Chronic Poverty Advisory Network

Getting to Zero

Chronic Poverty Report 2023

Pandemic Poverty

A comparative lens: country case studies of mitigation measures during Covid-19

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Chronic Poverty Advisory Network

CPAN is a network of researchers, policy makers and practitioners across 15 developing countries (Afghanistan, Bangladesh, Cambodia, Ethiopia, India, Kenya, Malawi, Nepal, Niger, Nigeria, Philippines, Rwanda, Tanzania, Uganda, Zambia, Zimbabwe) focused on tackling chronic poverty and getting to zero extreme poverty and deprivation, and by sustaining escapes from poverty and preventing impoverishment. It is looking to expand this network to the 30 countries with the largest numbers of people in poverty. It has a 'hub', which is currently hosted by the Institute of Development Studies in the United Kingdom.

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Of course, responsibility for the contents of the report rests with the authors, and the report does not represent the views of IDS, the Covid Collective, or of FCDO.

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Key messages

The strength of mitigating measures depended on (1) fiscal space and/or prior macroeconomic management; and (2) political economy or 'political settlements'. These can and did evolve in a crisis.

Decision makers need to be well informed about how people in and near poverty live and survive, so they can make better decisions. Few governments appreciated the pressing need for very substantial mitigating measures – Cambodia and South Africa are two exceptions among our focus countries. In Cambodia this was a whole-of-government approach; in South Africa, insiders in government supported a coalition of civil-society and government interests in lobbying around the social welfare system.

Crises are different – context is important. Any global crisis needs context-specific national and subnational policy responses rather than a one-size-fits-all approach. Top-down guidance and legislation in effect drowned out a potentially context-rich and divergent set of responses that could have emerged in poorer countries where socioeconomic policy and virus dynamics are significantly different, and where capacities to mitigate the effects of extreme public health restrictions were very limited – but which nevertheless emerged in some of them, as this report documents.

Decentralised decision-making has significant potential for well-adapted resource allocation and pandemic management (e.g. for the safe reopening of economic activities or schools), though is dependent on local capacities. Community redistribution can also be a powerful tool, and capable of filling policy gaps, especially when supported by local governments.

The rapid expansion of existing programmes, and design of new programmes, often overlooked the needs of vulnerable groups. Many countries lack comprehensive and up-to-date registers of eligible social assistance beneficiaries and there is a dearth of information on groups structurally excluded from existing social protection schemes – there were some positive examples of effective targeting of harder-to-reach and vulnerable groups from which lessons can be drawn.

3.1 Range of interventions, variations in responses and consequences for poor and vulnerable people

The range of possible interventions is captured in the Oxford Covid-19 Government Response Tracker (Blavatnik School of Government 2023). Interventions include containment measures and restrictions – closures of schools, borders, markets and workplaces, regulation of public events, and social distancing regulations or advice to follow in public places; health measures – vaccination, hygiene measures such as handwashing and mask wearing; and economic measures – fiscal stimuli, furloughs and wage subsidies, additional social protection, waiving or postponing interest payments, tax rebates or postponements, and special credit facilities for companies. Additional measures that are especially relevant for people in and near poverty might include: agricultural support and exemptions from restrictions; agricultural and other value chain interventions to avoid supply chain disruptions; measures to keep informal sector businesses going (such as market relocation), as opposed to closing; health service support measures to enable non-Covid-19 services wherever possible; and a range of educational support measures beyond digital and remote education that are reliant on technologies to which people in poverty barely have access.

3.1.1 Low stringency, low mitigating measures: Tanzania

Tanzania was an outlier: it abandoned its lockdown after two months but without a Nicaragua-style alternative strategy (see below) in place (ITUC 2020):

> On May 18, 2020, the authorities lifted the suspension of international flights into and out of Tanzania. Effective June 1, 2020, the authorities allowed the opening of upper-secondary and tertiary schools and the resumption of sport activities and events. On June 29, 2020 all other educational institutions reopened. As a result, all the restrictions due to Covid-19 have been lifted by July 2020 (IMF 2022).

Cumulative deaths were estimated to be not much different from many other countries in Africa (Imperial College 2022), including Kenya or Rwanda, which had much stricter and longer restrictions. This, of course, raises questions about the utility of the restrictions in the context of sub-Saharan Africa, with its youthful populations and outdoor economies. Uniquely among comparator countries, Tanzania's economy grew during the pandemic, despite the severe decline in its very important tourism revenues, and disruptions to its supply chains and markets. The government's business-as-usual approach focused on macroeconomic management, and growth remained relatively buoyant during the pandemic (Mashindano and Kazi n.d.). There were few, if any, mitigating measures.

CPAN's Poverty Monitoring Bulletins on Tanzania (e.g. CPAN 2022) revealed a less acute picture than all other countries where monitoring took place. There were certainly cases of Covid 19, including some deaths reported by participants, and disruptions to normal health services. What was also noticeable was (1) the significant disruption to agriculture caused by the absence of buyers from neighbouring countries, which depressed markets. Tanzania is an agricultural country, which relies heavily on its exports. Even by March 2022, many foreign traders who used to buy crops in Tanzania had still not returned. And (2) the disruption to the livelihoods of petty traders and

other urban informal sector operators, which was amplified in 2021 by measures to clear them from the streets into designated market areas.

3.1.2 Low stringency, medium mitigating measures: Nicaragua

Nicaragua provides a very atypical response. Its left-wing, Sandinista government decided that it could not impose the kinds of restrictions that its neighbours were implementing, because most of the population were poor and depended on livelihoods that would be disrupted by lockdowns, movement restrictions and closures. It had also built, staffed and equipped 20 new regional hospitals during the previous decade, which provided confidence that the pandemic could be managed. Lockdowns and closures were not imposed, schools stayed open and families were given the choice over whether to send their children to school or not. A result of this strategy was that the economy rebounded quickly, and we can infer that the levels of downward mobility and impoverishment seen elsewhere did not occur in Nicaragua.

Nicaragua also had an excellent community-based health outreach programme, which delivered information about the pandemic to the population, such that the high levels of misinformation about Covid-19 prevalent elsewhere were countered and people knew how to protect themselves. The same system was capable of delivering high rates of vaccination, once vaccines were available. However, the US refused to send Nicaragua vaccines when these were provided to its neighbours; it had to wait for a supply from WHO's COVAX scheme and other sources. Nicaragua's vaccination programme started six months later than in neighbouring countries, but when the programme eventually started, the community-based health system ensured that it quickly exceeded the vaccination rates of its neighbours.

In contrast, neighbouring Honduras and other countries in the region that imposed lockdowns and closures suffered much higher excess death rates than Nicaragua, despite having earlier access to vaccines. Nicaragua's excess deaths were low according to at least two sources on excess mortality during the pandemic, and in comparison with neighbouring countries such as Honduras (Table 3.1.2.1).

Table 3.1.2.1: Different measures of mortality during the Covid-19 pandemic in Latin America, showing the relative positions of Honduras and Nicaragua

WHO (May 2022)		Centre for Economic and Social Rights for Amnesty International (April 2022)		Our World in Data/The Economist (July 2022)	
Excess deaths associated with Covid-19 pandemic (2020–21)		*Mortality as % of population from start of pandemic to Feb. 2022*		*Estimated cumulative excess deaths per 100,000 people during Covid-19*	
Country	**Excess deaths per 100,000 people**	**Country**	**Deaths as % of population**	**Country**	**Cumulative excess deaths per 100,000 people**
Peru	**437**	Peru	**6.0**	Peru	**557**
Bolivia	**375**	Mexico	**5.9**	Mexico	**480**
Mexico	**242**	Ecuador	**4.5**	Bolivia	**446**
Ecuador	**228**	El Salvador	**3.0**	Ecuador	**383**
Guyana	**178**	Puerto Rico	**2.9**	El Salvador	**322**
Colombia	**161**	Honduras	**2.7**	Brazil	**320**
Brazil	**160**	Bolivia	**2.4**	Argentina	**320**
Paraguay	**138**	Brazil	**2.3**	Colombia	**319**
Guatemala	**137**	Colombia	**2.3**	Honduras	**299**
El Salvador	**131**	Chile	**1.5**	Suriname	**290**
Honduras	**113**	Argentina	**1.4**	Paraguay	**289**
Chile	**101**	Nicaragua	**1.2**	Guatemala	**238**
Argentina	**99**	Costa Rica	**1.0**	Guyana	**227**
Costa Rica	**94**	Uruguay	**0.9**	Chile	**199**
Nicaragua	**91**	Cuba	**0.8**	Belize	**183**
Panama	**88**	Dominican Rep	**0.8**	Nicaragua	**180**
Belize	**87**	Guatemala	**0.0**	Venezuela	**177**
Suriname	**62**			Panama	**166**
Uruguay	**45**			Costa Rica	**115**
Venezuela	**39**			Uruguay	**99**

Note: the three lists include different Latin American countries, depending on data availability.
Sources: WHO (2023); Amnesty International (2022); Our World in Data (n.d.)

