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COVID-19 Policy Responses: Reflections on Governmental Financial Resilience in South Asia

Purpose: First, the paper examines the short-term fiscal and budgetary responses of the South Asian governments to the COVID-19 pandemic. Next, it brings out the implications of such responses, focusing on India, Nepal and Sri Lanka.

Design/methodology/approach: The paper is based on multiple secondary data sources, including the viewpoints of experts and government officials. Data are analysed using the ideas of financial resilience.

Findings: South Asian governments' response to the pandemic shows a gap in understanding the magnitude of the problem and in developing financial resilience. This paper points out the importance of avoiding austerity, becoming more cautious in accepting lending conditions, rethinking public sector accountability and revitalising mutual collaboration through SAARC[1] for developing financial resilience, both at individual country and regional levels.

Originality/value: The study offers some insights on policy implications for South Asian governments in terms of building financial resilience to deal with future crises.

Keywords: COVID-19 pandemic, budgetary response, financial resilience, South Asian countries.

1. Introduction

The COVID-19 pandemic has already proved to be the worst humanitarian crisis the world has faced since the Second World War and economic crisis since the Great Depression of the 1930s (ILO, 2020; Gopinath, 2020). The pandemic has so far claimed over a million lives across countries (see, https://coronavirus.jhu.edu), tens of millions of jobs have been lost and Europe is bracing for a second wave of the virus, whereas some countries have yet to reach the peak (as of 30 September 2020). With a decade of austerity and the unprecedented encroachment of neoliberalism, even developed

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[1] South Asian Association for Regional Cooperation (SAARC) was established in 1985 with the objective of promoting and improving the welfare and quality of life of the peoples of South Asia, which comprises eight member countries - Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka (https://saarc-sec.org/)

countries, Australia (Andrew *et al.,* 2020) and the UK (Ahrens and Ferry, 2020; Heald and Hodges, 2020) being examples, appear to be not fully prepared in handling the health and socio-economic consequences of the pandemic. In this regard, it is worth examining how some of the poorest countries in the world are managing the current situation given existing fiscal challenges. The pandemic is expected to push 400 million informal workers into extreme poverty and its economic fallout could increase global poverty by half a billion people (ILO, 2020). Mahler *et al.* (2020) state that out of the total number of people expected to fall into poverty, two-thirds of them would be South Asians (SA). South Asia, home to nearly a quarter of the world's population, is likely to experience its worst economic performance in the last 40 years (World Bank, 2020b; ADB, 2020).

The impact of COVID-19 in SA countries appears significant in people's life and livelihoods. More than 7.02 million people are infected with the virus and so far, 111,191 people have lost their lives (Table 1). The poor and vulnerable communities in the region are likely to be more affected, given the collapse of the informal sector which accounts for more than 2 billion people globally, with most of the workforce in emerging economies, not least in SA (ILO, 2020). As in the case of other emerging economies (see e.g. Ejiogu *et al.,* 2020), SA countries are also focused on mitigating the immediate effects of the pandemic with short-term stimulus packages. However, the majority of these countries lifted lockdown restrictions when both infection and death rates were on a rising trajectory (World Bank, 2020b; BBC, 2020). The financial resilience of SA governments in terms of protecting life and safeguarding livelihoods has therefore raised concerns. Similarly, the challenging budgetary position of these governments questions the extent to which their stimulus packages, developed with little preparation and long-term planning, are adequate to address the magnitude of the crisis.

Drawing on the notion of 'financial resilience' (Barbera *et al.,* 2017, 2020), our objective in this paper is two-fold. First, we examine the short-term fiscal and budgetary responses of SA governments to the COVID-19 pandemic and shed light on the regional approach that the countries have agreed on to mitigate the consequences collectively. Second, we bring out the views expressed by experts and government officials in three SA countries -

India, Nepal and Sri Lanka – with regard to the implications of such responses. These three countries are chosen because of their diverse picture in terms of COVID cases and mortality rates. For instance, Sri Lanka is well known for its health system and far ahead in COVID management than other countries in the region. The situation is different in India and Nepal, as they are connected, and shows an alarming trend in number of cases and mortality rates. In particular, Nepal is a land locked country. We believe the findings generated from our analysis could justify the need for coordinated regional approaches in SA to build a collective strategy for financial resilience to external shocks, i.e. the pandemic.

