

## **1. Risk Management in a World that is Interwoven and Unpredictable**

### **Context:**

- No epidemiologist could have predicted yet another leap of a zoonotic virus from the animal world to humans. But that such a thing could happen was predictable and, indeed, certain. We had SARS in 2003, avian flu in 2006, swine flu in 2009, and most recently, MERS in 2012.

### **Brief Background:**

- In high global mobility and interconnection, illness could spread quickly, and, if the virus has a high fatality rate, threaten millions of lives around the world."
- In a world more globalized than ever before, such a glaring recurring risk was left unattended.
- Its estimate from the World Health Organization was in the range of 2 to 7.4 million deaths, based on the 1957 flu epidemic, which was a mild event.

### **Risks in the Globalized World During Pandemics:**

- **Absenteeism in the workplace as the major risks**, and focused on the business continuity planning needed for such an eventuality.
- But in countries like India with a large informal sector, importance is to ensure continuity of life due to lockdowns or sickness.
- Since the majority of the workforce in India depends on work contracts of short duration like a day or a month, their cessation immediately threatens the survival of workers and their families.
- Business process continuity in the event of a pandemic has been hugely impeded by global supply chains.
- But with global supply chains, **the supply-side impact on countries importing intermediate goods needed for their production processes is mostly affected.**
- For example, In India the production of generic drugs affected because of the active pharmaceutical ingredients was largely imported from China.
- Another major risk is to prioritized stability in the financial sector.

### **Risks Associated with the Migrant Labour:**

- The national relief programme unveiled by India's finance minister, includes augmentation of pre-existing channels like the public distribution system and rural employment schemes, to immediately help households pre-identified as vulnerable.

- 
- However, migrant labour faces a severe hindrance due the lockdown and does not get relief measures announced by the government.

**Conclusion:**

- States need to be empowered to supplement the national provision with cover from the State Disaster Relief Fund, and once those limits are breached, they could seek assistance from the National Disaster Relief Fund.

**Source: Live Mint**

