



Evidence.
Ideas.
Change.

COVID-19's disproportionate impact on the global poor: Pathways, patterns and concerns

Dr Soumya Chattopadhyay
Senior Research Fellow
Equity and Social Policy Programme
Overseas Development Institute, London

July 30, 2020

Caveats

- Beyond UK, beyond BAME
- The poor as a proxy for vulnerable groups
 - Age, gender, socio-economic status, household composition, type and sector of employment, location, pre-existing health needs
- Data limitations on systematic evidence
 - Unable to make cross-country comparisons or estimate time trends

Initial perceptions

itvNEWS



HANKS AND WIFE
HAVE CORONAVIRUS

itvNEWS



CHARLES DIAGNOSED
WITH CORONAVIRUS

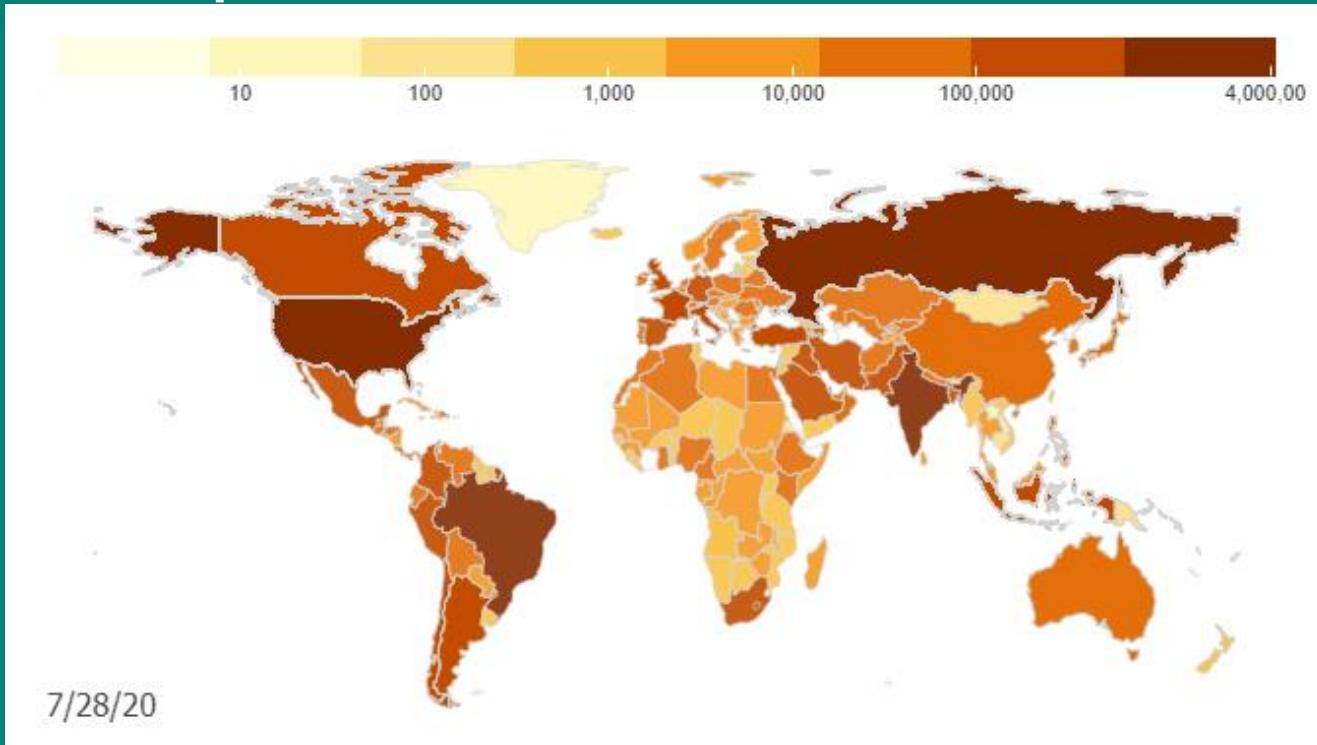
4 News

Boris
Johnson
contracts
coronavirus



Evidence.
Ideas.
Change.

Reality on a map



Evidence.
Ideas.
Change.