3.1.3 Medium stringency, low mitigating measures: Ethiopia

Medium stringency, low mitigation was a common pattern where countries generally followed their public health leads and WHO advice (with the exception of border closures, which WHO advised against but many countries implemented, at least initially), introducing some mitigating measures mainly for the formal sector, but also some social protections. Ethiopia might have done more than this had it not been fighting internal and external wars. This even affected what the regions and zones were able to do: *there was somehow support from the regional and zone administration. However, it was much of organizing, awareness creation than any material support*. (KII, Ethiopia).

Ethiopia also developed many plans to mitigate the effects of its restrictions, including regulating prices of consumer goods, providing credit to microfinance institutions, tax relief on importers and producers, and labour market measures such as prohibiting discontinuation of workers' contracts in the private sector, but these were upset by the conflicts that it was engaged in during the pandemic. This reduced the fiscal space for new measures to close to zero, with the exception of the Productive Safety Net Programme (PSNP), which remained in place, though in some cases may have reduced in scale.

The PSNP's fifth phase (PSNP5, 2020–25) included significant pandemic guidelines: (1) restricting movement and social-distancing measures of PSNP beneficiaries in the first year of PSNP5; (2) a waiver on the necessity of public works, to avoid social contact; (3) making payments under the PSNP as a lump sum so that households were able to prepare for food gaps in good time; (4) strengthening behaviour change communication by supporting necessary communications material; (5) setting up handwashing facilities in places where public works were organised; and (6) regularly adjusting the wage rate of the programme to match price inflation. However, community-level data from 2021/22 indicates that PSNP5 hardly achieved what it had promised to do in response to the pandemic.

This left local areas to do what they could autonomously. In the Ethiopian communities studied for the PMI, local government officials facilitated efforts to redistribute grain and cash to the poorest people in the community. Local officials took the initiative of mobilising local people to contribute as much as they could to help others who were badly in need of assistance. There were also state-supported efforts to build new classrooms to enable schools to provide space for social distancing.

"The kebele [community] organized support for the poor and vulnerable groups of the community. The community members voluntarily contributed food and money that served to help the needy households at woreda [district] level. Accordingly, our kebele had collected about 70 quintals of grain and 3,500 birr and gave it to the wereda pool "

(KII, health worker, Ethiopia 2021)

When government support was available, local officials organised committees among local people to mobilise support for those who needed it:

> *An ad hoc committee was formed to collect a few kilograms of crops from the residents of the kebele, which was later distributed to the vulnerable. An awareness creation campaign was held to protect the people from the pandemic. Otherwise, there is no specific policy or programme by [government] agency to make things better for the vulnerable people in the kebele* (Development agent, Amhara Region, January 2021).

In some communities, not only safety net beneficiaries were supported, but also others whose livelihoods were affected by the lockdown. These included day labourers and older people:

> *The kebele has facilitated the contribution of food and money from the community members that was collected at the woreda level. Then the woreda redistributed the money and the food to the most vulnerable groups of the community in each kebeles of the wereda. In our kebele, 150 daily labourers and 50 elders got support for maize and sorghum. The support was given three times. The quota was 15kg per individual in the household* (KII, kebele administrator, Ethiopia, January 2021).

So, although the Federal Government was preoccupied with fighting internal and external wars during this period, which took away fiscal space for responding to the pandemic, the systems in place and political settlement of recent decades enabled an extraordinary (possibly unique) local redistribution and humanitarian effort.

3.1.4 Medium stringency, low-medium mitigating measures: Bangladesh

Bangladesh's policy response was a more organised version of Tanzania's, where restrictions were weakened or abandoned early on in favour of continued economic growth, to avoid large economic losses and expenditure on social protection. Feasible health protection measures were retained with the active involvement of local officials in implementing them, taking into account local circumstances.

The Government of Bangladesh's policy measures were rolled out in two phases: during the first wave of Covid-19 between March and May 2020, and in the second wave from April to August 2021. Initially, the focus was on reducing mobility and closing workplaces, schools and markets to contain the spread of the virus; these restrictions were at first strictly enforced. After only three weeks, garment workers protested as they had no money to live on, and the government allowed factories to reopen with precautions in place; most were open again a month or so after the start of lockdown. Other restrictions were progressively removed during the following month. The restrictions were thus short lived.

During the second wave, the same restrictions were imposed for longer. However, this second lockdown was significantly different for several reasons. Citizens largely ignored directives and health safety rules, and local shops remained open. Although intercity buses were not allowed to operate, cars, auto-rickshaws and rickshaws were widely available. Most importantly, the government took deliberate measures to keep the economy running: government offices, garment factories and private firms remained open on a limited scale, while following the health guidelines issued by the government. Schools and universities, however, remained closed during both the first and second wave lockdowns.

Table 3.1.4.1: Growth- and protection-oriented public expenditure during the pandemic

	Growth-oriented economic package	
	Package description	**Budgetary allocation (billion Taka)**
1	Working capital loans to affected industries and the service sector	
2	Working capital loans to cottage, micro-, small and medium enterprises (CMSMEs)	200
3	Expansion of Export Development Fund	127
4	Pre-shipment credit refinancing schemes	50
5	Agriculture refinancing scheme	50
6	Subsidy for commercial banks' suspended interest during April/May 2020	20
7	Credit risk-sharing scheme for CMSMEs	20
8	Refinancing scheme for CMSMEs	15
	Total	**882**
	As % of GDP	**3.16**
	As % of total package	**79.7**
	Protection-oriented economic package	
1	Special fund for salary support to export-oriented manufacturing industry workers	50
2	Special honorarium for doctors, nurses and medical workers	1
3	Health insurance and life insurance	7.5
4	Free food distribution	25
5	Sale of rice at 10 taka/kg to affected poor people (special OMS)	7.70
6	Cash-based transfers to targeted poor people	12.58
7	Expansion of allowance programmes for poor people	8.15
8	Additional procurement of paddy	8.60
9	Enhanced subsidy for agriculture	15
10	Refinancing scheme for lower-income professionals, farmers and traders	30
11	Low-interest loans to rural poor farmers, expatriate workers, and trained youth and unemployed youth	32
12	Safety net programmes for export-oriented industries' distressed workers	15
13	Disadvantaged older people, widows and female divorcees in 150 poverty-stricken upazilas (subdistricts)	12
	Total	**224.53**
	As % of GDP	**0.80**
	As % of total package	**21.3**

Note: OMS = Open Market Sales social protection programme
Source: Adapted from BIGD, BRAC University.

The government thus made the choice over time to allow economic activities to take precedence over the restrictions, defying the recommendations of the health committees proposing the restrictions. At the same time, it introduced a number of policy measures with accompanying public expenditure to promote growth, and other measures to protect the livelihoods of vulnerable people (Table 3.1.4.1). These measures were strongly biased towards growth, which absorbed 80 per cent of the allocated funds, 3.8 per cent of GDP, while the protection-oriented funds were equivalent to just 0.8 per cent of GDP.

The policy choice the government made to reopen the economy early avoided an economically costly lockdown, and the need to mount an expensive entitlements programme for a large proportion of the population. It was also under pressure from both industrialists with export orders to fulfil and industrial workers, who wanted to get paid and protested. Prime Minister Sheikh Hasina was also concerned about food supplies, and wanted to ensure that the agricultural sector could function. As a result, exemptions to restrictions were introduced for farmers and farm workers.

This reopening did not extend to schools and universities, however, which remained closed through both lockdown periods in one of the longest closures in the world (82 weeks). This was on the grounds that schools could be sites where the virus could circulate and be taken home, putting parents and grandparents at risk. Nevertheless, there was growing incredulity at the length of the closures.

How can we understand this policy response? It is partly about the role played by strong, organised lobbies in industry, composed of enterprises and industrial workers, and their relative absence from the education sector; and partly about the government's incentive to maintain its political legitimacy.

The Government of Bangladesh takes actions or policy initiatives that will help it to keep its control over power both with respect to protests, which might get out of hand, and with a view to its legitimacy among the electorate in upcoming elections. If a policy response is necessary for political legitimacy and there is a strong lobby for it, the response will be adopted (e.g. growth-oriented measures).

If the response is necessary for political legitimacy but a strong, organised lobby is absent, the government will reluctantly adopt the policy (e.g. limited social safety measures, support for the farmers). If the response is not necessary for political legitimacy and a strong, organised lobby is absent, then the government will maintain the status quo (e.g. school closures). And finally, if there is a strong, organised lobby but the response will not foster political legitimacy (e.g. supporting growth in the trade-off with people's survival), the response will be to support the lobby.

The hypothesis is that the government would not have achieved anything politically by reopening schools and, in fact, had something to lose if it failed to manage the reopening well. This was part of a narrow decision-making process at the top of government, where the main decisions were taken by the prime minister and various senior civil servants. This is in contrast to Cambodia where Prime Minister Samdech Hunsen led decisions, but with representatives from a wide range of ministries – and therefore interests – in the room (see below), who adopted a more balanced approach between health restrictions, growth and protection.

