The Two Sides of The Pandemic

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As the global growth rate has fallen to less than 3%, the economy has experienced a heavy downturn due to the ongoing pandemic. The labor markets have weakened as more than 36 million have filed for unemployment benefits, which is almost a quarter of the working-age population (source: Reuters), emerging economies are expected to contract by -1 according to the IMF, the adversities caused don’t seem to end. Making this one of the steepest economic slowdowns after the Great Depression of the 1930s.

However, a recent inspection into our billionaires has created raging (and somewhat enraging) headlines. A CNBC article said that American billionaires have become 434 billion dollars richer after the outbreak, with Jeff Bezos and Mark Zuckerberg leading the race having acquired wealth worth a whopping $34.6 billion and $25 billion respectively. The US stock market has surged, boosting the wealth of stockholders with larger stakes. A similar trend has been noticed in Europe as well, The LVMH chief executive Bernard Arnault has been one of the top gainers in the world with an increase of $33.6 billion to his net worth. Amancio Ortega, the chairman of the Spanish clothing retail company Inditex Group and known for being the second richest man in Europe, added $4.9 billion to his existing 65.7 billion dollar net worth.

What about the place that started it all? Wuhan too has become the center of China’s newest billionaire. The snack retailer Bestore gained 4.1% at the Shanghai Stock Exchange, leaving chairman Yang Hongchun with $1.1 billion.

As, Chuck Collins, director of the IPS Program on Inequality said "While millions risk their lives and livelihoods as first responders and front line workers, these billionaires benefit from an economy and tax system that is wired to funnel wealth to the top." The pandemic has acted as a lens through which one can catch a glimpse of the rampant inequality, classism, and inherent prejudice that plagues the system. An overwhelming majority of the billionaires are white men while those worst affected by the pandemic are low wage workers, people of colour and women. According to official figures from the US Department of Labour, 40% of all low earning families in the United States experienced job losses, which had a direct effect on any steady stream of income they previously had. This exposes another concern because 25% of all Americans who lost a job or had their hours cut in the month of March, said that their financial state was likely to deter them from seeking medical care if they show coronavirus symptoms.

Percy Bysshe Shelley, an English poet had said in the 1800s, something that resonates with society even today: “To him that hath, more shall be given; and from him, that hath not, the little that he hath shall be taken away.” ‘The rich get richer, the poor get poorer’ ideology is something that troubles our society even today. It is now, in these troubled times, that we really need to really introspect to try and understand where we went wrong and how these wrongs can be undone.