

120 million people pushed to extreme poverty by COVID-19 pandemic

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In addition to four million deaths worldwide from COVID-19, between 119-124 million people were pushed back into poverty and chronic hunger and 255 million full-time jobs were lost from the pandemic, according to a United Nations (UN) report published on Tuesday.

The figures come from the UN's *Sustainable Development Goals Report 2021*, which said the pandemic had created major setbacks for efforts to eliminate poverty. In releasing the report, UN Under-Secretary-General Liu Zhenmin said, "The pandemic has halted, or reversed, years, or even decades of development progress."

Prior to the pandemic there were 700 million people going hungry and 2 billion people suffering food insecurity. The UN data shows that an additional 83–132 million people likely experienced hunger during the pandemic in 2020.

Life expectancy, which had been increasing, has also been reduced as the pandemic halted or reversed progress in health care and posed major threats beyond COVID-19. Meanwhile, the mortality figures and true impact of the pandemic remain incomplete due to a lack of accurate data in many parts of the world.

The pandemic is intensifying inequalities within and among countries and impacting the most vulnerable people and the poorest countries hardest. The UN report reveals the extent of the unprecedented and devastating impact of the coronavirus on the world's working class and poor population over the past year.

The report examines the status of seventeen indices on a global scale and says in the Foreword—signed by UN General Secretary António Guterres— "More than a year into the global pandemic, millions of lives have been lost, the human and economic toll has been unprecedented, and recovery efforts so far have been uneven, inequitable and insufficiently geared towards achieving sustainable development."

Among the other indices examined are a rise in gender inequality, a decrease in the availability of clean water and sanitation, a decrease in affordable and clean energy, a reduction in investments in infrastructure and an intensification of the exploitation of children.

Every one of the seventeen Sustainable Development Goals (SDGs)—which were defined by the UN six years ago along with targets set for each to be achieved by 2030—showed a marked deterioration over the past year. Although the word "capitalism" does not appear in the 68-page UN report, its summary of the devastating conditions facing billions of people on the planet in the past year is an indictment of the response of the profit system and the ruling establishment to the COVID-19 health crisis.

The data is also a statement of bankruptcy by the UN itself, a global capitalist institution established after World War II and sponsored by the US as the hegemonic imperialist power, to address any of the fundamental social needs of the world's population.

While the UN refers to increases in wealth inequality throughout the pandemic, the UN carefully avoids any discussion of the amassing of vast fortunes by the financial elite and the increase in the number of millionaires and billionaires during the pandemic. It is a fact that the ruling elite in every country took advantage of the public health crisis to secure for themselves a greater share of the wealth of society than they possessed before the start of the pandemic. Part of this increase in the fortunes of the rich—fueled primarily by the injection of trillions into the financial markets by the central banks—has been an intensification of the exploitation of the working class by deepening the attack on wages, working hours and reductions of benefits.

Indicating that the pandemic actually accelerated economic and political tendencies already present in the world situation prior to its outbreak, Secretary Guterres

states, “Regrettably, the SDGs were already off track even before COVID-19 emerged. Progress had been made in poverty reduction, maternal and child health, access to electricity, and gender equality, but not enough to achieve the Goals by 2030.”

In a section entitled “Views from the pandemic: stark realities, critical choices,” signed by Zhenmin, the report says that since the start of second year of the pandemic, “it is abundantly clear that this is a crisis of monumental proportions, with catastrophic effects on people’s lives and livelihoods.”

The UN report is based on “the latest available data and estimates to reveal the devastating impacts of the crisis on the SDGs” and was prepared by the United Nations Department of Economic and Social Affairs in collaboration with more than 50 international agencies.

Significantly, the UN analysis points to the contradiction between the international collaboration within the scientific community in the development of “life-saving vaccines and treatments in record time” and the global inequality in vaccine distribution. As Zhenmin writes, “as of 17 June 2021, around 68 vaccines were administered for every 100 people in Europe and Northern America compared with fewer than 2 in sub-Saharan Africa.”

The figures on the rise of global extreme poverty in the past year are particularly important as both the right-wing and liberal defenders of capitalism have held up the previous two decades of declines in these figures as evidence of the viability of the profit system. The UN report says that the share of the world’s population living in extreme poverty—the number of people living on less than \$1.90 per day—“fell from 10.1 percent in 2015 to 9.3 percent in 2017.”

The UN’s projection data shows that the share of extreme poverty went from 8.4 percent in 2019 to 9.5 percent in 2020 and will rise to more than 10 percent in 2021. While the conclusion drawn by the UN is that the rise in extreme poverty shows the “importance of disaster preparedness and robust social protection systems,” the return of a dramatic rise in poverty is a demonstration of the failure of capitalism and a harbinger of revolutionary struggles by the working class on a world scale.

The UN report is a vindication of the analysis provided by the *World Socialist Web Site* and the International Committee of the Fourth International (ICFI) since the pandemic began in the early months of 2020. On February 28, 2020, the ICFI issued a call for a globally coordinated emergency response to the pandemic through the

mobilization of the working class to “make available the resources required to contain the spread of the disease, treat and care for those who are infected, and secure the livelihoods of the hundreds of millions of people who will be affected by the economic fallout.”

The statement warned that the economic damage from the pandemic “could exceed the scale of the 2008 financial crisis” and that “the response of ruling elites and the governments they control to the crisis combines incompetence with a criminal level of indifference.”

Before governments throughout the world raided the federal treasuries with unlimited trillions of dollars in “stimulus” to prop up the investment portfolios of the financial oligarchy, the ICFI statement called for “financial support and income compensation for all those impacted by the economic consequences.” The statement also warned that “the major capitalist governments, led by the US Federal Reserve, have allocated virtually unlimited sums of money to drive up the market value of equities” following the 2008 crash and that the “working class must demand that governments impose emergency taxes on the fortunes of the oligarchs to the extent required by the emergency.”

Finally, the ICFI statement said, “In demanding that capitalist governments implement these emergency measures, the international working class does not abandon its fundamental aim: the ending of the capitalist system. ... The present crisis demonstrates again that capitalism is an outmoded economic system and barrier to human progress. The danger posed by this pandemic and the catastrophic implications of global warning prove that the capitalist system must give way to world socialism.”



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