Implementation of these decisions was delegated to local governments, which enjoyed significant discretion in doing so. Whereas the policy guidelines designed at central level mostly talked about different measures that should be taken to enforce lockdown, maintain social distancing or

support economic activities, they did not provide detailed guidelines on how to implement such measures. Local government officials, especially the deputy commissioner (the government official in charge of a district), the upazila nirbahi officer (the government official in charge of a subdistrict) and other officials of different local government agencies were allowed to make day-to-day operational decisions. In other words, as one respondent noted, 'from the central level, we were told to make sure that people don't get out of their home unnecessarily, it was up to us to decide how we are going to make that happen'. And at local level there was a more consultative process:

> *During the worsening period, we optimized our collaboration with other agencies, particularly the government body. The UNO [upazila nirbahi officer] was helpful in our efforts. Whenever we asked for assistance, he responded quickly. For example, during that time, we faced numerous challenges in gaining access to the community to provide services. UNO assisted us in continuing our work in these situations. We had frequent meetings that lasted until late at night. In some cases, the government sought our assistance, and we did our best to provide it. Our lab technicians worked in the government health complex in registration and guiding the services* (KII, BRAC, Bangladesh).

Another interviewee reported that when he was thinking about closing the border of his district to isolate it from the rest of the country, he asked for permission from the top and was told that he could do so if he felt it necessary. The district administration, with support from the subdistrict (upazila) and union administration could take measures to restrict mobility, provide food support to beneficiaries and take various steps to help farmers or to keep industries open.

This approach to managing the pandemic is consistent with the reliance of the current government (in office since 2008) on local-level officials, more so than local level politicians. Local-level politicians had been involved in food distribution at the beginning of the pandemic, but there were allegations of corruption, which deterred the government from involving them subsequently. So, although decisions were taken narrowly at the top, many people across Bangladesh were involved in implementing those decisions in different ways and with different emphases across the country. This opened the possibility of significant variations in approach based on local circumstances (Box 3.A).

Box 3.A: Local discretion leading to adaptation to local circumstances and coordinated responses

Local administrators often used their discretion to take into consideration the geographical location, socioeconomic factors and local political reality. For instance, in Chapainawabganj, when Covid-19 cases were rising, the district commissioner decided to isolate the district from rest of the country. However, the district's geographical location made it easier for him to take the decision as Chapainawabganj had only three entry points – to isolate the district, all he needed to do was to impose restrictions on these three points. In contrast, the local administration of Narayanganj never tried to isolate the district even when Covid-19 cases were rising because geographically it is impossible to separate the district from the rest of the country.

Continued:

The district's major economic activities also played a significant role in determining implementation strategies. For instance, in Chapainawabganj, most of the residents are involved in agriculture and a significant proportion of them have mango orchards. As a result, while reopening and facilitating economic activities, the district administration had to focus more on agriculturally based trade and agricultural production. In contrast, Narayanganj is an industrial district; so, in this district efforts were taken to ensure that the factories were fully functioning, while following Covid-19 health guidelines.

Developing a coordinated response

In both Chapainawabganj and Narayanganj, the district administration succeeded in developing a well-coordinated response strategy. In Chapainawabganj, for example, local government officials from 17 departments worked with the district commissioner and upazila nirbahi (sub-district) officer to monitor the implementation status of lockdown. Each local government official was in charge of 2–3 unions (rural local councils) and through the elected representatives of the unions, they collected information about the status of the residents of those unions. The elected representatives used to visit their constituents' homes regularly and if there were any problems (i.e. if anyone refused to follow lockdown procedures, needed to be tested or required food support), they brought it to the attention of the designated government official. The official then took the necessary action to resolve the problem. Coordination meetings were regularly held using online platforms. Similar organisational arrangements were also followed in Narayanganj.

Reopening industries

In Narayanganj, in response to the Government's decision to reopen the economy, the district administration provided quick and necessary support to factory owners. Masks were supplied to workers and handwashing stations were set up. Moreover, local government officials visited these factories regularly to ensure that health guidelines were properly followed. At the same time, the officials also took different initiatives to resolve problems industrial workers faced. For instance, during the second wave, when the government decided to keep factories open, factory workers in Narayaganj were facing difficulties getting to their workplaces as transportation was not available. On learning of this, the local government administration held discussions with the transportation workers and owners. The transportation workers agreed to support the industrial workers, but in return demanded food support. The administration took the necessary measures to support the transportation workers and the problem was eventually resolved.

Source: KIIs, Bangladesh (Nov. 2022–Jan. 2023)

3.1.5 Medium stringency, medium mitigation: Cambodia, Zambia

Cambodia's exceptional mitigation response for its income level went some way to balancing the restrictions introduced. As the pandemic progressed, decentralisation to the provinces and communes meant that local decision-making interpreted national policies in ways that made sense locally. There were several enabling starting points: (1) Cambodia's political settlement (Box 3.B), which connected its political elite with the interests of ordinary people, including people in poverty, where Buddhism possibly helped – this was characterised by strong trust in institutions and the prime minister, which was reinforced during the pandemic; (2) its macroeconomic management – 'No. 1 in ASEAN' – which meant that it had fiscal space to undertake a range of mitigating measures; (3) its tradition of collaborative crisis management, led by the prime minister, with representation from many ministries, a reserved budget and an evidence-based approach to decision-making; and (4) the decentralisation of its health services, which began in 2019. Cambodia also had pre-pandemic aspirations to go digital, with some reforms already initiated, and which the pandemic response has greatly speeded up. On point (3) it was observed by one key informant from Oxfam that:

> According to the relationship with so many research and assessments, the government could no longer ignore the impact of Covid on poverty. They listened to NGOs and others who identified vulnerable groups (e.g., the service sector collapsed almost completely during the pandemic.)."
>
> "There is constant sharing of evidence of the impact and the voice of the community being brought to the table by the government. For example, we brought informal workers to meet with policymakers so that the policymakers could hear by themselves. NGOs bring elderly people and informal sector workers to talk to the government, not just about the pandemic but about the socio-economic status for the longer term. The government is beginning to listen. Advocating for change is easier than it was 3-5 years ago as we had done so much, but the government penetrated little into their decision process. Now, the government is more open. The evidence is overwhelming and relatable. Stronger demand from 'traditional donors' (i.e., not China) and bilateral donors demand stronger governance and participation of civil society (required for agreement of donor funding) (KII Oxfam).

What was most remarkable about the Cambodian response was perhaps household debt restructuring; at first, for garment, tourism, transport and construction workers, and later open to all (see Chapter 4). This went well beyond what other countries were doing, and was a product of the government's authority in the financial sector, as well as the fiscal space, which meant that a number of new credit initiatives that focused on for micro-, small and medium-sized enterprises and farmers could be started. However, interviewees did not appreciate the debt rescheduling, as postponing payments did not bring them much benefit; in contrast, they did appreciate cash-based transfers, although they were too small to entirely compensate their loss of income. Such challenges will persist long after the end of the pandemic.

Box 3.B: Cambodia's political settlement

This is said to be of the 'narrow social foundations, concentrated power' variety – narrow social foundations because adherents of the 'leading political bloc' are relatively powerless (power is concentrated at the top) and the social foundations of the opposition are more powerful (and appeared to be strong at elections during the 2010s), but repressed; concentrated power because the leading political bloc is more powerful than the opposition and has effective top-down decision-making powers. The major motivator for the leading political bloc is economic development. This explains why health is given less priority than education, and why it has taken a long time to improve education quality, with pressure from business interests, and the recognition that free movement of labour within the Association of Southeast Asian Nations requires it.

Source: adapted from Kelsall *et al*. (2022b)

Cambodia developed a good Covid-19 tracking system, which meant that outdoor markets could generally stay open, and infected people were provided with food. This provision was not always adequate, however, and there were protests in the capital Phnom Penh when adequate support did not arrive. This especially affected migrant workers locked down in cramped apartments and unable to access enough food through landlords, unions or employers, who acted as distribution channels. While depending on food distribution was accepted in the short term, workers placed great importance of getting their jobs back.

The imposition of restrictions was also decentralised in Cambodia, as in Bangladesh. As remarked by one key informant:

> *Another important thing [was] the transfer of management power of provincial health department to the provincial level. The decentralization started at the end of 2019, just before Covid-19. As a result, local government scan manage the spread of Covid-19 effectively. After the pandemic is [under] control, the economy started opening up dependent on the severity of the Covid-19 in a particular area.* (KII, Cambodia).

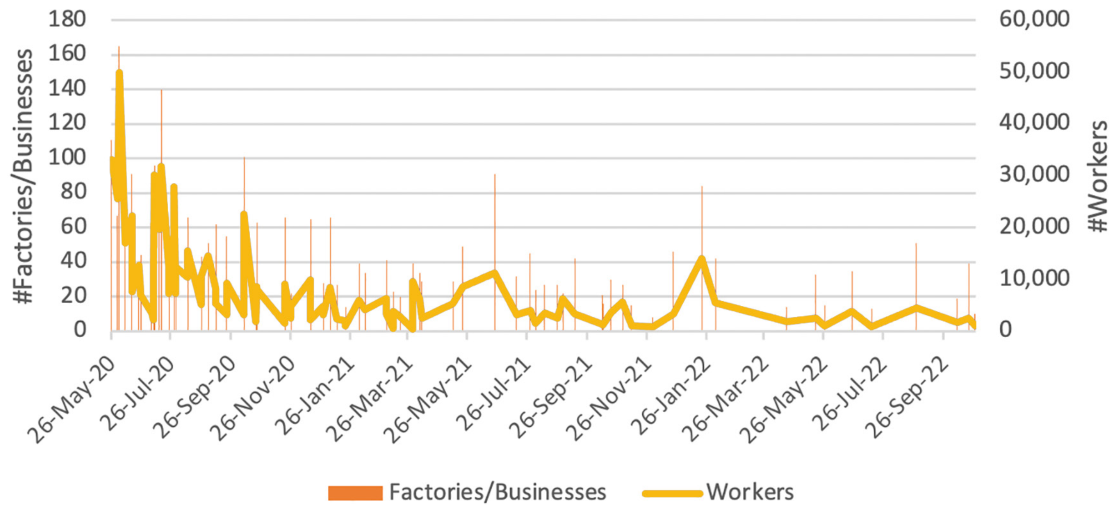
Cambodia's pre-pandemic 'IDPoor' system of cash-based transfers in 2019 had already expanded coverage to pregnant women until their children were two years old, extending the concept of social protection to include not only those identified as poor, but also vulnerable people.

