

LATINOAMERICA Y LA PANDEMIA

Jose Juan Ruiz

Foro Eurolatinoamericano

Crisis y Liderazgos

21 Diciembre 2020

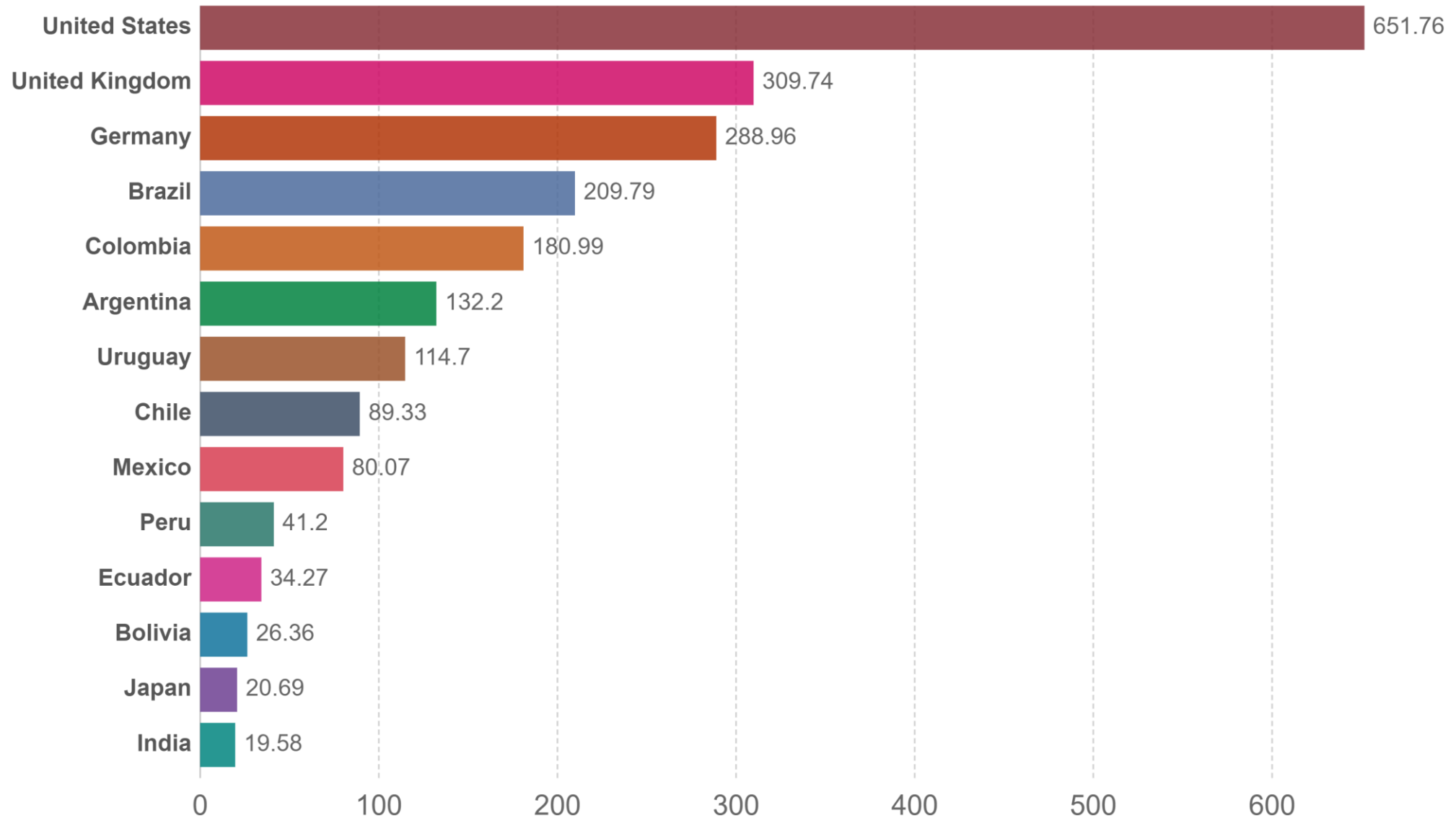


Entorno Social y Sanitario

- ❖ 26 países, 630 millones de habitantes (9% población mundial), 80% tasa urbanización, 17% población viviendo en 6 macro-ciudades con severos problemas de hacinamiento y acceso a saneamientos.
- ❖ Mediana de edad 31 años (España 43), 11.2% población > 60 años.
- ❖ Frágiles sistemas de salud: 6.8% PIB vs 9% OECD, 1000 US\$ PPP per cápita vs 4000 US \$ PPP en OECD, 2 médicos por 1000 habitantes (50% OECD)
- ❖ 125 millones de personas no tienen acceso a servicios salud y el 50% de la población no tiene Seguridad Social (desempleo, pensiones)