Source: Johns Hopkins University

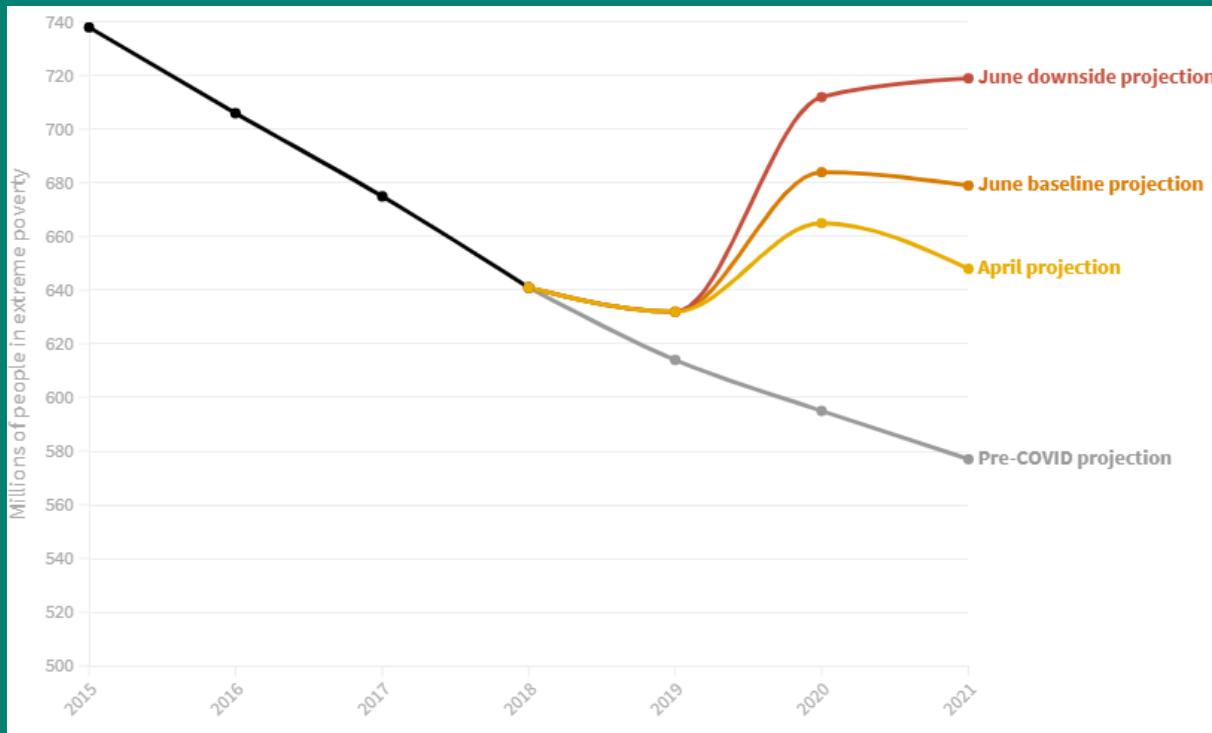
Reality in numbers



COVID-19's estimated impact on global poverty

- Additional 71-100 million people in extreme poverty in 2020
- Additional 176 million people in poverty in MICs
- Increase in inequality would increase these estimates
- Disaggregated and differentiated impact based on demographic and socio-economic characteristics
- Longer lasting impact – with global recession despite fiscal stimulus

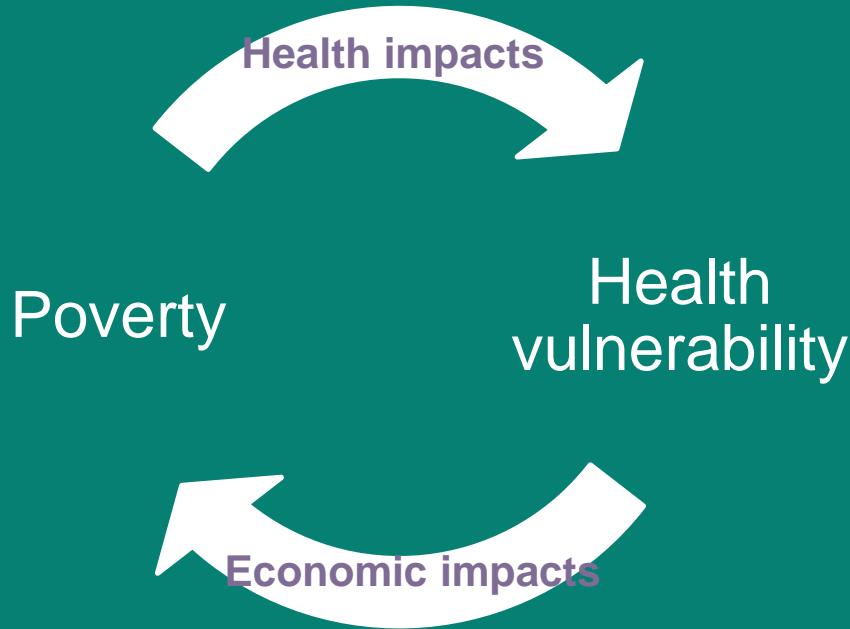
COVID-19's projected impact on extreme poverty



Evidence.
Ideas.
Change.

Source: Lakner et al. (2020) using PovcalNet
and Global Economic Prospects data.

COVID-19: “A disease of poverty”*



Understanding the pathways

Channels of impact

- Health impacts
- Economic impacts

Timing of impact

- Exposure and transmission
- Recovery



Evidence.
Ideas.
Change.

Health channels for increased vulnerability

- Higher exposure due to nature of work
 - Essential workers
- Poorer nutrition and health status; comorbidities
(Stunting %: B'desh 31; India 35; LICs 34; MICs 21; HICs 2.8)
- Preventive guidance less feasible
 - Safe distancing (Pop density: B'desh 1240; India 455; UK 275; US 36)
 - Sanitation (Water and soap, rural %: B'desh 26; India 49; Nigeria 31)
- Poorer access to healthcare systems; affordability

Economic channels for increased vulnerability

- Loss of employment from sickness or caregiving
- Loss of earnings and employment in lockdown
 - Informal sector employment; low wages; reduced remittances
 - Inability to work-from-home
- Lack of social protection
- Scarcity of necessities and higher cost of living
- Perils of migrating back

Future/emerging concerns

- Impact of easing restrictions; increased incidence of cases
- Adjusting to structural changes in the labour market
- Declining fiscal capacity of governments
- Prioritising vaccine development defunding other needs
- Addressing reversal of widening inequities within and between countries
- Fast-track disaggregated data-driven policy interventions

Transforming this crisis into an opportunity for sustained progress.

Select research from ODI

- ODI's latest research and analysis on COVID-19's implications
- ODI's research on equity and social policy – including universal child benefits, universal healthcare systems, education beyond crises
- “Building a better world beyond coronavirus”
- “From pandemics to poverty: hotspots of vulnerability in times of crisis”

Email: s.chattopadhyay@odi.org.uk