Its management of the pandemic meant that Cambodia could continue exporting more easily than other countries – its competitors Bangladesh and Vietnam, for example, faced many more challenges. Among the key informants interviewed for this report, there was great pride in Cambodia's success in managing the pandemic. Cambodia's main challenges were said to be an inadequate number of crisis management-trained officials to deliver the programmes, as well as inadequately informed citizens.

Conservative macroeconomic management, which included cuts in unnecessary central expenditure during the pandemic, meant that Cambodia was able to spend US$1,000 million from its reserves on cash-based transfers, as well as providing furlough payments of US$40 a month to garment and tourism workers (with an additional US$30 a month to be matched by employers). Some 715,450

workers from more than 3,000 factories and businesses in these two sectors have received assistance under this measure (Figure 3.2.5.1). What is noticeable about the measure is its longevity, compared to the one-off payments prevalent in many other countries. Some US$200 million was also allocated to small and medium-sized enterprises (SMEs) through banks.

Figure 3.1.5.1: Cash assistance for workers laid off from the garment and tourism sectors



Source: Authors' own. Consolidated from the Government of Camobida's Ministry of Labour and Vocational Training announcements.

In December 2022, the government also extended cash-based transfers to people made vulnerable by inflation and flooding, again illustrating the longevity of Cambodia's support. However, many other vulnerable groups, including the many workers in informal sector and migrant workers, did not qualify for either the furlough programme or the cash-based transfer programme for IDPoor households. Given their weaker bargaining position with employers and restricted access to government unemployment benefits, four out of five workers in the informal economy were severely affected by work stoppages (Keo, Abdelhamid and Kasper 2022).

As people returned to depending on agriculture during the pandemic, decision makers realised that agricultural development needed a boost. Although there were few specific measures during the pandemic – and these concentrated mostly on loans to rice millers to keep the rice value chain functioning, while farmers continued to depend on microfinance institutions for credit – new policies have emerged from the pandemic: during the Covid-19 crisis, in August 2022 council ministers approved the Agricultural Development Policy (2022–2030), which aimed to increase agricultural productivity while increasing climate resilience, reducing and mitigating climate impact. This emphasizes technological change including the application of net-house cultivation, use of water-saving irrigation systems, sowing rice with modern equipment, and less labour-intensive methods including using agricultural drones.

There are many challenges in the agricultural sector, stemming from years of relative neglect. Pandemic restrictions

disrupted value chains and farmers are even more indebted today than before the pandemic. This will have other social knock-on effects in terms of mental health and family breakdowns. Extension systems are not adequate, with more extension staff at province than district level, and a significant gender gap in staffing. Other challenges include: uneven market competition, and market saturation, leading to price declines; droughts and floods; and a high level of vulnerability to climate change. However, the pandemic has apparently signalled a change in attitude among political leaders towards the importance of agriculture.

Cambodia's vaccination programme was second to none in Asia. Around 25 per cent of the global population had received two Covid-19 doses by the end of August 2021. As of August 2021, 88.35 per cent of Cambodia's 10 million prioritised adults had received the vaccination and an intensive programme to deliver booster doses was initiated (Tao *et al*. 2022). The key factors in Cambodia's rapid vaccination success were: (1) trust in the government and the government's active countering of disinformation; (2) setting up over 300 vaccination centres area by area, starting with the cities, then moving outwards, vaccinating everybody in each area; and (3) the important role local governments played in communication and mobilisation.

The relative balance evident in Cambodia's response to the pandemic was not reflected in education. Schools remained closed for 250 days during 2020 and 2021, leading to significant learning losses (UNICEF 2022c). This may reflect similar political calculations to Bangladesh (see above).

The pandemic has been a time of innovation for the Government of Cambodia. It has helped substantially increase expenditure and coverage of social protection, including innovating in public works programmes and expanding to include near poor people, and those vulnerable to flooding and inflation (from December 2022); expenditure on social protection was 0.9 per cent of the government budget before the pandemic, 10 per cent in 2021 and 14 per cent in 2022.

A substantial attempt to postpone but not reduce household debt was undertaken; however, this did not go far enough to address the structural pre-pandemic problem of indebtedness. But at least the problem has been recognised and may be addressed post-pandemic, especially in the context of the next national election in July 2023. Future plans include continued digitisation (of commerce, citizen services and government); movement to a graduation-based system of cash-based transfers; extension of the cash-based transfer programme until 2030; and the development of a national programme to combat inequality, focused on service delivery. The government has also developed new industrial strategies and remains committed to political devolution, despite the obstacles to transferring power and developing the capacities of local government.

Zambia presents a very different picture. The country enacted a plethora of mitigating measures, but few of these appear to have had much direct impact on its large population of chronically poor and informally employed people. The measures were mainly macroeconomic, aimed at financial and formal firm stability. The country was heavily indebted pre-pandemic and reneged on debt payments in 2021. This meant that fiscal space was extremely limited and few real mitigating measures could be afforded. Other than social protection, most of the measures put in place protected formal-sector companies.

Only social protection was expanded somewhat, both horizontally, with new

coverage of vulnerable households, and vertically, with additional payments, in particular a one-off Covid-19 relief fund (2,400 kwacha (US$130) and a phone) for those on the social cash-based transfer programme in selected districts. Even this was a significant achievement, given the pre-pandemic collapse of social protection in the wake of a corruption scandal, which had led to donors withdrawing support.

What was also interesting in Zambia, as in Bangladesh, was the importance of lobbying. The Bars and Night Clubs Owners Association was formed during the pandemic and campaigned against the shutdown that had been imposed on the sector. After six months of complete closure, which had devastating consequences for people involved in the sector (despite government promises, no aid had reached the association's members), bars and nightclubs were allowed to partially reopen after a concerted protest and mobilisation of its members by the association.

3.1.6 The high stringency, medium mitigation: India and Rwanda

The stated priority of the Government of India was to save lives. To navigate the uncertain times, it adopted a 'barbell' strategy,[2] hedging against extreme risk on one end, while remaining agile in policymaking by incorporating feedback mechanisms into policy decisions on the other. The manner in which the lockdown was imposed is illustrative of this strategy. The initial lockdown was announced very suddenly and was for 70 days, at a time when not much was known about the nature of Covid-19, except that it was highly contagious and could be fatal. The initial lockdown was widely seen as a disaster.

As more 'information' on the nature of the virus became known, and because the country had become 'better' prepared to handle it (e.g. through the provision of testing kits), decision-making on economic lockdowns and movement restrictions was eventually decentralised, with states deciding on their respective lockdowns (Key informant interview (KII)). The long closure of schools was implemented because the Ministry of Health and 'empowered groups' on health were leading decisions on such issues, and because there was no decentralised mechanism for decisions to reopen schools in light of changing circumstances (KIIs). The government was highly resistant to changing how such decisions were made in light of evidence. The consequences of long school closures were devastating for schoolchildren, and for girls who were married as children, in particular.

The Government of India had a unique economic interpretation of the pandemic crisis. Contrary to what many Western economists suggested, the economic hardship during the pandemic was a supply as opposed to a demand shock, and therefore did not require the kind of Keynesian macroeconomic stimulus measures pursued in countries that were able to implement them. Job losses or shutting down businesses were second-order impacts of the pandemic and not the source of the problem, according to the government's eclectic interpretation. The emphasis, therefore, was not to 'reinflate' the economy through additional cash, but rather to provide a 'backstop' (to borrow a term from finance) to the economy through free provision of grains and small amounts of cash through Jan Dhan accounts (KII).[3] The demand-driven Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) for employment generation was also suspended during March–April 2020, though part of the reason for its suspension was to prevent crowding at job sites and, hence, the spread of the virus.

Perhaps unsurprisingly, many needy people were left out of this much-needed safety measure. In the case of MGNREGA, many people were missed if they did not have a job card or if the state machinery was inefficient in supplying work opportunities (KIIs). Again, adjustment to the new situation was missing.

At the time, India was short of revenue, so fiscal space to pursue any initiatives was a challenge (Balajee, Tomar and Udupa 2022). This may have limited the government's willingness to be more expansive with its policy response. The strategy was said to be a barbell one – preparing for the worst, but learning along the way. As it became clear that companies would collapse, a second set of measures was put in place to ensure that there was enough liquidity or credit in the financial system to enable companies to survive; 26 stressed sectors were identified to receive assistance. Eventually, these measures were extended to MSMEs, through the Credit Guarantee Fund Trust for Micro and Small Enterprises, but not to household enterprises. From the end of 2020, these measures were supported by new infrastructure investment programmes to enable economic recovery (KIIs).

