

Twelve Policy Lessons from Covid-19

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The term “World War C” succinctly captures the challenge posed by Covid-19. Governments worldwide have responded with lockdowns of varying intensity. For instance, both Boris Johnson, the Prime Minister of UK and Narendra Modi, the Prime Minister of India issued a “Stay at Home” diktat. PM Johnson provided for “one form of exercise a day – for example a run, walk, or cycle – alone or with members of your household”. PM Modi on the other hand said, “Just do one thing, stay at home! Today's decision of countrywide lockdown has drawn a Lakshman Rekha around the door of your house”. US president Donald Trump in his easily imitable style said he hopes to ease Covid-19 restrictions and reboot the US economy by Easter, April 12th! He didn't have to wait for Easter to eat his words.

Policy difference between countries is inevitable, given the difference in population density, health infrastructure etc. The attempt here is to draw some broad brush-strokes of learning from the experience so far. This is not a critique of any Government. A rear-mirror view is inevitable for the lessons to be learnt. Since the War on Covid-19 is yet to come under control – forget won – some of these lessons may be relevant even now; more will be learned along the way.

*Policy Lesson 1: **Bravado can be foolhardy***

Bravado can win “Who blinks first” battles; not this kind of war where the virus keeps spreading without blinking. Quick action might have limited the spread way below the 350,000 Covid cases and 10,000 deaths in the US now. April 12th will come and go, and President Trump might have to go after the November elections. Has Covid become President Trump's Hurricane Katrina (of George W Bush fame) moment?

*Policy Lesson 2: **Markets have a mind of their own***

India cannot be blamed for any inordinate delay in locking down. However, the announcement came at 8 pm on March 24 that a 21-day lockdown would take effect from mid-night the same day. The objective was social distancing. But the timing achieved the opposite result. People saw a limited 4-hour window to stock up. Markets got even more crowded!

One route to understand the mind of the market is to view it through the lens of supply and demand. This perspective is missing, when governments across levels restrict the supply side e.g. diktats to open shops for only 3 hours a day, that too on alternate days. Demand gets concentrated during these limited supply hours, thus compressing the social distance, instead of increasing it to safe levels.

*Policy Lesson 3: **People have a mind of their own***

When all means of transport were shut down, migrants started walking hundreds of kilometers to their home-towns. This only accentuated the social distancing problem at the state borders.

Oddly, while migrants were instructed to stay back, elite institutions of learning such as IIT Bombay sent their students packing from hostels.

One route to understand the mind of people is to view them through the lens of Maslow's hierarchy of needs – Physiological, Safety, Love / Belonging, Esteem & Self-Actualization.

- In the case of migrants, shutting down the cities (jobs) and food outlets perhaps triggered a flight to safety that created this mass exodus. Belatedly, the food issue received focus. But, human beings have needs beyond food. For instance, without jobs,

how do migrants pay the slum-lords for their shelter? In their home town, at least fixed costs get shared, and they have the comfort of being with family.

- Viewed through Maslow's lens, the students were on self-actualization mode in elite institutions. Suddenly, they found themselves questioning their belongingness to the place. Imagine being thrown out of your fort into the Covid world, so that quarantine can be set up in your campus.

Decisions that impact people at large require prior scenario analysis revolving around human behavior. This would have helped understand and plan for the difference in thought processes of the migrants and the students.

Another contradiction that could have been better managed is sending aircrafts to bring back people from Covid-affected countries, while closing down the transport infrastructure for the migrants.

Policy Lesson 4: Enforcement agencies DO NOT have a mind of their own

Decisions that affect millions of people require effective implementation. This requires law enforcement agencies to be on the same page as the leadership. Leaders who talk directly to the public (and by extension, with the enforcement agencies) are ensuring that nothing is lost to Chinese Whispers, in the fight against the Chinese Virus 😊.

Linking the lock-down to a "curfew" (even if it is branded as a people's curfew) is debatable. The police perhaps tried implementing the lock-down based on the chapter on curfew in the police manual. They became controllers wielding the baton, instead of facilitators in an unfolding human tragedy. In the process, an opportunity to give a human face to the police was lost.

Policy Lesson 5: Research is not a substitute for common sense

Common sense suggests that if Covid leads to respiratory problems, then any cover for the nose is a preventive. Unfortunately, governments as well as the World Health Organisation kept insisting that research does not support the claim that masks prevent transmission. This argument suited governments that faced a scarcity of masks. One state government took shop-keepers to task when they insisted that shoppers wear a mask. Finally, masks were made mandatory in public places much after the virus had taken firm roots.

Interestingly, as with masks, there is no research to support the case for lockdowns as an inhibitor of transmission!

