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# COVID-19: Are we all in this together?

Hollywood celebrities, sport stars, politicians and millionaires – nobody seems to be safe from COVID-19. But depending on where you live and what you do for a living, you may run a higher risk of contracting the virus. And if you do, the quality of care you receive and, indeed, your chances of survival may depend on the thickness of your wallet.

A new policy brief just released by UN DESA found that coronavirus cases and deaths are not equally distributed. The brief also details how countries can turn the COVID-19 crisis into a transformative moment for reducing inequality for generations to come".

Whether in developed or developing countries, people living in poverty and members of other disadvantaged groups are more likely to become infected. Social distancing is not an easy feat for people who live in small, crowded dwellings, slums, prisons or refugee camps.

Many low-wage workers cannot afford to stop working or do not have the option of working from home. Frequent handwashing is not an option for the three billion people without handwashing facilities at home. Access to information is also uneven, not least because of the persistent digital divide.

Once exposed, people in disadvantaged groups are at a higher risk of dying, either because they do not have access to health care or because they cannot afford it. In addition, the incidence of pre-existing conditions that increase the fatality risk is higher among such groups. For example, although persons of African origin comprise only 13 per cent of the United States population, they account for over one third of all known COVID-19 cases in that country.

The abilities to cope with the health, economic and social consequences of the pandemic are unequally distributed as well. People without savings or access to social protection are more likely to fall into poverty or sink into deeper poverty due to the health shock or as a result of the economic downfall. As a result, many are left to choose between health and economic welfare—or, worse yet, between illness due to the virus and illness due to hunger and malnutrition.

Although the COVID-19 crisis is still unfolding, there is every reason to believe that poverty and inequality are growing. These negative social effects could last for years, even after the health crisis ends and once economic growth returns. They could even leave a mark on future generations. But they do not have to.

The long-term outcomes of the crisis will depend on our policy response. Historically, policies implemented in the aftermath of pandemics and other major crises often helped reduce inequality and reshaped the world for the better. The UK, for example, launched a public housing programme after World War I and the US instituted a social security system during the Great Depression.

The world is once again at a historically critical juncture. An insufficient response to this crisis can put countries on downward pathways, deepening inequality, intensifying public discontent and weakening trust in institutions.

At the same time, the tragedy of COVID-19 is ushering in a fresh awareness of the social and economic risks we run with deficient social protection systems and inadequate public services. The crisis also demonstrates the indispensable role of collective action and global collaboration.

This new mindset can transform our world, making the COVID-19 pandemic a watershed moment in history, after which the world collectively embarked upon building more equitable societies and aligned its policies with the aspirations of the Sustainable Development Goals.

Access the new policy brief on COVID-19 and inequality on UN DESA's dedicated web portal for COVID-19.

**HIGHLIGHTS** 



Severe downturns in labour-intensive sectors spell trouble for global inequality

The global economic downturn caused by the COVID-19 pandemic is shaping up to be the worst since the tragically consequential Great Depression. Countless comparisons have been made between the current economic situation and the global financial crisis of 2008. Although similar in terms of their impact, especially on employment and income,

key differences make the current crisis particularly dangerous.

The global financial crisis began in 2008 with the bursting of the housing bubble in the United States accompanied by the subprime mortgage meltdown. The collapse of major banking institutions followed, along with a precipitous fall on stock markets across the world and a credit freeze. Bankruptcies increased, credit dried up and unemployment skyrocketed. This was the beginning of the Great Recession.

This time, soaring unemployment came first as many businesses were forced to shutter because of nationwide lockdowns in most developed economies. Rising unemployment and shrinking revenues are choking the demand for products and services, which will inevitably lead to sharp increases in bankruptcies and even more lay-offs.

Millions of low-skilled workers employed in retail trade, restaurants, sports and recreation became the first casualties, as the pandemic containment measures largely shut down economic activities in these sectors.

The pandemic is disproportionately hurting those who are least able to withstand an economic shock—low-skilled, low-wage workers both in formal and informal sectors. While benefits of an economic boom trickle up, the losses from a crisis trickle down, with the poor and the most vulnerable in societies absorbing most of the setbacks.

The negative distributional consequences of the pandemic are likely to be more pronounced than the global financial crisis in terms of scope and magnitude, as low-income households will be hit simultaneously both on the economic and health fronts.

### Travel and Tourism

Tourism and travel were the first, direct casualties of COVID-19. The UN World Tourism Organization projects a 20–30 per cent decline in international tourist arrivals in 2020, worlds apart from the four per cent decline in 2009, in the direct aftermath of the global financial crisis.

