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Covid-19 and India's Development Crisis

On 31 December last year, as China first alerted the WHO about several cases of unusual pneumonia in the port city of Wuhan, India was in the throes of the largest protests the country had witnessed since Narendra Modi and the right-wing Hindu nationalist Bharatiya Janata Party (BJP) first took power in 2014. Thousands of people were on the streets, protesting against anti-Muslim citizenship laws, and the nation looked set to face a 2020 that would revolve around a contest over the future of its secular constitutional democracy.

Three months later, the equations have changed as the Covid-19 pandemic has tightened its grip on the world. India registered its first case of the virus in late January. Since then, and at the time of writing, the number of cases has increased to 4218, and 111 people have died as a result of the illness This is moderate compared to countries like China, Italy, Iran, and the United States, but the prognosis for India does not look good. In fact, even conservative estimates suggest that India will see approximately a million confirmed cases and as many as 30,000 deaths by late May.

Lockdown and Exodus

How have Prime Minister Narendra Modi and his party – the right-wing Hindu nationalist Bharatiya Janata Party (BJP) – responded to this situation? Initially, Modi pursued a cautiously optimistic "don't panic" approach. As the situation worsened, he declared a one-day People's Curfew on Sunday 22 March, and encouraged Indians to bang pots and pans from their balconies as an expression of appreciation of their fellow citizens providing essential services. A spectacle ensued, in which middle-class Indians took out processions in their neighbourhoods – more as an expression of their admiration of Modi than anything else, and in complete violation of anything remotely resembling social distancing.

Things changed just two days later. On Tuesday 24 March, Modi declared a 21-day lockdown, exhorted Indians to practise social distancing and careful hand hygiene, and warned against hoarding and panic buying of basic goods. The 1.3 billion-strong nation was given all of four hours to prepare for an unprecedented disruption of everyday life. "The nation will have to certainly pay an economic cost because of this lockdown. However, to save the life of each and every Indian is our top most priority," Modi said in his address to the nation. "Hence, it is my plea to you to continue staying wherever you are right now in the country."

The country's 120 million migrant workers, however, did not abide by the Prime Minister's appeal. Instead, the past ten days have witnessed a massive exodus as migrant workers have begun making their way back from India's mega-cities to their villages in rural areas on foot along interstate highways. There are good reasons why these workers ignored Modi's plea for Indian citizens to stay put. Their livelihoods evaporated as a result of the lockdown: "Work just disappeared," a young plumber, who was making his way from Mumbai to his village in Madhya Pradesh, told a journalist. In such circumstances, rural homes hold out the promise of at least some kind of subsistence.

But getting there is gruelling – many migrant workers walk for days on end, covering hundreds of kilometres with their families. Many have embarked on their journey without sufficient food, and have found themselves at the receiving end of harsh and humiliating treatment by state authorities. In Bareilly district in the northern state of Uttar Pradesh, for example, a group of returning workers were rounded up in a bus stand and hosed down with a disinfectant based on sodium hypochlorite – the main ingredient in bleach. Others have been sent back to where they came from, as Modi's government has ordered state borders to be sealed. So far, 22 migrant workers are reported to have died while trying to make their way back home. "The only thing that kept us moving," said one female factory worker who had spent four days on the road with her family, "was that we had nowhere else to go."

A Crisis Beyond the Pandemic

It would be profoundly misleading to chalk up India's current situation only to the exceptional circumstances brought about by a biomedical emergency. There is no doubt that India is confronting a major crisis, but this is a first and foremost a crisis of uneven and unequal development. In fact, the impact of the pandemic can only be understood in terms of how it intertwines with India's slow-burning development crisis.

What does that mean? Isn't India one of the dynamos of the world economy, and an emerging power on the global stage? For sure, this is the image that Modi prefers to tout both to India's citizens and to the world more generally. But it is very far from the actual truth.

Contrary to Modi's promise during the 2014 election campaign that he would extend the development miracle that he claimed to have engineered in his home state of Gujarat, which he ruled from 2001 to 2014, the BJP government has actually presided over a protracted slowdown in the Indian economy. In fact, late last year, India's real gross domestic product growth rate was reported to have shrunk to 4.5%, the lowest the country had seen in 26 quarters. This is the climax of a process of stagnation that has been ongoing, according to data from the World Bank, since 2016. Consumption and

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investments are down, and activity in the manufacturing and construction sectors has also contracted significantly in recent years. And all of this this is despite Modi's tax cuts to the rich.