Secondary sources we used to collect data for this paper include: news(paper) portals/articles and government websites of SA countries, including central banks; information and reports published by international agencies such as the World Bank (WB), the World Health Organization (WHO), the Unite Nations (UN), the Asian Development Bank (ADB) and the International Monetary Fund (IMF); and the viewpoints of experts and government officials in India, Nepal and Sri Lanka, as covered in the media.

2. Governmental Financial Resilience

Prior work in management and other disciplines demonstrates the multifaceted nature of resilience, where the term has been used to study how a system responds to particular shocks, disturbances and perturbations, recovers from crises and adapts to new circumstances (Linnenluecke, 2017; Barbera *et al.,* 2020). Beyond the reactive responses to crisis management, the resilience perspective also investigates proactive measures, such as situation awareness, forecasting potential risks and managing key vulnerabilities (Boin and Lodge, 2016; Steccolini *et al.,* 2017).

Public sector accounting researchers have started using the notion of resilience mainly to shed light on different aspects of governments' austerity and budget cut management (Cepiku *et al.*, 2015). The application of the resilience perspective has enabled these researchers not only to capture processes underlying governmental responses to crises, for instance ‘bouncing back’ and ‘bouncing forward’ (Ahrens and Ferry, 2020), but also to demonstrate the interaction of external and internal factors and its implication in dealing with financial shocks and shaping vulnerabilities (Barbera *et al.,* 2017; 2020). For instance, Barbera *et al.* (2017) have applied financial ‘resilience’ to explore governments’ abilities to anticipate, absorb and react to shocks and crises in the context of the local governments of Austria, Italy and England. The study argues that limited awareness of what anticipatory and coping capacities are required in order to anticipate, absorb and react to shocks undermines governmental financial resilience. In a similar vein, in their study of Italian municipalities, Barbera *et al.* (2020) show the importance of anticipatory and coping capacities in responding to shocks affecting public finances, although a variation in their combination through accounting may result in different responses to shocks.

Rarely have any attempts been made in prior work to unfold governmental financial resilience in emerging economy contexts, except for de Aquino and Cardoso’s (2017) work on Brazil and Klimanov *et al.’s* (2020) work on Russia. The former investigates the financial resilience patterns of four Brazilian municipalities in an unexpected revenue downturn, whereas the latter examines the resilience of Russia’s regions facing the COVID-19 pandemic. The pandemic provides an interesting context to explore how national governments across the globe have reacted to financial emergencies resulting from the unexpected healthcare crisis, and what financial resilience strategies have been adopted in restoring the economy and peoples’ livelihoods. For instance, in their study of UK local governments, Ahrens and Ferry (2020) have argued that inadequate central government support in the aftermath of COVID 19 is likely to further weaken the financial resilience of local authorities and adversely affect the economic growth and social response of the entire country. We extend prior work on governmental financial resilience through examining the fiscal and budgetary measures adopted by the SA central governments during the pandemic and analysing how the financial resilience of these countries could be strengthened in the longer-term.

What we find interesting in the context of SA is that the budgetary and fiscal positions of several SA governments were already fragile; some were even under the IMF and the WB's scrutiny due to unsustainable external debts. As depicted in Table 1, while Bhutan (102.38%) records the highest debt in the region, Sri Lanka (83.28%), Pakistan (71.69%) and Maldives (68.03%) have more than half of their GDP equivalent to government debt. Fitch Ratings (2020) forecasts that all SA countries will significantly increase their general government (GG) debt to GDP ratio after COVID-19. Sri Lanka's debt ratio is expected to continuously increase up to 97.3% throughout 2020-2022. Both Pakistan and India's GG to GDP ratios are predicted to stabilise until 2022. Obviously, these high-debt situations have become a major impediment in developing adequate and effective responses to COVID-19. It is expected that government debt refinancing mechanisms and continuing budget deficits will continue to limit the growth potential and put further challenges on financial resilience and stability. The forecast of SA's regional growth predicts a fall to a range between 1.8 to 2.8% in 2020, down from 6.3% projected in November 2019, the region's worst performance in the last 40 years (table 2) (World Bank, 2020b). It is estimated that the GDP of these countries would contract up to 2.7% in 2020. In fact, four countries in the region - Afghanistan, Maldives, Pakistan and Sri Lanka - are expected to experience negative growth with severe financial difficulties.