Likewise, the International Air Transport Association (IATA) estimates a 38 per cent drop in passenger traffic in 2020, compared to the 2019 levels, which translates into \$252 billion revenue loss from passengers.

If global tourism—a sector that employs more than 300 million people—were to collapse, the consequences would be catastrophic for the poorest. The loss of income—combined with limited opportunities to find jobs in other sectors of the economy—would lead to higher levels of poverty and inequality in most tourism-dependent economies across the developing world.

## Manufacturing

The COVID-19 pandemic is also taking a major toll on the manufacturing sector, which employs over 460 million people worldwide. As the pandemic continues to spread, manufacturing activities have stalled or are slowing down around the world, with many economies seeing their manufacturing sectors contracting in March.

Global manufacturing was already under pressure from the rising trade tensions. A prolonged economic crisis, with reduced global demand, especially for durable goods, would suppress real wage growth and inevitably lead to higher income inequality in many developing countries.

The fall of manufacturing activities could spill over across national borders through the global trade networks. Such a spillover effect would be potentially disastrous for global manufacturing, as nearly half of the world's exported goods and services either involve inputs from more than one country or are later to be—upon further processing—part of future exports from the importing countries.

With shrinking exports revenues from tourism, commodities and manufactured goods, developing countries are facing significant fiscal space constraints that prevent them from effectively mitigating the pandemic's adverse impacts, including on rising inequality.

It is therefore imperative that when development partners consider debt restructuring, moratorium and other reliefs, tourism- and commodity-dependent economies receive additional financial support. The support must come as soon as possible, not three months later. Any delay will mean an amplification of the catastrophic impact of rising economic inequality, severely limiting the prospects of sustainable development.

Access the May Monthly Briefing on the World Economic Situation and Prospects to learn more.

#### **HIGHLIGHTS**



# Trust in science saves lives

To protect the lives of people, on a healthy planet – we must trust science. With more than 3 million confirmed cases of COVID-19 around the world, our global response to the pandemic requires a far more collaborative relationship between scientists and policymakers – and more public trust in science — according to a new policy brief issued by UN DESA.

According to the brief, scientific assessments on COVID-19 are similar

around the world but the time and manner of response vary considerably across countries. There is a need to reassess the functioning of science-policy interface systems, where they exist; and to build them up where they are weak or non-existent, in order to preserve trust in science and government.

Public trust in science is essential for science-based policies to succeed. Where public trust is high, clear and direct—and where incorrect and damaging information is effectively countered—communications from scientists are likely to be most effective.

In the case of COVID-19, all individuals must trust the scientific guidance if they are to alter their behavior and lower the rates of transmission. For instance, the phrase "flatten the curve" has proven effective in encouraging people to remain indoors to limit the spread.

Additionally, scientific assessment must be used properly, and governments must act with greater urgency on global scientific assessments. International collaboration between scientists and experts is a powerful way of bringing evidence and scientific consensus to the attention of policy makers and to inform their actions. In September 2019, the Global Preparedness Monitoring Board—an independent expert body coconvened by the WHO and the World Bank—called for a global response to "a rapidly spreading pandemic due to a lethal respiratory pathogen."

Earlier assessments too had warned of such an eventuality: Taking action on these recommendations then would have built preparedness within and across countries, and

hastened an effective response to the current pandemic. Other recent scientific assessments, including the 2019 Global Sustainable Development Report and the 2019 Sustainable Development Goals Report, have called for urgent change in the relationship between people and nature.

Much of the needed actions will need to come from countries themselves, but international cooperation, supported by the UN system, can facilitate progress in all these areas. Many such initiatives are in place but need to be scaled up.

To access this and other policy briefs on the impacts of COVID-19 and the policy recommendations for a sustainable recovery, visit UN DESA's dedicated web portal for COVID-19.

Photo: World Bank

**GET INVOLVED** 



# How the world can connect to combat COVID-19

Until a few weeks back, not many of us had heard phrases connected to our health and survival like "the apex", "flattening the curve", or staying at home to save lives. But these are unprecedented times. The world is facing one of the gravest health challenges in modern times. It is a time that can test our bonds and kindness towards one another, or it can bring us closer together in solidarity and compassion.

The World Health Organization (WHO) is aiming to do just that. Not only is the organization on the frontlines of helping countries prevent, detect and respond to this deadly and rapidly spreading virus, it is also seeking ways to unite us against this invisible enemy.

To encourage and activate people and communities across the world, WHO has been bringing together various partners on a number of initiatives to help people stay connected and healthy through these difficult times.

