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Coronavirus: Faced with an unprecedented challenge, how is India faring?

By Malini Goyal, G Seetharaman & Shantanu Nandan Sharma, ET Bureau 🔹 Last Updated: Apr 05, 2020, 08:45 AM IST

Synopsis

Every move India made is being debated threadbare in locked-down drawing rooms and overheated social media.



On Friday morning, shortly after Prime Minister Narendra Modi exhorted his countrymen to light candles and lamps as a gesture of a united fight against Covid-19, polarised reactions poured out on social media. Why is the PM focusing on a seemingly pointless ritual while he needs to be telling the nation the details of how we are

fighting the pandemic, asked the sceptics. It's extremely important to keep the morale of a nation high during trying times and this will inspire people and give them hope, countered others.

Such debates — about the merits of the decisions India has made in tackling Covid-19 — are now legion. Everything, from India's early handling of foreign travellers and airport protocols to testing strategies, ill-equipped healthcare workers, poor handling of migrant workers and meagre support for the industry, is being debated threadbare in locked-down drawing rooms and overheated social media. It's understandable when the nation is at war with a deadly invisible enemy — a virus. Panic-stricken citizens, confined to their home bunkers, are closely monitoring grim news flowing in from home and abroad. Infections and death counts are rising. Doctors are attacked. Healthcare staff demand masks and protective gears even as hotels and trains are converted into quarantine zones and hospitals.

The war against Covid-19 has also opened a battlefront elsewhere. The unprecedented 21-day lockdown has unsettled lives, halted the economy and pushed <u>India Inc</u> deeper into crisis even as pain on the employment front looks inevitable. These difficulties are only dwarfed by the hardships and devastation faced by millions of migrant workers and daily-wage labourers, with little economic buffer or welfare safety net. Some have questioned the lockdown. "I see no logic in this sweeping lockdown in a country in which 94% are below 65 (years of age)...," <u>Bajaj Auto</u> managing director Rajiv Bajaj said in a media interview. Adds another labour expert who asked not to be quoted: "We have a fundamental problem of misframing the issue. We are putting health risk before economic risk. For informal workers who survive day to day, health and income are equally proximate issues. You can't prioritise one over the other."



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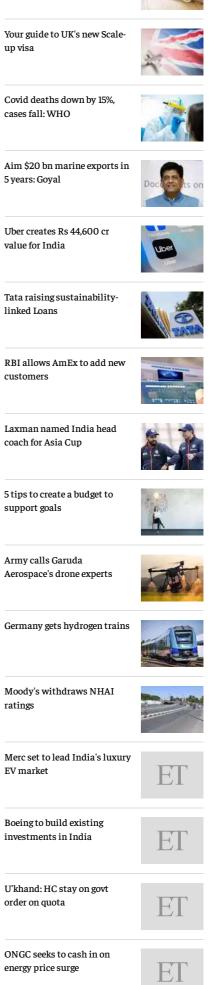
Not everyone agrees, expectedly. "The lockdown was timely. Any delay could have resulted in a spike in cases. Without doubt, the lockdown has been costly in terms of increasing hunger and rural distress but the benefits are significant in terms of a smaller projected epidemic peak," says Ramanan Laxminarayan, director of the Washington-based Center for Disease Dynamics, Economics and Policy. Agrees Gautam Menon, professor of physics and biology at Ashoka University, who has an interest in infectious diseases modelling: "You can fault the government in their preparation. But the decision to lockdown was very brave and the right one." Varying outcomes from iron-handed China, dismissive US, dithering Italy and procrastinating Spain have all shown the importance of a lockdown in dealing with Covid-19. Bear in mind that India entered the Covid-19 battlefield with its hands tied a fragile and under-funded public healthcare system and a sluggish economy. "India deployed the most potent weapon it had at its disposal. A 21-day lockdown," says Oommen C Kurian, head of health initiative at the Observer Research Foundation.

The extraordinary, high-stakes situation makes navigation tricky for decision makers.

"The virus is a known unknown. The situation is evolving rapidly. We are taking very tough decisions. Some assumptions will hold, some may not. We will have the ability to change things as we go. In a country of 1.3 billion people, to do things we have done requires tremendous courage," says K VijayRaghavan, principal scientific adviser to the government.

It is against this complex and divided backdrop that we need to critically appraise India's performance in the bruising battle underway.

