

World now grapples with Pandemic Management Trade-Offs

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"TRADE -Offs are central to economies, as they are to life. They are at the heart of economics because neither the decision-makers nor society can have everything it wants". Two American economists, Donald E. Campbell and Jerry S. Kelly stated this way back in May 1994.

They penned their thoughts in an article on **"Trade-off Theory"** in The American Economic Review. Twenty-six years later, trade-offs have become central to prevention and control of Covid-19 pandemic.

Trade-Offs pendulum has swung across the world from obsessive bias for the lockdowns to the nightmares over the cost of lockdowns. Countries are struggling to strike a balance between preventing Covid deaths and preventing socio-economic crisis.

The shift is becoming palpable as lockdowns are hard to enforce for several months. And botched lockdowns have contributed to spread of virus in over-populated countries such as India and Pakistan. Defiance of the law of land is fashionable in such countries. Rampant poverty also forces people to eke out a living at risk of catching infection.

Reputed global institutions are now computing the humungous costs due to restrictions of all sorts on human mobility imposed to rein in pandemic. The hidden costs include actual non-Covid deaths & potential deaths due to negligence of non-Covid patients in future.

Trade-offs with Corona prevention have several dimensions and variants. The dimensions are: Lives versus Livelihood; health vs wealth; deaths vs jobs lost; **Covid-cum-lockdown vs global USD 30 trillion fiscal deficit for 2020-2023** and Covid deaths vs non-Covid deaths.

These issues are backed with authoritative studies. Policy-makers should pay heed to them to get out of rut of lockdowns of varied hues. The last dimension - Covid deaths vs non-Covid deaths - has special significance for India. This is because India has huge disease burden of both infectious diseases such as tuberculosis (TB) and non-infectious ones such as diabetes.

Recall Prime Minister Narendra Modi's 2nd Covid address to the Nation when he announced the sudden, 21-day lockdown on 24th March 2020. He stated: **"You have to remember that Jaan hai toh Jahaan hai"**.

Mr. Modi has now totally detached himself from this mantra after tacitly realizing that the unchecked cost of lockdown was luxury that India can't afford. The change was aptly captured in a headline dated 11th April:

"Modi says 'jaan bhi jahaan bhi', signals a shift in India's coronavirus playbook".

Mr. Modi and his die-hard fans, however, continue to tom-tom lockdown as an unparalleled success story.

He now appears as mute spectator to lockdowns imposed by certain States and district administrators. Lockdown is a convenient way for authorities to cushion impact of pandemic on woefully inadequate and mismanaged healthcare system.

With phased unlocking at the national level, ever-changing lockdowns at State, city, district, block and containment zone levels are hogging limelight. India now presents a picture of economy tied in knots.

No wonder Indian rating major ICRA, a Moody's group company, recently revised its

"GDP forecast for FY2021 to a contraction of 9.5% owing to localized lockdowns, rising Covid-19 infections."

The trade-off cost of lockdown for 2020-21 would actually be colossal as it would be an aggregation of loss of income & savings plus over Rs 20 lakh crore package to revive economy. Add to this job losses, non-Covid deaths and untold miseries for which no one has thought of putting a price tag. Unplanned lockdown is like using an earth-mover over a blooming orchard to kill a snake hiding in a deep hole.

Three McKinsey experts have computed the worldwide, fiscal cost of Covid management at USD 30 billion for period ending 2023. In paper penned in June 2020, McKinsey experts noted that

"the dual imperative of our time is to save lives and safeguard livelihoods-and governments around the world are pulling out all the stops to do so. The resulting ramp-up of relief and stimulus spending to unprecedented levels has occurred just as tax revenues have slumped. As a result, government deficits worldwide could reach USD 9 trillion to USD 11 trillion in 2020, and a cumulative total of as much as USD 30 trillion by 2023".

They added: "

Governments will need to find ways to manage these unprecedented deficits without crippling their economies. It is this challenge which creates the need for the great balancing act: managing the USD 30 trillion deficit while restoring economic growth"

. They have listed initiatives for governments to cope with this challenge.

As put by them,

"Without a new approach, closing the cumulative 2020-23 fiscal deficit worldwide would require a 50 percent increase in tax revenues, or a 25 percent reduction in public spending".

Hidden costs of Covid management vary from country to country. Mega-push of poor into extreme poverty in developing countries is hardly a cost to be reckoned in rich countries.

It worthwhile here to quote a research paper published by Federal Reserve Bank of Minneapolis in June 2020. Captioned '**Trading Off Consumption and COVID-19 Deaths**', the Paper says:

"A complete accounting would incorporate the impact of avoiding coronavirus-related deaths on mortality from other sources. It is not clear which way this would go on net. Social distancing may reduce deaths from traffic accidents and (eventually) air pollution. But it also may lead to delayed preventive care and worsened mental health".

