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## Abstract

Lately, humanity has been witnessing the most difficult times in its known history in shape of 'COVID-19'. The entire spectrum of life stands suspended and affected in terms of politics, economy, society, psychology, etc. Against this backdrop, this paper analyses the unprecedented changes wrought by the epidemic and examines future trends that may become the 'new normal' in the post-COVID-19 world. This is followed by the sociopolitical and economic impact of the pandemic on Pakistan and the state's response is discussed. The study also looks at the different opportunities and challenges that have risen for Pakistan as a result of this virus coupled with policy recommendations for the country to better cope with similar pandemics in the future.

Keywords: COVID-19, Pandemic, Pakistan, Public Health, Governance.

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 <sup>@</sup> Islamabad Policy Research Institute. JoCA ■ Vol. 4 (1&2): 29-50.

# Introduction

OVID-19, known as Coronavirus, has caught the world unaware in terms of healthcare preparedness and impact on daily lives. Global powers like China and the United States (US) have dealt with the pandemic differently. The impact on economic and social activities, coupled with fear, has resulted in staggering losses to the global economy, whilst also highlighting human security inadequacies and warped spending priorities of the world. What started in the Chinese city of Wuhan in early December 2019 has now grown into a global health emergency spread to nearly every country. According to data compiled by Johns Hopkins University, so far, the disease has killed more than 655,500 people and infected more than 16 million.<sup>1</sup>

In Pakistan too, confirmed cases have been surging and by July 2, 2020, there were more than 217,809 confirmed COVID-19 cases, making the country a global hotspot for the novel virus as it stands in the top twelve countries with the most infected cases. Nearly half of the cases have been reported from Punjab and Sindh alone, followed by Khyber Pakhtunkhwa and Balochistan. The surge in the Coronavirus cases comes in the wake of the federal government's decision to ease lockdown, in the hope of saving an already underperforming economy, and aiming to implement 'smart lockdown', whereby specific areas are sealed in order to curb spread of the virus. A logarithmic representation of the trajectory of COVID-19 cases in Pakistan is shown in Figures 1 and 2:

<sup>&</sup>lt;sup>1</sup> "Timeline: How the New Coronavirus Spread," *Al Jazeera*, accessed April 14, 2020, https://www.aljazeera.com/news/2020/01/timeline-china-coronavirus-spread-200126061554884.html.

Post-COVID-19 World and Pakistan's Response Strategy

Figure-1 COVID-19 Dashboard for Pakistan



Source: "COVID-19 Dashboard by the Center for Systems Science and Engineering (CSSE) at Johns Hopkins University," Coronavirus Resource Center, Johns Hopkins University, accessed July 29, 2020, https://coronavirus.jhu.edu/map.html.





Apr 2020

May 2020

Jun 2020

Mar 2020

# **Post-COVID-19 World Outlook**

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The outbreak of Coronavirus is an unprecedented event, which has and will continue to have profound impact on how the world functions. While it is too early to make definitive conclusions, following are some of the likely future trends:

#### Raashid Wali Janiua, Khalid Chandio, Umar Farooq Khan & Usama Nizamani **Decline** in Globalisation

The pandemic may further diminish the support for globalisation, which was already being eroded post-2016, after Brexit and ascendancy of Donald J. Trump as the President of the US. It is less likely that the world would return to the idea of mutually beneficial globalisation that defined the early period of Twenty-first Century. Globalisation, in the form of increased travelling and economic interdependence, has played a major role in the rapid spread of the virus around the world. States may become insular in outlook, leading 'to [possible] shifts in political and economic power in ways that will become apparent only later.'2 But, it is still too early to say as 'this is not yet the end of an interconnected world. The pandemic itself is proof of our interdependence.'3 For instance, the World Health Organization (WHO) was able to timely 'internationalize' the spread of the virus by bringing it to the global community's attention,<sup>4</sup> though Trump continues to hold it responsible for late and inaccurate response. Unlike the past, China too alerted the international community about the virus in a timely manner, which was consistent with the 2007 revised requirements of the WHO. China also made public the genome of the Coronavirus as early as January 9, 2020, which gave a head start to the global experts to develop tests for the virus.<sup>5</sup>

# Acceleration in Government Intervention and Power Shift from West to East

Looking at current trends such as travel bans, limited medicines, and protectionism, the pandemic may strengthen the state and reinforce nationalism. Governments have adopted emergency measures to manage

<sup>&</sup>lt;sup>2</sup> Johan Allen, Nicholas Burns, Laurie Garrett, Richard N. Haass, G. John Ikenberry, Kishore Mahbubani, Shivshankar Menon, Robin Niblett, Joseph S. Nye Jr, Shannon K. O'Neil, Kori Schake and Stephen M. Walt, "How the World Will Look after the Coronavirus Pandemic," Foreign Policy, March 20, 2020, https://foreignpolicy.com/2020/03/20/world-order-after-coroanvirus-pandemic/. 3

Ibid.

<sup>&</sup>lt;sup>4</sup> William J. Long, "Coronavirus Puts Systems for International Cooperation to the Test," United States Institute of Peace, March 30, 2020, https://www.usip.org/publications/2020/03/coronavirus-puts-systems-internationalcooperation-test.