INSERT TABLE 1

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3. Response to the Pandemic: An Overview of Short-term Financial Resilience

Initial impacts of the pandemic in the region were travel disruptions, supply chain constraints and the outflows of international capital. Industrial and services activities have sharply fallen across the countries because of the strict restrictions imposed by central and local governments, including border closures, prohibition on mass gatherings, social distancing, suspension of non-essential activities/services, SMEs and educational institutions, and a city/nationwide lockdown. For instance, in India, the fragility of its labour market is evident through the disturbing images of nearly ten million migrant labourers returning to their villages hundreds of miles away, and half a million of them walking or bicycling (Kugler and Sinha, 2020). The tourism industry has been severely damaged by the pandemic in countries such as the Maldives - where the industry contributes almost 65% to total GDP- Nepal, Bhutan and Sri Lanka (World Bank, 2020b). Remittances, both internal and external, which have been an important source of income for large numbers of households, have been hit hard, not to mention the severe impact on the garment industry of Bangladesh and India's steel exports.

At the regional level, the leaders of SAARC countries have made a commitment to work collectively to prevent the spread of COVID-19. They have agreed to establish a COVID-19 emergency fund (CEF) with a provision of voluntary contributions from all SA countries to strengthen their financial resilience. India alone has pledged US$ 10 million as an initial contribution to the CEF. This CEF is particularly important, as all SA countries have similar short-term spending priorities, focusing on cash transfers to vulnerable and lower-income households, sourcing health facilities (e.g. testing machines, PPE, ICU beds and ventilators), concessional loans and food allowances for low-income families. As of 14 July 2020, the CEF consists of an accumulated sum of $21.8 million (see, https://saarc-sec.org/). However, political differences amongst the countries have limited the extension of such collective and regional approaches to responding to the pandemic.

At the individual country level, each country's immediate budgetary responses to COVID-19 have targeted poor and vulnerable populations, mainly migrants and informal sector workers with limited access to social safety nets.

INSERT TABLE 2

Overall, the stimulus packages in the region may appear to be too little when compared with those of western governments. Most features forbearance of taxes, rents, interests and utility payments and extended deadlines with loan payments. In addition, all the countries have set up separate COVID-19 emergency funds, mobilising both local and international sources. In particular, most of the countries have sourced from the WB Group's emergency fast track coronavirus support for developing countries[2], EU COVID-19 solidarity grants (Sri Lanka EUR 22mn), IMF Rapid Credit Facility (Bangladesh $224mn; Maldives $28.9mn; Nepal $214mn), IMF Rapid Financing Instrument (Bangladesh $488mn), ADB COVID-19 relief $3mn grants and the ADB COVID-19 loan facilities (Bangladesh $500mn), and international commercial loans (e.g., Sri Lanka obtained $500mn from China Development Bank) (Embassy of China in Sri Lanka, 2020). All these initiatives and borrowings signal a challenge for SA governments in the medium and longer term to reduce public spending and maintain their sovereign debt, calling for them to pursue a strategy for building fiscal resilience.

4. Implications of National Level Fiscal Responses: Building Financial Resilience

This section discusses the implications of fiscal and budgetary responses imposed by India, Nepal and Sri Lanka.