Despite these measures, the scarring was still there, especially for informal, small household enterprises. Medium-sized industry received good access to credit during the pandemic; micro-businesses were initially under stress, but credit grant schemes eventually benefitted them and, in general, encouraged the flow of credit, which had initially been very poor. Roughly 18 per cent of informal households and enterprises – representing the livelihoods of possibly hundreds of millions of people – failed during the pandemic; not a small number, but one that could have been much larger: 'If these measures were not taken the informal sector would have collapsed completely' (KII). Some businesses may have also failed because of pandemic deaths. All these schemes had end dates. By the end of 2022, the Reserve Bank of India held the view that the economy could survive without support, even if some supply chains would still take longer to rebuild.

Consistent with the economic rationale mentioned above, and as a major producer of vaccines, including for Covid-19, India put great emphasis on vaccination as a way of reopening the economy, as well as reducing risks for individuals. Its vaccination programme started in earnest at the beginning of 2021 and by the end of 2022 there were high rates of coverage.

When a lockdown was imposed, though there was some appreciation of the consequences for migrants and the vast informal sector, no measures were taken to ease their situation. Initially, employers and state governments wanted migrants to stay (e.g. in Tamil Nadu, which hosted a million migrant workers). But when it became clear that employers would not be able to reopen businesses soon, they were keen to let migrant workers go. However, it was not until May 2020 that 'Shramik Special' trains were organised to enable migrants to get home. Even then, many could not access the trains (Carswell, De Neve and Subramanyam 2022) and had to walk, hungry and thirsty. Civil society organisations organised some relief for them on the way (Anagula 2020). Employers often did not settle outstanding wages or provide advances to enable workers to get home by bus, nor were wage arrears transferred into migrants' bank accounts as promised.

> *When the government was talking about lives we were talking about livelihoods. Thus, there was a contradiction - people have to move to make money hence putting them under lockdown was not a solution. In Kerala, we focused more on livelihoods, we started giving out money and launched community*

kitchen. We handled the internal migration well as even Supreme court told the Delhi government to learn from Kerala government on how they treated migrants… When I talked to some of the migrants they said that they would either die of covid or poverty, starvation. That is where I was concerned about prioritizing lives over livelihoods. The government wants to save lives, but what about livelihoods? How do they provide livelihoods? Migrants usually don't have any savings, they have this hand to mouth existence. Moreover, they were not even informed about the lockdown… the pandemic is not a migration crisis- it was not same as the economic crisis that we had in 2008 or during the Gulf war. It was a health crisis, but through our policies we have converted the health crisis to a migration crisis… I believe all the SDGs can be fulfilled if we allow people to move freely. We know that migrants reduce poverty, they send their children to good schools and they even send their girl child for education. Hence, the only thing that is to be allowed is free mobility and not this controlled border situation which even leads to people dying. Migration is thus going to be a level player in achieving sustainable development goals. Poverty is reduced in many states because of the migration but the government will end up taking the credit (KII, India).

Back at home in Bihar or Uttar Pradesh, joblessness, deepening levels of indebtedness and growing despair were common, though less so where families owned land. In a reversal of the normal pattern, households survived on local casual work performed by migrants' parents:

> Assistance from the local state in Bihar and UP [Uttar Pradesh] remained limited to food rations disbursed through the PDS and cash payments of Rs500 in women's Jan Dhan accounts. While much welcomed, these payments did little to compensate reduced household earnings nor were they available to all. Some said that MGNREGS [Mahatma Gandhi National Rural Employment Guarantee Scheme] work had been restarted in their area, but their households had not benefitted from it. Those who were kept in quarantine on their return were being fed by the government and some – but not all – mentioned that their household had received 5kg of free rice per household member. No one reported any additional support in either kind or cash, while some even mentioned struggling to access rations under the PDS (Carswell *et al*. 2022).

Promised higher wages, settled wage arrears and offers of transport, migrants had few alternatives but to return to their employers when asked, despite their families' opposition because of the risks of repeating the whole experience (Carswell *et al*. 2022).

The paucity of reintegrative and supportive measures for migrants has been well documented (e.g. Khan and Arokkiaraj 2021). Despite the sudden and catastrophic movement of millions of migrant workers across state borders as cities locked down, only one central initiative was ever taken to ease their situation throughout the whole pandemic period. This was a skills training programme specifically for returnee migrants (the government's Garib Kalyan Rozgar Yojana initiative). However, this had reached less than 2 per cent of migrants surveyed by the end of 2020 (Gulati, Jose and Singh). States were sometimes more inclusive in their responses. For example, Odisha developed a set of mitigating measures: three months' advance disbursement of transfer payments and ration stocks to entitled beneficiaries; pre matriculation scholarships and advance midday meal rations for three months for students;

Rs2,000 (US$25) per migrant as an incentive for returnee migrants who had completed mandatory institutional quarantine to return to work; a Rs17,000 crore (US$2,125,000) stimulus package under the Special Livelihood Intervention Plan to 'provide employment and income generation opportunities to the worst affected section of the society, including migrant workers and farmers' (Naik and D'Souza n.d.); and Rs600 million (US$7,500,000) for MGNREGA, which aimed to create 200 million person days of additional public works for 460,000 persons, and Rs14 million (US$175,000) for migrant workers' skills development. Scheduled tribe migrant workers were particularly disadvantaged and received the fewest benefits from these outlays (Naik and D'Souza n.d.).

In 2020, migrants were 'not in the government's agenda' (KII). One argument was that there was no data on which to base initiatives. This discussion has continued as the pandemic response has wound down, but there have been no solid initiatives. It seems the urban informal sector was also not on policymakers' radar, as no attempt was made to develop an urban employment guarantee, despite being suggested in 2021 by respected economist Jean Drèze (Business Standard 2021), or to introduce any other measures.

In terms of the stringency of its Covid-19 policy response, Rwanda was the top African country and seventh in the world during the early months of the pandemic. It adopted a highly restrictive public health approach to managing the pandemic (Binagwaho and Mathewos 2022), led by a Joint Action Committee comprising the Ministry of Health, Rwanda Biomedical Centre and the Epidemic and Surveillance Response division, though this process was moderated on occasion by civil society action (e.g. requesting notice be given of lockdowns or other restrictions, rather than their sudden imposition).

Rwanda's Covid-19 response was modelled on its response to the threat of Ebola spilling over the borders from the Democratic Republic of the Congo (DRC) and Uganda:

> Designated Covid-19 centres and screening mechanisms were set up around borders to limit the spread of Covid-19. Measures that were implemented from the Ebola epidemic resurfaced to raise Covid-19 awareness (e.g., communication through radio, television, community leaders, community health workers (CHWs), health facilities, and social media). (Louis *et al*. 2022)

During the pandemic, Rwanda deepened its investment in surveillance and contact tracing. Treatment was provided free. In September 2020, it introduced home-based care, building on an already strong community health worker programme. Soon after, more than 90 per cent of Covid-19 cases were treated at home and this remained the case through to 2022 (WHO 2022b).

The 1994 genocide meant that Rwanda had a fairly unique capacity to support mental health and this was brought to bear in the pandemic.[5] In 2021, a three-month long 'Green Ribbon' campaign was launched. This recognised that:

> the majority of those who need mental health care do not have access to good quality support and services. In addition, the Covid-19 pandemic has increased the demand for mental health services, with grief, isolation, loss of income and fear triggering mental health conditions or aggravating existing ones' (UNICEF 2021).

Some NGOs, (e.g. Never Again Rwanda) also started providing psychosocial support services, including free counselling to all, whether they were genocide survivors or not.

Rwanda's mitigating measures started very soon after the first restrictions

were introduced; in the capital Kigali, in particular, some 55,000 vulnerable families, mainly informal sector workers, were targeted with food distribution and enrolled in cash-based transfers. A well-structured system of identification and distribution of support was put in place at the lowest local administrative level through representatives of *amatsibo*,[6] following guidelines from the City of Kigali.

In rural areas, decentralised structures took care of any additional vulnerable people, but these were already covered by the country's social assistance system, which continued to operate and expanded significantly. Relief measures are summarised in Table1 3.1.6.1. Some pre-existing measures, such as the Vision 2020 Umurenge Programme (a public works programme), were suspended for several months for public health reasons. They were replaced with cash-based transfers, which were expanded to cover up to 200,000 additional beneficiaries, mainly to include informal sector workers in urban areas who were worst affected by the pandemic.