This brings us to the last dimension - Covid deaths vs Non-Covid deaths. Before the national lockdown was imposed, TB epidemic was killing 1400 patients per day in India as per Government statistics. The average daily rate of Covid victims since the day the first death was reported is not even one-third of the number of patients who succumb to TB every day. And yet there is hue and cry over Covid deaths and near-silence on TB deaths.

TB is a curable, bacterial infection. It is spread through the air by a person suffering from TB. A single patient can infect 10 or more people in a year. Adherence to strict treatment regimen over a minimum of six months is key to preventing TB deaths. It is also vital to check multi-drug resistance (MDR) in patients. Such victims are very difficult to cure.

Patients often drop out mid-way in the treatment course as they feel better after taking medicines regularly for two months or so. Poverty and unemployment also serve as trigger for poor patients to drop out of the treatment regimen. The number of TB patients who go **"missing"** out of TB surveillance system is bound to rise due to lockdown-triggered disruption in TB healthcare services.

According to 2017 official document, India has more than a million missing cases every year that are not notified and most remain either undiagnosed or unaccountably and inadequately diagnosed and treated in the private sector.

The country has more than 27% of the world's burden of TB. The economic costs incurred equate to USD 300 million in lost wages per year, and a USD 23 billion indirect cost to the Indian economy due to staff absenteeism and lost productivity, according to draft National Strategic Plan (NSP) to end TB in India 2020 - 2025 prepared by Ministry of Health with Family Welfare.

These costs to the economy are bound to escalate and last over a longer period as treatment of TB & HIV/AIDS patients got a big jolt due to sudden imposition of national lockdown.

As put by NSP,

"Pandemics like the Covid19 could derail progress made by the NTEP (National TB elimination programme) on ending TB in the country through disruption to treatment or other interventions or supply chains of critical medicines and medical supplies".

NSP adds:

"A recent modelling exercise to understand the potential impact of short-term lockdowns (2 month of lock down and 2 month of restoration) on TB incidence and mortality over the next 5 years, in high-burden countries estimates that an additional 514,370 cases and 151,120 deaths will be added in India between 2020-2025 owing to the two month lock down and two month restoration periods. The estimates are much bleaker for protracted lockdowns and slower restoration period. It is clear now that the pandemic will result in severe disruptions in NTEP service delivery, and presumptive TB cases and TB patient's care seeking behaviour with profound consequences on NTPs trying to reach the END TB targets".

A similar conclusion has been arrived at by a study on '**The potential impact of COVID-19-related disruption on tuberculosis burden**' published by European Respiratory Journal in June 2020. This modelling study has estimated the relative impact of both reductions in social contacts and health services due to Covid on the TB burden in India, China and South Africa over five years.

It has projected 149,448 additional deaths in India due to TB over 2020-2024 under the worst-case scenario. It is based on 2 key assumptions: 1) Covid interventions to reduce social contacts are minimal and 2) TB health services are badly affected.

Several global institutions such as World Health Organization (WHO) and Geneva-based The Global Fund to Fight AIDS, Tuberculosis and Malaria (GF) have pressed the alarm.

GF's survey titled '**COVID-19 Country Monitoring Tool**' shows **"widespread disruptions to HIV, TB and malaria work as a result of the COVID-19 pandemic".**

The Survey dated 10th July 2020 says:

"Disruptions to these programs could have a catastrophic effect on the fight against HIV, TB and malaria. Recent modelling studies have shown that deaths from HIV, TB and malaria could as much as double in the coming years as a result of the COVID-19 pandemic, wiping out decades of hard-fought gains, unless we can urgently provide health workers with the training, resources and protective equipment they need to safely continue their work".

The World Bank (WB) & GF-funded Program Towards Elimination of Tuberculosis (PTETB) is now proposed to be restructured to factor in impact of Covid and other issues. It was launched last year.

As put by WB's restructuring paper (RP) dated 13th July 2020,

"the rate of decline of TB incidence in India at about 1-2 percent per year falls short of the 10 percent per year required to achieve NSP goals by 2025. This shortfall calls for sustained actions and accelerated roll-out of game-changing interventions under the NSP, including private sector scale-up".

Like TB, prevention and control of other infectious diseases too got setback due to lockdowns. Similar is the case of those congenital diseases thalassemia that require periodic visits to hospitals. Similar concern applies to diabetic patients with failed kidneys. One can't also overlook the plight of cancer patients.

As of today, there is no study that has calculated the cost of all non-Covid deaths and projected deaths versus the cost of preventing Covid deaths. Sufferings undergone by non-Covid patients have no parallel in Indian history.

In this death versus death, pandemic has got all the political and media attention. This trade-off is bad for long-term health and economic security of the nation.