Here are some of the ways you can engage to support, help boost solidarity, raise awareness and ultimately help stop the spread of the coronavirus.

- Support WHO's efforts to fight the virus by donating to the COVID-19 Solidarity Response Fund.
- Stay on top of the latest updates from WHO. Access the new Facebook Messenger version of WHO's Health Alert platform via WHO's official Facebook page and via the dedicated Messenger link.
- Ensure that the dignity and human rights of the most vulnerable populations are protected. Learn more about efforts here.
- Be sure to bust the myths about the virus.

- Get tips on how to remain healthy at home.
- Join social media campaigns like the #SafeHands challenge, or other challenges on handwashing, physical distancing, or initiatives like #ClapBecauseWeCare in support of health care workers.

You can also stay updated on UN DESA's response to the global COVID-19 pandemic and access materials that analyze the impacts of the virus, and the sustainable way forward.

Last but not least – remember to be safe, smart and kind. Only by working together, without prejudice or discrimination, but in solidarity and compassion, can we overcome this crisis.

#### **EXPERT VOICES**



# Can we flatten the curve without flattening the economy?

With around half of all the world's population now under some sort of lockdown, sheltering from the deadly coronavirus, how can we keep the global economy from collapsing and save tens of millions from losing their jobs and falling into poverty? We ask UN Chief Economist and Assistant Secretary-General at UN DESA, Elliott Harris.

UN DESA is closely monitoring the COVID-19 crisis' impacts on social, economic and sustainable development, sharing findings in a series of policy briefs. What do the findings tell us so far?

"The crisis is having a deep and negative effect on public health all around the world as infections soar and death rates mount. The containment measures that are imperative from the public health perspective have generated an unprecedented contraction in economic activity, threatening jobs and income, and the survival of millions of smaller enterprises. But the crisis does not affect all equally—it threatens to widen some of the inequalities that already exist between and within countries, and the poorest and most vulnerable are most exposed to the adverse effects, while least able to deal with them."

Flattening the curve without flattening the economy – what action is needed to set the world on track towards a sustainable recovery?

"The first imperative is to halt the spread of the virus. At the same time, emergency economic and financial stimulus measures must be put in place to prevent the deep economic contraction from leading to widespread bankruptcies, unemployment and deep-reaching, permanent adverse social outcomes. The immediate measures should also be formulated with an eye to the recovery and contribute to a more sustainable and resilient future. For example, the social protection measures put in place in the

emergency response should be maintained and integrated into a comprehensive and permanent social protection system that will strengthen the resilience to future shocks."

UN DESA will soon be releasing policy briefs taking a closer look at the impact of COVID-19 on Small Island Developing States as well as countries in Europe. Can you give us a sneak preview of some of the main findings and recommendations from these two analyses?

"Small island developing states (SIDS) are particularly vulnerable, both to the health and the economic crisis. Their relatively weak public health systems leave their populations exposed to the virus, while the global recession threatens their economies, heavily dependent on imported food and fuel and other essential consumer goods. The tourism sector, which is a major source of foreign exchange earnings and domestic employment in many islands states, is also being hit hard by the pandemic. The recovery of SIDS will depend on how quickly global transportation, tourism travel and overall economic activity returns to normal.

Europe bore the brunt of the pandemic in March, in terms of new infections and deaths, but aggressive containment measures seem to have slowed the spread of infections in April. The lockdowns will nevertheless cause a very severe contraction of European GDP in 2020. Wide-ranging stimulus packages have been introduced in many countries, which may contain some of the economic damage. As it represents one third of the global import demand, over half of total official development assistance and 28 per cent of remittances, a prompt and comprehensive recovery in Europe will be essential for the global recovery, and a rapid return to a sustainable development trajectory."

UN DESA's policy briefs can be accessed on the department's dedicated web portal on the response to the global COVID-19 pandemic.

IN CASE YOU MISSED IT



UN DESA kicks off new webinar series to share expertise on COVID-19 impacts and the way forward

How is COVID-19 affecting our lives, economies and societies, and what is the path towards a sustainable recovery? More than 2,000 participants from 160 countries registered for a webinar on 9 April 2020 to find out. Broadcast simultaneously on WebEx and via Facebook Live, the

event is part of UN DESA's new webinar series on the economic and social impacts of COVID-19.

During the session, experts from UN DESA shared the main findings of three new briefing papers on the social, economic and financial impacts of the pandemic, as well as public policy recommendations towards a sustainable recovery.

