

Why Covid 2.0 hurt competitive States more

These States could have weathered the second wave had they addressed the public healthcare inadequacies better

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Globally, India has been one of the worst affected by the second wave of Covid-19. The country's low resilience to the second wave was largely propelled by the poorly implemented vaccination drive coupled with the emergence of the highly transmissible B.1.617 variant. And the healthcare infrastructure had all but crumbled from the pandemic-induced pressure. According to World Bank data, India's healthcare spending, at 3.6 per cent of GDP, is the lowest amongst BRICS countries.

Although the national level indicators point to low resilience to the second wave of Covid infections, the picture at the State level is varied. Our research study (<https://nus.edu/351pvc1>) shows that the more economically competitive States are less resilient to the second wave. For example, Delhi and Maharashtra faced the heaviest burden with high infection rates and fatalities. On the other hand, the north-eastern States of Tripura and Assam, which are the least competitive, have remained largely resilient to the second wave.

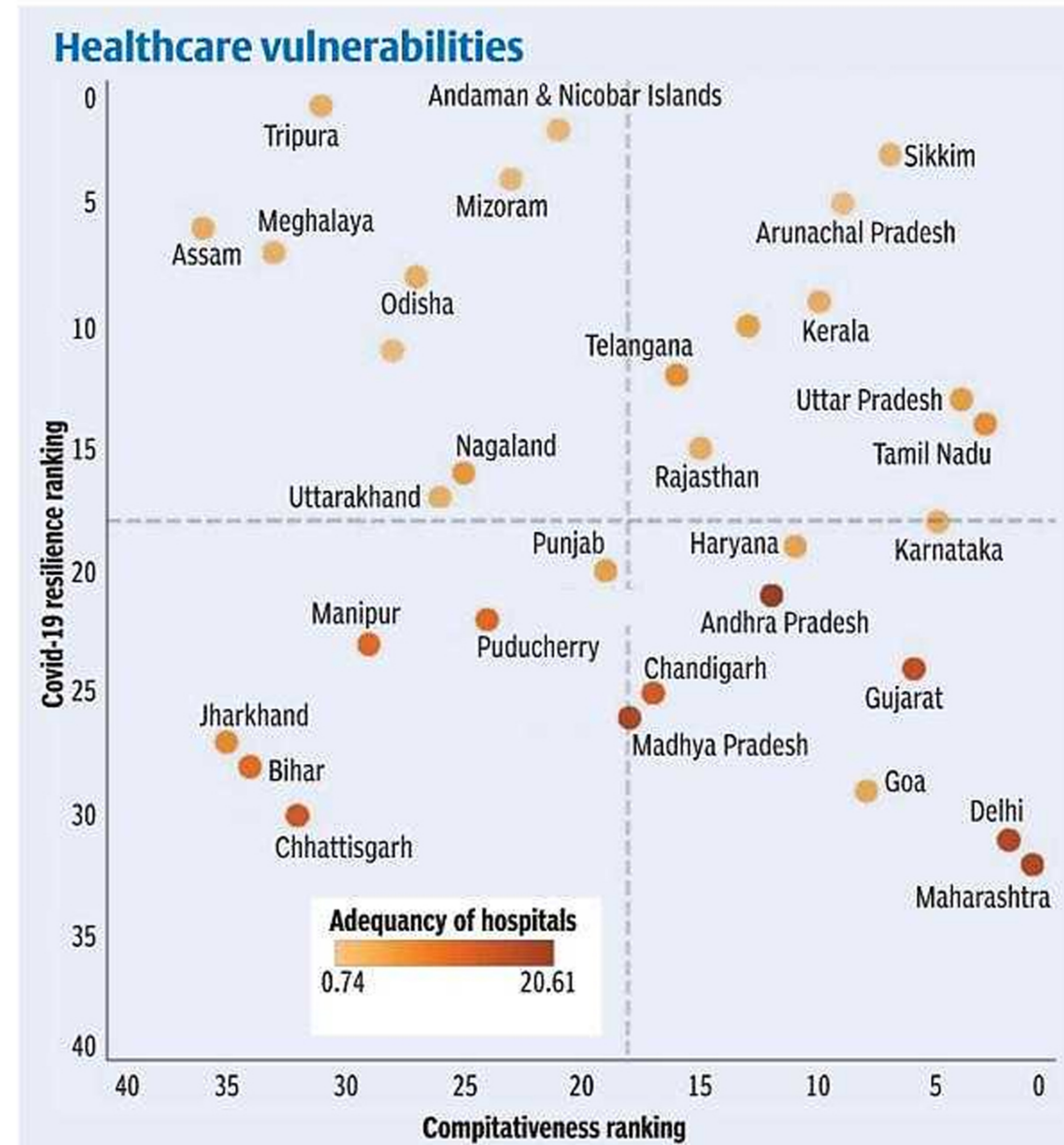
While a majority of the top competitive States have been extremely vulnerable to the Covid pandemic, the bottom States in terms of competitiveness emerge as highly resilient to the second wave.

Can healthcare vulnerabilities which existed before the onset of pandemic explain the competitiveness-resilience anomaly? In the figure, the top-right region shows the States that are both economically competitive and resilient to the second wave. The colour shade denotes the public health adequacy of the States, with light colour indicating better performance. The light shades of the States in the top-right region indicates that their public hospital adequacy is better than that of the others.

Kerala stands out

The case of Kerala deserves special mention as it is a top competitive State that showed high resilience in dealing with the Covid crisis. The State's proactive response can be attributed to its robust healthcare system and its previous experience in successfully handling the Nipah epidemic in 2018 and two unprecedented floods in 2018 and 2019.

States that are highly competitive and yet have proven to be less resilient to the second wave are Maharashtra, Gujarat, Goa, Delhi, Haryana, Chandigarh, Karnataka and Andhra Pradesh. Maharashtra and Karnataka accounted for the highest number of active Covid cases and deaths at the time of the study, while Delhi had the second highest number of deaths despite having a moderate number of active cases. Although endowed with



conducive conditions to attract businesses and manpower, the more competitive and less resilient States lag behind in addressing the quality of externalities associated with economic growth. This is evident from the public hospital inadequacy of these States to serve their densely populated cities, which comprise large number of people

over 60 years of age (who are more vulnerable to the pandemic).

In April 2021, the country's hospitals started running out of oxygen, beds and requisite drugs, with the national capital, Delhi, having less than 100 critical care beds at one point of time.

The more competitive States could have weathered the second

wave better had they addressed the public healthcare infrastructure inadequacies and economic growth externalities prior to the pandemic. This is validated by the case of Kerala which is one among the very few top competitive States that emerged as highly resilient to the second wave. Kerala's past investments in healthcare infrastructure paid off in tackling both the first and second waves effectively.

Given the havoc caused by the second wave, the viable solutions to handle the predicted third wave must include increasing healthcare spending, enhancing vaccine production capacity and pursuing an efficient vaccination drive.

The Indian SARSCoV-2 Genetics Consortium had issued warnings about the new virus variant in early March 2021 itself. However, the lack of proactiveness to deal with the crisis exacerbated the situation throughout the country, eventually leading to State governments implementing fragmented lockdowns.

If the Central and State governments do not adopt a scientific approach to tackling the pandemic, it will continue to be a looming challenge for the country.

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