
Summarized title: Economic and food-security implications of COVID-19: Did WHA73 address this double-burden?

Michael Ssemakula, People’s Health Movement (PHM) and Human Rights Research Documentation Centre (HURIC) –UGANDA

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Summary

The Corona Virus outbreak has underpinned unprecedented economic instability and global food supply disruptions –essentially in Africa. This has put global cooperation (aid, partnerships and concession finance) on test after the economic downturn in the world economy performance. This article provides a discourse on damaging interruptions caused by the pandemic on socio-economic survival of countries and food security. It further demystifies the gaps therein interventions (in line with IHR core principles) presented by WHO member states and UN agencies at seventy-third World Health Assembly –which PHM closely followed through its WHO Watch program.

COVID-19 novel virus, globally was an exceptional disruption –across the world. No government knew the burden the pandemic would have on the humanity, food security and the economic system infrastructure across the continents. The diverse strategic economic emergency and recovery plans have been forthrightly fronted on mechanisms through which governments and region blocs can contain and mitigate the severely damaging impact of the pandemic on their economies –after the dramatic dynamics the pandemic has posed to their economies, and healthcare systems. The potential impact of COVID-19 to local and global food systems, (their capability to provide safe, affordable, nutritious food and sufficient incomes for people working in food and agriculture sectors) and broad spectrum of the economies is unimaginable. This acute respiratory syndrome coronavirus 2 (SARS-CoV-2) continues to spread internationally at an exponential rate. Worldwide, more than 6.8million cases have been reported, 3.1 million of these, are active cases of the disease, over 390000 are deaths –as per the statistics of Worldometer website of the 6th day of June 2020. However, there is still a concern of why there are still so few COVID-19 cases reported in Africa compared to other WHO regions. This question largely remained unanswered in the previous virtual held World Health Assembly. The
People’s Health Movement for several years has implemented a ‘WHO watch programme’ to follow and provide information, analysis and critical commentary for people on the global health debates taking place at the World Health Organisation (WHO).

In its Global Health Watch activities, PHM follows range of WHO engagements, including the World Health Assembly (WHA) and the WHO Executive Board (EB) and at regional level in the WHO Regional Committees, such as the one for the AFRO region. The analysis that PHM does sightsees how far these international processes and resolutions respond to the local, regional and global contexts and priorities and how far member states and other relevant stakeholders implement, comply with and are publicly accountable for the resolutions made to deliver on the national and global health goals.

**Information transparency: where the world fell off the International Health Regulation core principles?**

Transparency in information flow is fundamentally among the imperative points of emphasis that can’t be overlooked. Many countries are still silent about accountability on how they’re controlling the crisis –essentially their transparency regarding information (data to prevent spread of infodemics in communities, and for effective control of the virus), respect of human rights law in regards to the lockdowns and compliance with International Health Regulation (2005) on achieving international public health security. Through a letter from Trump’s Administration, United States made a pronouncement during the recent concluded WHA73 against the approach WHO handled the COVID-19 crisis. The letter cited how WHO was soundless and a playbook on China’s act of undermining the IHR by not sharing accurate and timely data, samples, isolates and withholding vital information about the virus and their origins through censoring its media and denying international access to its scientists and facilities – which also prompted several member states in WHA73 to call for an impartial, independent and comprehensive review on how WHO managed the crisis through the COVID-19 Response resolution. From our close watch of the WHA73, this is inadequate, globally there should be a standard review for all countries’ response to the pandemic basing on the principles of International Health Regulation (2005), International Human Rights Principles and Charter of the United Nations, there is so much information gap concerning the coronavirus transmissions and its mortalities especially in Africa and countries with autocratic regimes that may keep this information away from the public domain.

**Effective Economic recovery plans and food security: How the interventions to address the two issues remained a wishful thinking at the Assembly?**

At the WHA73 WHO watch, we critically observed that the interventions that country governments and institutions are using in response to coronavirus may possess both positive and detrimental negative consequences on economies’ performance, food security, nutrition, food systems policies and welfare inequality more broadly. Without satisfactory coordinated policy responses, equitable and gender-responsive plans and resources, countries may find it challenging in this highly liberalized and globalized world to enhance an egalitarian redemption for all income clusters in their society, as whereas recovering faster as planned. The new international economic order desired during the 1978 Alma-Ata declaration (to promote health
for all) did not only aim to address inequalities between groups within nations and between nations of back-in-day but also envisioned the implications that would rise from one-sided policies and interventions that would detrimentally affect people’s welfare and underpin inequality. This is what countries are prospectively likely to face during the COVID-19 economic emergency response plans and credits that may benefit disproportionately the populations within nations and among nations.

