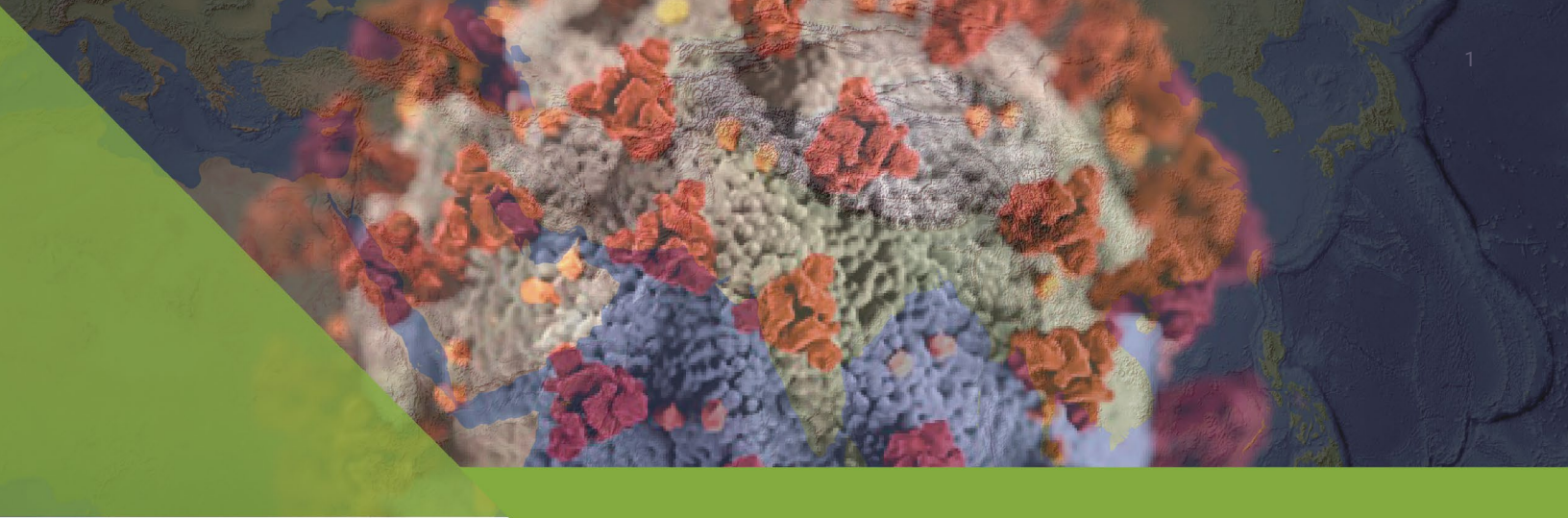# EXPLORING COVID-19 IMPACT ON SOUTH ASIA

Wikistrat's COVID-19 Webinar Series
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WIKISTRAT
CROWDSOURCED CONSULTING

EXPLORING COVID-19 IMPACT ON SOUTH ASIA

BACKGROUND

While South Asia is starting to ramp up its response to the coronavirus outbreak, the region is just at the start of a long fight with the virus. The slow response from authorities and misinformation spread at the community level has made the challenge in the region much harder than first imagined.

One of the more hopeful results of the coronavirus outbreak is the revival of the South Asian Association for Regional Cooperation (SAARC) as a force for positive cooperation within the region. Despite this, reasoned public health decisions are all the more important, as the fragility of the economies in South Asia means a balance between economic and health concerns needs to be struck.

Einat Elazari from Wikistrat interviewed South Asia expert Michael Kugelman, to discuss the implications the virus will have on the region.

Michael Kugelman
Michael Kugelman is a senior associate for South Asia at the Woodrow Wilson International Center for Scholars in Washington, DC. He is also the deputy director of the Center's Asia Program. His work mainly focuses on India, Pakistan, and Afghanistan.

KEY TAKEAWAYS

Taliban-US peace talks derailed?: The coronavirus outbreak provides logistical issues in finding neutral sites to hold talks. A premature US withdrawal from Afghanistan because of health concerns could strengthen the Taliban's position, meaning an equitable settlement becomes harder to achieve.

India is leading the regional response: In holding a meeting between the leaders of the fellow SAARC members, Modi is demonstrating his desire to lead a coordinated regional response, yet problems with Pakistan remain.

Stakes are high for developing economies: Developed economies have the fortitude to survive a state of lockdown in the interest of public health. However, developing ones, such as some in South Asia, have an important trade-off to balance. Their economies are too fragile to weather a complete shutdown, and thus balancing between economic stability and public health is paramount importance.