4.1 India's response to COVID 19

The Indian economy was experiencing a slowdown even prior to the pandemic. GDP growth fell continuously for a few quarters and had fallen to just 3.1% in March 2020 (Hindustan Times, 2020). Recently, the IMF has further cut India's growth forecast for 2020-21 to 1.9%, a worrying deceleration phase for India's economy which was growing at 8.2% in March 2018. Irrespective of this, the Governor of the Reserve Bank of India seems to be confident about the financial resiliency of the country in managing the pandemic based on an improved debt to GDP ratio, managed fiscal deficit and a well-controlled inflation and current account. For instance, the Governor stated: "*In several*

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2 Afghanistan - $100.4mn; Bangladesh - $100mn; Bhutan – $5mn, India - $1bn, Maldives - $7mn, Nepal – 29mn, Pakistan - $200mn and Sri Lanka $128.6mn.

aspects, the Indian economy and financial sector this time around was far more resilient than what it was during the global financial crisis" (Reuters, 2020).

However, the Ministry of Finance's report (https://dea.gov.in/external-debt) reveals a somewhat different picture based on the external debt which has increased by 2.8% to US$558.5 billion in March 2020, mainly due to the rise in commercial borrowings. The external debt to GDP ratio now stands at 20.6% compared with 19.8% last year. The Indian economy has contracted by 23.9% (year-on-year) in the quarter ending in June 2020 (www.imf.org).

India's stimulus package comprises more than $260 billion (which accounts for around 10% of the GDP) (Gettleman and Kumar, 2020). Tax relief measures were central to the package, which included, amongst others, the deferral of income tax, GST filing and other compliance deadlines, a reduction of interest for tax payments and the waiving of late filing penalties (see, https://home.kpmg/), in addition to support measures for the business and agriculture sectors. The package provided eases business processes and structural reforms. Although many of these measures are restatements of existing schemes, it provides a platform for further growth in many sectors. However, the package appears to be too little to the country's poor and the informal economy which 90% of India's 1.3 billion population (ILO, 2020) depends on. For instance, the resources allocated for 'free food and cash transfers' were just 1% of GDP, whereas countries such as Singapore and the US spent about 10% of GDP on similar packages. Economists have therefore raised concerns over the efficacy of the stimulus package. For instance, Shilan Shan, who work as capital economist, stated: "*The actual measures to boost demand are very, very small. It's not going to do enough to prevent a very, very sharp contraction in growth*", while development economist Reetika Khera stated that *"… there is almost zero by way of relief*" (Financial Times, 2020).

4.2. Nepal's response to COVID-19

The ILO (2020) estimates that between 1.6 to 2 million jobs in the informal sectors, which represent almost 80% of the total workforce, can be affected by the current crisis.

Informal workers, especially in the hospitality, retail trade and transport sectors are more likely to be severely affected as per the World Bank (2020b) report. In a recent survey report, the UNDP (2020, p. 15) states that "*three in five employees have lost their jobs in the micro and small businesses*". The tourism industry, which contributes to almost 8% of the country's GDP, witnessed a sharp drop of 73% in tourist arrivals during March 2020 (UNDP, 2020). Remittances make up almost 25% of Nepal's GDP and both migration and flows of remittances to the country have been hit hard by the pandemic (World Bank, 2020b; ILO, 2020). A large number of Nepalese migrant workers face unemployment in the destination countries such as India, Malaysia and Middle East, thereby pushed to the brink of absolute poverty.

The Ministry of Finance announced its first relief package[3] on 31 March 2020, claiming it an effective response which could protect the livelihoods of the poor, businesses and the economy of the country. The package included several provisions, for instance providing food rations to the most vulnerable people; subsidising utility bills; extending tax filing deadlines; extending contributions to the social security scheme; setting up quarantine centres for and temporary hospitals returnees migrants; and offering additional insurance to the medical staff dealing with COVID19 (https://mof.gov.np/). On 28 May, the then Finance Minister, Dr. Yuba Raj Khatiwada, presented the 2020/21 budget, outlining additional measures to prevent people falling into poverty and revitalise the economy. Measures included an increased budget for the health sector including building new hospitals, funding for food relief, direct wage support to workers affected by the coronavirus, financial support to creating jobs and business support (see, www.imf.org). During his speech, the Minister stated that he had prepared the budget "… *with the confidence that we can and we will rise soon again on the basis of resilience we had in the face of disasters*…", presenting one of the budget objectives as "*building resilient … and prosperous economy though social, economic and physical infrastructure development*" (Budget FY2020/21, pp. 1-5).