In the 73rd World Health Assembly, WHO member States, cited that, the unprecedented disruptions connected to the pandemic and the various responses to this pandemic had adversely affected their countries and marginalized groups –especially those from poor contexts with less power and resources to adapt to volatile crisis events. Not only vulnerable populations and communities have had difficulty in accessing adequate food for survival and adequate nutrition, but many also depend upon the food-system’s stability for their living as source of their income like farmers and agricultural products traders in sub-Saharan Africa and Asian continent. Shocks to the food supply chain have disrupted flow of production and trade, which can have volatile market effects and implications on both food prices and agro-food-based incomes due to the fluctuations in the elasticities of demand and supply for Agricultural sector products and foods. The World Food Program envisages, 265 million people in low and middle-income countries will be in acute food insecurity by the end of 2020 if an action is not taken. The majority of the African countries have inadequate mechanisms to launch substantial stimulus packages as an intervention applied in rich countries such as Canada, US, Germany and UK, which have all launched stimulus grants amounting to more than $5trillion, low-income African nations look to donors largely to multilateral and bilateral agencies for help.

The Coronavirus pandemic now, is not just a disease but also economic devastating challenge ruining the global food security and world economy phenomenally in developing economies. Some populations have little or some no assistance from their governments to cope up with the damaging impact of the virus on their economic wellbeing. Awkwardly food security wasn’t among points of focus in WHA73, only Venezuela and Paraguay that cited out food security concerns and gave a mention of how their populations found it challenging to continue farm production activities. Globally, many people are struggling to cater and feed their families due to the shutdown of the countries which is underpinning a fall in the economic, agricultural activities and welfare standards. This is limiting people’s ability to access nutritious foods in different ways, including through reduced income and increased job insecurity as countries have imposed lockdowns to stop importation and further community transmission of Coronavirus cases. Countries are yet to design sound food security and agricultural policies, emergency food reliefs and contingency plans (in line with the resolutions WHA53.15 and WHA63.3 on advancing food safety initiatives) which are vital for safety and availability of nutritious foods to prevent impending global food insecurity and shocks in the food supply chains.

Economies’ survival in lockdowns, concessional finance and global cooperation

At the World Health Assembly 73, member states gave account of different interventions including the nationwide lockdowns which were applied as a mechanism to curb community transmission of the virus. Implications of the lockdowns on the world’s developing economies seem have tremendously started biting characterized by massive job layoffs, fall in (investment
confidence, investment multipliers, export and savings multipliers), consumption affordability and National income or gross domestic product multipliers. The IMF predicts that, the sub-Saharan Africa’s economy will shrink by **1.6%**, and the real per capita income falling by **3.9%** **the lowest since 1970**. It is estimated that the COVID-19 related disruptions will lower sub-Saharan Africa’s GDP growth in 2020 to between 1.5 percent and 2.5 percent, down from the projected 3.6 percent pre-COVID-19 projections under a scenario where African governments quickly take the appropriate steps to contain the spread of the virus and global conditions stabilize, the regional GDP growth will decline by around 1 percentage point, to 2.5 percent.

Evidence is emerging on the substantial impact and social-economic damage of lockdowns for countries across continents, predominantly for the most deprived households, the large number of workers in informal sector employment, the smaller scale business initiatives with **short of cash savings, low economies of scale, high debt outflows and widening inequality.** In Zimbabwe, for instance, an analysis in April found out that 34% of companies with zero production, and 52% operating at 30-60% of pre-lockdown capacity levels, with revenue losses of between 45% and 100%. Countries like Mauritius have lost **5%** of their GDP growth due to the border closures. 70million jobs in the aviation industry are likely to be lost as many companies have grounded their planes. Countries in East Africa may lose up to **4 billion USDs in their exports to countries like China.**

The enormous challenge posed to developing countries, is how far can they sustain the lockdowns, where is the praxis and tradeoff between the health protection agenda and economy redemption in medium term? Many countries are struggling to make tight decisions –to or not to lift their lockdown restrictions as they move into the “new normal” of physical distancing in diverse life spheres. In many African countries, nationwide partial/full lockdowns have now been stretched and have continued a month or beyond. Their impact raise queries on their sustainability.

