

India's calamitous COVID-19 lockdowns leave more than 120 million jobless

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More than one hundred million workers and toilers in India have lost their jobs as the result of the now seven-week-long anti-COVID-19 lockdown that the Narendra Modi-led Bharatiya Janata Party (BJP) government imposed on the country on March 25 without any forewarning or planning.

The vast majority of the newly jobless have been left without any income, as India has no jobless benefits. Moreover, most had little to no savings.

Two days into the lockdown, the government announced a derisory 1.7 trillion rupee (US \$22.4 billion) package of relief measures, much of it consisting of money recycled from existing programs. Many of India's poorest workers and toilers, including tens of millions of migrant workers and their families, have yet to see any of this starvation-style relief.

Whilst the lockdown, which was originally slated to end after 21 days, has twice been extended, and even the corporate media has had to acknowledge that tens of millions of unemployed workers face hunger and potentially starvation, the BJP government has callously refused to provide any additional relief.

The central government does not publish regular jobless reports. But surveys conducted by the Centre for Monitoring Indian Economy (CMIE) are considered to provide a reasonably accurate portrait of the evolution of India's workforce.

Summarizing the findings of its latest labour market surveys, the CMIE report on its website last week is entitled, "The jobs bloodbath of April 2020."

According to the report, a staggering 114 million persons lost their jobs in the month of April alone, and 8 million in March, for a total of 122 million jobs lost.

As a result, India's unemployment rate had shot up to 27.1 percent by May 3 and is even higher in urban areas.

The most impoverished and vulnerable sections of working people—daily-wage workers and street vendors

and hawkers—have suffered the largest job losses in both real and proportionate terms. An estimated 91.3 million workers, representing more than 70 percent of all workers in the "informal" or unregulated sector, lost their livelihoods in April.

However, the unfolding social catastrophe has heavily impacted all sections of the working class, as well as significant sections of the middle class, including managerial staff and professionals,

Among the formal or salaried sector, which includes full-time workers and managerial and technical staff at large manufacturing and industrial companies, state-owned enterprises, and IT firms, 17.8 million workers have been furloughed. This represents at least one in every five workers in this sector which employed 86 million people on average in the 2019-20 fiscal year, which ended March 31.

The CMIE adds that its survey indicated that 18 million "businesspeople," many of whom used to employ wage workers, lost their jobs in April. This category is comprised of highly disparate layers, from artisans and small shop and restaurant-owners to the proprietors of what the survey calls medium-sized businesses. A businessperson, observes the report, would generally not describe himself as unemployed unless he or she believes their "business is destroyed for all practical purposes."

The report further notes that its data shows that in April 5.8 million more people came to be employed in the agricultural sector. This apparent anomaly is in all likelihood the result of newly unemployed workers focusing their energies on trying to eke out a living on small plots of land that previously had served to supplement their earned income. The CMIE itself comments wryly that the new agricultural "employment is mostly disguised unemployment." This would mean the true number rendered jobless in March and April was in the order of 130 million.

A further measure of the jobs slaughter is provided by the Labour Force Participation Rate, which has been falling for years, further underscoring that the gains in wealth and income from India's capitalist expansion over the past three decades have been monopolized by big business and the most privileged sections of the middle class.

Out of the approximately 900 million Indians of working-age (defined as 16 to 64), just 396 million were economically active in March. In April this total fell to 282 million.

Even prior to the lockdown, India's economy was being roiled by a multisided crisis, including falling investment and consumer demand, and a financial system weighed down by massive corporate debt. Already last August, the BJP government announced a spate of pro-investor reforms, including massive corporate tax cuts and an accelerated privatization drive, in an attempt to spur investment. But this failed to prevent the slowing of the economy, causing the Reserve Bank of India, the IMF, and other major financial institutions to repeatedly pare back their growth projections for the country's economy in 2020.

Modi's announcement on the evening of March 24 that the country would go into a total lockdown at midnight came out of the blue. For weeks the prime minister and his aides had boasted that India was providing a model for the region and even the world in how to counter the pandemic. Then suddenly it reversed gears, without taking even the most rudimentary steps to mobilize state resources to either fight the spread of COVID-19 (through mass-testing, systematic contact-tracing, and the humane quarantining and treatment of those who came into contact with the virus) or to provide support for the tens of millions deprived of their jobs and incomes by the lockdown.

The results have been calamitous. This is exemplified by the cruel fate of the migrant day-labourers of Delhi, Mumbai, and other major urban centres. Left by the authorities to fend for themselves, millions of migrant workers set out to return to their villages on foot so they could find refuge with their kith and kin. When the government realized that it had recklessly set in motion a mass migration that threatened to spread COVID-19 to rural India, it ordered security forces to herd the migrant workers into cramped makeshift camps, where many remain trapped to this day,

While the Modi government's lockdown has had a ruinous economic impact on India's workers and toilers,

it has failed to stop the spread of COVID-19 and the very real threat—given India's mass poverty, ramshackle healthcare system, and densely packed urban slums—that the virus will yet kill hundreds of thousands, even millions.

When Modi announced the impending lockdown on March 24, India had announced 564 confirmed COVID-19 cases and less than 10 deaths. As of last night, 77,975 people had contracted the disease, and it had killed 2,528 people. However, the official tallies undoubtedly grossly underestimate the disease's deadly impact. Among countries with more than 50,000 confirmed coronavirus cases, India has performed among the fewest tests per capita.

Recently, health officials inadvertently discovered that five COVID-19 patients from Mumbai's densely packed Dharavi slum who had been discharged from hospital last month subsequently died of the disease. Ominously, data from Maharashtra state health authorities indicate a high COVID-19 death rate in Dharavi, with at least 40 deaths to date from just 1,028 confirmed cases.

Egged on by big business, the Modi government is now pivoting to implement a precipitous return to work, and cynically citing the hardship and suffering its lockdown has inflicted on the working people as justification for making them put their lives and those of their families and co-workers at risk.

The Hindu supremacist BJP government's effective embrace of a criminal policy of "herd immunity," that is, of mass death to ensure big business profits, is the spearhead of an all-out class war. In a speech Tuesday, Modi promised a "quantum jump" in pro-investor "reforms." A foretaste of this has been given by the BJP state governments of Uttar Pradesh and Madhya Pradesh. In the name of attracting investment and "reviving" the economy, India's largest and fifth most populous states have "suspended" virtually all labour laws to enable companies to force workers to work 72 hours per week without any overtime pay, lay off workers at will, increase precarious contract labour jobs, de-recognize unions and forego all collective bargaining.



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