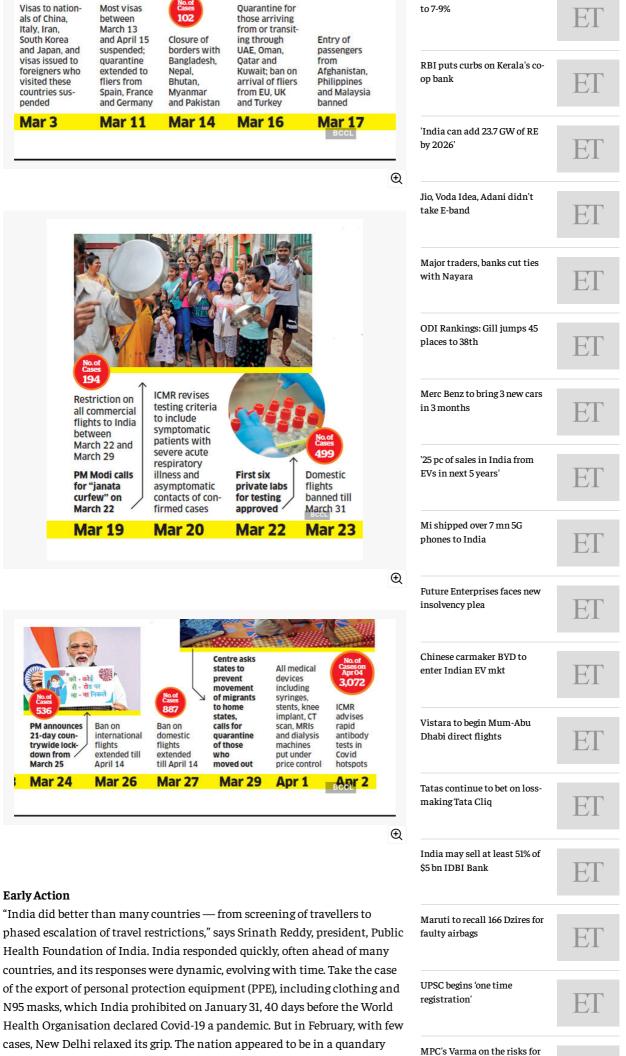




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whether to replenish medical gears in hospitals, pharmacies and homes, or to carry on exports as usual, supplying masks and other materials to Europe, the

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India's growth

Middle East and the US, a growing opportunity as the factories in the virushit China remained shut. India also derived comfort from another fact from the time three Wuhan-returned students in Kerala tested Covid-19 positive to the Union health ministry's reporting of two fresh cases on March 2, there was a month-long lull. So, in February, it relaxed its export norms first, on February 8, by removing items such as surgical masks and gloves from the banned list, and second, on February 25, allowing export of 10 items, including surgical blades and gas masks.

It was only on March 19 when the number of Covid-19 cases jumped to 150 and the importance of ventilators in containing deaths was demonstrated globally, that Udyog Bhawan sprang into action, banning export of both surgical masks and all kinds of ventilators. Hand sanitisers, however, remained a free export item till March 24, one day before the nationwide lockdown. So while in February, India slowed down in its Covid preparation due to zero fresh cases, in March it quickly shifted gears. "The government has been moving fast and taking decisions in a dynamic, fluid situation," says Shamika Ravi, director research, Brookings India, and a former member of the Prime Minister's Economic Advisory Council. India may have got a few things wrong but "in hindsight we got many things right. Often, we moved before most other countries did," she adds.

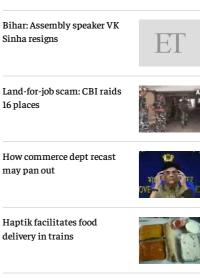
ET Magazine spoke to two officials, one each from the ministry of health and the department of commerce. Both chose not to speak on record. The slew of tough measures — suspension of international fights and passenger trains, and the lockdown —were the outcome of a near consensus that the best way forward for a populous country with densely populated cities and weak healthcare infrastructure was to arrest the spread. India's hospital beds per 1,000 persons, for example, is a mere 0.7, several notches below US (2.9), Italy (3.4) and <u>South Korea</u> (11.4), according to a World Bank report collating global health data of 2011-17.

Even in terms of its travel advisories, airport screenings and curbs on flights and arrivals, "India responded well," says Kapil Kaul, CEO, CAPA. "We took time. There were initial laxity and glitches but we were ahead of the curve. Think about it. This is an unprecedented crisis which even countries like the US have not been able to grasp fully yet." True, there were many glitches at the airport with long queues and waiting time for screening. "Between February and March, 1.5 million-plus passengers travelled to India. To do a very structured screening for so many overnight was almost impossible. It would be unfair to criticise the government," he adds.

Control and Calibration

Where the government could have done better was possibly in its planning. Take the decision of the 21-day lockdown. "It's not an easy thing to do. What you are doing is buying time to flatten the curve," says K Viswanath, director of the <u>India Research Center</u> at Harvard TH Chan School of Public Health. While the countrywide lockdown was necessary, it is also true that "we could have been better prepared," says Reddy, referring to hardships faced by migrant workers.

