

Public & Social Sector Practice

Tackling the impact of COVID-19: A talk with the UN's Sir Mark Lowcock

Perspectives from the United Nations on the ongoing challenges
of the pandemic.



How the public and private sector better coordinate their responses to the pandemic will have major economic and social implications into the future. As the Emergency Relief Coordinator and UN's Under-Secretary-General for Humanitarian Affairs, Sir Mark Lowcock offers in-depth analysis and insights on the COVID-19 crisis and its impact on global economic and social well-being. In a recent conversation with McKinsey's Lieven Van der Veken and Astrid Sandoval, Lowcock described the challenges we face from the pandemic, how it affects the most vulnerable societies, and the role that the private sector can play in addressing them. He also touches on his own personal leadership journey over the course of the pandemic and the lessons he has learned along the way. Below is an edited excerpt of Lowcock's remarks.

A group effort

This year, the pandemic has dramatically increased the populations in need of humanitarian aid from 168 million to 433 million people. As the immediate health impact of the pandemic combines with the secondary impact on economies of measures taken to contain the virus, we have gone from operating in 53 countries to 63 countries to date. We are seeing incomes plummeting and jobs disappearing; food supplies falling and prices soaring; and children missing vaccinations, meals, and school.

We would need \$40 billion¹ to meet those rising needs but will likely come closer to \$20 billion this year, a record number despite the economic downturn. The psychology and rationale of the whole system is, "go where the needs are greatest." Obviously, that's tested when there are huge needs everywhere. We've tried to follow that at each stage of developing our global humanitarian response plan against COVID-19.

Our team of 2,300 people, together with all the humanitarian organizations—from the Red Cross and Red Crescent family, to national and international NGOs, to all the UN agencies—aims

to support the implementation of responses by providing resources, expertise, advice, and lessons from elsewhere. The nature of crises is that no one agency can fully deal with the crisis. So you have to have a coordinated effort.

The secondary impact on economic and social well-being

The virus has caused the biggest contraction in the global economy since records were kept, almost 150 years. Every economy is integrated to some degree in its region and in the wider world. We've seen a declining commodity crisis, a collapse in remittances, the disappearance of tourism revenues, and the impact of national restrictions to movement due to lockdown measures.

Some nations have rightly thrown away their standard toolbox of fiscal and monetary policy to protect their citizens from the consequences of all those changes. Trillions of dollars have been poured into countries by all of their authorities taking similar action to protect people and help finance social security systems and health systems. These investments have sustained people's incomes and public services.

Some countries may not have the resources, the institutions, nor the capabilities to do the same thing. What they are suffering from is the impact of a huge global recession without a response mechanism. This has led to many people's incomes collapsing. And the services they need—health services, education services, other services—have collapsed alongside them.

So, just to take one example, as many as 80 million children are at risk of missing vaccinations, which will most likely lead to a spike in global child mortality. We've found ten to a dozen countries where there are growing levels of acute food insecurity. When you add up the consequences of all these things across the 30 or 40 poorest countries, what we expect to see is an increase in the global

¹ The \$40 billion only accounts for the humanitarian response costs.

poverty rate for the first time in 30 years followed by falling life expectancy. We're seeing almost a doubling of the number of people on the planet at serious risk of starvation through the reemergence of famines. And we've got 500 million kids in these most vulnerable countries who haven't been to school for six months. For more on how we track the effects of the pandemic, see sidebar, "How we gather information about the pandemic and its impact."

This is what we would call the first-round effects of the secondary impact of the pandemic. And these first-round effects themselves have consequences. When all those things happen, what you get is increased grievances. You get instability. People are frustrated and it creates the circumstances for other bad things to happen, creating an additional contagion risk. And if you look at the places where the risk of famine is acute, like Yemen, the Democratic Republic of Congo, in northeast Nigeria, and South Sudan, it is no surprise it affects places where we already have a significant humanitarian problem.

Ongoing collaboration with the private sector

Beyond financial support, there is a need for alternative types of collaborations with the private sector. For example, to compensate for the lack of commercial air services from many countries where we were sending hundreds or thousands of aid workers in and out, or taking vaccines in, we set up what was essentially a new dedicated air service in partnership with commercial airlines. Working with the World Food Program, the UN body that does transport logistics, we partnered with commercial airlines that had been grounded and weren't using their fleets to help meet this need. We were able to transport tens of thousands of aid workers in and out of places who wouldn't otherwise have been able to get to their destinations.