Refugees at risk: In a region with a high refugee population, precautions and provisions have not been allocated to these populations, as countries seek to ensure the safety of their own citizens. This also puts refugees at risk not only from absolute poverty but also as transmitters of the virus as resources are diverted away from refugee management.

An emotional, not logical, response: Authorities are not combating the false information which is being disseminated across social media and from community and religious leaders. This disinformation is harming the coordinated response to the virus.

LIVE WEBINAR:
FULL TRANSCRIPT

What is the impact of the virus on the Afghan peace talks? Would you argue that the window of opportunity there is closing as the virus spreads in Afghanistan?

Well, yes, I do fear that this pandemic could make a very challenging effort to launch and conclude peace talks even more difficult than it had already been, and for several reasons. One is that with the coronavirus now entrenched in Afghanistan, I think that there's going to be a major bandwidth issue for the Afghan government. This is a government that struggles to provide basic services and is quite capacity-constrained under the best of circumstances. But now with the coronavirus, it's going to be completely overwhelmed with the efforts to combat it. I think that will make it less and less possible to dedicate the attention that's needed to focus on the peace process. That's one factor. The second factor is more technical.

The travel restrictions in place all over the world will make it very difficult for the Afghan government and Taliban negotiators to travel to neutral sites for talks. When this interacting and dialogue, when these formal peace talks were to start, the idea was to have them not in Afghanistan, but at a neutral site; Doha or Oslo have been mentioned as possible places. It could be very difficult to do that. Looking further down the line, what we really have to worry about is if the coronavirus really gets bad in Afghanistan, I would not be surprised if President Trump decides to expedite the withdrawal of US troops from Afghanistan, fearing the health risks to American servicemen.

If you were to have an intensified withdrawal of US troops, that would among other things strengthen the Taliban's position in potential talks. The short answer to your question is, indeed I do fear that the coronavirus will have a troubling and serious impact on peace talks. I do think that if you want to try to get something started, it has to be done now before the pandemic really gets bad in Afghanistan.

What is the impact of COVID-19 on relations between South Asian states? What can we expect to see?

One thing that is typically the case with the geopolitics of South Asia is that the countries don't get along all that well. Certainly, we think about the India-Pakistan problem and also Afghanistan and Pakistan have a very toxic relationship, but even many of the smaller countries in South Asia are not always happy with the way India operates. They feel that it acts too much like a bully. As a result, this is a region that is fairly disconnected and not very well integrated. There's not all that much trade. Part of the reason for that, not just political factors, but another reason is that you just don't have a lot of good infrastructure. You don't have many good roads. Electricity grids are oftentimes not good. That's the normal case.

But here is where there is a potential silver lining with the coronavirus. There has been an effort, led by the Indian Prime Minister Narendra Modi, to revitalize the main regional organization in South Asia, which is the South Asian Association for Regional Cooperation or SAARC. A few weeks back, Modi led a video conference in which there were senior-level

representatives from all of the South Asian states in SAARC discussing ways to cooperate and combat the coronavirus. Indeed, there were, as I recall, commitments from Prime Minister Modi to set up a new emergency relief fund and to provide supplies to other countries in the region that needed the supplies.

After that, there were several other countries within SAARC that decided to commit funds to the emergency fund as well. That's good right there. I think that you hear so often that SAARC is a moribund organization. It doesn't work well mainly because of the India-Pakistan problem, but this is the one case where you had every country involved, including a Pakistani representative, at the table discussing ways to coordinate responses to the coronavirus. That can, perhaps, offer some type of new template or positive precedent for the region to work together in ways that it typically has not. Now, the downside of this is that as much hope as there is that came from this video conference led by Modi under the SAARC rubric, Pakistan was not really as involved.

I mean, I mentioned before that you had a senior Pakistani official at the video conference, but it was not a head of state or head of government. All the other countries present at the meeting had prime ministers or presidents. Pakistan had its health minister. Unfortunately, when the Pakistani health minister made his comments, he essentially brought up the Kashmir issue, which is something that India never wants to hear brought up. He essentially said that India needs to change its policies in Kashmir in order to reduce the spread of coronavirus in Kashmir. It did not go down well in India. We've seen that Pakistan has not indicated any interest in participating in these cooperative efforts.

I think it's looking more toward China, its close ally. And India has not really demonstrated any desire to bring Pakistan on board as well. I think, here, we could look at the coronavirus as something that does provide an opportunity for the region, on the whole, to work together a bit more, particularly in terms of humanitarian responses, but the India-Pakistan problem will remain. I think that, once this pandemic is finally done with, I think that we really would have to look at the India-Pakistan relationship as something that is just going to continue to be in a bad place for a long time.

