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“A crisis like no other”

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Picture: JONA KONATA CFiji National Provident Fund members affected by COVID-19 pandemic crisis line up outside the office to lodge their assistance applications.

JUST within the first 90 days in the new year of 2020, the world has changed. Lives and livelihoods across the world have been lost.

International Monetary Fund (IMF) described the stunning collapse as “the deepest downturn, since the Great Depression of the 1930s” in its 2020 April economic Outlook, IMF predicts

global economy to shrink by 3.0 per cent, in 2020. It is a virus-driven recession and the uncertainties continue, making any firm forecasts more difficult.

Vibrant economies in the developing world and the ever innovative advanced economies were poised to grow faster in 2020, as there were signs of resolution of trade dispute between America and China.

Hopes were high that countries would march on again in an already liberalised world since the late 1990s with a freer movement of goods and services and capital and above all rise in migration for jobs as well as international travel for pleasure encouraged by rise in per capita incomes.

Now the world is groping in the dark.

All because of one deadly virus of an unknown variety, now labelled as novel coronavirus disease of 2019 (COVID-19). That invaded the planet, not from the outer space but from the province of Wuhan in China where an outbreak of pneumonia began in December, 2019.

The first case was confirmed as he sought care in a medical facility in the state of Washington in mid January. The victim was a returning airline passenger at San Francisco airport from Wuhan on January 15. Diagnostic tests led to the inference that the person-to-person contact would have contributed to spreading of COVID-19 unlike the 2015 virus associated with respiratory disease.

On January 21, US President Donald Trump decided to limit travel from China. It was too late.

As of April 22, total recorded positive cases in the US were 819,614 and deaths 45,340, compared with the world's total cases of 2.6 million; and deaths of 177,641. Stringent measures including social distancing and lockdowns were introduced only in mid March, when New York City became a first hot spot. *The New York Times* reported that the delay was “due to a difficult decision making process, complicated by the trade dispute where the US Administration did not want to upset China”.

Future of globalisation

In a recent article on “Will the Corona Virus Bring the End of Globalization?” in the *Wall Street Journal*, Zachary Karabell wrote that the COVID-19 pandemic is “a negative byproduct of our hyperconnected world”. In the past, countries were “like islands”. They had various restrictions on travel, movement of goods and services, capital and migrant labour in search of work and viruses “did not have opportunities to skip from population to population and from country to country”.

Going back to closed economies, akin to lockdowns to prevent the rapid spread of the COVID-19 for breaking the chain in transmission process is neither desirable nor feasible as the world has already enjoyed economic gains, which have reduced poverty in China in particular and in Asia and Africa in general.

The best future course of action that could be thought of is alerting the rest of the world in time on any epidemic.

Success of lockdowns

Lockdowns and social distancing when administered strictly and followed diligently by disciplined communities, the chain in virus transmission can be broken; and the contagion controlled. The example of Wuhan is a case in point, which is now open, as the authorities reported on April 6 after a lockdown period of 76 days.

In “chaotic” societies (some democracies fall into this group, where restrictions though for the common good, are looked upon as incursions in personal liberty, including religion), social distancing cannot be enforced.

Researchers from Harvard Chan School of Public Health in their article on April 14 say that a one-time lockdown will not be sufficient to bring the pandemic under control; and that secondary peaks could be larger than the current one without continued restrictions. The Harvard researchers warn that until a vaccine is successfully found and tested sound, the social distancing and shutdowns will have to continue well into 2022.

Impact of COVID -19 on Pacific islands

The 14 Pacific island countries (PICs) nations and territories scattered across the Pacific Ocean have been lucky to escape the wrath of COVID-19. In geographical terms, PICs are “really islands”, remote and distant from world markets.

With tourism and business travel helped by improvements in civil aviation in last two decades, contacts with the rest of the world have grown more. Still being far and away, PICs have been relatively free from infectious diseases. However, one positive case is enough for affecting the rest.

The first positive COVID-19 case was detected on March 12 in French Polynesia and the victim was one of the members of the French National Assembly, who visited Paris. Since then, PICs have begun tests. Official statistics reveal Fiji has conducted more than 300 tests; Papua New Guinea 604 tests, and New Caledonia 3552 tests.

As of April 15, seven PICs (Commonwealth of the Northern Marianas, Papua New Guinea, Fiji, French Polynesia, Guam, and New Caledonia and Timor-Leste) have reported 236 cases: Fiji’s account was 18, PNG’s 2, French Polynesia 55, New Caledonia’s 18, Timor Leste’s 6, and CNMY’s 2. Total number of deaths was 5.

Tests were not mandatory. Only patients who feel sick with fever or get worried with symptoms were tested. There might be a need for great number of tests which may give rise to the discovery of new cases and this could put substantial pressure on public health care system.

In its effort to curb the contagion, Fiji has introduced curfew from 8pm to 5am. Police and the military are deployed to enforce the curfew. Although Suva is no longer under a stringent lockdown from April 16, lockdowns are effective in Lautoka and smaller urban areas.

Other PICs have also imposed various proactive measures. There are no cases of COVID-19 in Nauru, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu. They are aware that airport screening of incoming travelers is needed.

PICs, which are highly dependent on tourism earnings, are likely to be hit very hard. They are: Cook Islands, Fiji, Samoa, Tonga and Vanuatu. In Fiji's tourism and hospitality sector, more than 25000 jobs have been lost.

In those PICs where cost of living is already very high and governments do not have much fiscal space to support maintenance, the poor and the jobless have to face hardships. Families dependent on remittances, such as Tonga and Tuvalu and Kiribati will also face adverse effects. Solomon Islands dependent on tuna exports, is worried about likely reduction in tuna exports and fall in their price by 5 per cent.

To assist those who lost jobs, Fiji has allowed members to withdraw \$F1000 from their Fiji National Provident Fund Accounts. For those, who do not have full amount, government has decided to subsidise the difference.

With reduced demand and disruption to supply chain, businesses have to be satisfied with minimal or no profit because of reduced cash-flows. The PICs do not have well equipped health care systems. They do not have capacity to give regular, monthly or weekly cash transfers.

They are in dire straits, if the world contagion is not controlled. The advanced countries have to assist PICs by all kinds ranging from cash to medical aid. The international funding agencies have to rise to the occasion, do more than what they do in times of natural disasters.

This crisis is like no other.

It is not the physical infrastructure like roads or bridges, which are damaged.

It is the very will to survive that is challenged while facing an invisible enemy.

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