<sup>&</sup>lt;sup>5</sup> "Coronavirus: What Did China Do about Early Outbreak?" BBC News, June 9, 2020, https://www.bbc.com/news/world-52573137.

the crisis, and many will be loath to relinquish their new powers when the crisis is over. COVID-19 may also accelerate the shift in power and influence from the West/Euro-Atlantic to the East. South Korea and Singapore have responded well, and China has reacted effectively after its early mistakes. The response in Europe and the US was slow and desultory by comparison, further tarnishing the aura of the Western brand.<sup>6</sup> This means that in future, citizens would rely more on national governments to protect them against bio-threats/emergencies than international help/guarantees. Also, there will be greater demand by the global community to spend more on health at the national and international level.

# Intensification of Sino-US Fallout

According to Jonathan Stromseth, great power rivalry and competition between the US and China will continue. He observes that like the:

...previous plagues - including the influenza epidemic of 1918-1919 - did not end great power rivalry nor ushered in a new era of global cooperation. The crisis will likely contribute to the ongoing deterioration of Sino-American relations and the weakening of European integration.<sup>7</sup>

This has been evident in the aftermath of the COVID-19 spread with China resorting to damage control by sending medical supplies and teams to Southeast Asia, Europe and Africa, with some terming its actions as 'politics of generosity.'<sup>8</sup> Furthermore, many Chinese Ambassadors were summoned by their host countries with allegations of spreading false information. On the other hand, the US has used the pandemic to put renewed pressure on China for obfuscating facts about the spread of the virus. US Secretary of State Mike Pompeo scuttled a communiqué after other world powers refused to use the term 'Wuhan/Chinese Virus' and

 <sup>&</sup>lt;sup>6</sup> Allen et al., "How the World Will Look after the Coronavirus Pandemic."
<sup>7</sup> Ibid.

<sup>&</sup>lt;sup>3</sup> Jonathan Stromseth, "US-China Rivalry after COVID-19: Clues and Early Indications from Southeast Asia," (Blog) Brookings, May 14, 2020, https://www.brookings.edu/blog/order-from-chaos/2020/05/14/us-china-rivalryafter-covid-19-clues-and-early-indications-from-southeast-asia/.

stopping funding to the WHO for being easy on China.<sup>9</sup> With President Trump in campaign mode for the upcoming presidential elections, it is most likely that he will continue to up the ante against China to appease his constituents.

#### Deterioration of Traditional Alliances and the US Role in Global Affairs

The pandemic may further deteriorate and even finish whatever was left of the transatlantic relationship between the US and the European Union (EU). Since the outbreak of the pandemic, there has been little to no cooperation between the two sides. In fact, as mentioned above, the G-7 ended up not issuing a statement because of Trump administration's insistence on calling out the 'Wuhan/Chinese Virus.' Even within the EU, there have been open complaints of lack of a common EU strategy for the fight against the pandemic. The pandemic and the lackluster role played by the US globally will significantly diminish its credibility. Despite being the world's greatest economic and military power, the US was unable to play a leading role in setting the agenda on how to deal with the spread of the virus, nationally and globally. In contrast, other smaller countries like South Korea, Taiwan and Singapore have been more effective in their response. International cooperation may remain shaky too as the COVID-19 pandemic has shown that global powers - China and the US - remain economically interdependent and strategically competitive. This international competition instead of cooperation would be the 'new normal' in post-COVID-19 era. China-US cooperation and G-20's response in a video summit in March fell short of desired momentum, fuelling fears of de-globalisation and insularity.

## Strengthening of China's Role in Global Affairs

The COVID-19 pandemic may further strengthen and reinforce China's standing and leadership role in international affairs. As the US starts to lose its credibility as a true global leader, China-centric globalisation might become palatable for the world. A lot will depend on who comes out of the crisis as the winner and with a vaccine to cure the world. Furthermore, even if China is able to come out of this crisis, it will have to do some major damage control for

<sup>&</sup>lt;sup>9</sup> Stromseth, "US-China Rivalry after COVID-19."

acting effectively at the start of the pandemic. In addition, a decisive factor would be the state of the Chinese economy and how it fares in a decisively dismal global economic outlook. Even though the Chinese economy was slowing down even before the virus outbreak, the International Monetary Fund (IMF) has projected a positive growth for China this year, which is a good omen.<sup>10</sup>

#### Drastic Impact of COVID-19 on Global Energy

Energy politics and economic development might change significantly, especially after the oil price crash and increased salience of alternative energy solutions. According to a report by the International Energy Agency (IEA), the global pandemic will have a shocking effect on all major energy fuels. The lockdowns implemented around the world, after the outbreak of the virus, have cut demand for all fuels, especially oil, used for transportation. Furthermore, demand for energy is also down as most of the large industrial units, non-essential businesses and other institutions have remained closed. According to the report, as a result of the lockdowns worldwide, the global energy demand has experienced a 6 per cent decline – seven times larger than the adverse effect of the 2008 financial crisis.<sup>11</sup>

# **Impact of COVID-19 on Pakistan**

# Economic

As the global economy braces itself for a recession due to COVID-19, the impact would be felt acutely by developing countries like Pakistan. Even before the current pandemic, experts had warned that in Pakistan, the number of people living under poverty would increase from 69 million in June 2018 to 87 million by June 2020, indicating a 26 per cent increase due to low economic

<sup>&</sup>lt;sup>10</sup> "After COVID-19: China's Role in the World and U.S.-China Relations," Council on Foreign Relations, April 16, 2020, https://www.cfr.org/conference-calls/aftercovid-19-chinas-role-world-and-us-china-relations.

