

Bruegel: How Covid-19 is laying bare inequality

Covid-19 is laying bare socio-economic inequalities and could exacerbate them in the near future. The virus is a risk factor particularly for those at the lower end of the income distribution, who are vulnerable to the interaction of the shock with income, socio-economic and urban inequalities, **writes Enrico Bergamini for Bruegel**



A child receives a food parcel in India

Introduction

The Covid-19 crisis shows how the more vulnerable socio-economic groups suffer from a greater risk of financial exposure, and also from greater health risks, and worse housing conditions during the lockdown period, potentially exacerbating inequalities.

As governments in Europe start to address the emergency with fiscal measures, understanding how the different socio-economic inequalities intertwine will be of fundamental relevance for policymakers.

A key quote from the article

Depending on their income and whether or not their economic sector is locked-down, workers are

exposed to different risks. Some in lower-income percentiles continue to work and receive their salaries. Examples include healthcare workers and workers in critical supply chains (food, pharmaceuticals, deliveries, essential industries and services). They are exempt from lockdowns but expose themselves to risk of infection by not working from home.

But many other lower-income workers cannot work from home but are also not allowed to go to work. US statistics data shows how the ability to work from home is strongly related to which income percentile an individual is in.

Table 1: Percent of workers able to work from home by income percentile

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Income percentile	Home-workers or potential home-workers (%)
Bottom 25	9.2%
25-50	20.1%
50-75	37.3%
Top 25	61.5%

Source: US Labour Statistics.

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The full original article first appeared on Bruegel [here](#).

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