

»» Poverty facilitates coronavirus and coronavirus fosters poverty: chains of effects and possible actions

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Initially, the virus spread fastest in richer countries (Europe, the USA) and in wealthier areas (cities). Now, however, experts agree that the pandemic is hitting poorer countries a little later due to their having fewer international travel links, but probably much harder: knowledge of the virus's transmission paths is still patchy, but it seems clear that poverty facilitates transmission in various ways and that containment measures in countries with weak economic and social systems can often tip those affected and their families into extreme poverty.

Why poverty facilitates the spread of coronavirus...

The risk of infection is particularly high for poorer sections of the population, which is due to the following reasons:

- cramped living conditions (e.g. in slums in major cities) which make it harder to maintain hygiene standards and social distancing
- lower levels of education and information about the risks of the virus and its transmission routes
- increased susceptibility to the virus due to a worse overall state of health and pre-existing chronic conditions
- limited availability of personal protective equipment (masks, disinfectant etc.)
- adherence to government-mandated restrictions on contact and movement is harder because poor people are forced to work due to a lack of financial reserves and social security systems.

For the following reasons, state systems in developing countries are also less well-equipped to identify viral infections quickly and reliably, contain them and help those suffering from illness:

- Chronically weak health systems quickly become overwhelmed (limited

availability of tests, inadequate protective gear, a lack of devices/medicines for treating symptoms, lack of staff, lack of qualifications etc.).

- Under-provision of healthcare, combined with high costs of examination, treatment and medicine – usually without any health insurance – often means that poor people have practically no access to the formal healthcare system.
- Weak administrative structures make it harder to effectively enforce contact restrictions and mandatory quarantine.

Given all of these factors, it is probable that there is significant under-reporting of coronavirus cases in poorer countries and that it is not proving possible to break chains of infection in a sufficiently quick and effective manner.

Why the coronavirus pandemic exacerbates poverty...

For the following reasons, poor and vulnerable people suffer particularly heavily from the socio-economic effects of the global pandemic:

- immediate loss of employment when the employer encounters economic difficulties (precarious employment conditions, low social standards)
- reduction in income immediately felt by self-employed individuals in the personal services sector (shoe cleaners, street vendors etc.)
- lack of financial reserves to cover temporary crises
- lack of basic social security via state systems
- reduction in state social security payments due to reduction in tax revenue
- additional pressures due to the removal/restriction of public and private sector assistance (e.g. disruption to

food banks and school meal programmes etc.)

- transfers from migrants to their countries of origin may have stopped or the amounts may have decreased.

This results in concerns that the rate of poverty in many developing countries will increase significantly due to coronavirus – and will not, at least in the short-to-medium term, drop back to its previous levels.

How can we preserve the progress achieved to date in fighting poverty?

In the short term, the priority is, on the one hand, to take precautions to prevent the further spread of the pandemic, and on the other, to implement measures to limit the duration and severity of the coronavirus crisis, thereby at least limiting the long-term negative effects on poverty levels, in particular through:

- emergency aid (especially cash transfers) to secure the livelihoods of particularly vulnerable households
- provision of liquidity to the economy in order to prevent long-term job losses
- provision of liquidity to the state in order to preserve its capacity to respond to crises – especially through state social security – despite reduced tax revenue.

In the medium to long term, it will be about

- expanding social security systems, thereby improving crisis resilience for the future
- strengthening healthcare systems (especially pandemic prevention and treatment options).

Poorer countries in particular are likely to remain dependent on strong international assistance. ■