"What was lacking in Modi's speech was him telling migrants that they shouldn't move and that the government will do what it takes to keep them where they are," says Chinmay Tumbe, a migration scholar and assistant professor at the IIM-Ahmedabad. The lockdown began mere four hours after Modi's announcement. If the idea was not to leave much time for people to move, which would put them at risk of infection, it became counterproductive. Big cities saw a swelling crowd of homeless and penniless migrants desperately trying to reach home. On March 29, five days into the lockdown, the Centre finally asked states to stop the exodus of migrants and



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provide them food and shelter. According to the Union home ministry, states and Union territories are providing food to 25 lakh migrant workers and shelter to 6.75 lakh.

"Government response has been knee-jerk. They took decisions without much planning. There are problems with topdown decision making," says Ravi Duggal, a health activist and researcher.

It's a double-edged sword. A strong PMO and centralised decision-making have enabled tough and bold decisions. It also means the decisions may be less deliberated upon and thought through. But the government can coursecorrect fast when it realises its mistakes. This is now visible as the government ramps up Covid-19 hospitals, converts railways coaches into mobile treatment facilities and marshalls scarce resources to tackle migrant crisis even as it rallies startups and India Inc to chip in, and so on.

Testing Conundrum

The Indian government has come in for a lot of criticism for its conservative testing strategy, but how much of it is justified? India has done around 50 tests per million people, compared with 8,800 in South Korea and 3,900 in the US. Should we have tested more by now? "Limitations were clear. Most countries didn't have adequate testing kits. India tried to use testing kits optimally. With 1.3 billion people, you can't test everyone," says Reddy.

Rising positive cases would have also overwhelmed India's healthcare infrastructure. "For a virus with no vaccine or cure, that is highly infectious and has high mortality, a 21-day lockdown buys you time to prepare," says Ravi. It's a view echoed by others. Says GSK Velu, MD of Neuberg Diagnostics, whose labs have been approved for Covid-19 testing: "The government's focus is on not creating panic. They want to have the healthcare infrastructure ready before they increase testing." But most experts, including K VijayRaghavan, are hopeful that Covid-19 testing will scale up both qualitatively and quantitatively as the lockdown ends.

War Chest

Among the most disappointed is corporate India. Reeling from unprecedented crisis, countries have opened up their war chest to support businesses. The support measures India has announced counts among the weakest globally.

While our restrictive measures are among the boldest, these have been followed by a modest \$22 billion (Rs 1.7 lakh crore) package. True, India entered the battlefield with an economy that had been slowing down for multiple quarters. With rising fiscal deficit and low tax collections, the package is a mix of food security and direct cash transfer focused on the poor — distressed migrant and daily wage workers.

"The poor need help. Now the government must take some measures to help industry. Companies must not be allowed to go bankrupt. They are the ones who provide jobs," says Chandrajit Banerjee, director-general, CII.

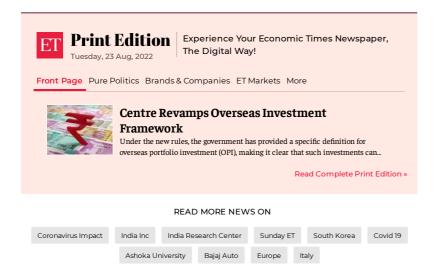
Look at the micro, small and medium enterprises sector, comprising of 60 million enterprises with 110 million workers, to understand the pain. "There is nothing here for the MSME sector," says Anil Bhardwaj, secretary general, Federation of Indian MSMEs. The government has announced that it will contribute PF and ESIC for both employees and companies (with under 100 as staff) for three months. Those with salaries above Rs 21,000 have not been covered. "It covers just 2 lakh enterprises of the 6 crore. Even if one goes by GST registration, then just 1.1 crore MSMEs will be covered. There is no relief decision on salaries. How will we pay salaries when we are shut? Many will

not survive," he says. He says during demonetisation, daily press conferences smoothened many bottlenecks. "Right now, it is very chaotic. There is cross talk at different levels," he adds.

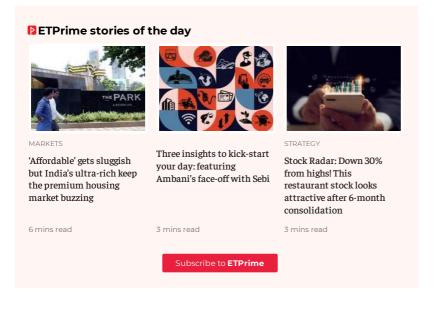
To start with, the government must consider a bigger package of at least Rs 5-6 lakh crore, says Banerjee. "Look at what other economies have done — the US has announced a \$2 trillion package, Germany has given \$800 billion," he says.

The government, aware of its shortcomings, is probably at work to address the issues. Meanwhile, ensuring cohesion — be it by clapping at 5 pm or lighting candles at 9 pm — as nerves fray from the all-round stress is important. "Families share crisis. Sharing crisis creates families. Families share rituals. Sharing rituals create families. 5 pm applause may appear silly but may end up creating huge social proof of life thriving over fear and death and reduce people's anxiety," serial entrepreneur Kunal Shah had tweeted earlier.

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