You think if there's one opportunity or one time when these two countries want to work together, it's when they're staring down at a very serious and shared threat. If they're not going to cooperate now, when would they ever cooperate?

What is the impact of COVID-19 on regional economies in South Asia? And in what way does that impact their policies in dealing with the COVID-19 crisis?

Well, here I think we have to be very concerned. This is a pandemic that's going to shatter economies all over the world. It's going to shatter the biggest economies in the world, such as the US economy. China's economy has suffered more. If you look at the South Asian economies, certainly you see some large fast-growing economies, like India's for example, you see success stories, like Bangladesh, but they are fragile. They're much more fragile than the economies in the developed world. I think that we really have to worry about the impacts, and particularly because the major economies of South Asia have already been struggling and facing slowdowns even before the coronavirus set in.

Pakistan, for example, has been going through a very serious balance of payments crisis for quite a few years that the Imran Khan government has struggled to address. Then, in India, you've had one of the biggest slowdowns in years, all of the key sectors there… Again, this is before the coronavirus set in. All of the key sectors have experienced downs; manufacturing, IT, automobile, everything is slowed down. I think that, with the coronavirus, you're going to have major impacts with all of these businesses having to stop operations, people not able to work, unemployment going up. Basically, the same trend lines that we're seeing around the world, they're certainly going to play out in South Asia as well, but they'll be magnified and amplified.

The stakes will be higher, just because economies are more fragile; you have a lot of people, you have a lot of migrant laborers that really need to be paid all the time, every hour in order to sustain themselves. That's going to have a significant impact. For one thing, it will intensify the challenges that some of these countries already struggling economically will face, particularly India and Pakistan. Then you take a country like Bangladesh, which had been sailing along relatively well. I think it's perhaps the top-performing economy in South Asia at the moment, yet we've heard that there's going to be major impacts for the garment industry in Bangladesh, which is, as you know, the biggest garment industry in the world. You're going to have even successful stores that are going to suffer.

When you look at the political implications of all this, I do fear that the major economic hits in these countries of South Asia will strengthen some of these populist, even undemocratic leaders trying to exploit economic problems and try to resort to a hardline nationalism, to rally the masses so to speak. That, I think, could have an impact on democratization in the region, which has already suffered. I mean, we've seen major democratic backsliding in India and Pakistan, Bangladesh, Sri Lanka, many countries in the region. I think that the economic problems could cause more backsliding in a democratic context.

Just very briefly, in terms of the impact of these economic problems in South Asia for policy responses on the coronavirus as well, it just gets a lot harder. I think that some of these countries face very difficult decisions on the question of whether to lock down completely or not. In the developed world, it's sort of an easy decision. You figure that public health imperative demands that you lock the country down altogether and any economic risks can be weathered because you have fairly well-performing economies. But for these fragile economies of South Asia, it's a very difficult decision trying to decide on the trade-offs between public health and the economy.

If you shut down the country altogether, that may seem to be a better decision for public health. And yet, as we see in a country like India, if you shut the country down altogether, as New Delhi decided to do, you're going to have tens of thousands, hundreds of thousands, even millions of migrant laborers that, all of a sudden, can't work and are out on the streets trying to walk to their home villages. Obviously, that ends up exacerbating the very public health risks that you try to reduce by having a lockdown. The major challenges for South Asian political leaders is in terms of how they respond to this pandemic given their economic fragility.

Now we turn to the second part of the session. Our listeners submitted some interesting questions to you. The first one is: Do you see the possibility of this crisis propelling cooperation in South Asia? You mentioned it before, in terms of Modi's initiative.

Yeah. I think that what we've seen in South Asia to this point, and this is what we've seen globally too, is that most countries have been a lot more focused on the situation within their borders than outside their borders, and that makes perfect sense, right? This is a complex and unprecedented public health issue, including the wealthiest and developed states like the United States. There haven't been many efforts to spark a coordinated international global response. There have been relatively few multilateral efforts anywhere to try to move forward. I think one reason for that is that the US, which is the world's only superpower, would need to take the lead in spearheading multilateral responses. It hasn't really done much of that at all.

China is also trying to spark global responses through its own efforts by providing supplies and medical expertise and all of that. But you basically had two initiatives to try to spark more cooperation between states to combat this pandemic. One of them is in South Asia, the SAARC initiative that I mentioned before. The other was a G20 meeting that happened a few weeks ago, but there really isn't that much there. I think that all we have to look at in the South Asia context is the SAARC effort. As I mentioned before, there has been some forward movement in the sense that you have had countries

respond to India's initial efforts to contribute to this new emergency fund and to provide supplies, but these countries, they're dealing with the situation inside right now.