[3] Government of Nepal: Ministry of Finance (2020, March 31), Press release 2076-12-28. Retrieved from https://mof.gov.np/

However, not only is the package perceived to be too little to deal with the pandemic, the crisis has, as stated by Gill and Sapkota (2020), brought to the fore and further exacerbated the country's long standing weaknesses such as corruption, poor service delivery and a failure to create employment opportunities for millions of citizens. There has been widespread criticism of the government's handling of the pandemic, with thousands of young people protesting taking to the streets during lockdown in Kathmandu and other parts of the country in June, demanding better management of the pandemic and financial transparency in the purchase of medical supplies (Dhungana, 2020).

4.3. Sri Lanka's response to COVID 19

Among the SA countries, Sri Lanka's efforts have been apparently successful in terms of preventing the spread of the virus and minimising the death toll. However, the pandemic has further weakened the country's already fragile and debt-ridden economy, adding further distress and exacerbating the financial resilience. The government's immediate approach was to borrow money from external sources, even increasing the excessive amount of existing external debts. International media reported how the government had sought all possible means of sourcing funds in responding to the pandemic.

> *"With the pandemic that hit Sri Lanka in March amplifying the economic crisis manyfold, the country's looming debt crunch gave the government the jitters. The government went for new loans to service past borrowings, including over $5 billion from China and $960 million from India. In March, Sri Lanka signed an agreement with China for another $500 million loan after an "urgent request" from Colombo, to deal with the pandemic's harsh economic blow."* (The Hindu, 22 August 2020).

With the continuous increase of external borrowing, financial experts and borrowing agencies expressed concerns about the country's re-payment capacity with further increases of external debts during the pandemic:

> *External debt payments between now and December amount to $3.2 billion. Other costs could bring that up to $6.5 billion in the next 12 months, Morgan Stanley estimates, and with FX reserves of just $7.2 billion, it has described the situation as a 'tightrope walk'. The crunch point looks likely to be a $1 billion international sovereign bond payment due in October (*Reuters, 27 May 2020*).*

In addition to external borrowings, the government established the 'COVID-19 Healthcare and Social Security Fund', sourced from tax free local and foreign donations (Rs. 902 million as of July 2020).

The Sri Lankan government has implemented several important budgetary and fiscal measures, allocating 0.1% of the GDP for quarantine and containment procedures, in support of the victims. Tax exemptions, price ceilings on essential food items, concessional loans, various food allowances, interest reduction, import restriction and loan deferral are some important measures executed by the government in response to the crisis. Further, Rs. 50 billion (around 0.33% of the GDP) has been distributed to the vulnerable groups in the form of direct cash payment (Rs. 5,000 per family per month) (United Nations - Sri Lanka, 2020). Rs 500 million has been allocated to the COVID-19 eradication programme as part of stretching the healthcare facilities in the country. The poorest community - 2 million Samurdhi - received Rs. 20 billion advance payment (United Nations - Sri Lanka, 2020). With the aim of restricting capital outflows during this period (e.g. suspending outward investments), the government suspended private commercial banks to purchase government sovereign bonds. The government's ability to sustain such measures is however questioned, given the country's precarious economic condition and limited financial resilience.

5. Discussion and Conclusion

The impact of the pandemic has been unprecedented in SA. The collapse of informal and service sectors employing a vast majority of low-income and informal workers, and further decline in remittances, have brought to the fore the deeply embedded social and wealth inequalities in SA. In terms of responses to the external shock created by COVID-19, SA governments in general and India, Nepal and Sri Lanka in particular, have demonstrated the characteristics of 'reactive adapters' in financial resilience (Barbera *et al.,* 2017, 2020). The crisis has prompted the region to follow a 'reorientation path' to strengthen their capacities through short-term fiscal and budgetary responses.