Table 3.1.6.1: Rwanda's social protection during the Covid-19 pandemic

Relief response	Economic response for recovery under social protection programme
• Standard public works: 157;852–191,339 household beneficiaries • Expanded public works: 40 454–75,000 household beneficiaries • Direct support: 116,240–150,000 household beneficiaries • Nutrition-sensitive direct support: 30,000–74021 individuals • Extension of food distribution and cash-based transfers: 55,272–212,882 household beneficiaries • Stocking of food reserves including logistics: 55,272–157,610 metric tonnes of staple foods	• High labour intensive public works (HIMO) projects: 34,415–39,577 household beneficiaries • Productive asset transfer: 116,932 metric tonnes of fertilisers and other assets • Financial services: target of 35,000 people • Toolkits: target of 2,500 toolkits • Education support: target of 21,280 children • Community-based health insurance support: target of 1,902,740 individuals • Shelter assistance: target of 8,758 households

Source: KIIs, and MINALOC and LODA administrative data (June 2020)

Agriculture was largely exempted from restrictions. The May 2020 Labour Force Survey recorded an increase in the proportion of the workforce employed in agriculture from 24 per cent to 29 per cent between February and May 2020, due to secondary school students and people with other occupations returning to farming. Agricultural institutions worked hard to ensure that land was cultivated, food supplies were maintained and value chains kept functioning.

Rwanda also built a strong vaccination programme based on a highly effective pre existing decentralised vaccination programme:

By July 2021, more than nine million

people – almost 70 per cent of Rwanda's population – had received the first dose, and more than 8.8 million (67 percent) had received the second dose. The government had outperformed its original 60 per cent, two-year goal in 17 months. In addition, more than 5.1 million (39%) received a booster shot (USAID 2022).

The pandemic was treated first and foremost as a public health emergency. Restrictions were strictly imposed, with fines and detention for people not observing them. However, the government was also to some extent mindful of social and economic damage; for example, the significant damage to SMEs, 57.5 per cent of which were significantly disrupted by the effects of the restrictions, many of them stopping their activities or going out of business. This led to the development of many private sector-led 'survive-to-thrive' programmes to support small businesses by the African Management Institute, the Mastercard Foundation, ESPartners, Equity Bank, among others, to help those starting businesses and those who needed support to enable businesses to thrive. For instance, the Komeza programme, with Equity Bank Rwanda as the financing partner, provided a combination of financial support and technical assistance to 120 SMEs within the tourism and hospitality sector at all stages of maturity, in addition to their value chains.

The programme was established with a commitment of US$2.5 million from the Mastercard Foundation's Covid-19 Recovery and Resilience Program.

Such mitigating measures may not have been enough to avoid significant damage to livelihoods, as demonstrated by qualitative interviews undertaken during 2022 (Box 3.C), and surveys that showed significant job and income losses, as well as reduced food consumption and depleted savings (Warren, Parkerson and Collins 2020). Rwanda's fiscal position was stable following years of reasonable economic growth; arguably, it could have done more.

The political settlement was broad in terms of social foundations and concentrated in terms of power. To maintain that political settlement, the regime needed to undertake policy responses to the pandemic that reinforced existing or introduced new policy instruments that would benefit a broad range of Rwandans. In the event, it relied on existing mechanisms, especially its excellent universal and community-based health provisions and social protection. Social protection and food distribution were expanded to cover the urban informal sector. Education, however, was not a strong focus of support, perhaps because of a history of concern with access and infrastructure over learning outcomes (Kelsall *et al.* 2022b).

Box 3.C: Costs of public health restrictions in Rwanda

Small business owners reported lost earnings and business closures; casual labourers were unable to find work; farmers were unable to travel to nearby fields to cultivate them or to graze livestock; and fishers were not allowed to travel to the nearby lake.

> *I was a mobile money agent and my husband has a motorcycle transport business. Everything was good. But when they announced the period of lockdown, he stayed at home and I used my capital.* (LHI, female, urban Rwanda)

Continued:

> *If it was not for Covid-19, we would have so many investors, and investors are important to us because they give jobs. But during Covid-19, no one was allowed to come here. Even those who were here stopped their projects and we spent a year without working* (LHI, male, rural Rwanda).

Prices for staple goods increased with the onset of Covid-19 and have remained high. With higher prices confronting lower incomes, many people reported reduced consumption of basic goods, primarily food, hygiene products and clothing. Prices appear not to have decreased with the lifting of the lockdown and reopening of markets. Despite many visible signs that the pandemic has ended, most people report prices remain high for basic goods.

> *Initially, they were saying that it was because of the outbreak of coronavirus where no one is allowed to go out and then later said that it was because of the war in Ukraine. But now for us, we don't know the cause* (Focus group discussion, Rwanda).

Some respondents had taken out loans shortly before the pandemic and were unable to repay their debts during the crisis due to lost earnings. This contributed to the sale of assets to cover loan repayments and reduced spending on food. A few respondents commented that they had borrowed shortly before the pandemic to expand their business or to develop rental properties, and they found themselves in a worse position because they had loans to repay without having earned from their investments over the past two years.

> *Some people that wanted to run a business took a loan in SACCO [saving and credit cooperative society] before Covid-19 came. They had nowhere to run their business and ran a loss. It became hard to pay the loan because running a business in Covid-19 was difficult* (Male interviewee, rural Rwanda).

There were consequences in terms of food security:

> *We used to eat three or two times a day, but during Covid we ate once a day or sometimes we didn't eat the whole day* (Male interviewee, rural Rwanda).

> *I earned money from daily work, but during Covid-19 that stopped. That means that I couldn't provide as before. The way of eating changed… If we were able to cook 1.5kg of rice before, we used 1kg so that life can continue because we didn't have enough money* (Male interviewee, urban Rwanda).

> *We now eat one time per day because of Covid-19. Our cultivation is far; we didn't visit our plants as we were supposed to* (Male interviewee, rural Rwanda).

There were also consequences in terms of education. Many respondents reflected on children's lost year of education because of school closures. Many children are now repeating their school year, having missed too many classes to complete their grade. Some parents noted that this has had financial implications, as they are required to pay for an additional year of schooling.

Continued:

> *If the student was studying in S5 and he or she was supposed to finish studying, the next year they repeated. Their parents have paid for [the] first term, but they were not refunded; they paid twice* (Male interviewee, rural Rwanda).

Many expressed concerns about protection issues while children were out of school. Many reported teenage pregnancies and early marriages attributed to the idle period children experienced during school closures:

> *Girls are the most affected. The boys went back to study, but girls stayed home to raise the child* (Female interviewee, rural Rwanda).

Most respondents with school-age children reported difficulties paying school fees and buying school supplies since the pandemic. Some reported getting help from schools, or taking out loans or selling assets to pay school fees. Other coping strategies included reducing food consumption and even begging in response to high prices and additional caring responsibilities.

Some felt that government policies – mainly food distribution and social protection – did not reach any of the respondents. This elicited a fair amount of criticism from them about the targeting process, with some people feeling they had been left out unfairly. In comparison, informal social solidarity was common:

> *Even if we have struggled a lot, there are some people who were heroes because they shared food like maize flour and rice with those who were not able to get food easily. Some people who own houses were not charging their tenants rent because there was no part-time work* (Female interviewee, rural Rwanda).

Other policies people wanted to see are listed below.

Capital for business development and livestock – People with small businesses and farming enterprises that struggled through the pandemic suggested government provision of capital would help them sustainably recover. This was the most common policy suggestion respondents made. Some farmers said direct provision of livestock would also benefit them through manure production to help increase yields.

Improved wealth classification for targeting – Many respondents felt they have been miscategorised under the Ubudehe wealth ranking system used to identify households for government support, and which is used as the basis for setting health insurance premiums. This had a significant impact on households that struggled to pay for health insurance and others who felt they were eligible for transfers but had been overlooked because of their classification.

Support for school fees – Many households struggled to keep up school fee payments during the pandemic, and those whose children are repeating grades will pay for an additional year of schooling. Many respondents suggested they would benefit from more support for education, either through minimising costs or through cash-based transfers to support fees.

Continued:

Debt relief – For those who took out loans shortly before the pandemic, debt repayment has been challenging due to the extended period of lost income. Some respondents recommended the government introduce interest relief or other debt support measures.

Additional food support – This was the most widely reported form of support provided by government during the pandemic. Many households are still struggling with food insecurity and some respondents suggested that further government food support would help.

Source: qualitative interviews

3.1.7 Medium stringency, high mitigation: South Africa

In South Africa, there was much criticism of the country's approach to managing the pandemic. Indeed, most of the voluminous academic and media literature on the pandemic in South Africa is critical of the government's performance. Early arrangements were said to be chaotic, with businesses protesting against restrictions (Naudé and Cameron 2020); many contracts issued by the government were later the subject of an official corruption investigation, and infection and death rates were high (see below). The African Development Bank's support for South Africa gives some idea of the range of mitigating measures the government was planning for, however (Box 3.D).

Box 3.D: South Africa's approach to Covid-19 – African Development Bank support

The goal of the South Africa Covid-19 Response Support Program was to assist the Government of South Africa in its efforts to respond to the Covid-19 pandemic, and to mitigate its economic and social impacts. The programme's operational policy objectives, which also informed the components, were to: (1) protect lives and promote access to essential Covid-19-related goods; (2) protect livelihoods by preserving jobs, incomes, food security and access to essential public services; and (3) protect firms by supporting formal and informal enterprises to withstand the impact of Covid-19 and prepare for economic recovery. Despite the last component, nearly half of South Africa's businesses had closed by the end of 2020.