<sup>&</sup>lt;sup>11</sup> IEA, *Global Energy Review 2020*, report (Paris: International Energy Agency, 2020), https://www.iea.org/reports/global-energy-review-2020?utm\_campaign=IEA%20newsletters&utm\_source=SendGrid&utm\_medium =Email.

growth and double-digit inflation.<sup>12</sup> New lending from the IMF, following the G-20's debt relief plan, may offer temporary reprieve, but both the present and future are unequivocally dire, particularly for the poorest. In March 2020, the federal and provincial governments had announced partial or complete lockdowns. In economic terms, this meant that factories not producing essential items were closed.

As far as unemployment is concerned, it is estimated that between 12.3 million and 18.5 million people will be unemployed due to the pandemic in Pakistan. According to the Pakistan Workers' Federation, more than half a million workers in the garment and textile industry have lost their jobs in the Punjab province alone.<sup>13</sup> According to the IMF, Pakistan's real Gross Domestic Product (GDP) is projected to grow by -1.5 per cent against the original target of 3.3 for the current fiscal year (FY) and 2.0 per cent in 2021.<sup>14</sup> Pakistan's economy is expected to contract around 1.5 to 2 per cent in FY 2021 with 5 per cent loss of output in GDP.<sup>15</sup> The World Bank (WB) and Asian Development Bank's (ADB) grant of USD 238 million,<sup>16</sup> and USD 52 million<sup>17</sup> respectively, and reprieve provided by the G-20 relief will be helpful in the short to medium term.

#### Governance

<sup>&</sup>lt;sup>12</sup> Hafiz A. Pasha, "Rising Poverty," *Business Recorder*, December 10, 2019, https://www.brecorder.com/2019/12/10/551927/rising-poverty/.

<sup>&</sup>lt;sup>13</sup> "Pakistan: Workers Face Health, Economic Risks," Human Rights Watch, April 1, 2020, https://www.hrw.org/news/2020/04/01/pakistan-workers-face-health-economic-risks.

<sup>&</sup>lt;sup>14</sup> International Monetary Fund, "World Economic Outlook," accessed April 14, 2020, https://www.imf.org/en/Publications/WEO/Issues/2020/04/14/weo-april-2020.

<sup>&</sup>lt;sup>15</sup> Sakib Sherani, "Evaluating the Response," *Dawn*, April 24, 2020, https://www.dawn.com/news/1551778/evaluating-the-response.

<sup>&</sup>lt;sup>16</sup> The World Bank, "World Bank Fast-Tracks Support for COVID-19 (Coronavirus) Response to Pakistan," press release, April 2, 2020, https://www.worldbank.org/en/news/press-release/2020/04/02/world-bank-fasttracks-support-for-covid-19-coronavirus-response-to-pakistan.

<sup>&</sup>lt;sup>17</sup> Asian Development Bank, "ADB Repurposes \$50 Million from Pakistan's National Disaster Risk Management Fund to Help Combat COVID-19 Pandemic," press release, April 9, 2020, https://www.adb.org/news/adb-repurposes-50-millionpakistans-ndrmf-help-combat-covid-19.

The COVID-19 outbreak in Pakistan and lack of a cohesive, well-coordinated early response has reflected governance gaps in the face of an unprecedented threat. From the very start, there has been a lack of coordination between the federal and provincial governments, which has led to an inopportune blame game between the federation and the provinces. Also, lack of involvement of local governments has hampered outreach to communities for provision of timely healthcare and relief. The government needs to display better understanding of dangers of exponential spread of pandemic along with a corresponding preventive strategy.

#### Religious

There is a need to take proper precautions while observing religious rituals. One such precaution is to ban congregational prayers in mosques in order to disallow large gatherings. Mosques have been shut down in a number of Muslim countries including Saudi Arabia and Turkey. Pakistan, however, in the beginning shied away from taking similar measures. Government officials only banned congregational prayers on Fridays. It should be noted that various meetings were held between government officials and religious leaders but to no avail. It was difficult for the government to implement its policies in the face of opposition from right wing/religious groups. Though, all prayers have been allowed now with protective measures still the danger of transmission of virus remains alive.