Covid-19 will undoubtedly worsen this scenario. Last Friday, the Asian Development Bank cut India's growth forecast for 2020 to 4% – and that is based on the assumption that the pandemic dissipates and full economic activity resumes in the third quarter of the year. As lockdowns and social distancing further dampen economic activity, unemployment will increase much beyond its current 45-year high of 8.5% of the country's workforce.

However, the slowdown under Modi is just the tip of the iceberg. The tremors of the coronavirus pandemic will hit an economy shot through with fault lines that have only deepened since India began to liberalise its economy in the early 1990s. The most evident fault line is this: despite the fact that India's economy grew strongly from the early 2000s up to 2016, some 60% of the population lives on less than $3.10 a day, while the richest 1% in the country hold more than four times the total wealth of the poorest 70% and the top 10% earn 56% of all income.

What these numbers reveal is that economic growth in India has failed to reach the country's working classes in any meaningful sense. And this, in turn, has to be understood in light of the fact that more than 90% of all Indian workers are employed in the country's informal sector where wages are low, working conditions poor, and access to social protection very limited. The Covid-19-fuelled intensification of India's slowdown will doubtlessly deal its harshest blow to this disposable workforce. Street vendors and factory hands, domestic workers, carpenters and plumbers, taxi drivers and rickshaw pullers, construction workers and daily labourers – these are just some of the precarious workers whose livelihoods are now being dramatically undermined by the impact of the coronavirus.

The cruel paradox here is very clear. When the Indian economy was growing at higher rates, this was in large part fuelled by the cheap labour provided by the country's informal working class. And now, it is precisely their informal status that makes this working class so intensely vulnerable – not just because they are easily hired and fired, but also because their access to social protection and public welfare services is extremely limited. In a nutshell, what we will see unfold in the time ahead, are the perverse consequences of the world's largest democracy having consistently failed to extend social rights to its poorest and most vulnerable citizens.

This becomes even clearer when we consider the fact that India, a middle-income country, has invested very little of the fruits of the growth that the country has witnessed in its social infrastructure. As a result, India's development indicators — for example, infant mortality rates and malnutrition — are far weaker than those of poorer South Asian neighbours such as Bangladesh, Pakistan, and Sri Lanka. The situation is particularly grave when it comes to healthcare. Consider, for example, that in 2017, India had only 0.5 government hospital beds per 1,000 people – an "abysmally low" ratio even in the best of circumstances according to researchers at the Brookings Foundation – and that there is only one public sector doctor for every 10,189 people in India. In contrast, the WHO recommends one doctor per 1,000 people.

These numbers are a direct result of low levels of investment in public healthcare in India — according to the WHO, India ranks as number 184 out of 191 countries across the world in terms of public spending on health care as a share of GDP, and spending has stagnated around 1% of GDP over the past two decades. Countries such as Sri Lanka, Bangladesh, and Indonesia spend far more than this, and even low-income countries spend an average of 1.4% of GDP on healthcare. The dismal levels of public spending on healthcare compel people to resort to the private medical sector, and this in turn pushes 63 million Indians into poverty every year as a result of the out-of-pocket expenses that they incur.

With the pressure that is bound to come, there is no doubt that this system will buckle. And when it does, it is the working poor, who are vastly more exposed to infection due to crowded dwellings and insanitary living conditions – as many as 160 million people don't have access to clean water, and 600 million Indians face acute water shortages – that will be the hardest hit. In other words, those who were always expendable in India's predatory economy will also be vastly overrepresented among those who perish in the coming weeks and months.

Relief From Above?

Can India's poor look to the current regime for succour in this situation? I doubt it.

Five days after he ordered the lockdown, Narendra Modi, in his weekly radio programme, apologized to the country's poor: "My conscience tells me that you will definitely forgive me as I had to take certain decisions which have put you in a lot difficulty," the Prime Minister said. Apologies, however, do very little to fill empty pockets and empty stomachs, and the same can be said for his tweet, on the same day, which listed quilt-making and learning how to cook new dishes as some of the ways in which Indians were coping with the lockdown. It is also unlikely that Modi's tweet the following day, which showed an animated version of his yoga routine, achieved much by way of alleviating the plight of the working

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poor. Whether his call for Indians to spend nine minutes at five in the afternoon on 9 April shining "candles or diyas, torches or mobile flashlights" in doors and on balconies will be more useful in this regard remains to be seen.

