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EAI COMMENTARY

No. 51 24 June 2022

Crisis Mentality and the Preference for Mass Testing over Vaccination in China

By CHEN Gang

Shanghai's gruelling two-month COVID lockdown ended on 1 June 2022 to the relief of its residents. However, worries of further "closed management" movement restrictions remain as all districts are required to conduct mass COVID-19 tests every weekend until the end of July.

The spread of the highly transmissible Omicron variant has inflicted enormous socioeconomic losses to China since the beginning of this year, with lockdowns in large cities like Shanghai, Changchun and Jilin shutting factories and production lines.

The Chinese government is now trying to strike a balance between maintaining economic growth and containing COVID-19 as the next chapter of the country's zero-COVID policy. Officials are also doubling down on mass testing and quarantine measures.

In Shanghai and Beijing, a negative test result in the past 72 hours is needed to enter shopping malls and offices or take public transport. Macao has also started mass testing after 12 locally transmitted COVID-19 cases were discovered, and schools, parks and museums have been closed.

While the rest of the world has gradually reopened to live with the virus, drawing courage from increasing vaccination rates, the Chinese government is still adamant about conducting tests and lockdowns. The question is why this is so, given that about 88% of its population has been fully vaccinated.

SMALL FATALITY RATE IN THE WORLD'S MOST POPULOUS COUNTRY

Apparently, crisis mentality has captured policymakers who would rather normalise testing than trust protection from vaccines. The focus seems to be on the worst-case scenario and the preparations and precautions that must be made to avert it – regardless of time, financial resources or emotional distress.

Although China's vaccination rate is high when compared globally, the government is still concerned that the smallest fatality rate in a population of 1.4 billion can still lead to a large number of deaths. Over 1.5 million COVID-19 deaths could occur if the zero-COVID policy is dropped without additional safeguards, according to one study.

By March 2022, only about half of the people aged 80 and above had received their primary vaccinations. This has likely gone up a little after China introduced an insurance scheme against vaccine-related side effects for those aged 60 and above.

Could China divert resources for testing to getting more people vaccinated instead? Besides the fact that there will always be people who cannot be vaccinated based on medical grounds, China has preferred to keep vaccination voluntary and even urged local authorities to stop mandatory vaccinations in April 2021.

The marginal costs of pushing all citizens to receive vaccines, especially booster doses, can be extremely high given the population size and vast territory.

This is a concern as China has already become an ageing society, with 18.7% of the population aged 60 and above and population growth is progressing more slowly than before. Urban-rural and regional disparities can make the elderly more vulnerable in regions where medical services and capacity are inadequate to handle the outbreak of a pandemic.

NO COMPLETE PROTECTION FROM VACCINES

Even with the vaccines, the elderly is at higher risk of severe illness, complications and death if infected.

Since none of the current vaccines can provide complete immunity against infection, the Chinese government appears to have decided that the safest choice is the normalisation of non-pharmaceutical interventions. This includes mass testing, enhanced surveillance and quarantine measures.

Fearing that the numbers of deaths and infections may still surge despite vaccination, local governments are busy building more testing booths and makeshift hospitals to turn many of them into permanent sites.

While the Chinese homegrown inactivated virus vaccines have been shown to confer less protection than the mRNA vaccines, the Chinese government does not deem it to be the main reason for adhering to the zero-COVID policy.

Former health minister Gao Qiang, who aligns with Beijing's official view, has called countries living with the virus "reckless", suggesting that even if mRNA vaccines were used, China would not change its approach. The rationale is that no vaccines can provide 100% protection against COVID-19.

Both Sinovac and Sinopharm have put new vaccines with the Omicron variant on clinical trials, and China's Walvax vaccine candidate, which uses mRNA technology, is said to be showing promise. Nevertheless, even if China succeeds in developing its own mRNA vaccines, it is unlikely to give up its zero-COVID policy overnight given the size of its population and insufficient medical resources.

The good news is that progress in this area may help China to at least gradually loosen travel restrictions and reduce testing.

PRESIDENT XI JINPING'S BLACK SWANS AND GREY RHINOS

In both conventional Chinese wisdom and the Communist Party of China's (CPC) discourse, crisis mentality is valued as a virtue. However, preparing for a crisis comes with huge costs, so it was reeled in at the beginning of the late 1970s Chinese economic reform for the sake of efficiency and economic growth.

This tendency has slowly shifted in recent times. Chinese President Xi Jinping had rallied cadres to meet great "struggles" in a speech at the Central Party School in September 2019. Officials were told to be prepared for all kinds of crises and challenges as there were no quick solutions to many of the problems.

Xi has said, even before the COVID-19 pandemic started, that China must be on guard against "black swan" risks and "grey rhino" events. Some analysts considered the debt crisis of China's biggest property developer Evergrande in 2021 as a grey rhino event – an obvious but neglected threat.

Regardless of whether the COVID-19 is a black swan event, unforeseen and with serious consequences, the global public health crisis that first broke out in the Chinese city of Wuhan, was a wake-up call that reignited crisis mentality among the CPC cadres at all levels.

No official wants to be blamed for failing to contain the outbreak due to their wariness or complacency. Xi recently told party cadres to "overcome paralysing thoughts" and "resolutely consolidate the hard-won results of epidemic prevention and control".

While there is the fear that lockdowns may throttle economic activity and cause social grievances, the government is still prioritising pandemic control over economic growth in view of the risk of a next wave of virus variants or subvariants.

The rationale is simple: Quick containment of outbreaks will halt the spread and avoid long lockdowns, and only when the virus is under control can economic recovery be sustained.

Chinese officials increasingly have to consider the potential risks that are both domestic and international, conventional (such as financial crises and military conflicts) and non-conventional (such as epidemics and climate change).

Officials these days can be dismissed due to poor crisis management rather than an underperforming economy. Wuhan officials were removed after the mishandling of the COVID-19 outbreak in 2020 and Henan officials were sacked after a deadly flood in 2021.

Given Nomura's estimate that China's mass testing programmes could cost 1.8% of gross domestic product, the government is likely to be betting on the deferred revenue after a complete victory against the pandemic. "Persistence is victory", Xi said recently.

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Ultimately, even if the global situation convinces China to ease restrictions by the end of the year, the momentum of this crisis mentality will likely push many local governments to normalise testing and quarantine measures in the foreseeable future.

Note: This commentary is adapted from a commentary by the same author at Channelnewsasia.com with the title “Commentary: Why China is more willing to test millions than trust vaccination”.

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