#### Social

The COVID-19 outbreak has exposed the high incidence of social inequality in Pakistan. Government spending on health is 0.8 per cent of GDP,<sup>18</sup> while the WHO recommends a minimum spending of 6 per cent of the GDP.<sup>19</sup> Unequal access to public goods is a major problem since

<sup>&</sup>lt;sup>18</sup> WHO, Primary Health Care Systems (PRIMASYS): Comprehensive Case Study from Pakistan, report (Geneva: World Health Organization, 2017), http://origin.who.int/alliance-hpsr/projects/AHPSR-PRIMASYS-Pakistancomprehensive-v2.pdf.

<sup>&</sup>lt;sup>19</sup> Ke Xu, Agnès Soucat, Joseph Kutzin, Andrew Siroka, Maria Aranguren Garcia, Julien Dupuy, Natalja Eigo, Dongxue Li, Chandika Indikadahena, Hapsatou Touré, Hélène Barroy and Gabriela Flores, *Global Spending on Health: A World in Transition (Global Report)*, report (Geneva: World Health Organization, 2019),

the poor have far less access to quality healthcare, education and jobs, hence, are more prone to the shocks of an unprecedented pandemic. Pakistan's ranking on the Human Development Index (HDI) is 152 out 189 (Figure 3):





 $http://hdr.undp.org/sites/all/themes/hdr\_theme/country-notes/PAK.pdf.$ 

# **COVID-19: Challenges and Opportunities for Pakistan**

 $https://www.who.int/health\_financing/documents/health-expenditure-report-2019/en/.$ 

Source: UNDP, Human Development Report 2019. Inequalities in Human Development in the 21<sup>st</sup> Century, Country Profile: Pakistan, report (New York: United Nations Development Programme, 2019),

# Challenges

### Poor Health Sector Capacity

As mentioned earlier, the government, at present, is spending 0.8 per cent of the GDP on health. There is a need of complete overhaul of the health sector and capacity building of medical professionals. The tug-of-war between the Pakistan Medical Commission and the newly restored Pakistan Medical and Dental Commission (PMDC) has rendered oversight, of the health sector and medical education, ineffective. A *Charter of Public Health* is needed in order to ensure that successive governments do not jeopardise access to quality public health in Pakistan.

#### Inability to Upscale Tests during the Lockdown

At the beginning of the outbreak, very few cases of COVID-19 were reported. Pakistan struggled to carry out large testing of suspected patients. Many countries have wrestled with the alternative of adopting general versus targeted testing. However, it appears that adopting a massive testing strategy can prove more effective in containing the rise of infections and in flattening the curve. Previously, Pakistan was carrying out 68 tests per million of its population.<sup>20</sup> However, as per the Government's official web portal on COVID-19, Pakistan upscaled its average testing from 5,892 tests between April 16 and 17, 2020 to 22,225 average tests conducted between June 25 and July 1, 2020.<sup>21</sup>

#### Disconnect between Federal and Provincial Governments

The COVID-19 crisis tested the post-18<sup>th</sup> Constitutional Amendment crisis management ability of the state. There was palpable lack of coordination between the provinces and the centre. In the beginning, absence of a coherent strategy made it difficult to chart out coordinated activities to contain the pandemic. This led to instances of uncoordinated initiatives by the provinces and federal government. In early March, the Sindh government initiated lockdown, quarantine and provision of medical

<sup>&</sup>lt;sup>20</sup> "Low Testing Rate Leaves Pakistan, India Blindfolded in Dealing with COVID-19," *Express Tribune*, April 3, 2020, https://tribune.com.pk/story/2190307/9-low-

testing-rate-leaves-pakistan-india-blindfolded-dealing-covid-19/.

<sup>&</sup>lt;sup>21</sup> "Covid-19," Government of Pakistan, accessed June 12, 2020, http://covid.gov.pk/.

services.<sup>22</sup> On the capacity building front, the provinces were not provided timely guidance and leverage to procure necessary critical care and personal protective equipment for healthcare professionals. The availability of updated data/statistics about health care facilities was also a weak area where the federal government and provinces did not share essential information with each other.

### Digital Literacy and Divide

According to the 2019 annual report of Pakistan Telecommunication Authority (PTA), Pakistan successfully increased its share of operational international bandwidth from 220 Gbps in 2014 to 1.7 Tbps in 2018.<sup>23</sup> Apart from this, the country's Internet subscription jumped to 76 million users of mobile broadband, which makes it 35.90 per cent of the total population. Similarly, the number of broadband subscribers increased to 36.86 per cent of population (78 million users). Moreover, assembling and manufacturing of cell phones and digital devices has also increased. Assembling operations were initiated in 2016 when 290,006 mobile devices were manufactured and assembled annually.<sup>24</sup> In 2019, more than 11.74 million mobile devices were assembled and manufactured locally.<sup>25</sup> This includes assembling of over 70,000, 4G-enabled cell phones in 2019. This has also resulted in creation of approximately 3,200 jobs.<sup>26</sup>

However, the average cost of 1 GB of mobile data in Pakistan is USD 1.85, whereas, India offers it for USD 0.26.<sup>27</sup> An additional challenge is access and affordability of digital devices, particularly 3G and 4G-enabled devices. After the COVID-19 pandemic when people were forced to stay home, the

https://www.cable.co.uk/mobiles/worldwide-data-pricing/.

