



Viewpoint: The After-effects of Covid

12 OCT,2020 | MEDC



The World Bank has estimated that in the coming year up to 150 million people are likely to be pushed into extreme poverty due to the pandemic, and countries will need to prepare for a different economy post-Covid for navigating the tricky road ahead. This will necessitate allowing capital, labour, skills and innovation to move into new businesses and sectors of the economy. The pandemic is likely to push an additional 88 million to 115 million people into extreme poverty this year, with the total rising to as many as 150 million by 2021, depending on the magnitude of the economic contraction. The pandemic and global recession are expected to cause over 1.4% of the world's population to sink into extreme poverty. It is also expected that the new poor will be in countries that already have high poverty rates – India being a prime candidate. Of course, a lot depends on how policymakers handle the emerging situation, whose complexity cannot be fully

gauged at this point in time. According to the World Bank, the lack of recent data for India severely hinders its ability to monitor global poverty. Experts agree that the pandemic has led the Indian economy to stagflation – a deadly mix of high unemployment, high inflation and low economic growth. Obviously, it is the socioeconomically marginalized who suffer the most in such a situation. The pandemic looks increasingly like a gigantic Rorschach test, consisting of those coloured inkblots that reveal your personality, except that it reveals the nature of governments, and, more widely, societies, and how they treat their most vulnerable sections in times of national crisis. It is insightful to observe the range of diverse responses to this calamity, often even within the same country. Even if the pandemic disappears soon, its after-effects on the world would be remarkable – for the better or the worse. Policy experts have long stressed the development of quality healthcare systems as a national socioeconomic priority that both the public and private sectors need to focus on. They stand to be proven right, but at a heavy cost. Many more unpredictable events are in the pipeline, and they should all be carefully observed as the pandemic winds up. They will reveal both the strengths and the weaknesses of the systems of each country. We need to be more alert and sensitive to our ecosystems, and stop taking things for granted only because they have long been a part of the landscape. Hopefully, it will now become harder to ignore the facts or blame foreigners for national shortcomings. Despite all the devastation that Covid-19 has inflicted upon us, this could well be the silver lining of the cloud. It would indeed be a tragic failure for humankind if the invaluable insights that we are gleaning end up being wasted.

**Photo Credit: Google*