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The Impact of the COVID-19 Pandemic on Children's Mental Health: An Initial Assessment

COVID-19 has created an unprecedented global health crisis, and the strain on the mental health of children and adolescents will likely be significant. Children must cope with fear, stress, anxiety, loneliness and isolation during the virus outbreak, as well as potential follow-on psychological effects of the economic recession, post-traumatic conditions and the altered circumstances of “the new normal.” For young people from underprivileged backgrounds, the deleterious effects of this crisis will be even more severe.



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Actions can be taken to mitigate the damage to children's mental health and lay the foundation for post-traumatic growth. We need urgent, coordinated efforts to prevent the existing global crisis in children's mental health from escalating sharply as a result of this pandemic. We also need to address the widening inequity of the impact on children from low-income families, particularly Black and Latinx communities, and those with preexisting mental health conditions who are likely to be disproportionately impacted.

Introduction

The COVID-19 pandemic is atypical—not since World War II have we seen a concerted global effort to battle a threat. While the physical effects of COVID-19 have been widely reported, light needs to be shed on its immediate and long-term social, emotional and psychological impacts. Because early exposure to traumatic events can inflict long-term damage, children will require careful monitoring. Some children have suffered sharp psychological blows from the loss of family members and loved ones. Many more young people are bearing the burdens of sudden removal from educational settings, isolation in the lockdown and stress at home from social upheaval and economic uncertainty. The emergence of a new pediatric manifestation of COVID-19, multisystem inflammatory syndrome in children, has also raised additional fears and concerns among youth and families.

We broadly outline below the impacts on young people of this still-unfolding crisis.

Fear, anxiety and stress are widespread

Seeing their parents in the grip of anxiety can be destabilizing for kids—they normally look to parents for reassurance and help in coping with the unknown. The combination of genetic risk factors and learned behaviors make children of anxious parents more likely to exhibit anxiety themselves.¹ A recent American Psychiatric Association poll found that nearly half of American adults are anxious about getting COVID-19, and more than half are anxious about the possibility of a family member or loved one contracting the virus.² More than a third of the poll respondents say the crisis is affecting their mental health and over half say it is having a serious impact on their day-to-day lives. A Save the Children survey found that two-thirds of parents in the U.S. are worried about their children's emotional and mental well-being because of COVID-19. This survey showed that about half of those age 6 to 18 are worried, and one-third are scared about the virus.³ In the U.K., a YoungMinds survey indicated that over 80% of young people with a history of mental illness have seen their conditions worsen since the crisis began.⁴

Disruptions are fueling frustration, loneliness and isolation

Children and adults tend to experience times of crisis very differently. While adults can see the need for isolation and social distancing, children and young adults may find it hard to understand. To foster resilience in their children, parents can maintain clear communication, structure, connection and educational progress. But those measures will not completely mitigate the feelings of loneliness and isolation that quarantines and social distancing produce in children and young adults everywhere. In the U.K., a Place2Be survey found that 55% of young people they served were experiencing feelings of loneliness and isolation.⁵ Loneliness may increase the risk of depression and



anxiety while heightening feelings of stress, all of which can worsen physical health and contribute to negative health behaviors.⁶

In the COVID-19 lockdown, many children have been logging more screen time with online learning, social interactions and entertainment. Without proper parental guidance, increased time online may expose children to unsettling news and rumors about the virus that heighten fear and anxiety. More time online may also increase the risk of exposure to cyberbullying and harmful content.

The crisis is particularly challenging for vulnerable populations

In the U.S., the COVID-19 pandemic has affected Black and Latinx communities disproportionately.⁷ These communities have long suffered from health care disparities and systemic inequities. They

have also encountered differences in living conditions, work circumstances, underlying health issues and access to care. The staggering number of lost jobs has widened existing inequities.

This inequality extends to the educational system as well. The virus has impacted over 55 million students in the U.S. alone. While schools have quickly moved to online learning, not every child has access to appropriate broadband capability which is essential to participate. Many of these online learning platforms require the parent to become an active co-teacher at home.⁸

Some parents of low-income youth may be essential workers or have neither the language nor educational skills to help their children with their educational materials.⁹

The economic collapse will have dire consequences for the young

The COVID-19 pandemic has had a dramatic and damaging effect on the global economy. Morgan Stanley Research expects global economic growth to contract by 3.8% in 2020, the worst downturn since the Great Depression in the 1930s. U.S. growth is expected to fall further, to -5.8% this year.¹⁰ The U.S. labor market has weakened as a result of COVID-19 disruptions, with the overall unemployment rate surging to 14.7% in April. The unemployment rates for Hispanic, Latinx and Black workers were even higher.¹¹

Research has consistently shown that mental health problems are more prevalent during recessions. Children whose parents lose their jobs have a greater tendency to experience depression and exhibit psychologic symptoms and lower overall perception of psychological well-being.¹²

As in the wake of the Global Financial Crisis in 2008, the COVID-19 pandemic will almost certainly escalate the rate of people living in poverty. For some children, extreme poverty can delay and even permanently impair cognitive, emotional and physical development. In turn, these developmental challenges can limit upward mobility and deepen poverty and inequity.