<sup>&</sup>lt;sup>22</sup> Imran Ayub, "Sindh Response to Covid-19 Turns Tables on PPP Critics," *Dawn*, April 10, 2020, https://www.dawn.com/news/1544066.

<sup>&</sup>lt;sup>23</sup> PTA, Annual Report 2019, report (Islamabad: Pakistan Telecommunication Authority, 2019),

https://www.pta.gov.pk/assets/media/pta\_ann\_rep\_2019\_27032020.pdf.

<sup>&</sup>lt;sup>24</sup> Ibid.

<sup>&</sup>lt;sup>25</sup> Ibid.

<sup>&</sup>lt;sup>26</sup> Ibid.

 <sup>&</sup>lt;sup>27</sup> "Worldwide Mobile Data Pricing League: The Cost of 1GB of Mobile Data in 230 Countries," Cable, accessed June 19, 2020,

PTA reported 15 per cent increase in bandwidth consumption.<sup>28</sup> By April, nearly 85,000 Internet users used Zoom's desktop version, while over 87,000 users logged into Netflix. Facebook's usage increased by 6.4 per cent than pre-lockdown days, while WhatsApp desktop usage grew by 23.5 per cent.<sup>29</sup> Despite the surge in data consumption, Internet penetration in Pakistan is low. More than 64 per cent of the population does not have access to broadband internet or mobile broadband.

Unfortunately, digital literacy rates remain lopsided across the country, as nearly half of country's female population is illiterate (49.2 per cent).<sup>30</sup> The issue of literacy is closely linked to textual, technical and conceptual literacy elements of Digital Literacy.<sup>31</sup> The first two are linked with how users interact with digital devices, and conceptual literacy relates with purposeful use of the Internet. People with the weakest digital access have been hit hard in the current pandemic. This is particularly true as students with no Internet access and digital devices found themselves unable to continue their educational activities. People living in rural areas and towns, particularly those in middle age bracket, lack digital literacy and are more prone to economic isolation. People also have little familiarity with use of digital platforms for ecommerce and financial transactions. The lockdown severely hampered people's ability to continue transaction of goods and services as a result. Relationship of this state of affairs remains closely linked with inability to have access to digital devices and Internet. Access to financial services without digital means has made life more difficult.

<sup>&</sup>lt;sup>28</sup> Ramsha Jahangir, "Social Media Outlets See Surge in Number of Pakistani Users," *Dawn*, April 14, 2020, https://www.dawn.com/news/1548993.

<sup>&</sup>lt;sup>29</sup> Ibid.

<sup>&</sup>lt;sup>30</sup> Ministry of Finance, *Pakistan Economic Survey 2019-20* (Islamabad: Ministry of Finance, Government of Pakistan, 2020),

 $http://www.finance.gov.pk/survey/chapter\_20/10\_Education.pdf.$ 

<sup>&</sup>lt;sup>31</sup> Usama Nizamani, "Internet Governance and Pakistan's Digital Economy," *Journal of Current Affairs* 3, no. 2 (2019): 23-49 (40), http://ipripak.org/wp-content/uploads/2019/08/Article-2\_Usama-Nizamani\_JoCA\_3\_2\_ED-SSA-UP.pdf. See also, Ravi Chhatpar and Robert Fabricant, "Internet Design for Emerging Markets," *Innovations: Technology, Governance, Globalization* 9, no. 3-4 (2014): 113-121 (114), https://doi.org/10.1162/inov\_a\_00222.

#### Raashid Wali Janjua, Khalid Chandio, Umar Farooq Khan & Usama Nizamani Exacerbation of Socioeconomic Conditions

The lower income stratum of society continues to face greater hardship due to the lockdown. The government initiated disbursements of PKR 12,000 per family to 12 million families under a total programme budget of PKR 144 billion.<sup>32</sup> Out of this, almost 7 million families were new beneficiaries covered under the COVID-19 Emergency Cash Programme.<sup>33</sup> The Ministry of Poverty Alleviation and Social Safety now plans to upscale this programme to PKR 203 billion in order to cover an additional 5 million families taking the tally of beneficiary families to 17 million.<sup>34</sup> However, if the downward trend of COVID-19 cases is reversed due a second wave, the benefits of the package may be insufficient to ameliorate the financial losses of impacted families. This is also evident in cases where 'smart lockdowns' are being implemented in certain clusters nationwide.

The Ministry of Finance has estimated that nearly 3 million jobs were lost as of June 2020. As a result, the proportion of those living in poverty may have increased from 24.3 per cent to 33.5 per cent.<sup>35</sup> As per a media report by *Dawn*, which cited the Economic Survey of 2019-20, with partial restrictions in place nearly '1.4 million jobs will be lost,' which constitutes '2.2 per cent of the employed work force.' In terms of wage losses, this will translate into PKR 23.6 billion.<sup>36</sup> If restrictions are moderate, unemployment may go up to 12.3 million, and consequent wage losses are likely to be approximately PKR 209.6 billion with unemployment of nearly 20 per cent of the work force.<sup>37</sup> Under a complete lockdown, the unemployment figure may reach 18.53 million with wage losses amounting to an estimated PKR 315 billion, rendering 30 per cent of the labour force unemployed.<sup>38</sup>

reveals-3-million-jobs-have-been-lost-1.71886956.