I think they're a lot more focused on that, and it's probably going to remain like that for quite some time. As I said before as well, the India-Pakistan problem is probably going to get worse after this pandemic. It's not going to get better. On the whole, I think that the way that the world exists now, the way that the world order is, it is not conducive to multilateral responses, whether in terms of broadly internationally or even regionally. That's why the SAARC initiative, I think, is a very welcome exception, but it's really the only exception.

What measures, if any, do states in South Asia have in place to deal with the impact of COVID-19 on refugees and IDPs in the region?

Yeah, that's a great question. People knew it was coming after it appeared in China, but since the scale is so unlike what governments are used to and is unlike anything that most governments have faced in their lifetimes, there was really no way that the proper precautions could have been made for general populations, much less refugee communities. Certainly, you really need to worry about some of these contexts. For example, this has been in the news a lot, there have been a number of Afghan refugees in Iran that have returned to Afghanistan in recent weeks and months, and there's a lot of concern about community spread through these Afghans that had been in Iran.

You also have a fairly large number of Rohingya Muslim refugees in Bangladesh, [and] to a lesser extent in India. Now, these are folks that are marginalized to start with and there have been efforts on the part of the governments that are hosting them to try to provide basic services for them, and I mean really basic-like shelter and food under the best of circumstances. But those demographics, unfortunately, are not at all the priority for these governments in a moment when they're trying to just do anything they can to provide a basic motive of support and relief to their general populations.

Does South Asia deal with COVID-19 more politically and emotionally than scientifically, without any strategy? Does the advent of summer and a possible rise in temperature to bear any hope?

Yeah, that's a good question. I think that we have seen some initial responses from governments in South Asia to the coronavirus that strike me as rather a sort of populist play to the crowd. It, sort of, represents the type of governments that you have in the region. For example, the Indian government initially, not now, but some weeks ago when the cases were first starting to go up in India, you actually had Indian government officials publicly going against the advice of health officials, including the World Health Organization, basically saying, "No, we don't need to do more testing in the country here because there's no community transmission."

That was clearly a suspicious thing to say, given that the numbers were starting to rise, and that India had already shut down international air travel for some time before that. I think that, initially, you did have some unfortunate decisions on part of governments, certainly in India, to not really pay heed to the experts and what they were saying. That said, I do think that these governments have tried to do everything that they can. You look at India, Pakistan, Bangladesh. They stopped processing foreign visas. They stopped allowing international air travel quite some time ago. In India's case, there's now bans on domestic travel. That's something that hasn't happened in many developed countries, including the United States.

There've been efforts to do what they think is the right thing to do. Of course, Prime Minister Modi declaring this three-week nationwide lockdown. Clearly, that's something in line with what's been happening elsewhere. But I think that one

problem with that, when you have a situation like that where the prime minister declares a three-week total lockdown all of a sudden, that does go against the advice of health experts that say, "Well, if you're a country in the developing world, you don't want to go ahead and do that full-scale lockdown until you've done some type of risk assessment to get a sense as to what the economic risks would be, what the social risks would be if you're to do a full-scale lockdown because, obviously, no one country is the same."

When we're talking about the countries in South Asia, we're talking about countries that are poor, on the whole, countries with many people, countries that have very densely populated cities, countries where social distancing is very difficult to impose and enforce, and countries where, if people are told to shelter in place for three weeks, that could have catastrophic economic impacts. In Pakistan, you've had provincial governments, not the central government, but provincial governments announcing lockdowns in their states. One would argue that perhaps it would have been better to make these decisions after doing these risk assessments.

Obviously, you don't want to waste too much time, but that, I think, would have been a better thing. Another area of concern, and I think this, maybe, would apply to India, there have been some folks like religious leaders and others that claim that there are all types of natural remedies that can work to fend off the coronavirus and even make it go away. There've been some pretty influential significant figures in India who have made these claims. I have not heard all that much pushback at all from the government saying, "No, these are not proven. There's no vaccine. There's no cure for the coronavirus. You should not be listening to those that are talking about all these alternative measures."

I think part of the reason why India has not been pushing back against those claims is that some of these figures do support the BJP, the ruling party, so there could be a political impact there. But, I think that's a concern. You need to have very senior-level officials in all these countries essentially amplifying the information that comes from the health experts, whether inside the country or internationally, WHO or whatever the case may be, not to trust these unproven solutions that are not rooted in scientific fact at the least. But again, it's hard to do that because these are countries that have a whole lot going on.

They're trying to do everything they can at this point to get as much information out there, to as many people as they can, about what's going to be happening next. It's just all a very big challenge.