Private sector collaborations with leading foundations like the Bill & Melinda Gates Foundation, the GAVI Alliance, and the Global Fund for AIDS, TB and Malaria are also extremely important. The only permanent way out of the pandemic will be

How we gather information about the pandemic and its impact

Back in April 2020, we realized that we didn't have the data and the tools to do the kind of tracking on the COVID-19 problem we needed. We started by building an index tool to assess COVID-19 vulnerability based on, for example, weak health systems or limited transport capabilities. We then built a tool to assess countries' economic vulnerability and partnered with data modelers, who played a key role in trying to project how the virus might play out in different places.

We were able to explore changing scenarios. For example, we know that the virus affects older people more than younger people. If you're a country with a very young population, what is the impact of that? We know that the virus is carried around by people. If you have a country where traveling around is much harder, what does that tell you about the rate of diffusion of the virus? We were able to build up some hypotheses, which enabled us to make some best guesses about how it might play out in different places.

As the months have passed, the role of modeling has declined and the role of testing and gathering data has increased. For some countries, though, we are simply dealing with observable consequences, for example, in places like Yemen, Syria, and countries caught up in conflict in Africa. In these instances, we can build up a picture, admittedly anecdotal, but nevertheless evidence of how the virus is playing out.

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–Sir Mark Lowcock

through a vaccine. Getting the sequencing right and making the best use of these international institutions is an important thing. And there’s lots of analytical, production, and distribution support needed from the private sector for that to ultimately be successful.

In addition, private creditors will become a bigger source of credit for many relevant countries, more so than in the last 20 years. Many countries are running into very severe indebtedness problems. David Malpass, the president of the World Bank, has expressed the need to reschedule payouts and suspend service obligations for a period of time, as well as potential debt reduction treatment for some countries to support with their debt situation.² Ultimately, we will need a more serious, concerted, and coordinated discussion within the financial sector on the approach to debt relief.

I’d also like to see the G-20 and G-7 nations work more collaboratively; the way they did, for example, in the 2008 financial crisis. I think if we try to improve one thing, it should be the failure of better-off nations to understand the consequence of what’s happening in the most fragile countries.

On the role of business leaders

It is important for business leaders to be aware and understand the wider context, to pay attention to other places, and engage in a global debate. Big, responsible entities from any sector have a moral responsibility to do so. It has also been pointed out to me by many business leaders that there is a growing interest in purpose-led organizations among a younger generation of talent that is very engaged in the wider world and want to work in settings where more attention is given to a broader set of issues. This will continue to be true in the war for talent.

The role of business to aid and support humanitarian efforts can be self-rewarding. Leaders should drive their organizations to be part of the solution and not contributing to the problems. I think the challenge for everybody is to go from an understanding that we all want the world to be fair, safe, and prosperous, to a deeper understanding of what that means in different places across the world. And from there to explore how their business can contribute to that goal. And there are a million possible choices. The hard work is in identifying what the right choices are.

² “Reversing the inequality pandemic: Speech by World Bank Group President David Malpass,” speech at Frankfurt School of Finance and Management, October 5, 2020, [worldbank.org](https://www.worldbank.org).

The need for resilient leadership

One of the things leaders have to do is horizon scanning—to work out what is coming down the track, translate it, and communicate it in a way that's usable in their institutions. But the overwhelming thing that has been important to me is to recognize that we can't stop every bad thing from happening, but we can make a difference. And we can make a bigger difference if we organize ourselves well, focus on the core things we're supposed to do, and provide the right support to our staff.

The first step was to recognize the anxiety everyone was feeling, and that people needed help and reassurance. We next needed to find ways to remind people why now is the moment where they really matter and enable them to reconnect with a purpose

and be productive. In extreme situations like the ones we're dealing with, the work of humanitarian agencies becomes ever more important.

You have to manage yourself as well. I bought a treadmill and forced myself to go on it every day. I improved my diet and even cut down on my wine consumption. There's a self-management responsibility that comes with the job because if we do a good job, that makes a difference. If we do a poor job that also makes a difference. So trying to do the best we can in the circumstances is really, really important. And a lot of this is about limiting the damage, limiting the number of people who don't survive the experience, limiting the long-lasting effects.

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