The operation was timely, as it provided a much-needed injection of liquidity at a time of economic depression, job losses and heightened vulnerabilities resulting from the pandemic. The programme contributed to efforts by the government and its partners to ensure that the country's social protection and support to business resilience were sufficiently funded to withstand the negative socioeconomic effects of the pandemic. The programme also contributed to enhancing food resilience through support to small-scale agriculture; water, sanitation and hygiene services for poor

Continued:

and vulnerable people in municipalities; and access to essential Covid-19-related goods by supporting the manufacture of personal protective equipment. It thus achieved its expected outcomes, which were reduced loss of life; enhanced social protection and food security; protected livelihoods, income and jobs; enhanced access to public services, especially for women, young people, historically disadvantaged groups, people with disabilities and other vulnerable groups; and boosting the resilience of businesses, especially MSMEs, to withstand the crisis and prepare for economic recovery.

Source: AfDB (2022)

South Africa's was among the most stringent responses to the pandemic in 2020 (Gustafsson 2020). Local governments played a significant role: for example, the City of Capetown's Covid-19 Crisis Coordinating Team in 2020 won the Apolitical's international Global Public Service Team of the Year Award for Covid Rapid Responders for its data-driven approach to pandemic management (Nel *et al*. 2023). However, despite its very high mitigation score, South Africa's mortality was high and excess mortality higher still (Bradshaw *et al*. 2022b), especially in low income communities (Hussey *et al*. 2021). The high mortality rate could potentially be accounted for by the country's higher-than-average age compared with other countries in this group (Adams *et al*. 2021), as well as its high level of inequality (Levy, Hirsch and Woolard 2014). Lockdown curfews confined poorer people in crowded accommodation where the virus could circulate rapidly, whereas they usually spent more time outside. Inappropriate Chinese or European/North American policies were rolled out regardless of local socioeconomic circumstances, with disastrous consequences.

South Africa scored high on the mitigation front as it had high government expenditure on health, and invested hugely in extending its social protection system for the first time into unemployment insurance, expanding coverage of the population dramatically (see Chapter 3, however, for qualifications to this positive story), and innovating with service delivery. There was overwhelming appreciation of two government services during the pandemic, especially from women and the black community, who bore the brunt of the pandemic's negative effects: the child support grant, which increased during 2020, and gender-based violence services, which were developed during the pandemic in response to heightened rates of domestic and other abuse, and murder (Fraym 2021). Had the lockdowns and restrictions not been in place, such consequences might have been avoided.

There was also a significant governance downside to the emergency powers the government assumed, as elsewhere; for example, 'an official investigation later found that 2,803 contracts worth 14.3 billion rand (US$800 million) the government issued to suppliers were improperly awarded' (Burkhardt 2023; Agbedahin 2021).

Even before the pandemic, South Africa's fiscal situation and economic growth more generally were very challenging (Burger and Calitz 2020; Arndt *et al*. 2020), so its comparatively positive response to the

pandemic must be explained solely by its political settlement. This has been seen as one where the initial energy to achieve equity following the end of apartheid had waned significantly by the early 2010s, as growth did not deliver inclusion and institutional change reached limits in terms of service delivery (Levy *et al*. 2014). Despite this, the ruling African National Congress (ANC) party was able to hang on to its core support in rural areas, which enabled it to survive the downward spiral of the presidency of Jacob Zuma.

The political settlement shifted over time from narrow (pre-apartheid) to broad in terms of its social foundation, and has been at its broadest under the current, government (since 2018) under President Cyril Ramaphosa, while power has dispersed over time. The proportion of the population who are conditionally loyal to the president has increased compared to those who are reliably loyal. The Ramaphosa government has been less clientelist and repressive, and more programmatic and inclusive than the previous Zuma-led government. To remain in power, significant policy responses to people's problems and issues are needed (Kelsall *et al*. 2022a).

South Africa was not out of danger by the time of the pandemic (Levy *et al*. 2021). The country's disaster management framework did not give significance to the institutions actually involved in disaster management and is in need of reform (Kunguma 2022). However, the crisis presented an opportunity for stakeholders within and outside government to push through a significant expansion in the country's social cash-based transfer programmes and a new unemployment insurance scheme. That the government responded positively to this pressure may be credited to the political realisation that mitigating the effects of lockdowns and other restrictions would be needed to stay in power in a situation of growing political competition. Local government elections in 2021 saw the ANC's support dip below 50 per cent for the first time, and protests and civil unrest were widespread during that year (Scribante 2022).

However, as Chapter 3 documents, the social protection response has not been as effective or comprehensive at mitigating the effects of the pandemic as might be required to stave off a further decline in the ANC's power. The state of emergency declared during the pandemic allowed elements of clientelism and corruption to return in force, with thousands of the government contracts that were issued coming under investigation. And the high rates of death, business closures, school closures and violence against women indicate that the measures taken were grossly inadequate.

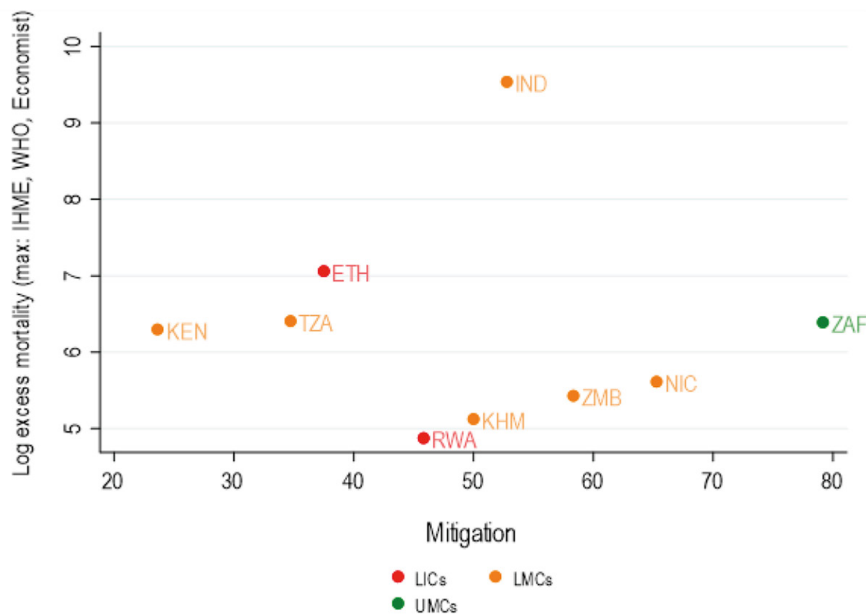
3.1.8 To what extent are different models associated with different excess mortality rates?

Excess mortality was negatively associated with the extent of mitigating measures in LICs but not in MICs. Figure 3.1.8.1 shows the countries discussed above and their excess mortality rates, as measured by the highest among the various excess mortality datasets examined. Cambodia, Nicaragua, Rwanda and Zambia all had relatively low excess mortality and scored in the upper part of the Mitigation Index.

Based on the qualitative analysis above, further discussion is needed to explain the situation of Zambia as its mitigating measures seemed weaker than in other countries with medium levels of mitigation. The fiscal space for mitigating measures was very limited as Zambia prepared to default on international loans (Geda 2021), and before the 2021 elections its political settlement was not conducive. But it has a very youthful population that was less susceptible to Covid-19, and also had a relatively short

period of school closures, and a school feeding programme; and a significantly expanded – albeit very donor-dependent – social protection scheme (a phoenix rising from the ashes of a corruption scandal), combined with company and household debt management measures (Annexe 1, Table A.2). Health expenditure was not high, but early in the pandemic a 'home-based care' approach was successfully adopted for asymptomatic and mild cases of Covid-19, which prevented the health services being overwhelmed (WHO 2020). However, its vaccination programme had to contend with a high level of misinformation (Mudenda *et al*. 2022).

Figure 3.1.8.1: Excess mortality and mitigating measures in case study countries



Note: LMCs = lower-middle-income countries; UMCs = upper-middle-income countries
Source: Authors' analysis based on public datasets UNESCO (2022), GCNF (2021), WHO (2022), OWID (2023), Gentilini *et al*. (2022), IHME (2022), The Economist (2022).

3.1.8 Comparative political economy – an exploration of why there is so much variation

The political settlements of these countries vary considerably; their policy responses and outcomes in terms of excess mortality also vary. A few points of comparison emerge:

- Where decisions were taken with a greater number of interests represented in the room, decisions were more evenly balanced between public health and socioeconomic progress. These were typically the aspiring 'developmental states': Cambodia and Rwanda.
- In South Africa's case, the leading strategy was about containing the virus, which was rampant, and protecting health services, though these objectives were not achieved as the real impacts of the response were highly negative in terms of business collapse, education losses and violence against women. Nevertheless, the crisis still created space for stakeholders in and out of government to greatly expand the provision of social protection.
- A group of countries decided early on that restrictions could not be thoroughly imposed: Nicaragua had made large investments in hospitals

and community based health services in the previous decade, so chose to rely on the health system and sensible measures of behaviour change promoted by community health workers, rather than close the economy and schools; Tanzania's leader abandoned an initial attempt to impose restrictions quickly and in a disorganised fashion, and without the rationality or protective health resources of Nicaragua; and in Bangladesh, protests by industrial workers and pressure from industry owners, as well as great concern about food security, prompted early delegation of authority to respond to the pandemic to trusted local decision makers (administrators).