Adolescents and young adults who are preparing to enter the workforce will be hard hit by an economic downturn. Limited job opportunities for recent graduates, particularly those with student debt, will no doubt add additional stress, and because so many young people are “gig workers” without job security or medical insurance, they, too, may find it hard to make ends meet.

Disasters cause long-lasting psychological effects

Based on data from past disasters, the effects of COVID-19 on children and youth whose lives have been upended may persist for years. Studies of children who endured Hurricane Katrina reveal that they were much more likely to experience emotional disturbances than children who were unaffected. Further, the outcomes were often worse for children who were vulnerable and living in crisis before the hurricane.¹³

The 9/11 terrorist attacks also produced sustained fearfulness in many children. A body of research documents that children and adolescents living in New York City showed high levels of PTSD months and even years after the attacks. Those living near Ground Zero were particularly vulnerable, as were those who experienced the death of a parent in the attacks.¹⁴

In the pandemic, many children and young adults are coping with the death of a family member for the first time in their lives. Such early childhood trauma is a risk factor for many physical and mental health problems, including adult depression, PTSD and other psychiatric disorders.¹⁵

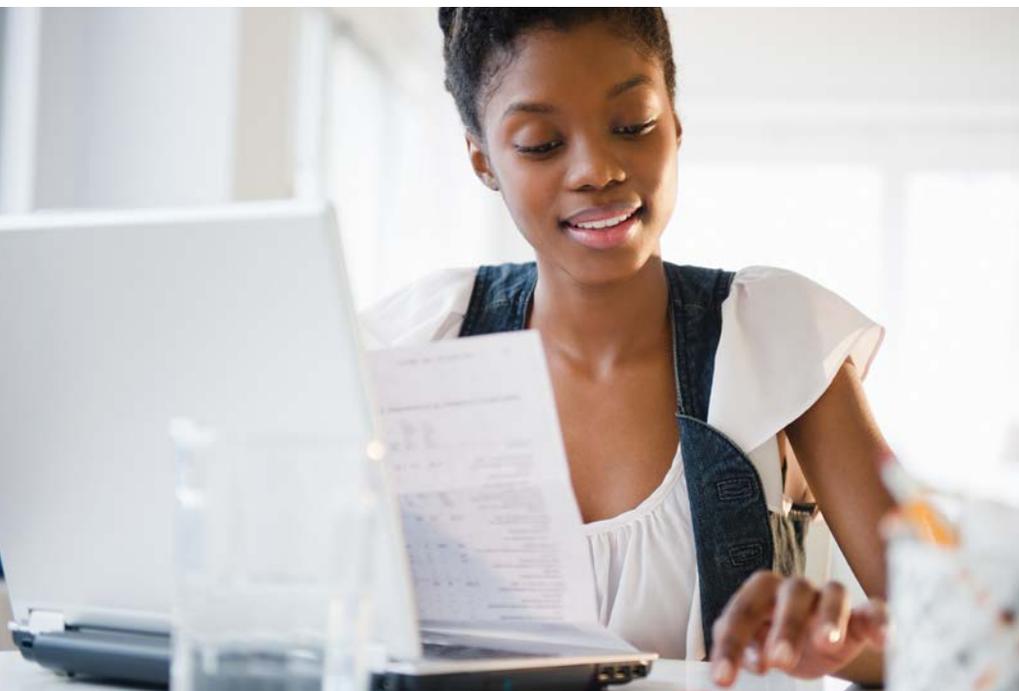
School closures upend student life and well-being

According to UNESCO, over 90% (1.5 billion) of the world's student population has been affected by school closures during the COVID-19 outbreak.¹⁶ With schools shuttered, children and adolescents have less structure, routine and peer interaction. It is also harder for children seeking help with their mental health disorders, as school is often the first place they turn for support. Students may also feel frustrated and anxious about disruptions to their school curriculum, assessment and promotion. In many locations, college entrance exams have been postponed or cancelled, causing uncertainty, anxiety and stress among students. A poll in Hong Kong showed that over 20% of university entrance exam candidates said their stress levels were at a maximum 10 out of 10, even before the exam was postponed.¹⁷

Another survey in the U.S. revealed that kids are struggling with feelings of anxiety and fear related to not participating in school activities, missing their friends and falling behind in class.¹⁸ The crisis has also deprived many students of important milestones and opportunities, such as graduation ceremonies, internship opportunities and term-break activities.

