

Editorial



Human capital and COVID-19

Nihal Abeysinghe

President, the College of Community Physicians of Sri Lanka 2020/21

Correspondence: nihal.ird@gmail.com

 <https://orcid.org/0000-0001-8504-910X>

DOI: <https://doi.org/10.4038/jccpsl.v27i3.8469>

Received on 7 November 2021

Accepted on 20 November 2021

Human resource is one of the crucial determinants of the economic growth of a country, as healthy and educated people are more productive, bringing greater resources and income to its own families and a higher level of economic growth for nations. Conversely, failure to meet a person's needs can have serious short- and long-term implications for the individual and society. Therefore, investments in health, nutrition and education are essential to help a country develop and prevent people from getting into poverty.

There is sufficient evidence that, if we do not strengthen the human capital, countries cannot achieve sustained inclusive economic growth while the workforce will not be able to carry out highly skilled jobs, and that country will not be able to engage effectively in the global economy which is very dynamic. However, it is proven that Return on Investments (ROI) is high in human capital investment. Most low- and middle-income countries have failed to give due consideration to this. The cost of inaction on human capital development cannot be recovered.

At the micro-level, human capital consists of the knowledge, skills, and health that people invest in and accumulate throughout their lives, enabling them to realize their potential as productive members of the

society they live in. At the macro-level, investments made in nutrition, health care, education, and skills help develop human capital are essential in ending extreme poverty and creating more inclusive societies.

Human Capital Index is an international indicator that encompasses the three key components of human capital across economies. First, it measures the ability of a child to achieve his/her full potential. Can a child born today live a healthier life without any major health issues? Will he/she be able to attend a school with adequate facilities and receive an education and reach adulthood in good health and fulfil their responsibilities in the society they live in? Measuring human capital has five main domains, namely child survival, school enrolment, quality of learning, healthy growth, and adult survival. Health and education are foundational investments in human capital. Hence, it highlights how the country's current education and health systems shape the next generation's lives, and is well-understood that society improves human capital via access to education, health, employment, and nutrition. However, the current COVID-19 pandemic is driving all the factors that need to improve human capital down in a vicious spiral, and in the end, many people globally will be driven below the poverty line. Sri Lanka too cannot escape from this reality.

Sri Lanka has a free education system, with 4.1 million children getting free primary and secondary education capable of keeping their literacy levels at 98% for the last few decades. However, the permanent closure of schools for more than 1 ½ years has compelled children to move to online education. The physical school environment, which is not only about education but also an opportunity to gain many skills, could not be replaced by online platforms. As of now, 60% of the children are left out of any form of education due to not having digital devices and required connectivity. This will leave half of the generation behind the curve to improve the required educational skills in language and numeracy.

From the health perspective, we are aware that 1/12th of Sri Lankan adults are diagnosed with non-communicable diseases (NCDs), which hinders labour productivity; even though we have free primary health care, the pandemic is preventing this population from attending regular clinics and check-ups. This can worsen their conditions. Also, most regular medications were private purchases; given the financial distress and escalated prices, this regular medication is the 1st to cut from the consumption basket. The less access to hospitals due to travel restrictions and nearly 52% of medical expenditure being out of pocket, people will give less attention to health care, which would reduce the population's health and thereby productivity and creativity.

Apart from the above, the COVID-19 pandemic has created substantial social issues and mental illnesses

such as depression. Many have lost their regular income, opportunities have dried out, and travel restrictions have reduced social interaction, increasing the possibility of depression and other similar health issues; this will directly impact the creativity and productivity of the workforce at work. Approximately 65% of the workforce in Sri Lanka is informal, thus has no protection from the employer; during the lockdowns, no compensation is considered and is at risk of loss of income. On one hand, the low family income invariably reduces the expenditure on nutrition, health, and education.

Loss of opportunity for local businesses has impacted leisure, entertainment and they are literally at a halt. This will further hinder the growth opportunities, innovations, investments in research and development. This will be a vicious cycle between human development and poverty.

The need arises to think seriously to identify what socio-economic, political and cultural changes the Sri Lankan society has gained over 70 years. Unless actions are taken to reverse the current trend of losing the overall productivity levels of the Sri Lankan society, there is a high chance that prolongation of the COVID-19 epidemic may further worsen it. Therefore, analyses of existing interventions and policies across sectors, especially health and education, and how they can be harnessed to generate a healthy nation are essential to overcome the binding constraints to higher productivity.