With countries stumbling about their economies’ survival many have resorted to borrowing and seeking assistance through international cooperation (rich countries, multilateral and bilateral agencies, region blocs (through Official Development Assistance) and philanthropic foundations). At the opening of this year’s **World Health Assembly**, the UN secretary general – Antonio Guterres called for;

“….increase the resources available to support developing countries. **Calls for WB, IMF and International Financial Institutions’ assistance in dealing with COVID-19. We must be able to create more inclusive and more egalitarian economies and stronger society**”

This is an enabler to allow member states progressively put into effect their interventions to contain and avert the economic impact of COVID-19 –and allow a scaled up health spending (in health workforce, sensitization, medical supplies (through ACT accelerator that aim to increase availability of diagnostics, therapeutics and vaccines to increase testing, detecting, and treating of Corona virus patients)) and investment into economic emergency and recovery plans such as stimulus grants for private sector, unemployment benefits and relaxed monetary and fiscal measures (like reduction in taxes).
The pandemic has established a change in the development, health and humanitarian cooperation paradigm—from the old and orthodox tradition development economics model (that aid should be from self-proclaimed “developed” countries to developing/emerging economies) to now a new model of global public investment to promote global public goods for health—thus remodeling the terrain of global cooperation. The statements made by member states at the WHA73 demonstrated how countries were working in unison to address the pandemic through the “principle of solidarity and spirit of unity”—ie European commission highlighted in its statement during the Assembly that it had raised USD 8 billion to support vaccine development which will be universal to all not a luxury to few but a universal good. In the recent past, on 13th March China sent a planeload of experts and medical supplies to Italy, including masks and respirators. Italy is among the richest countries (with average income, US$34,480); despite rapid advance over the past decades, China is still much poorer (average income, US$9,770).

From the member states’ submissions at WHA73 which were virtually presented, its unfortunate that several countries essentially from the developing contexts, have not established yet the disease underlying dynamics of COVID-19 and the potential implications of the multiple policy decisions, programs and economic recovery plans. Many governments have negotiated and some received the emergency credit from the International Monitory Fund (IMF) Rapid Credit Facility (to support their Balance of Payment, Central Banks, health spending (through Covid-19 response), social protection, National Development Banks and private sector interventions) without evidence, clear strategies and plans to inform any economic recovery response. This will not only escalate the developing countries’ and emerging economies’ public debts, but the entire global debt will shot up. The enormous pile of the global debt may grow unabated: last trimester of 2019, it reached 253 trillion dollars and today amounts to 322% of the planet’s GDP. This affects more the developing countries as more of them allocate a big proportion of their financial year budgets to servicing their public debts

**Credit finance and public debts vs continuous public health provision**

The IMF is one of the institutions moving swiftly to provide comprehensive funding its member countries, by leveraging $1 trillion lending capacity through Rapid Credit Facility (RCF); for example, IMF Executive Board Approved US$491.5 million and US$ 739 Million Disbursement to Uganda and Kenya respectively to address the COVID-19 Pandemic (for Balance of Payment and Budget Support). Further extended rapid debt service relief to help 25 poorest and most vulnerable countries, 19 of which are in Africa through the Catastrophe Containment and Relief Trust (CCRF). This provided grants to the poorest and most vulnerable members to cover their IMF debt obligations for an initial phase over the next six months and will help them channel more of their scarce financial resources towards vital COVID-19 emergency medical and other relief efforts.

This is a phenomenal intervention for economies’ restoration essentially from the loaming global/country level economic recessions but, we are strongly concerned about the severity of the deepening national debts that the Rapid Credit Facility may cause to countries across continents especially from developing contexts—which was not talked about by the IMF and World Bank or
delegates representing WHO regions during the WHA73. The escalation of the public debts of economically struggling and highly indebted countries may equally pose disastrous implications such as inequality in access to the crucial services of the social sectors of the countries like health—as governments may divert resources to paying debts than investing into human health and leave this to the private sector, (PHM notes in the People’s charter for Health that inequality is one of the root causes of ill-health and deaths of poor and marginalized people) —we are extremely worried that this may be a conduit to a fall in the welfare of the poorest populations thus underpinning poor health outcomes on the set global health goals, human security and Universal Health Coverage. There should be a transparent and accountability mechanism made by member state governments on the impact of these credit emergency funds to the public, country finance authorities, IMF and WB (as the funds disbursement bodies). Member states should further be guided on how to use the emergency COVID-19 funding as an essential tandem to enable needed assistance reach the most vulnerable people—but also avert misuse and escalation of public debts and their associated implications on the countries’ future social sector budgets. As noted in the EU proposal in OP1 "Calls for intensified international cooperation and solidarity to collectively contain, mitigate and defeat the COVID-19 pandemic, including coordinated mobilization and use of financial resources", the distortion of the country level (both current and future) welfare and programmes should be averted even through this emergency assistance and credits offered through international cooperation —this should also aim at assisting countries to establish IHR core capacities. IHR core capacities are intrinsically tied to health system strengthening and explicitly should be recognized as global public health goods.