The Commonwealth Virtual Seminar Series: The Economics of Covid-19

Seminar 1 Summary - The Impact of COVID-19 on Unemployment and Inequality


The objectives of the panel were to:

- Assess the policies and approaches for COVID-19 responses
- Identify potential areas of collaboration and coordination in response to COVID-19
- Draw lessons to adopt and mistakes to avoid in tackling the economic crisis COVID-19
- Country awareness of programs and measures to help prepare for a new context post Covid-19

With panellists from Kenya, Maldives, Zambia and the Commonwealth Secretariat, the 90-minute conversation saw many interesting perspectives regarding unemployment and income inequality in a post-COVID19 environment.

Reductions in trade

As countries face enduring lockdowns across the globe, unemployment is rising each day as quality of life decreases for many. Aside from this, loss of livelihood is a loss of access to goods, as many nations have experienced reduced availability of products due to stricter border controls and trading mechanisms.

Many across the developing world are employed via the informal sector in marketplaces that are now closed due to social distancing efforts and lockdowns. Hence more needs to be done to not only boost employment but to restock the marketplace domestically.

Investing locally

To remedy this, the panel spoke about the need for governments to invest in local production of goods via innovation and industrialization.

This increase in domestic production has the potential to not only to support and formalize the work done by many in the informal sector but also bides against future shortages given that the supply of goods would be domestic, thereby lessening the chance of supply side disruptions.
Looking out for the most vulnerable

With growing unemployment, more and more people are being pushed into poverty, reversing the global progress on ending poverty back to pre-1998 levels. With a totalizing effect on society, governments must make a real effort to look after the most vulnerable.

The panel pointed to the need for development of tailor-made fiscal policies specifically intended to help certain subsets of the population, such as youth and women. These relief efforts present an opportunity for countries to address the underlying issues in society such as gender pay inequality, and youth underemployment.

As vulnerable subsets of the population are dealing with unique obstacles in attaining economic agency, the policies to remedy them must be equally unique to create true change.

Building back better

Lastly, in the fight against COVID-19 the panel spoke about the need for coordination and collaboration amongst countries. In this new world order, unprecedented action needs to be taken in ensuring no country is left to languish in their fight against the virus.

By learning from one another, countries can combine resources and knowledge to not only keep their citizens safe but also to tackle enduring Sustainable Development Goals.

Ultimately countries should mold their relief strategies in the pursuit of building back better, stronger and together.

For more information

Join the conversation in the next webinar on Wednesday 20 May to discuss ‘Population Effects and the Role of Technology Post-COVID19’.

Register for the seminars