<sup>&</sup>lt;sup>32</sup> Poverty Alleviation and Social Safety Division, *Ehsaas Emergency Cash*, (Government of Pakistan, 2020).

<sup>&</sup>lt;sup>33</sup> Ibid.

<sup>&</sup>lt;sup>34</sup> "Ehsaas Programme Being Enhanced from Rs 144bn to Rs 203bn," Dawn, July 17, 2020, https://www.dawn.com/news/1569458.

<sup>&</sup>lt;sup>35</sup> Zubair Qureshi, "COVID-19:Pakistan Finance Ministry Reveals 3 Million Jobs Have Been Lost," *Gulf News*, June 5, 2020, https://gulfnews.com/world/asia/pakistan/covid-19pakistan-finance-ministry-

<sup>&</sup>lt;sup>36</sup> Bakhtawar Mian, "Covid-19 Restriction May Cause Loss of At Least 1.4 Million Jobs," *Dawn*, June 12, 2020, https://www.dawn.com/news/1562985.

<sup>&</sup>lt;sup>37</sup> Ibid.

<sup>&</sup>lt;sup>38</sup> Ibid.

Corporations and services sector that were forced to keep their business operations shut had to lay off their staff.<sup>39</sup> Despite ordinances by different provinces, it was hard for the government, in the absence of access to financial assistance to labour, to ensure that staff was not laid off.

## National Crisis Management Strategy

National emergency/crisis response institutions appeared dysfunctional at the beginning of the crisis. The timely warning and desired preparation was found wanting, chiefly due to effete and slow response by the National Disaster Management Authority (NDMA) and Ministry of National Health Services, Regulation and Coordination. There was no health risk assessment and management entity/organisation within the Ministry. Due to lack of timely sensitization, the sense of urgency in border control and capacity building of hospitals was missing. The need for an updated national database for healthcare infrastructure has emerged as a prime need. The NDMA, that was supposed to act as the focal organisation for disaster response, had to be subsumed in a hastily formed 'National Command and Operation Centre (NCOC).' A need has emerged, therefore, of an organisation that can plan effectively for all disasters in peacetime and be able to respond to emergencies in crisis situations.

# Shortcomings in Response

At the beginning of the COVID-19 pandemic, the government was slow to mitigate it,<sup>40</sup> unlike the other countries like South Korea. Following are some of the shortcomings that came to the fore in Pakistan's response to the COVID-19 pandemic:

• The Ministry of National Health Services, Regulation and Coordination (MoNHSRC) failed to appreciate the nature and magnitude of the threat unfolding in Wuhan, China. As experts,

<sup>40</sup> Tariq Butt, "Belated Response to COVID-19 Costing Pakistan, Several Countries Heavily," *News International*, March 28, 2020, https://www.thenews.com.pk/print/635735-belated-response-to-covid-19-costingpakistan-several-countries-heavily.

<sup>&</sup>lt;sup>39</sup> Aamir Latif, "Millions of Pakistani Laborers Struggle Amid COVID-19 Lockdown," Anadolu Agency, April 30, 2020, https://www.aa.com.tr/en/asiapacific/millions-of-pakistani-laborers-struggle-amid-covid-19-lockdown/1824231.

Ministry officials should have warned the government at the federal and provincial levels well in time to take protective and preventive measures. Apparently, there was no emergency/crisis response cell in the Ministry that could have acted as a fulcrum for epidemic control measures. A risk management strategy was conspicuous by its absence.

- Due to a vacuum on disaster response at the federal level, there was less than desired coordination between the NDMA and MoNHSRC. As a result, the warnings for border control and stockpiling of essential medical equipment for doctors and Intensive Care Units (ICUs) of hospitals could not be sent in time. The acute shortage of Personal Protective Equipment (PPE) and ventilators in hospitals emerged as the Achilles' heel of Pakistan's healthcare system.
- As the threat of COVID-19 unfolded in China, no updated record of essential equipment and capacity of hospitals was shared in time with the relevant institutions to firm up response options.
- Had the NDMA and MoNHSRC been more proactive, the government could have ensured better and timely border control and quarantine at the Taftan border.
- Effective border control and management of pilgrims (excluding those from Iran) could have prevented the spread.
- The government's response towards religious congregations allowed the *Tablighi Jammat* at Lahore to hold congregation in March despite clear indications of health risk posed by a contagious virus. By the time the government acted, the damage had already been done. Similarly, guidelines for Friday prayers were given too late.
- Lack of an organised volunteer force also came to the fore when the government decided to raise a 'Tiger Force' of volunteers to disburse food aid to impoverished segments of population. Such a force should ideally have been arranged out of peacetime trained volunteers on Boy/Girl Scout lines.

# **Opportunities**

Following are some of the opportunities that Pakistan needs to capitalise on:

# **Regional Health Security**

The COVID-19 pandemic has opened up the possibility of regional health security cooperation in South Asia. Political differences need to be put aside to forge a common and a synergetic regional response to future health emergencies. The South Asian Association for Regional Cooperation (SAARC) needs to be reinvigorated to combat health and climate change-induced crises.