But what about the more tangible measures that have been announced to address the needs of the poor? After the lockdown was implemented, the Indian Finance Minister announced a relief package to the value of $22 billion. This might sound promising, but as medical journalist Vidya Krishnan has pointed out, the amount is woefully inadequate when we consider that it only amounts to 0.8% of GDP. This is negligible in and of itself compared to the packages provided by governments elsewhere, and careful examination has shown that, due to the fact that much of the package revolves around frontloading and refreshing existing schemes and initiatives, its actual value stands at approximately $8.1 billion.

Day labourers and other informal sector workers stand to receive very little from the relief package, and there are also no measures for migrant workers. Cash transfers of $7 per month will be woefully inadequate in a context where wages are vanishing and much the same can be said about the provision of five kilos of rice or wheat and one kilo of pulses per month per person for the next three months. In addition, the actual delivery of food aid is likely to take time and to be hampered by the lack of an adequate infrastructure for provision. This, of course, should come as no surprise, given that India, despite being a food-surplus country, ranked as number 102 of 117 countries on the Global Hunger Index in 2019.

When we reflect on the prospects of India's working poor, it is also important to recall that the villages that many migrant workers are heading back to have been embroiled in a decades-long agrarian crisis that have undermined their capacity to function like a safety net. In short, this crisis revolves around a pincer movement where the costs of cultivation have escalated strongly, while at the same time, agricultural incomes have declined or stagnated. This has resulted in increasing levels of indebtedness, and indebtedness has in turn led tens of thousands of farmers and agricultural workers to commit suicide – in 2016, for example, which is the last year for which data is available, more than 11,300 farmers and agricultural workers took their own lives.

The Covid-19 pandemic is already intensifying this crisis. Crops are currently ripening in the fields, but despite the fact that the Ministry of Home Affairs has exempted agricultural activities from the lockdown, farmers across India fear that they will not be able to harvest, transport, and sell their crops. In addition, the autumn crop is likely to be disrupted. Despite this, the Modi regime's relief package offers little to India's already ravaged agricultural sector. The outcome, as veteran journalist P. Sainath has pointed out, could be a dramatic worsening of an already precarious food security situation in India.

Looking Ahead – From Below

The current situation in India brings home a more general point – namely that the Covid-19 pandemic plays itself out on economic and social terrains that have become perversely unequal over the past four decades, and that it intensifies those inequalities in devastating ways. In this context, glib assertions from on high that "we are all in the same boat" are not only meaningless; they are downright dangerous because they obscure these inequalities and the asymmetrical power relations that underpin them. And this, in turn, diverts attention from the imperative of challenging these inequalities through collective action from below.

What would such collective action look like in India? First and foremost, it means that oppositional forces have to mobilize around immediate demands for a drastic expansion of social security for the working poor. Indeed, this is already happening through the activism of the labour rights group The Working People's Charter, which has demanded that the Modi government establish a $6,5 billion emergency fund to address the needs of workers in India's informal sector. The group has also demanded expansion of cash transfers and food distribution, as well as immediate initiatives to expand access to healthcare for the working poor and to regulate the prices of essential commodities such as food and medicines. Since the imposition of the lockdown, we have also seen NGOs and civil society groups engaging in relief activities independent of the state – for example food distribution to migrant workers on the move from cities to the countryside.

Mobilizing and organizing for an immediate expansion of social protection for the working poor is absolutely crucial in the present moment, but progressive responses, both from political parties and from social movements, must extend beyond this to address India's development crisis. Most fundamentally, this entails a struggle for social citizenship and radical redistribution in the world's largest democracy. Rallying around social citizenship also provides an opening for linking such a struggle to the concerns and demands of those who, until very recently, were on the frontlines of the struggle against the BJP's anti-Muslim citizenship legislation. In the long run, it is only a fusion of the defence of secular civil and political citizenship with the struggle for social citizenship that can halt India's descent into deeper inequality and a malevolent religious majoritarianism.