Vulnerable children face more emotional trauma

In the pandemic, children who are already struggling with mental health disorders are at higher risk. With quarantines and social distancing, some children's mental health routines and therapies have been severely disrupted. While telemedicine and virtual therapy could be options, this crisis has



dramatically changed the shape of help for these children and young adults.¹⁹ Children with learning disabilities and special education needs face greater challenges without the structure and support that schools provide, and they may not adapt to online learning. Conditions such as ADHD and autism spectrum disorder can present unique challenges for the children themselves, their families and educators.²⁰

As families are forced to shelter in place, household dysfunction (e.g., domestic violence, mental disorders and parental substance abuse) may increase the risk of child abuse in a captive environment. Lockdown may also impede access to day-to-day attention from teachers, counselors and other caregivers, leaving child abuse undetected.

In the U.S., COVID-19 has swept through vulnerable communities disproportionately, with higher rates of infection and death reported among Black and Latinx communities that may make them and their children more susceptible to PTSD.²¹ Vulnerable children may also face a higher risk of PTSD due to hunger, family stressors, and other aftereffects of the outbreak. All this can have a long-lasting impact on their psychological well-being.

Conclusion

At the start of this year, we launched the Morgan Stanley Alliance for Children's Mental Health (the "Alliance") to help address the global crisis in children's mental health, especially among vulnerable populations. This was our response to the rise in mental health disorders among the young, their persistent lack of access to treatment and the struggles of service providers who lack sufficient resources. Then COVID-19 hit. Now more than ever, the global crisis in children's mental health needs to be addressed through timely education, intervention, innovation and awareness.

It is encouraging to see the proliferation of mental health and wellness content from many organizations and service providers, including our Alliance members, to help families and children in this unsettling time. While most traditional community- and school-based programs, as well as in-person counselling and support, have been disrupted, we have seen increased uptake of digital mental health resources and teleservices in addition to more exercise, meditation and mindfulness. Nevertheless, the mental health service sector, under-resourced and now hit by the pandemic, needs more funding support than ever to sustain their services and continue to innovate.

In early April, Morgan Stanley made an additional grant to the Child Mind Institute, a founding member of the Alliance, to provide digital mental health resources for children, adolescents and young adults, with a focus on vulnerable communities that traditionally lack access to these resources. Specific offerings include: Facebook Live video chats with expert clinicians, remote evaluations and telemedicine, phone consultations for followup and daily parenting tips via email. Morgan Stanley will continue to identify and support the development of innovative, evidence-based mental health solutions.

The Alliance will also continue to assist youth through formative transitions, especially the heightened challenges of entering the workforce and potential unemployment, as well as disruptions in school curricula, examinations and assessments. We will maintain our focus on educational initiatives, especially in secondary and higher education, where many students will return when campuses reopen. Schools are real-life systems where action can be taken to create and expand mental health safety nets for youth. Additionally, providing aid to schools to develop comprehensive plans for bolstering mental health post-COVID-19 is particularly important because they may be financially challenged and unable to deploy additional mental health resources.

In our work, we will continue to help parents and caregivers recognize mental health disorders, support their children and strengthen their resilience to disasters. We will also continue to address inequality by supporting children from families living near and below the poverty line including those from Black and Latinx communities.

We call on governments and policymakers to increase investments in both the physical and mental healthcare sectors, and to commit to addressing the key shortcomings in the system that the crisis has laid bare. This may not only alleviate the burden of disease but could also mitigate risks and improve preparedness for the next crisis. Investing in mental health support after an economic recession may also help reduce social costs, accumulate human capital and sustain economic recovery over the long run.

We also encourage employers to provide more mental health support for their employees and families. This may include offering employee counseling services, organizing mental health and parenting talks, and furnishing wellness tools, guides and programs. Many of these initiatives are accessible virtually, even if in-person events are impossible during the virus outbreak. This support may help improve employee well-being and productivity, and has become an increasingly important employee value proposition.

Finally, we need more public awareness and understanding of how the COVID-19 pandemic affects children's mental health—now and over the long term. This paper strives to provide an initial assessment of potential impacts based on currently available information, literature and insights from the Alliance and our nonprofit partners. Much more robust research and data are needed to measure the toll it has taken on children's mental health and to better inform intervention strategies and actions. We are committed to ensuring that this research continues.

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- ¹⁹ See endnote 6.
- ²⁰ Child Mind Institute, "Supporting Families During COVID-19," The Child Mind Institute: <https://childmind.org/coping-during-covid-19-resources-for-parents/>.
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