# Handling Clerics and Religious Affairs

The government needs to educate and impose rules-based discipline upon the conduct of clerics and their proselytizing efforts. Regulation of the organisation of *Tablighis* and imposition of curbs on congregations should be enforced strictly after obtaining edicts from Saudi Arabia, Al-Azhar University (Egypt), nationally renowned religious scholars and institutes such as Islamic Ideological Council or through consultations organised by the Ministry of Religious Affairs or parliamentary committees. The crisis is an opportunity to make rigid religious attitudes more malleable and rational.

# Creation of Database of Wage Earners

An evident lapse that needs to be corrected is the government's inability to update the record of daily wage earners. As per local television media, many wage earners in rural areas of Sindh, Punjab, Balochistan, and Khyber Pakhtunkhwa have not had access to rations or financial support from the respective provincial or federal governments. The state should update its record on wage earners by having a centralised digital database prepared through joint efforts of the National Database and Registration Authority (NADRA), Federal Board of Revenue (FBR) and recently formed Ministry of Poverty Alleviation.

## Raashid Wali Janjua, Khalid Chandio, Umar Farooq Khan & Usama Nizamani Indigenisation of Health Equipment

Critical importance should be given to indigenous manufacturing of ventilators, radiology equipment, and PPEs. Special concessions for manufacturing units in the under construction Special Economic Zones under the China-Pakistan Economic Corridor (CPEC) need to be provided.

#### Focus on Public Health

The current public health focus on sanitation needs to be used to strengthen the national health infrastructure. There is a need to invest more on public health, hygiene and medical facilities. The management structure at public health institutions needs to become efficient and corporate- oriented in its execution. Investment in adequate infrastructure building needs to take place to cater for additional in-patient and surgical departments, including placement of specialists at public hospitals at district and *tehsil* levels. Quality assurance at public health units must be robust and stringent with zero tolerance for violations. Developing a comprehensive public health policy with focus on building up of industrial capacity can create dividends for private investors to pour in resources and build indigenous industrial capacity to cater for the local market and increase share of medical exports.

#### **Prospects for Biotechnology and Biomedical Investment**

There is scope for attracting investment in biotechnology and biomedicine in Pakistan. This may lead to a gradual transition towards an innovation culture in the country. Medicine, bioengineering and biosciences have the potential to flourish given Pakistan's strong human resources. For doing so, the Foreign Office (FO), Pakistan Atomic Energy Commission (PAEC), Special Plans Division (SPD), National University of Sciences and Technology (NUST), NDMA, National Institute of Health (NIH), amongst others, need to be consulted for devising a robust policy on an institutional setup to encourage research and development culture in Pakistan. Vaccine research for infectious diseases should be conducted under properly equipped laboratories that meet biosafety levels 3 and 4 as per international standards.

## Recommendations

# UN Resolution on Universal Access to COVID-19 Vaccine

The FO and its mission at the United Nations (UN) should push for global cooperation for building capacity of all nations to combat health emergencies. Diplomatic efforts at international level should put pressure on rich nations to honour their financial commitments to the WHO. The multilateral fora should try to make the COVID-19 vaccine accessible to developing countries.

#### **Economic Package**

The government, instead of focusing too much on stabilisation, needs to prop up growth. There is a need to concentrate on protecting existing businesses and household incomes from bankruptcy. In order to cover up an expected loss of 5 per cent of GDP due to contraction of the economy, the minimum size of the government's package should at least be 2.5-3 per cent of GDP. The government should reduce vulnerable households' monthly expenditures by reducing General Sales Tax (GST), reducing monthly utility payments and passing maximum benefit of petroleum prices to the people. The State Bank of Pakistan (SBP) needs to provide a credit backstop/guarantee to lend on easy terms to Small and Medium sized Enterprises (SMEs).

## **COVID-19 and SAARC**

SAARC should be reactivated as a central forum to forge common regional response to health and climate change risks. A regional risk management strategy must be formulated under SAARC's aegis. This may help South Asia in attaining its rightful share of aid from international institutions such as WHO and United Nations Framework Convention on Climate Change (UNFCCC).

## **Relaxation of Interest Rate**

To spur economic growth and to offset the economic consequences of global recession, the interest rate should be further reduced. This will lead to reenergising economic activity to compensate losses incurred during the lockdown. The interest rate has been cut down to 7 per cent by SBP.<sup>41</sup>

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<sup>&</sup>lt;sup>41</sup> Ariba Shahid and Meiryum Ali, "Covid Cut: SBP Slashes Interest Rate to 7pc," *Pakistan Today*, June 25, 2020, https://profit.pakistantoday.com.pk/2020/06/25/covid-cut-sbp-slashes-interest-rate-

However, rates may need to be further slashed as means of providing additional stimulus to the economy.

