing restrictions far less intrusive than those needed to secure COVID's elimination underscore the goal's likely futility and its potentially overwhelming costs.

No doubt, the unannounced change from suppressing the disease to securing its eradication partly reflects factors that are pre-eminently political. The number of cases and of fatalities is easily observable; the harm imposed by the clampdown is not, and is obscured by torrents of public spending whose costs will fall largely on future generations. That the premiers might focus heavily on that indicator, and that indicator alone, is therefore unsurprising.

But, while those factors are clearly at work, they would hardly be so powerful were it not for the growing pervasiveness of apocalyptic thinking.

From bushfires to hailstorms, climate change to the coronavirus, every occurrence seems to trigger a race in which commentators compete in predicting the worst and in demanding ever more draconian remedies. Every lump of coal, we are told, hastens Armageddon; adaptation to a changing climate is pointless — only driving carbon emissions to zero can save the planet. And by exactly the same token, every coronavirus infection heralds an unstoppable pandemic, which only the most comprehensive curtailing of economic and social activity can possibly avert.

It is not difficult to understand why the climate change crusaders on the one hand, and the “healthists” on the other, would act as prophets of doom — for were bare survival truly at stake, averting destruction would properly override any other consideration. In the face of catastrophe, all trade-offs would disappear, allowing the goal they champion to trump its rivals.

However, it is not just the trade-offs that would have to be set aside; so would the democratic processes that give a voice to the many Australians who neither believe humanity is huddled in the anteroom of its own extinction nor share the doomsayers’ hunger for drastic action. Rather, were the extremists to prevail, society would, as in a war, retreat from democracy into a perpetual state of emergency, invoking the ancient principle that “necessity knows no law” to entrench the supremacy of their paramount objective. But the only victory a war to eradicate the coronavirus could achieve is that notoriously associated with Pyrrhus, the Macedonian king who suffered such crippling losses in prevailing over the Romans at Asculum in 279BC as to ensure his campaign’s eventual collapse.

Little wonder Plutarch, in defining what we now call a Pyrrhic victory, portrayed Pyrrhus as epitomising the folly of ignoring the demands of prudence and of practical wisdom: instead of weighing cost and consequence, his determination to “repair each setback by greater boldness” bought transient triumphs at the price of complete ruin. If that is its strategy, Victoria may find its name, which promises victory, becoming a byword for ultimate defeat, with no end of unnecessary misery along the way.