UN Chief Economist Elliott Harris, in his opening remarks, stated that a coordinated global response to COVID-19 is crucial since this disease knows no borders. He said that UN DESA projects that the economic impact of the virus may range from a slowdown of global output growth to 1.2 per cent this year, to an outright contraction of up to 0.9 per cent. He noted that both figures depend heavily on the duration of the restrictions on the movement of people, as well as the effectiveness of the stimulus packages propping up demand, and the minimization of bankruptcies and unemployment.

Other speakers noted that the longer the pandemic goes on, the deeper the effects on our society. When formulating response measures, countries and stakeholders must preserve some of our progress towards the Sustainable Development Goals, which remain more vital than ever. COVID-19 provides an opportunity to rebuild better, with more built-in social protection systems.

Overall, the pandemic is affecting different population groups unequally. For instance, employment losses related to COVID-19 are being felt hardest in sectors related to personal service and hospitality, which hit low-wage workers and women hardest. Good social protection measures recommended by one of the speakers, include securing workers' jobs or expanding support to laid-off workers; increasing training opportunities; expanding income support to sick workers; expanding access to unemployment benefits; supporting workers who cannot work from home; increasing targeted benefits or one-off income transfer; and increasing health spending. In order to help reduce poverty and inequality, stimulus plans must be in place quickly and be phased out slowly.

Watch the event via Facebook and access the policy briefs on UN DESA's dedicated web portal for COVID-19.

# We must act together to beat COVID-19 in Africa



### By Winnie Byanyima, Executive Director, UNAIDS

The COVID-19 outbreak has been placing unprecedented strains on sophisticated health systems in Europe and Asia, with overstretched medical staff struggling to treat their patients and intensive care facilities overwhelmed in rich countries. With cases rising in Africa, concerns are increasing on the impact on fragile health systems there. This crisis is already exposing glaring inequalities between the rich and the poor in the developed world, and it is about to reflect even greater inequalities between the North and the South.

This health crisis, like others, is hitting the poorest and the most vulnerable the hardest, especially in Africa. What does social distancing mean in Africa's congested townships, its packed markets and buses. How will people wash their hands several times a day to protect themselves from the virus without having access to water and basic sanitation? And what does that mean for women and girls who bear the daily burden of hauling water from rivers and wells for their households? How will a mother choose between going to work to put food on the table or staying at home with a cough or a fever? How do we tell informal workers, taxi drivers and all those who operate in the platform economy and live hand-to-mouth not to go to work?

We need to act now! There are four things we must do urgently: scale up testing and isolate infected people and communities, invest in health and protect our healthcare workers, focus on the community to ensure that the community response is strong, and have a constant supply chain.

The Africa Centre for Disease Control and Prevention estimates that 10 million testing kits will be necessary to respond to COVID-19 effectively over the next three months. Hundreds of millions of personal protective items such as face masks, protective gowns and gloves will also be needed. At a time when there is a global demand for these medical supplies, Africa must not be left behind. As we have seen in other countries, the best way to reduce infections and deaths is to test, treat and isolate infected people and communities to contain the virus. So, the supply of testing equipment and access to testing must be the priority.

A lack of investment in Africa's social infrastructure, including in its health systems, mounting debt and massive corporate tax dodging has left the continent ill-prepared to

face this coming emergency. Without publicly provided health care, people are left exposed to disease. User fees for accessing health services deny ordinary people their right to health. This is the time to abolish them. Rich countries are rightly pumping billions of dollars into their own economies and social security systems to keep people and businesses afloat, but will there be massive coordinated international financial support for the developing countries to fight Covid-19? We are in this together. Nothing but a global response will defeat this aggressive virus.

In responding to the HIV epidemic, community-led services have been core to our most important advances in preventing new infections and getting people on treatment. In the response to COVID-19, communities will no doubt step into the breach and public health authorities must engage with them now and build trust for the upcoming battle. We will not win without communities. It is communities who will design and implement their own context specific prevention measures, in markets, in buses, at funerals. As we have seen in the AIDS response, it will most often be women who will lead the charge in terms of caring for the sick and making sure that their children and communities are as safe as possible. We must ensure that resources flow to them so that they can carry on their important work, that they are fairly compensated and that their families are financially secure.

And the response must respect the human rights of the most vulnerable. There have already been incidents all over the world where individuals or communities are being blamed for the virus. This must stop. It's wrong and counter-productive for the wider public good. Let us learn the lessons of the AIDS response and know that stigma and discrimination will hold us back in getting to grips with this pandemic.

In addition, to make sure that medicines continue to reach people in need, we must ensure the security of the global supply chain in this period. UNAIDS is working closely with all its partners to make sure that essential medicines and medical supplies continue to get to where they are most needed. We will continue to do so.

