



Canada

Meeting the challenges of multiple crises Lessons from the Covid-19 pandemic

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A word cloud created by participants during a CORE online learning event. Credit: Author's own. Created using <u>Poll Everywhere</u>.

In July 2023, the International Development Research Centre (IDRC) and the Institute of Development Studies (IDS) hosted a series of online learning events which explored and showcased learning and impact from the Covid-19 Responses for Equity (CORE) programme. The events brought together researchers and funders to consider the implications of CORE's main areas of learning for managing multiple crises and building the resilience of the most vulnerable. They facilitated conversations around future research collaborations for building resilience and equity, shaped around three key areas of learning:

- 1. Informality and marginalised groups in crisis response;
- 2. Shockproof and inclusive fiscal policies;
- 3. Equitable support for livelihoods and food.

Whilst the three events focused on different themes, there were some clear, overarching messages that emerged. Cutting across these were issues relating to governance, gender, inclusivity, and social justice:

- 1. **Building resilience.** The pandemic exacerbated pre-existing inequalities. Prioritising progress to the Sustainable Development Goals (SDGs), particularly amongst vulnerable and marginalised groups, will help to build resilience to future shocks.
- 2. **Social protection.** Governments should invest strongly in social protection mechanisms. This is crucial to build the economic resilience of vulnerable groups such as women, youth, and the elderly, to prevent them from falling below the poverty line and build their resilience to long-term shocks.

- 3. **Gender.** Ensuring future responses are not only gender-sensitive, but specifically targeted at women, is crucial. Women were shown to be disproportionately negatively affected in employment, social safety nets and economic policies, care burdens, gender-based violence, and sexual and reproductive health access.
- 4. Fostering collaboration and localised responses. Many of the most effective responses involved collaboration at multiple levels (such as local and national governments, civil society, the private sector) and across sectors. Grass roots organisations often provided the localised context to responses and extended government services beyond their existing reach.

This learning guide draws out the key messages and learning from across the three events.

Event 1: Informality and marginalised groups in crisis response

Informality encompasses those in informal employment, those living in informal settlements and undocumented migrants. Those in informal employment or informal settlements were often excluded from formal pandemic response mechanisms. This theme explored ways to ensure that informal and marginalised groups are recognised in disaster response.

Three CORE partners presented their research findings around this theme:

- Asuntos del Sur shared their research on governance and collaboration under <u>Colabora.Lat: Towards a New Model of Governance after Covid-19</u>.
- The International Centre for Research on Women (ICRW) presented their findings from <u>REBUILD: Covid-19 and Women in the Informal Economy in Kenya, Uganda & India</u>.
- The Asociación de Investigación y Estudios Sociales (ASIES) presented their work on <u>Addressing Covid-19-Related Vulnerabilities for Migrant Returnees in Central</u> <u>America's Northern Triangle</u>.

Key messages

- Existing vulnerabilities exacerbated impacts. Pre-existing vulnerabilities of informal workers and marginalised groups meant the impacts of responses to the Covid-19 pandemic were particularly severe. There is a need to address these structural inequalities more broadly, not only during crisis response.
- 2. **Disproportionate impacts on women.** Women informal workers were disproportionately impacted due to care burdens, increases in gender-based violence, and lack of access to sexual and reproductive health.
- 3. Social protection did not reach marginalised groups. Vulnerable informal sector workers, especially migrants, were likely to remain excluded from schemes that emerged in response to the pandemic, which typically adopted models that were more likely to cater to salaried and formal workers. Schemes need to be extended to those who are commonly excluded by both poverty- and employment-based protections.
- 4. **Data issues.** One of the biggest challenges in the management of the Covid–19 pandemic in many countries was the lack of robust, disaggregated data on marginalised groups and informal workers, particularly on internal migration. For effective future responses to disasters and crises, there is a need for robust and gender–disaggregated data on marginalised groups, to ensure that relief reaches those most in need. There are major challenges around working in data-poor environments and limitations around collecting data on sensitive issues such as domestic violence.

- 5. Collaboration is key. Grass roots and civil society organisations were key to extending government services to hard-to-reach communities, including informal settlements. Collaboration is essential to the efforts of informal community groups, civil society organisations, and local and national governments. This can be achieved by identifying, supporting and legitimising the role of grass roots organisations in public crisis response. There is a question around how to collaborate with governments that either can't or won't Is there a state alternative?
- 6. **Shrinking of civic spaces.** During the pandemic there was an opening of civic spaces for dialogue. Now the crisis is over, civic spaces are closing again. How can momentum be maintained?

Event 2: Shockproof and inclusive fiscal policies

Close collaborations with governments responding to the pandemic have produced a range of monetary and fiscal policy recommendations for longer-term recovery and future resilience. From interest rate policies to quantitative easing, to progressive taxation and trade policy, shock proof and inclusive fiscal policies are needed as people face multiple crises. This event explored the research from the CORE cohort on monetary and fiscal policy recommendations for longer-term recovery and future resilience.

Three CORE partners presented their research findings around this theme:

- Partnership for Economic Policy (PEP)'s research focused on identifying more effective and inclusive policy responses: <u>Simulations and Field Experiments of Policy Responses</u> <u>and Interventions to Promote Inclusive Adaptation to and Recovery from the Covid-</u> <u>19 Crisis</u>.
- The South African Institute of International Affairs (SAIIA) presented on their project <u>Covid-19 Macroeconomic Policy Response in Africa</u>, which promotes equitable socioeconomic and sustainable environmental policies and interventions.
- ISEAS Yusof Ishak Institute (ISEAS) explored the Southeast Asian experience in dealing with the pandemic and drawing lessons from it.