SA governments' response to the pandemic shows a gap in terms of understanding the magnitude of the problem and developing financial resilience. For instance, the pre-COVID economic slowdown of India and rising debts of other countries challenged both anticipatory and coping capacities (Barbera *et al.,* 2017, 2020) to propose sustainable stimulus packages that could address the longer-term economic consequences of the pandemic and develop governmental financial resilience. Two issues are worth highlighting in revitalising the financial resilience of the region. First, it is paramount for governments to avoid austerity and cutback management in the longer term. Prior work shows the impact of austerity programmes that governments in the West have adopted to maintain control of sovereign debts and deficits in the aftermath of financial crises (Bracci *et al.,* 2015). For instance, in the case of the UK, it is argued that austerity has impacted child poverty, increased the demand for food banks, slowed down affordable housing programmes and reduced local authority spending on public services (Hyndman and McKillop, 2019; Heald and Hodges, 2020). Next, as our findings reveal, increased levels of borrowing is a trend in most SA countries who are therefore required to be reflective in accepting the lending conditions of international organisations, which often come with neo-liberal New Public Management reforms, and in structuring stimulus packages. In fact, market-led neo liberal reforms have undermined social services, safety nets and the provision of social goods and limited the government's capacity to deal with crises such as COVID-19, even in developed countries such as Australia (Andrew *et al.,* 2020), let alone SA countries. The devastating impacts of such reforms, privatisation serving as just one example, in extending income and wealth inequalities in the region, are discussed in previous studies (Uddin and Hopper, 2003; Adhikari *et al.,* 2019).

As stated in prior work (Barbara *et al.,* 2017, 2020), to build long-term governmental financial resilience requires governments to launch resilience-building processes enhancing their organisational – anticipatory and coping – capacities. For instance, governments may contemplate establishing mandatory reserves, pursuing policies of fiscal autonomy and facilitating revenue diversification. In this regard, countries such as South Korea and Estonia's efforts to stretch their financial space also could be relevant. For instance, Raudla and Douglas (2020) state that Estonia was in a better position to respond to COVID-19 compared with the 2008 financial crisis, through having maintained financial discipline and public debt over the recent years. Kim (2020) mentions about South Korea's strong short-term fiscal resilience resulted by the country's effective debt management, although the future viability has raised concerns. The pandemic may provide an opportunity for SA countries to overhaul fiscal and budgetary policies to support the restart of their economies.

The country specificities in the relief packages shows the need for a diverse approach in the region. For instance, India's stimulus package needs to address long-term challenges in the labour market, possibly through enhancing the provisions on the National Rural Employment Guarantee Scheme for urban employment and further cash transfers (Kugler and Sinha, 2020). Both Nepal and Sri Lanka may need to focus on creating jobs by promoting specific sectors such as tourism, which can impact on other businesses such as hospitality, transportation, retail, trade and a number of other sectors. Similarly, contributions of remittance to GDP appear substantial (e.g., 25% in Nepal) in most SA countries, so governments should consider developing the competency of potential migrant workers who seek employment globally. However, such individual country efforts should be supplemented by forging collaboration between countries, as part of the strategy to develop the longer-term financial resilience of the region. For instance, membership of the European Union has enabled Estonia to facilitate negotiation with international investors for favourable borrowing rates and obtain favourable rating for its bond (Raudla and Douglas, 2020). SA governments need to develop a collaborative approach (SAARC) at the regional level, which would certainly put them in a stronger position to manage future pandemics, through developing financial resilience across the region. The newly established SAARC COVID forum could be transformed into an impactful responding mechanism at the regional level. Having such regional approaches would also help these countries to minimise their over-reliance on external commercial borrowing (specially Bhutan, Sri Lanka and Pakistan), and proceed with a multilateral approach in avoiding default after COVID-19. This would enable policy makers in the region to pay attention to 'responsible borrowings' and investments in key priority areas such as health care development. We therefore urged international organisations such as the WB, the IMF, the China Development Bank and the ABD to reconsider their lending conditions to SA countries, incorporating also a regional approach to lending and loan repayments, and foster collective efforts at the SAARC level in mitigating the impact of the pandemic and building up the financial resilience.

