

Impact of COVID-19 on India: alternative scenarios for economic and social development

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Abstract

The COVID-19 pandemic has led to major learning about the social and economic losses that an external shock to the system can cause. In this paper, we examine some sustainability issues focusing on three key focal points of sustainable development economic growth, poverty and inequality in the context of climate change. We focus on the inter-relationship between economic growth, investment, labour force participation, energy consumption, poverty and inequality under alternative scenarios using the global framing of Shared Socio-Economic Pathways (SSPs). An econometric model is used for estimating the relationship between GDP and its determinants along with fitting a General Quadratic and/or Beta Lorenz curve using the World Bank's Povcal software for determining the relationship between income, poverty and inequality. Alternative GDP growth paths, redistribution assumptions and poverty lines are used for simulations which reveal the extent of sensitivity of the developmental targets to scenarios up to 2030.

Keywords: COVID-19; economic growth and recovery; poverty; inequality; Shared Socioeconomic Pathways; development

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