



Policy Brief No. 2

CEDA Coronavirus Policy Brief: Still As Relevant

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The data released by the Ministry of Health and Family Welfare earlier this morning shows that India registered 2,59,170 new cases of coronavirus infections in the previous 24 hours. Moreover, there were 1,761 fatalities across India because of Covid-19. At more than 2 million, the total number of active cases in India now far exceeds the previous peak in 2020.

With India in the middle of a strong second wave of the coronavirus pandemic, the health infrastructure across the country is now stretched. With high demand for medicines like remdesivir, India has banned its exports while the supply of oxygen to industries has been restricted to help provide adequate oxygen to hospitals across the country. Both [hospital beds](#) and [Covid-19 vaccines](#) are in short supply which highlights the challenge facing the country. This shortage far exceeds anything faced by the Indian healthcare system in the first wave of the pandemic. The severity of the challenge is on display every day on social media with users making requests for hospital beds, oxygen cylinders or medicines for their loved ones.

Several state governments across the country have been forced to impose state-wide curfews to try and break the spread of the pandemic further. All these factors give a sense of déjà vu as far as the pandemic and policy responses are concerned. What also brings back memories of the social and economic upheaval faced by the country one year ago, are the visuals of migrant workers gathering at railway stations, bus depots across major industrial hubs like Mumbai, Delhi, or Surat.

The resurgence of the pandemic and the lockdowns/curfews imposed in various parts of the country are not unexpected though. In April 2020, Centre for Economic Data and Analysis (CEDA) came out with a Policy Brief which pointed to the challenges that existed and which may appear in the future.

“It will take at least 18 months for a vaccine to become available, and even after that, scaling up vaccine production to cover the entire world population will take a long time. Until then, or until a sufficient number of people become immune to the virus, we may see multiple outbreaks of the disease, leading to spikes in infections and mortality.

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In short, over the next two years, governments around the world will have to spend resources on stamping out repeated outbreaks of the disease, often by “locking down” cities, or regions, or entire countries.”

The CEDA Policy Brief laid out broad guidelines and made recommendations to help policymakers in responding to the economic and health crises. Instead of suggesting specific responses to contain the pandemic, the policy brief suggested ways to avoid an economic tragedy because of Covid-19.

“As we have seen in the few short days of national lockdown so far, these lockdowns come with significant economic costs and impose hardships on many vulnerable people. Policymakers must be prepared to mitigate the costs of lockdown and provide relief to adversely affected individuals. Moreover, they must be ready to announce these measures in advance of a lockdown to prevent the scenes of chaos, panic, and anxiety that we have witnessed over the last few days.”

The recommendations made in the CEDA Policy Brief remain relevant in this second wave of the pandemic as well. The first recommendation was to create a social safety net for vulnerable populations.

The Policy Brief recommended monthly cash transfer to all households with ration cards of Rs 4,300 in urban areas and Rs 2,600 in rural areas using the existing payments infrastructure based on Aadhar. “If lockdowns cover only specific states or districts, cash transfers should extend to households living and working in all the affected areas,” says the policy brief.

Another recommendation was to ensure the supply of essential commodities during a lockdown with a broader view of what constitutes “essential commodities”, to ensure households can meet their daily needs, and to support farmer incomes.

One of the most important recommendations of the Policy Brief was the creation of a Pandemic Preparedness Unit at the level of the Central government. This will be responsible for:

- i. streamlining disease surveillance and reporting systems,
- ii. coordinating public health management and policy responses across all levels of government,

- iii. formulating policies to mitigate economic and social costs, and
- iv. communicating effectively about the health crisis.

Such a unit can help direct health resources like oxygen cylinders, medicines or hospital beds better in these times of crisis.

The Policy Brief was authored by Abhinash Borah, Sabyasachi Das, Aparajita Dasgupta, Ashwini Deshpande, Kanika Mahajan, Bharat Ramaswami, Anuradha Saha, Anisha Sharma of the Department of Economics, Ashoka University.

As India battles an unforgiving second wave of the pandemic, this CEDA Policy Brief can still help policy makers tackle its effects on people's lives and the economy.

Read the full CEDA Policy Brief [here](#)