

COVID-19 As a Systemic Risk: Overview and Objectives of the Seminar



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Session I: Proceedings of the day

Self
introduction

Purpose of
the seminar

Proceedings
of the day

Welcome
remarks

Group
photo graph

- Good morning!
- At last it is nice to see all the Indian research team in Japan
- We have been trying to organize this event for the past two years and only now we are able to materialize it. Thanks to the spirit of the partners...
- Without much ado, let me lay out the proceedings of the day...



What is a Systemic Risk?

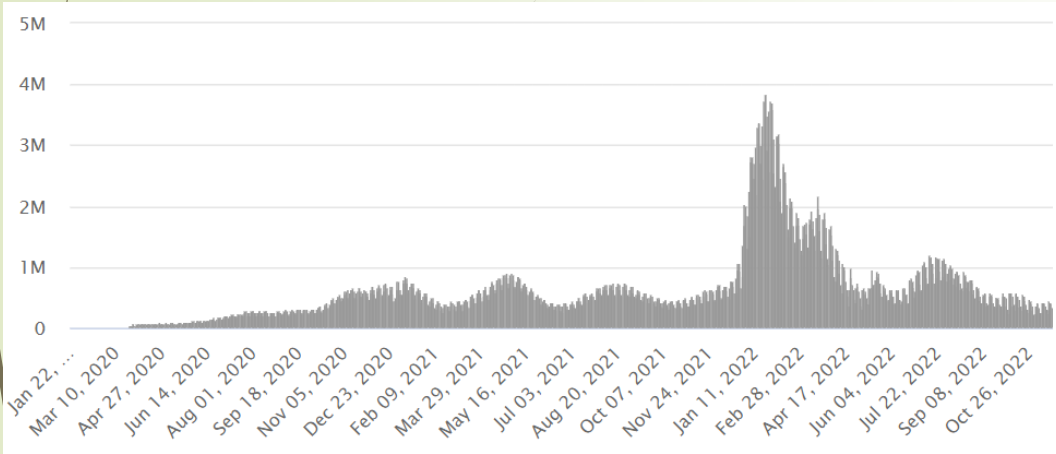
- The type of risk that threatens the entire system
- The risk usually starts at a small scale, usually at a micro scale and small geographical unit or a sub-sector
- It rapidly evolves into affecting the entire system, country or even the world with cascading effects
- The risk transmission is much more pervasive that it is either not clearly visible or is not effectively isolated at the early stages
- This makes the risk to take a bigger shape by the time the risk is realized and mitigation actions are put in place.

Why COVID-19 is a systemic risk?

- We know that COVID-19 started at a small scale.
- The evolution of COVID-19 from within China to a pandemic took three months (from Dec 2019 to March 2020 for the disease to be declared as pandemic by WHO)
- The disease was a health risk initially, a public health concern. It became the economic and security concern in less than 3 months when the social life and eventually the economic mission started stalling. Thanks to lockdowns and cross-border travel restrictions.

