

# Coronavirus in Developing Countries

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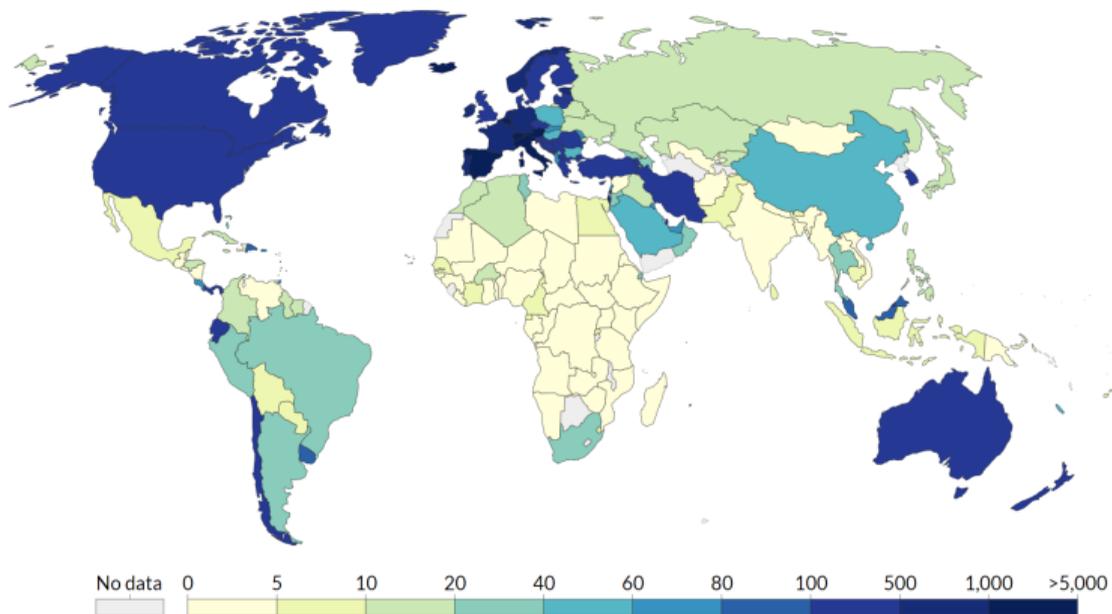
# Today's Plan

- ① How much coronavirus in developing world?
- ② How will the crisis differ in developing world vs. here?
- ③ How have policy-makers responded so far?
- ④ How can you help?

# Developing countries have cases, but not many yet

Total confirmed cases of COVID-19 per million people, Mar 31, 2020

The number of confirmed cases is lower than the number of total cases. The main reason for this is limited testing.



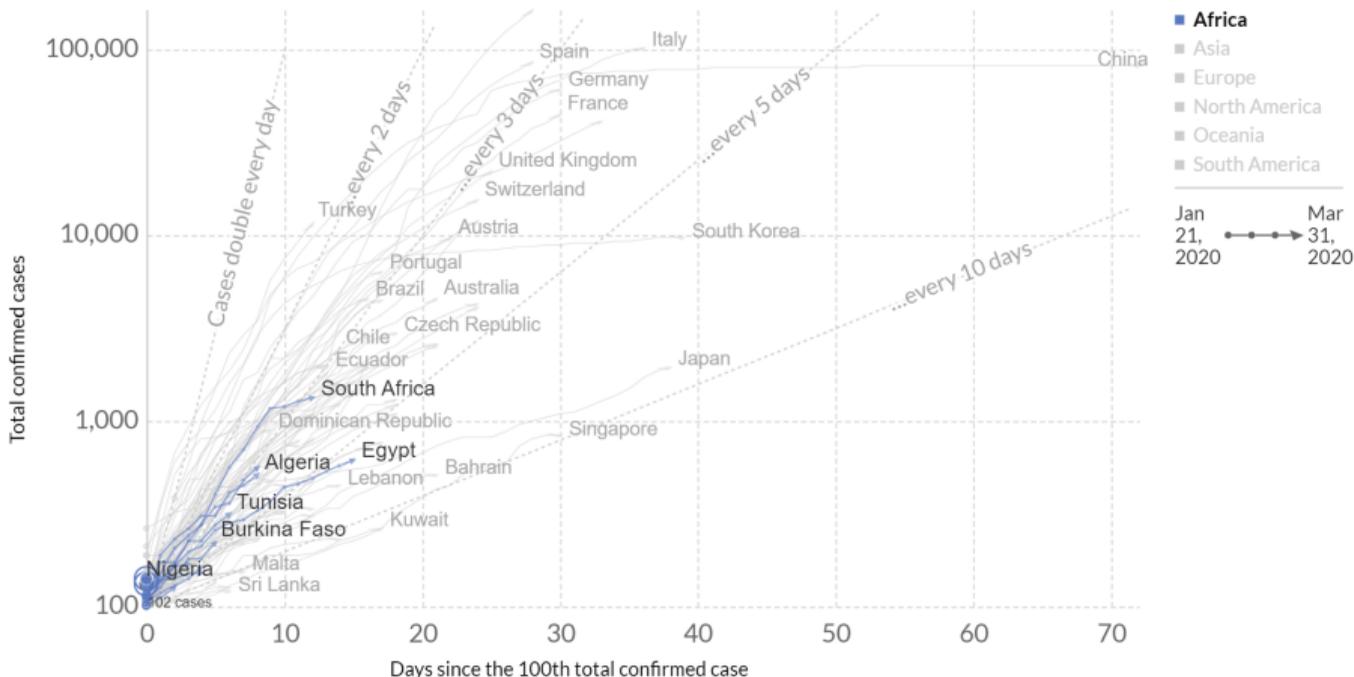
How much of this is due to low rates of testing?

