

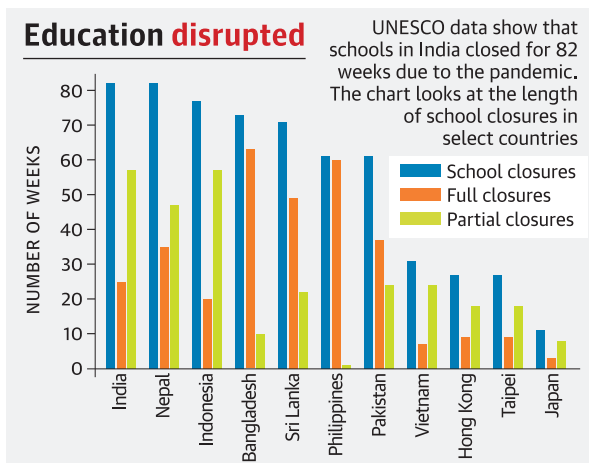
Learning loss will dent India's GDP: ADB

'3.2% dip likely due to COVID school closures'

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The Gross Domestic Product (GDP) of India, which is among the countries with the longest school closures during the COVID-19 pandemic, will see the highest decline in South Asia due to learning losses for the young, a new working paper published by the Asian Development Bank (ADB) has reckoned.

Starting with a \$10.5 billion dent in 2023, the country's economy could take a nearly \$99 billion hit by 2030, translating into a 3.19% reduction in GDP from the baseline growth trends, according to the paper on 'Potential Economic Impact of COVID-19 related School Closures'.



India may thus account for over 10% of the global GDP decline of \$943 billion estimated by the ADB on account of earning losses in 2030, with jobs for skilled labour expected to decline by 1%, and unskilled labour by 2% that year. "India has notable enrolment in secondary education and among students in rural areas. Pan-

demic-induced school closures have also been more extensive there," it noted.

Economies with a significant population of school-children and college-goers in rural areas and in the poorest and second wealth quintile – have been the worst-hit as they lack access to stable Internet connection needed to study online.

Learning and earning losses are significant because a notable portion of the impacted population will migrate to the unskilled labour force, the paper said. A large part of India's work force is constituted by unskilled labour – 408.4 million as per the ADB paper's estimates, compared to 72.65 million skilled workers. "In terms of absolute change, India experiences the highest GDP decline in South Asia, at \$98.84 billion in 2030. In percentage terms, its GDP decreases by 0.34% in 2023, 1.36% in 2026, and 3.19% in 2030," the paper said.

"School closures lead to declines in global GDP and employment. Moreover, the losses in global GDP and employment increase over time. Declines in global GDP amount to 0.19% in 2024, 0.64% in 2028, and 1.11% in 2030," concluded the paper.