Lastly, a longer-term response to the pandemic may require a shift in the approach to public sector accountability in SA. The existing form of public sector accountability in SA has a relegated focus on non-financial aspects of performance such as equity, fairness and social impacts; this has, however, been the case in Western countries as well (Bracci *et al.,* 2015; Grossi and Cepiku, 2014). International borrowing and ever-increasing debts and deficits have increased concerns over discharging transnational accountability, while marginalising the actual needs and requirements of the poor and vulnerable in the region. This is an important issue also for international organisations, despite being key resource providers to SA countries. The role they have played in emerging economies not least in SA, either in proposing public sector reforms or executing aid and loans, has often been questioned due to their increasing emphasis on the financial aspects of accountability (Ejiogu *et al.,* 2020; Adhikari *et al.,* 2019). Recent studies have discussed different forms of accountability, not least collaborative (Jayasinghe *et al.,* 2020) and learning ones (Arun *et al.,* 2020), in the region. The adoption of these newer perspectives may help SA countries to develop long-term financial resilience by forging wider partnerships with varied stakeholders and better respond to the consequences of the pandemic. Such a rethink in the discharging of public sector accountability may enable SA governments, as well as other emerging economies, to safeguard the jobs and livelihoods of their citizens. There is a need for governments, policymakers and international organisations to learn more on how public sector accountability could be reinvigorated in emerging economies to build a fairer and just post-COVID economy and society. Future studies could extend these perspectives, together with different approaches to financial resilience in SA countries and beyond, supported by primary data sources.

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Table 1: Number of COVID 19 cases and deaths in South Asian countries as at 30 September 2020 and other descriptive statistics

SA Countries	Total COVID19 Cases*	Total Deaths*	Total Population (in million)	Population Ages 65+ (%)	Total Expenditure on Health (% of GDP)	Central Government Debt (2018) (% of GDP)**	Hospital Beds (per 10,000 people)	Medical Doctors (per 10,000 people)	Nursing & Midwifery Staff (per 10,000 people)
Afghanistan	39,254	1,458	38	3	8.2	6.89	3.9	2.8	1.8
Bangladesh	362,043	5,219	163	5	2.8	31.75	7.95	5.8	4.1
Bhutan	281	0	0.8	6	3.6	102.38	17.4	4.2	18.5
India	6,225,763	97,497	1366.4	6	4.7	43.87	5.3	8.6	17.3
Maldives	10,194	34	0.5	4	13.7	68.03	43	45.6	64.3
Nepal	76,258	491	28.6	6	5.8	30.2	3	7.5	31.1
Pakistan	312,263	6,479	216.6	4	2.6	71.69	6.3	9.8	6.7
Sri Lanka	3,374	13	21.8	11	3.5	83.28	41.5	10	21.8
Total:	7,029,430	111,191	1835.7	6	NA	NA	NA	NA	NA

Sources: Websites of South Asian governments, the WHO (2020) and the World Bank
* Johns Hopkins University (https://coronavirus.jhu.edu/region)
** International Monetary Fund (https://www.imf.org)

Table 2. South Asia country forecasts

(Real GDP growth at market prices in percent, unless indicated otherwise)

	2017	2018	2019e	2020f	2021f	Percentage point differences from January 2020 projections 2020f	2021f
Calendar year basis							
Afghanistan	2.7	1.8	2.9	-5.5	1.0	-8.5	-2.5
Maldives	6.8	6.9	5.2	-13.0	8.5	-18.5	2.9
Sri Lanka	3.6	3.3	2.3	-3.2	0.0	-6.5	-3.7
Fiscal year basis	**16/17**	**17/18**	**18/19e**	**19/20f**	**20/21f**	**19/20f**	**20/21f**
Bangladesh	7.3	7.9	8.2	1.6	1.0	-5.6	-6.3
Bhutan	6.3	3.8	3.9	1.5	1.8	-4.1	-5.8
India	8.3	7.0	6.1	4.2	-3.2	-0.8	-9.0
Nepal	8.2	6.7	7.0	1.8	2.1	-4.6	-4.4
Pakistan (factor cost)	5.2	5.5	1.9	-2.6	-0.2	-5.0	-3.2

Source: World Bank (2020a, p. 98)