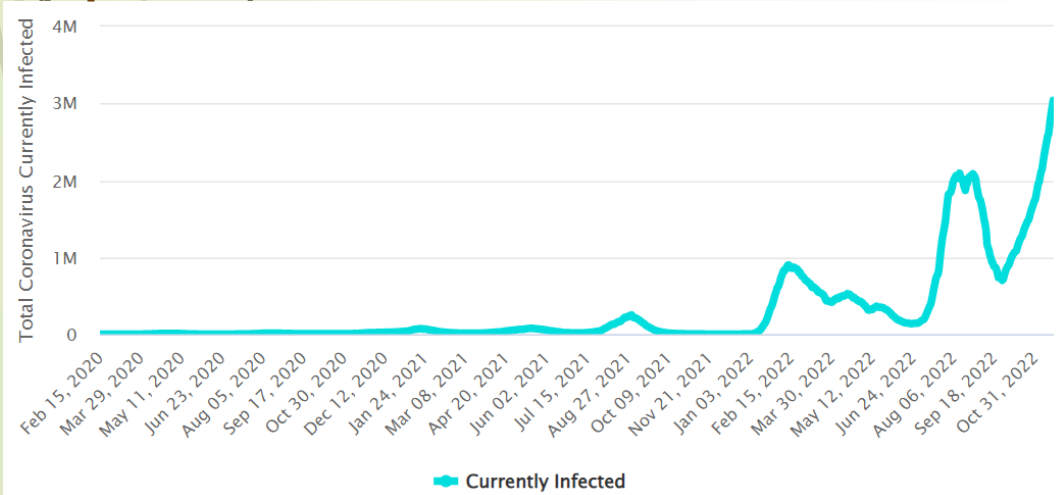
The COVID-19 Disease Progression

World

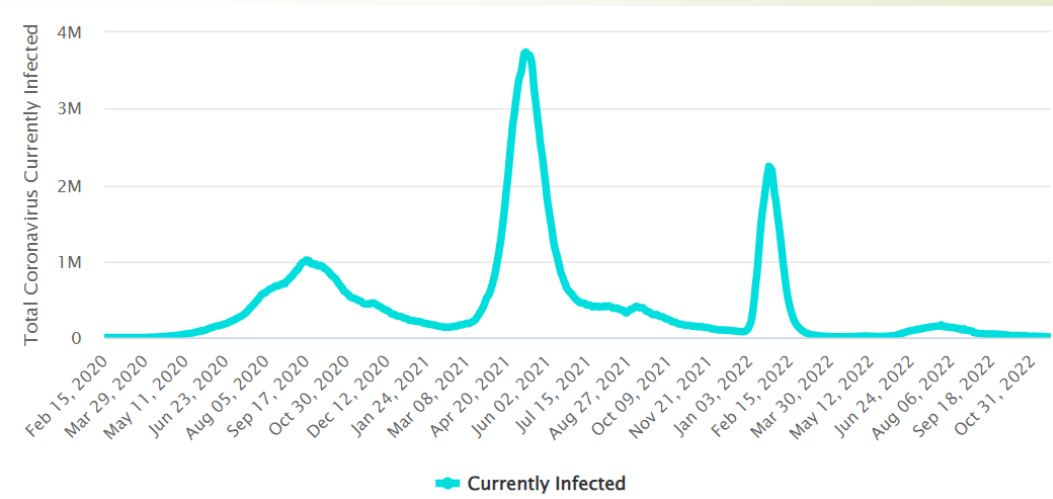


- In terms of disease progression, we have seen that both Japan and India have shown different trends.
- Japan had **189,289/million** while India reported **31,757/million**.
- India had 3 distinct waves while Japan had much more complex behaviour.