I wish we were in a different place. That everyone had the right to health and that we were in a stronger position to face this new challenge. That debate will continue and my voice will stay strong. For now, we must do the best we can for our communities.

Let us help and support each other during this time – we are all in this together and we will beat this virus through solidarity, compassion, and kindness.

\*The views expressed in this blog are the author's and do not necessarily reflect the opinion of UN DESA.

## SDG 10 in numbers

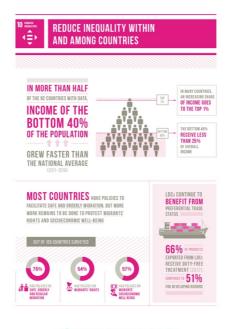


Inequality within and among countries is a persistent cause for concern, despite progress in some areas.

Income inequality continues to rise in many parts of the world, even as the poorest 40 per cent of the population in most countries experience income growth.

Greater focus is needed to reduce income and other inequalities, including those related to labour market access and trade. Specifically, additional efforts are needed to further increase zero-tariff access for exports from poorer countries, and to provide technical assistance to LDCs and small island developing States seeking to benefit from preferential trade status.

Access more data and information on the indicators for SDG 10 in the SDG Progress Report 2019.





# Latest economic prospects for the post-COVID-19 world



With nearly half of the world's population in lockdowns and 100 countries closing national borders, the pandemic has unleashed a health and economic crisis unprecedented in scope and magnitude. The world economy is projected to experience its deepest downturn since the Great Depression.

Millions of people have already joined the ranks of the unemployed and Governments are rolling out large stimulus packages to fight the pandemic and minimize the impact of a catastrophic economic downturn.

The pace and sequence of recovery from the crisis will largely depend on the efficacy of public health and fiscal measures and their success in containing the spread of the virus, minimizing risks of reinfection, restoring consumer confidence and reopening of the economies.

Join us on Wednesday, 13 May, as we launch the World Economic Situation and Prospects as of mid-2020. UN Chief Economist and Assistant-Secretary-General at UN DESA, Elliott Harris, and Hamid Rashid, Chief of the Global Economic Monitoring Unit of UN DESA, will present the economic forecasts for major countries and regions, highlighting the macroeconomic impact of the COVID-19 pandemic, policy responses and the post-crisis recovery scenario.

The report will be available on 13 May at bit.ly/wespmidyear

Watch the launch live at webtv.un.org

# Guiding the UN Development System to ensure results for people



More than 40 organizations that make up the UN development system (UNDS) carry out the operational activities for development of the UN throughout the world. The overarching objective of these activities is to support efforts to achieve the Sustainable Development Goals (SDGs), and they include both activities with development and humanitarian focus.

Every four years, Member States provide guidance on how this work should be delivered in a key policy document, the Quadrennial Comprehensive Policy Review (QCPR). This year marks the end of the 2016 QCPR cycle and this month, Member States will come together at ECOSOC's Operational Activities Segment (OAS) to review the UNDS achievements over the past four years and consider how best to guide the UNDS for the next four years.



This year, the segment will also assess the transformation of the UN development system through the bold reforms introduced in the past two years to make the UN better fit for purpose, in the context of the 2030 Agenda. In addition, the segment will discuss the unprecedented upheavals brought about by the COVID-19 pandemic worldwide, which are testing both the flexibility and fitness of the system. Finally, in view of the necessity for

social distancing, consideration is being given to hold the segment in a virtual format.

The preparations for these deliberations have started with the release of the Secretary-General's report on the implementation of the QCPR on 24 April, and the start of a training series on the QCPR, co-organized by UNITAR and DESA, with the support of the Government of Switzerland. The first virtual training module took place on 24 April with over 200 participants, and four additional modules are planned to take place over the next months.

The discussions held at the Segment will lay the foundation for the General Assembly deliberations on the 2020 QCPR in the fall, when Member States will set out the strategy and policy direction for the next four years. The new QCPR cycle will be born in the most extraordinary circumstances the UN has seen in its 75 years, as Member States set the direction for the recovery from the COVID-19 crisis and the acceleration of progress to achieve the 2030 Agenda during the Decade of Action.

For more information: The 2020 Operational Activities for Development Segment

### **UPCOMING EVENTS**

As a preventive measure amidst the coronavirus (COVID-19) pandemic, some of the high-level meetings organized by UN DESA worldwide have been postponed or cancelled. Others are still being reviewed. Find out the latest information about the affected events: UN DESA Calendar

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