- Then there were countries whose circumstances prevented an effective response. Ethiopia, with its well-established and potentially adaptive PSNP, was in good position to mitigate the worst effects of the restrictions imposed, but was waging internal and external wars through the pandemic, which limited both its fiscal space and political commitment to mitigation. Some relief was provided by community action to redistribute resources and provide humanitarian responses led by local administrators – a legacy of Ethiopia's attempts to become a developmental state prior to the 2018 election. Zambia's election and change of political party in power in 2021 was a moment when a more balanced response could have emerged, but this was constrained by its very weak fiscal position due to accumulated debt, as well as an overriding pre-pandemic commitment make secondary education fee free. It was left to the United Nations and Zambia's development partners to restart its stalled social protection system as a minimal response to mitigate the restrictions.
- Of the countries in focus in this chapter, India is the outlier in terms of excess mortality, but its rapidly imposed restrictions were put in place with little anticipation of or concern for their consequences, which may go some way to explaining the country's high excess mortality rate. Apparently, policymakers had not anticipated that locking down would mean migrants returning home in such great numbers. 'This was a high-risk public health action with the potential to seed the outbreaks of Covid-19 in different and far-flung rural areas of India, thus requiring utmost surveillance and rapid containment actions' (Bhatia and Abraham 2021). Like many MICs, India has a sizeable older population (nearly one in ten people are aged over 60) and has a high incidence of diabetes (9% in 2019)[8] (Pradeepa and Mohan 2021), resulting from obesity and high fat/sugar diets, meaning that a substantial proportion of the population were vulnerable to Covid-19. Vaccination of older and vulnerable people was slow to build in 2021, as the regulator was slow to approve foreign vaccines and the resources to run an efficient supply chain were not made available. The lull after the first wave of the virus was not used as an opportunity to prepare for a second wave, which proved more devastating than the first (Ghosh *et al*. 2021). At the same time, the safety net constructed did not reach everyone who needed it, and neither did it provide substantial enough transfers, whether in kind or cash; and the government proved resistant to the idea that it needed to revise its targeting systems to adjust to changes. While earlier public health interventions in the second Delta-variant wave of 2021 might have reduced transmission, hospitalisation and deaths (Salvatore *et al*. 2022), it is not certain what the consequences on non-Covid-19 ill health would have been. Such modelling is being advocated for future pandemic preparedness and management, and

can definitely contribute, but it needs to look beyond the pandemic virus to all sources of ill health and ill-being.

In terms of managing the pandemic well this analysis leaves three possible options, which could be combined in various ways:

1. Balance any restrictions considered necessary with strong mitigating measures to reduce impoverishment and wider downward mobility that restrictions inevitably lead to. This was open to developmental states and those with the fiscal space and political motivation to protect vulnerable people. However, the need for such restrictions should be re-examined afresh with each pandemic and according to context. No general global directions should be imposed.
2. Rely on previous strong investments in national and regional health services and community-based health provision, both to change behaviour and also to deal with extensive co-morbidities and ill health caused by the virus.
3. Decentralise decision-making to local governments or administrators who can devise and implement the best pandemic responses possible for local areas, within a range of responses legitimated by the central government.

3 Conclusion

The trade-off between saving lives and livelihoods was especially challenging for people in and near poverty in developing countries, informal and casual workers, and women, for many of whom staying and working at home, furlough, social distancing, handwashing and buying masks were either impossible, not available or – at least – very difficult. These challenges intersected most powerfully in urban informal sector settings.

Decision makers in many situations had little understanding of how poor people earn their livelihoods, their precarity, and how cash poor and deprived in multiple dimensions they can be. Developing that understanding in public and public policy discourses before future crises is of great necessity. Among our countries of focus, exceptions to this were in the aspiring 'developmental states': Cambodia, South Africa and, to a lesser extent, Rwanda, where concerted efforts went into balancing restrictions with mitigating measures – in Cambodia's case, through a range of new or reinforced measures; in South Africa's, through a great expansion of social protection; and in Rwanda's, through expanding social protection to the urban informal sector.

In other cases, the choice was made to reduce the number of restrictions or shorten their length. Nicaragua refused to go along with the global imposition of restrictions, preferring to rely on its robust pre-pandemic investment in the health sector and community-based health provision, including for vaccination. Tanzania was an extreme case in quickly abandoning any official backing for restrictions and not reimposing them, preferring to go the way of indigenous remedies, which was not a successful strategy in terms of excess mortality; however, its underlying strategy was the same as Nicaragua's: 'between 2015 and August 2019, a total of 419 (8.3%) health facilities (Consisting of 350 health centres and 69 District Council Hospitals) were either renovated or constructed and equipped to offer safe surgery services' (Kapologwe *et al*. 2020). Bangladesh imposed and enforced restrictions for a month, then quickly elected to reopen the economy with behavioural guidelines in place, and delegated decisions on balancing restrictions with mitigating measures to local governments.

These two groups illustrate the main policy choices available to poorer

countries: (1) balance restrictions with strong mitigating measures, which requires the fiscal space, political settlement and political economy to do so, and in the case of health services, a long period of sustained investment; or (2) find other ways of minimising the damage public health-based restrictions can cause by limiting them and their effects.

LICs, in particular, need to be able to boost their mitigation responses in any future pandemic or other crisis. A pandemic needs to be treated as a multidimensional crisis rather than just one of public health, and to involve the full response of disaster management agencies that in LICs and many LMICs are supported by international agencies and significant humanitarian aid. Decision makers saw the Covid-19 pandemic first and foremost as a public health crisis. However, in many poor countries, it was in fact a human-made disaster, resulting from inadequately thought-through public health-led policies. Where it was properly treated as a more complex disaster, where a wider range of relevant issues, indicators and decision makers were brought into the process, results were better.

Such lessons need to be incorporated into crisis preparation at national and local levels. Panic measures should be avoided as far as possible, as should imposing unnecessary restrictions, such as border closures, as both are very damaging to resilient livelihoods. This means sticking to pre-existing evidence-based plans until they are found wanting by new circumstances. Compounding measures, such as clearing the streets of petty traders for planning rather than public health reasons, should also be avoided during a pandemic.

Decentralisation can be an important tool of crisis management, and is enshrined in the WHO Constitution and many of its practical guidelines. Over time, management of the crisis was decentralised from national to local governments in some countries, as they found that conditions varied across space, and decisions about school and market closures, or lockdowns, were best made locally where decision makers were close to good sources of information. For example, school closures were imposed as blanket national measures at first; but later, some governments realised that schools could stay open where there was low virus prevalence.

This is a major lesson for future pandemics: give local governments a say in decisions from the beginning. Local governments were also well placed to work with companies and informal sector businesses and market operators on whether and how they could remain open, and how value chains could remain operational, providing much needed jobs and self-employment opportunities. The caveat is that much may depend on the capacity and the leadership of individuals. If these are very unevenly distributed, decentralisation can lead to more uneven outcomes than a more centralised approach.

Where the state's responses are limited, as in conflict situations, community responses come into their own, especially where local governments can play an enabling role. Local people are well aware of who is suffering and how, and can play a strong part in developing and implementing mitigating measures. Community based responses were more widely used, especially where there were external agencies facilitating this, as with non-governmental organisations (NGOs) in Bangladesh.

On paper, there may have been many mitigating measures, but in practice they were variably implemented, depending on the capacities of government departments and local authorities. In many cases, they missed poor and vulnerable people who may live in remote areas and without

good means of communication, and may be informally employed or self-employed, and unable to take advantage of support offered. Fiscal space is one determinant of how much mitigation occurs in practice; the evolving character of political settlements is another. Unsurprisingly, the nature and quality of implementation are critical.

There is a need for decision makers to go into the next pandemic or crisis armed with an adaptable list of mitigating measures that can work for people in and near poverty in different contexts. The subsequent chapters and report conclusions, and accompanying policy note offer this. This discussion should be part of basic training and strategising for NDMAs and – with respect to pandemics and epidemics – ministries of health.

Endnotes

Chapter 3

[1] The authors are grateful to John Perry (personal communication) for this table.
[2] In investment, this is a mix of high-risk and no-risk investments in a portfolio.
[3] These are savings accounts the government opened for people without bank accounts; see: **www.pmjdy.gov.in/scheme**.
[4] There was a debate about targeting during 2021 (Lloyd-Sherlock *et al*. 2021).
[5] With regard to mental health, initially help targeted survivors of the genocide against ethnic Tutsis, but this increasingly became a national programme, with interventions from government and other stakeholders.
[6] *Itsibo* (*amatsibo* in plural), is a group of up to 25 households located in the same neighbourhood, with a team leader who reports to a village leader. A village consists of around 100 households.
[7] There are various definitions of this, but all include state-led economic planning, as applied in East Asian countries in the late twentieth century.
[8] **https://www.ncbi.nlm.nih.gov/pmc/articles/PMC8725109/#:~:text=%5B1%2C12%2C13%2C,million%20in%20the%20year%202045.**

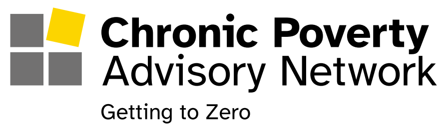


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Photo credit: Young women look at their cellphone during a community meeting by SDM-IN-097 World Bank. CC BY-NC-ND 2.0. https://flic.kr/p/6jCS9Q.