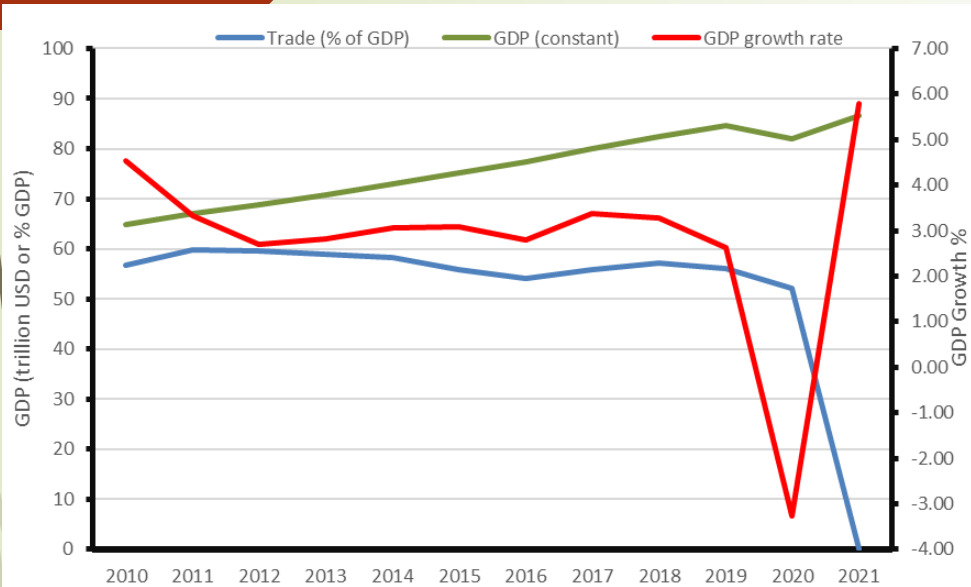
Japan



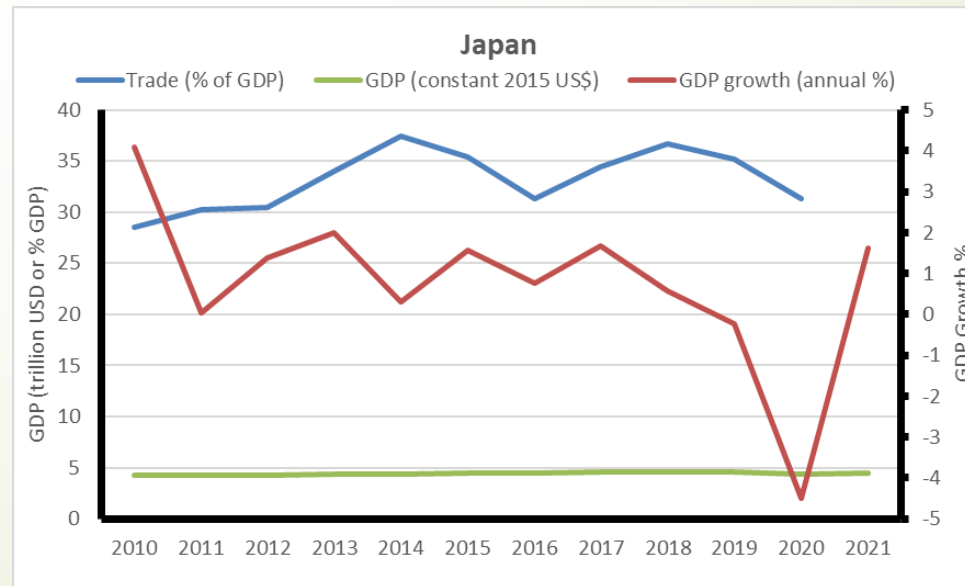
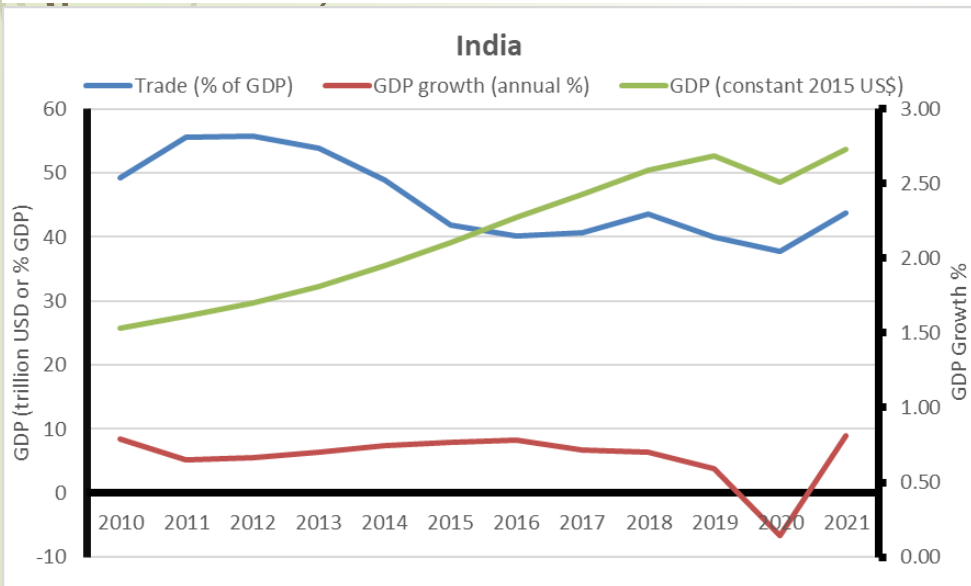
India



The Economy



- The global economy has already been going through a tough growth period before COVID.
- The world GDP growth rate declined by -3.27% while Japan GDP grew by -5% and India -7%.
- The trade as a % of GDP was also affected in both the countries.



Other Major Fallouts

- Impact on health care workers, general mental health of was impacted, rise of health risk due to limited use of hospitals (Ringsmuth et al, 2022)
- Total external private finance to developing countries fell by 13% (OECD 2021), diversion of ODA to COVID.
- Labour market losses of \$3.7 trillion in income globally in 2020 (255 million full-time jobs losses) (ILO 2021). India experienced a job loss of 9% in the age group of 20-40 years. The unemployment in Japan stood at 2% in 2020 mainly service sector.
- Globally countries with high income and wealth inequality showed highest death rates.

➤ India GINI index 35.7	Deaths/million	377
➤ Japan GINI index 32.9	Deaths/million	384
- **The ability of governments to respond to other natural disasters was also drastically affected**

Positive Effects

- Total global emissions in 2020 are estimated to have fallen by 5.8% relative to the 2019 level (IEA, 2021)
- Large reductions in air pollutants, water pollution, noise pollution and reduced human encroachment into wildlife habitats (Kumar et al., 2020)
- Reduction in air travel, personal mobility, and preference to more active movement modes (walking and cycling)
- Fewer road accidents, cleaner air with fewer air pollution health impacts
- Online conferencing, more digital social activity compensating the loss of direct human interactions

Objectives of the Seminar

Technical objectives:

1. To discuss systemic risks behind the socio-economic impacts of COVID-19 in Japan and India
2. To identify the transboundary impacts of COVID-19 on Japan and India

Operational objectives:

3. To develop a roadmap for a resilient and sustainable future for Japan and India, the region: The final session tomorrow will have focused discussion on this aspect. What are the important elements of such a future, how can we realize those elements, and what research and policy gaps we need to address to build such a future.
4. To foster strong research collaboration on COVID-19 between relevant researchers in Japan and India: Visiting research institutions in Japan UNU-IAS, ADBI, Musashi University and NIES



Thank You!