Key messages

- 1. Structural challenges in the economic system. Weaknesses in the digital economy, a lack of financial and social inclusion, and poorly developed domestic financial markets hampered countries' ability to respond effectively. Pro-cyclical policies not saving during an economic boom also hinder preparedness and the ability to respond effectively to a sudden economic crisis. A long-term approach should be adopted to strengthen the systems that underpin the delivery of the responses, including strengthening social protection and public health systems, formalising the labour market, and creating fiscal buffers.
- 2. The role of credit ratings in determining fiscal response. The Covid-19 pandemic has triggered credit rating downgrades in seven sub-Saharan African countries. What is the debt relief strategy? Should credit ratings agencies suspend their assessments for developing countries until global production and supply chains return to pre-pandemic levels. There is a question around how low-income countries (LICs) in particular can balance inclusive fiscal policy against sustainability, where this requires high public expenditure.
- 3. Lack of digital penetration and financial inclusion. Countries that had a low digital penetration among their citizens struggled to provide quick support. Low- and middle-

income countries (LMICs) which have a large informal population need to effectively leverage digital technologies to ensure that basic financial services are available to their population.

- 4. **Gender-sensitive economic policies.** Economic recovery policies/programmes need to be gender-sensitive and address issues such as women's unpaid care burdens. Targeting policies to specific sectors or groups could have gender-equalising effects if those measures predominantly benefit women. Concerted efforts to increase capital stocks in subsistence farming, where women are highly represented, could help enhance earnings.
- 5. **Asymmetry in domestic vs border restrictions.** Trade restrictions and border closures exacerbated the economic impact whilst proving unlikely to prevent entry of new variants. These restrictions particularly affected vulnerable migrant populations. Future responses should avoid such asymmetries.

Event 3: Equitable support for livelihoods and food

Lockdowns had a major impact on households' production and access to quality, nutritious food, due to losses of income, combined with increasing food prices, and restrictions to movements of people, inputs and products. This event drew out key lessons and priority actions that need to be taken to respond to food and livelihood security challenges for food systems to become equitable and resilient.

Three CORE partners presented their research findings around this theme:

- Centro Latinoamericano para el Desarrollo Rural (RIMISP) presented their research which has generated evidence to promote changes to agri-food systems in the aftermath of the pandemic: <u>Sowing Development: Small Scale Agriculture and Food Security</u> <u>Resilient to Covid-19</u>.
- The African Economic Research Consortium (AERC)'s project <u>The Impact of the Covid-</u> <u>19 Pandemic on Livelihoods in Africa</u> has a special emphasis on vulnerable groups.
- The Arab Reform Initiative (ARI) focused on the promotion of inclusive and effective social protections and safety nets during and post-pandemic: <u>Promoting Resilience in</u> <u>COVID-19 in MENA: Building Inclusive and Effective Social Protection and Safety Nets</u>.

Key messages

- 1. **Pre-existing fragilities and inequalities in the food system.** Production and access to food were affected by the pandemic and the responses to it, resulting in increased pressure for food systems and farming. As seen in other areas, this exacerbated existing inequalities, and impacted on livelihoods. More attention needs to be paid to make food systems more resilient to shocks.
- 2. **Vulnerability is fluid.** There is a need for a more nuanced understanding of the interplay between social context and vulnerable populations in pandemic crisis response in order to better understand who is impacted, and how, by such crises.
- 3. **Marginalised groups hit the hardest.** Marginalised groups and those working in the informal sector were often more likely to lose their jobs than those in the formal sector, except for areas where the informal sector thrived or the state was less present. In particular, women and migrant informal workers experienced even greater hardship.
- 4. **Social protection systems struggled to cope.** Social protection systems must become more inclusive and flexible to protect the most vulnerable. What then are the pathways to achieve this, and how can these systems be expanded within a smaller fiscal space? There

can be a lack of political will to change, due to vested interests in maintaining the status quo; for instance contributory schemes not being activated, leading to issues around tax justice and internal distribution of wealth.

 Policy spaces are often closed. There is a need to collaborate between levels on how to open up these spaces and explore the role of other actors. Additionally, better collaboration across borders for research and would allow for joined-up recommendations.

Looking forward

The research and learning generated through the CORE programme provides crucial insights into how to most effectively build resilience and accelerate recovery from the Covid-19 pandemic, whilst also highlighting the critical gaps and areas which require further research. At a time when much of the world is still dusting itself off from the pandemic and facing other multiple intersecting crises, this research provides an opportunity to learn from pandemic responses to inform the future research agenda and ensure more equitable and inclusive response efforts.

About this report

This learning guide was produced as part of the Covid-19 Responses for Equity (CORE) Knowledge Translation Programme, which supports the translation of knowledge emerging from the CORE initiative. Supported by the International Development Research Centre, CORE brings together 20 projects to understand the socioeconomic impacts of the pandemic, improve existing responses, and generate better policy options for recovery.

The views expressed herein are those of the authors and do not necessarily represent those of IDRC or its Board of Governors, or IDS.

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