

## Authors



# Camilla Sacchetto

Fragilities Economist IGC London Hub, State Fragility initiative

Published on: 8 Apr 2020

Countries: International

**Research themes:** COVID-19, State Fragility

# Pandemics amidst fragilities: Implications and risks in the time of COVID-19

The challenges that conflict-affected and fragile settings face in response to the COVID-19 pandemic are distinct and arguably greater than in rest of the world. The current crisis could exacerbate on-going systemic fragilities to a breaking point if not managed promptly. It is critical for response policies in these settings to target contextual sources of fragility stemming from four areas: government legitimacy, public sector capacity, economic and labour market structures, and demographics.

### The politics of pandemics

Governments in conflict-driven and fragile settings suffer from low legitimacy and stark internal polarisation. This severely complicates effective implementation of health emergency response strategies. In particular, opposition parties and rebel groups could politicise the crisis to their own advantage, exacerbating already low trust in the authorities, public discontent, and conflict. Additionally, citizens' lack of confidence can hurt compliance with government-mandated instructions. Severe social unrest occurred in the Ebola-affected regions of north-eastern Democratic Republic of Congo in 2019 where a <u>voting ban</u> in response to the disease's escalating outbreak, produced violent attacks against healthcare centres and professionals by armed groups. The reoccurrence of similar events is a concrete risk today.

### The challenge of financing and delivering

Weak internal cohesion is often matched by constrained capacity to finance and implement the response. Economic measures to protect the most vulnerable seen in wealthier nations, combining fiscal stimulus packages with expansionary monetary policy, are not available options. The reasons for this are three-fold:

- 1. Fiscal capacity, insufficient under normal circumstances, will shrink with the decline in domestic revenue and the potential <u>contraction of international aid</u>.
- 2. Resorting to debt raising from international commercial markets is either not available or not viable, given the punitive and rising levels of interest rates, as an option.
- 3. A liquidity injection through the printing of fresh currency could

result in higher inflation and exchange rate devaluation. These phenomena could increase the cost of living, hurt real incomes, and threaten food security especially in countries heavily dependent on food imports, such as <u>South Sudan</u> and <u>Syria</u>.

1

0

0

ı

з

Turning to public service delivery, healthcare systems are abysmally unprepared to cope with an emergency of this magnitude. Hospital facilities, let alone intensive care units and testing labs, are scarce, inaccessible to many, and ill-equipped with machinery, supplies, and trained staff. By way of example, the <u>number of physicians per</u> <u>1,000 people</u> in fragile and conflict-affected situations is 0.4, nine times lower than the European Union average. In <u>Yemen</u>, it is estimated that less than 50% of medical centres are fully operational due to the on-going conflict, and most are far from it. Additionally, <u>on-going restrictions on aid corridors and internal movement</u> are likely to hamper international efforts to mitigate national constraints in healthcare provision.

Due to the unpreparedness of the healthcare system, the social distancing approach, stringently adopted in East Asia and the West, might only be partially effective here. One objective of the intervention is to slow the spread of the disease and bring the number of cases down to a manageable level for the health system to cope. Limited capacity and accessibility in fragile settings could imply that even if the rise in cases were contained through social distancing, the system, as it is, would remain incapable of assisting those in need.

Social distancing remains an important tool in pursuing a second objective, reducing the number of infected individuals. Yet, large household size, overcrowded slums and refugee camps, ill-planned urban centres, absent or inefficient waste management and sewerage systems, and limited access to hand-washing facilities, further complicate the effectiveness of these measures and emphasise the need for an innovative approach.

#### Ripple effects through the economy and labour markets

Like the public sector, the immature private ecosystem is extremely vulnerable to shocks. A global economic slowdown will especially hurt export- and FDI-dependent countries, likely triggering wage reductions and unemployment. However, the often limited exposure of fragile economies to international markets could offer some temporary level of protection. On the other hand, the worsening of worldwide economic conditions is likely to be reflected in declining remittance flows. In fragile contexts, the heavy reliance of households on <u>remittances</u> for their livelihood means that incomes will suffer from a downturn in financial contributions from the diaspora.

Moreover, the implementations of working from home and social distancing measures could prove highly unrealistic within local labour markets. On one side, they are not viable due to the mostly manual and interpersonal nature of most lower paid jobs. On the other, workers are often hired informally on a daily basis. Given the

high job insecurity, compounded by a lack of social safety nets, workers might prefer taking a chance of contracting the virus and staying employed, rather than risking jobs and hunger.

Income reductions also have severe implications for nutrition and health. Where food makes up over 50% of low-income household expenditure, as seen in <u>urban areas of sub-Saharan Africa</u>, lower earnings risk resulting in lower calorie intake and worsening nutritional levels, weakening immune systems. Nonetheless, households relying on subsistence agriculture may show greater resilience to the adverse economic shocks of the pandemic in the short-term.

#### **Demographic threats**

Finally, claiming that their younger demographic profiles could protect fragile settings from high death tolls lacks evidence and context. To begin, data limitations mean that the medical community is short of information on the behaviour of the virus in these realities. The prevalence of malnutrition, HIV/AIDs, tuberculosis and malaria, might result in higher death rates due to the increased severity of COVID-19 symptoms in immunocompromised individuals.

The data are also highly representative of high-income countries. This means that the estimated death rate by age group factors in access to specialised healthcare. Fatality rates are likely to increase once access to and quality of healthcare is jeopardised. Furthermore, the prevalence of younger generations, matched with a typically communal lifestyle, could alone raise the death toll due the frequent interactions of the elders with youths.

Regardless of age-based death risks, younger generations are certainly indirect victims of the pandemic. Economic slowdown, rise in instability and conflict, and death of caregivers will exacerbate their poverty, malnutrition, and exposure to violence.

#### Sparks of hope: Leveraging immediate responses for longterm transformation

The issues discussed here must be considered in the formulation of national and international emergency COVID-19 response strategies. So far, with the rise of confirmed cases and deaths in fragile settings, **governments**, such as South Sudan and Burkina Faso, have adopted increasingly stringent measures which may help contain the virus. In the meantime, multilateral organisations are deploying financial resources targeting lower-income countries. The <u>UN</u> has issued a \$2 billion humanitarian appeal, the <u>World Bank Group</u> has mobilised initial response packages for \$14billion and the <u>IMF</u> has committed \$50 billion in rapid-disbursing emergency facilities. Despite the need for these resources to overcome national financial constraints, these commitments are dwarfed in absolute and per capita terms by the domestic measures taken in the US and <u>Europe</u>, making imperative the need for bolder measures.

However, these critical circumstances offer opportunities for positive change. Shocks can create **pivotal moments** that government and international actors have to capitalise on. This crisis might be one of those moments. By delivering rapid, tangible acts, policymakers have the opportunity to alter citizens' expectations and strengthen trust. Governments can solidify national cohesion and mitigate conflict through weaving a common narrative of national unity against the pandemic's threat. Pressuring polarised groups to call ceasefires, encouraging humanitarian gestures among rivals, and engaging in diplomatic dialogue are examples of the seeds that could be sowed. These will help to achieve greater national cohesion, trigger transformative change, and ultimately escape fragility.

**Disclaimer:** The views expressed in this post are those of the authors based on their experience and on prior research and do not necessarily reflect the views of the IGC.