Policy Lesson 6: Even leaders of countries need insurance against failure

CEOs of companies often engage pricey consultants as an insurance against *blame for failure*. Similarly, fund managers hesitate to buy unheralded stocks because losing money in these stocks is not as palatable as losing money in pivotal stocks.

Leadership across countries was perhaps caught in a similar situation. Given the downside in terms of irreplaceable human lives and fickle public opinion, leaders needed to be brave (or foolhardy) to not lockdown their countries, when other leaders were locking down. In some countries, the lockdown was also required for the government to take a gasp and put containment measures in place.

Policy Lesson 7: Micro-managing complex systems can have unintended consequences

Economic systems are complex, especially in large geographies. Ordering one part of the system to behave in a particular way can have consequences in some other part of the system. Peter Senge in *The Fifth Discipline* refers to the rat under the carpet. Hit it in one spot, it will spring up somewhere else under the carpet.

The lesson was glaring in the face when trucks with “non-essential” goods got stalled, and there was no trucking capacity to move the “essentials”. The knee-jerk reaction was to allow transportation of non-essentials. But then, which stockist will accept delivery of non-essentials if they are not allowed to be sold in the market?! The rat shifted somewhere else under the carpet?

Straight Through Processing (STP) is a technical term used for systems that work end-to-end without any human interface. An example is the electronic payment systems. If micro-managing becomes unavoidable, then a certain STP in thinking is required – an ability to think across multiple value chains and human chains to prevent chaos. This necessitates a participative management style.

Policy Lesson 8: Traditional distribution of roles in the cabinet may not work in emergencies

Whose responsibility was it to prevent the trucking fiasco? Ministry of Surface Transport which is the relevant administrative ministry for trucking; or Ministry of Consumer Affairs, Food and Public Distribution whose relevant experience is limited to moving goods to and from godowns of Food Corporation of India?

The traditional structure of cabinet leaves too much between the stools in volatile situations. Is that the reason for leaders of countries leading this battle from the front? PM Johnson was in charge even from the hospital bed, until he was shifted to the Intensive Care Unit.

Policy Lesson 9: “Essentials” have a time dimension

Most normal human beings can live on only water for upto a day. (A few monks – and trained soldiers - can survive this way for several days). It follows that treating only food and medicine as “essential” is fine for a few days. When the time dimension is stretched to 21 days, anything from spectacles to bin bags can be essential.

Why should books not be an essential for the book-worm? Are we a society of only television viewers?

Indeed, it was not just essential, but critical that research labs with all their infrastructure explore newer formats of testing and treating people, based on the unfolding cases. Unfortunately, most research labs are locked down. Is it not possible to maintain social distance in these research labs?

Policy Lesson 10: Handling of emergencies requires breakthrough thinking

One ministry that has had a revelation is the Railways. Converting unused bogies into quarantine facility is breakthrough thinking at its best. Railways also needs to be credited for quickly manufacturing Personal Protection Equipment (PPE), which are in short supply. Defence Research and Development Organisation (DRDO) has done a phenomenal job of releasing designs that facilitated local manufacture of critical items by manufacturers who were not even from that business.

Policy Lesson 11: Politics cannot be forgotten in a democracy

Sacrifices such as lockdown require public participation – and creation of a certain “feel good” factor. In India, this was achieved through exercises such as 5 minutes of clapping, and 9 minutes of lights being put off. People forgot the problems of Covid for some time. Even political opponents were morally forced to participate as part of the nationalist fervor. Those that did not participate are obviously the most emphatic political opponents – neatly identified in every neighborhood across the country!

Policy Lesson 12: Move from Big Data to Big Picture

Websites have sprung up to show real-time data on Covid cases and deaths for various countries. This is like the stock-market ticker showing real-time prices of securities. Just as long-term investors should not be distracted by intra-day stock volatility, real-time Covid data is meaningless for policy-makers.

Thankfully, policy makers have focused on the right metrics over the right time-frame viz. daily change in Covid cases and deaths. A decline in the daily numbers is an indication of the problem coming under control.

In terms of big picture, could we have stopped with just three major policy decisions to start with –

- Mandatory wearing of mask in public;
- Social distance;
- Permit-based travel with a phased withdrawal of mass transport; and dedicated transport for migrants, coupled with incentives for those who chose to stay.

Thereafter, the trouble-spots could have been addressed regularly. This approach is the opposite of imposing a complete lock-down – and then addressing the trouble-spots regularly.

For instance, what is the harm in keeping essential and non-essential shops open so long as they maintain social distance? Shutdown can be the penalty for shops that don't adhere to social distance.

Would the big picture approach have minimized the human and economic cost? We will never know.

As already mentioned, the objective of this article is not nit-picking or fault-finding, but to draw lessons for the future based on the experiences so far.

Where do we go from here? That is reserved for the next article.

Feel free to get in touch at team@mavuca.in to share your experiences or discuss how we can help you.