## Preference to the poor: Priority ethics Katherine Marshall, Berkley Center senior fellow, April 13, 2020

Many leading global decision makers will be focusing this week on the <u>annual spring meetings of the</u> <u>International Monetary Fund (IMF) and the World Bank</u> (April 14-17). The core agenda is the global economic emergency. Some of the "virtual" meetings will be open to all (on line), but many more will be private, in what in normal times would be behind closed doors. Unprecedented measures are on the table to bolster different facets of world economic and financial systems and institutions, with trillions of dollars at stake. The public health crisis caused by COVID-19 and the extraordinary actions required to contain its spread are the major backdrop of the debates, but for the week ahead, economic and financial matters are likely to dominate the agenda.

The social impact of the global shutdown forced by COVID-19 is enormous and unmistakable. It falls hardest on countries and communities that are most vulnerable. People in communities across the world face hunger both because their incomes have stopped and because supply chains are disrupted. Joblessness has risen sharply. Reported domestic violence is up. Many if not most schools are closed. Refugee communities see supplies of basic commodities cut and attention deflected from their urgent needs. Fear of the unknown, fueled by misinformation, translates into xenophobia and exacerbates existing tensions and conflicts. The widely shared trauma that accompanies this modern plague will leave lasting scars on individual and societal psyches.

A central test for world leadership, here and now, is the priority leaders give, individually and collectively, to those most in need. Values and integrity are well reflected in how priorities are ordered. That is true especially in times of crisis. The stated values of leaders, to care for all citizens and especially those most in need, need to be translated into bold action to address critical social needs. There is much to build on, with heartening local, national, and multinational responses, but great needs cry out for far more.

In this week's meetings, the decision tables are largely populated by financial, economic, and political leaders from established global and national institutions. There are channels to hear the voices of civil society, including religious leaders and entities. These voices need to speak loudly at this critical juncture, united in demanding that the priority, the preference in decisions, go to those in greatest need.

Leaders face difficult choices as they must balance public health imperatives against the high costs of shutting down economic activity: lives versus livelihoods. In a crisis that has no true precedent, actions need to be worked out on the fly. Global governance mechanisms have well known flaws, exacerbated by weak trust in institutions overall and polarizing politics.

There are grave risks that, in the cacophony of voices and urgent demands, those who suffer most will not be heard and their needs get a lower priority. The human tendency is to look to tried mechanisms and to heed the interests of those with most power. Mechanisms for social protection in most countries are patently inadequate to address the urgent and extraordinary needs that result from COVID-19 shutdowns: for food, shelter, health care, education, and the means to pay bills. That puts a great onus on focused attention and bold and creative action.

The social impact of the global lockdown belongs right at the top of the agendas this week, especially in the closed door meetings involving financiers that look to urgent rescue packages. That means the IMF, the World Bank and the less institutionalized bodies that can mobilize decisions by the leading powers: the G7 and the G20. In keeping the economic wheels going, the needs of the poor should be a leading priority.

Three urgent priorities for social action are evident. The first is action on well crafted proposals for a two year debt payment standstill for African countries. In normal times country by country and creditor by creditor negotiations of debt restructuring is the rule, but in the face of today's urgent crisis across the board action is needed. Second, emergency social protection programs need to be bolstered and expanded with practical national level mechanisms. These need to include designs that ensure support to urgent needs of children. The needs are enormous: the United Nations estimates that about 76 million people in sub-Saharan Africa alone need aid to survive and protect their health. Third, humanitarian funding for the over 70 million people who are in refugee and internally displaced persons situations must be assured, adapted to present realities, and expanded.

Wise observers are calling now, even during the heat of the crisis, to start systematic preparation for reforms that look to the medium and long term. These will surely focus on global governance systems, stronger financial and economic instruments. The crisis has shone a bright light on the injustice of inequalities, in health care and education and many other areas. It has revealed how far short social protection mechanisms fall. It also shows clearly how power imbalances stifle the voice and influence of the poorest people, across the world, on decisions that count. It would be a grave moral failing if the deep flaws that the crisis makes starkly clear are not at the top of the agenda as we, from all sectors, look to rebuilding the future.