# Industrial Automation

Assembly lines in factories may see a massive shift in favor of auto-bots bringing down human intervention to a minimum as co-bots in the overall supply chain. The government should encourage the private sector to adopt automation of its assembly lines and design programmes to focus on education/training of the youth for Fourth Industrial Revolution technologies.

# Tax Holiday to New Businesses and Entrepreneurs

Pakistan should give a tax holiday to SMEs that offer employment to 5-15 people for six months/one year. This will allow the government to create additional incentives and encourage new entrepreneurs.

### Inviting Start-Up Initiatives in Biotech and Biomedicine Firms

Pakistan will need to enhance its allocation for Science and Technology that stood at 0.00025 on Research and Development (R&D) in 2018.<sup>42</sup> Although it has now been enhanced 600 per cent under the present government, it still stands at 0.15 per cent of the GDP. The government needs to allocate more resources to R&D facilities. In 2018, Israel spent about 4.8 per cent of its GDP on civilian R&D.<sup>43</sup> Pakistan needs to scale up R&D share to at least 2.5 per cent of its GDP in the next fiscal year.

# Establishment of National, Provincial and District Health Organisations

to7pc/#:~:text=KARACHI%3A%20The%20State%20Bank%20of,points%20from %208pc%20to%207pc.

<sup>&</sup>lt;sup>42</sup> Amin Yusufzai, "Pakistan Spends 0.00025 per cent of its GDP on Science and Technology: Senate Committee," *ProPakistani*, June 13, 2018, https://propakistani.pk/2018/06/13/pakistan-spends-0-00025-of-its-gdp-on-sciencetechnology-senate-committee/.

<sup>&</sup>lt;sup>43</sup> "Israel's Expenditure on Civilian R&D Rises 4.6 pct in 2018: Report," *Xinhua Net*, August 29, 2019, http://www.xinhuanet.com/english/2019-08/29/c\_138348662.htm.

Overall national health spending should be increased from the current 0.8 per cent of GDP to WHO's recommended 6 per cent of GDP in phases. A National Health Organisation (NHO) on the lines of WHO focusing on public health, infectious diseases and pandemics may be created under which the provincial chapters called Provincial Health Organisations (PHOs) are set up with the lowest tiers deployed at districts level called District Health Organizations (DHOs). The organisations should plan, monitor and implement public health strategies.

#### Establishment of Prevention and Disease Control Centre (PDCC)

Pakistan should establish an autonomous Prevention and Disease Control Centre (PDCC) dedicated to study of epidemiology, infectious diseases and disease control/prevention. The Centre must be responsible for undertaking and funding research, development, innovation and conception of policy for health departments across the country. This may be achieved by decoupling the area from NIH and placing it under the PDCC. The Centre should work under the MoNHSRC as an autonomous institution, and engage with multilateral institutions, keeping abreast of global research on disease prevention and control.

#### Use of Modern Technology in Health Services

Modern technology like 5G Spectrum should be integrated with telemedicine to enhance responsiveness and outreach of healthcare. This can be achieved by earliest introduction and operationalisation of 5G technologies since it creates low latency in operating and handling of equipment. Through such technologies, doctors and radiologists could operate complex machinery remotely bridging the healthcare divide between urban and rural centres.

# Conclusion

While a certain degree of de-globalisation through stronger border controls and focus on individual economies would be the new normal, the fundamentals of global economic interdependence and geopolitical competition are likely to remain the same as before. The common threat of COVID-19 to all nations, regardless of economic and political strength, might act as a catalyst to find common cures for future pandemics. Regional cooperation and joint strategies

for countering similar pandemics might be the unintended consequences of the present scourge stalking mankind. Countries like Pakistan need to imbibe the right lessons and recalibrate development spending to focus more on human security. The outbreak of COVID-19 and the strict public measures taken by governments, including that of the US and UK, show that a stronger case has been made for government intervention in societal welfare in areas such as healthcare.

The current crisis has also shown that there is a clear linkage between the quality of health systems and the economy. The top three countries on the Global Economic Sustainability Index (last calculated in 2014) were Singapore, Hong Kong and South Korea and all three countries shared one common feature - they had the best performing healthcare systems. This explains the reason why they managed the current crisis so effectively. This is something that Pakistani policymakers need to be cognizant of.

The issues of urban versus rural living styles are also of importance. It is worth highlighting that COVID-19 has spread more easily in tightly packed metropolitan cities like New York and London. More than 40 per cent of Pakistan's population lives in urban cities with more people moving to urban cities in search of better opportunities. This rural/urban migration demands serious attention of urban policy planners at the national and provincial level.

Pakistan spends under 0.8 per cent of its GDP on healthcare which leaves the country under-equipped and ill-prepared for any health crisis. The government needs to improve health security of the people and make it a priority in its policymaking to cope with future challenges and emergencies. New and innovative strategies should be devised and implemented to offset Pakistan's resource-constrained environment. In this regard, the Local Government (LG) set-up must be strengthened by holding free and fair local elections in keeping with the provisions of the Constitution of Pakistan.

Given the global fallout of COVID-19, Pakistan should brace itself for an economic downturn. In order to alleviate its negative impact, the government should continue to rally international support for debt relief for developing countries.