# Growth rate of cases looks similar in Africa

## Total confirmed cases of COVID-19

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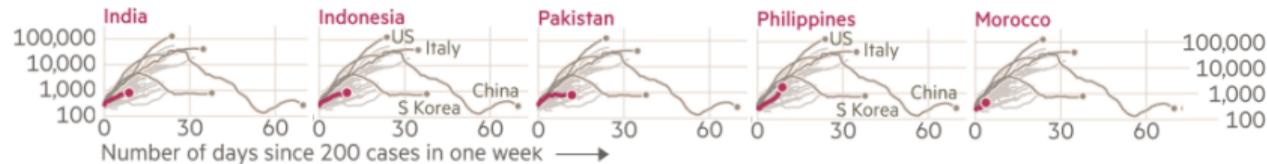
Source: European CDC - Situation Update Worldwide - Last updated 31st March, 13:00 (London time)

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## Lower growth rate in India, Pakistan...

Outbreaks are now underway in dozens of other countries, and few have hit their ceiling for new cases

New confirmed cases of coronavirus in the past week, by number of days since 200 new cases in one week



- Trajectory seems better in some developing countries
  - Are these countries acting faster?
  - Or just testing less?
  - Huge data limitation worldwide: know *confirmed* cases, not *actual* cases

## How will the crisis differ in the developing world?

- Reasons to be concerned:
  - Crowded (though rural vs. urban)
  - Lack of running water, soap
  - Medical misinformation
  - Large migrant populations (huge internal migration)
  - Lack of health sector capacity (India: 0.5 hospital beds/1000, China: 4.3)
  - Lack of social safety net, fiscal capacity
- Reasons to be hopeful:
  - Much younger population (median age Africa: <20, Italy: 45)
  - Poorest are in less-dense rural areas
  - Experience with Ebola in West Africa: trust, contact-tracing, hand-washing
  - More time to act

## How have policy-makers responded so far? Social distancing.

- **India**, March 24, with 500 cases: **nationwide lockdown for 21 days**
  - To start at midnight (four hours later)
  - Ban on people from leaving homes unless essential
  - Transport services suspended (except for essential goods)
  - Essential services exempt: food vendors, banks/ATMs, etc.
  - **Bangladesh lockdown**: 5-day window for migrants to return home
  - Less severe lockdown in Pakistan
- **Uganda**: closed schools before it had any confirmed infections
- **Sierra Leone**: declared 12-month **state of emergency** before any cases
  - Perhaps due to experience with Ebola (4k died)
- **Tanzania**: president Magufuli said churches should stay open
  - Because coronavirus is “satanic” and “cannot survive in the body of Christ”
  - Though has closed schools, banned public events

## How easy is it for poor people to social distance?

- Remote working for us is relatively easy: Zoom lectures, reading online
- 80% of India's workers are in the informal sector
  - No contracts, not protected by labour laws
  - Manual labourers cannot work remotely
- Example 1: [Ashu and brothers are scavengers in Delhi](#)
  - They hunt for scrap metal at dumps, for 50 cents/day
  - Now risk getting beaten by police if go to the dump
- Example 2: Ramachandran is a bicycle rickshaw driver in Delhi
  - Earns up to \$6 per day
  - No customers since the lockdown
  - “race between whether virus or hunger got him first”

## Unintended consequences: how do migrant workers return home?



- Huge number of migrant workers in cities
- No work for them, no income for food, no transport to return home
- Some resorting to *walking* hundreds of miles to home village
- Bus services later introduced
- Usual tradeoff from lockdown: economic costs, but reduced transmission
- But lockdown in India may *increase* transmission to rural areas

## How have policy-makers responded so far? Cash support.

- \$22 billion relief package in India
  - <1% of GDP
  - No help for day labourers, migrant workers
  - Only 5kg rice/wheat, 1kg legumes, \$7/month cash transfers
- **Duflo and Banerjee:** “[India should] be much, much bolder with the social transfers schemes. Without that, the demand crisis will snowball into an economic avalanche, and people will have no choice but to defy orders. What the government is offering now is small potatoes”

## What can I do to help?

- Give Directly:
  - Mobile phone cash transfers to families in hardest hit US ZIP codes
  - Transfers to hard-hit in developing countries (coming soon)
- International Rescue Committee to fight COVID-19 in refugee camps
- Doctors Without Borders, Partners In Health
  - Aside: read Mountains Beyond Mountains about PiH co-founder Paul Farmer
- Every little helps
- Challenging reality: easy to find people suffering as much *before* coronavirus
  - What does willingness to give now, but not before, say about social preferences?