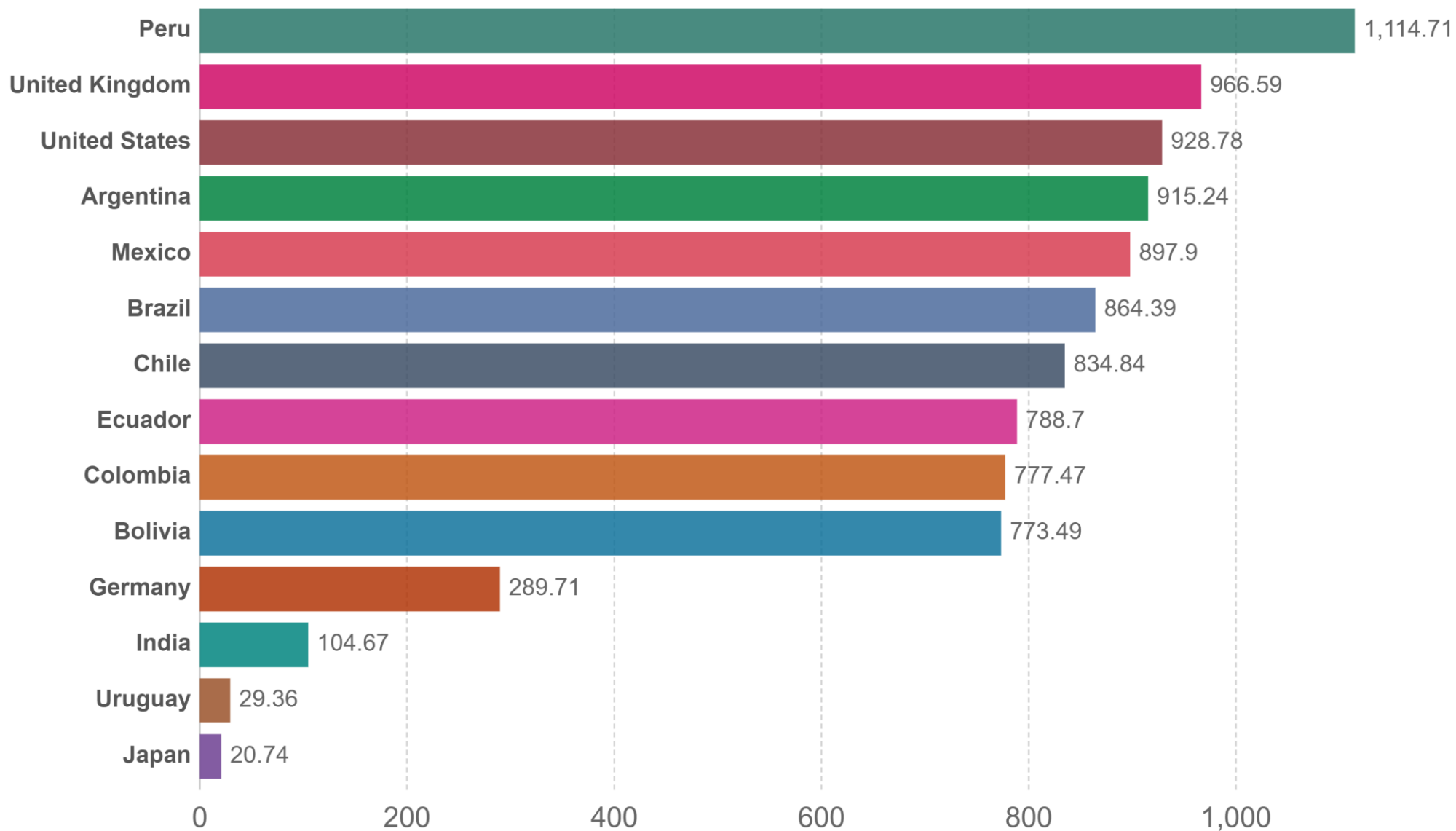
Daily new confirmed COVID-19 cases per million people, Dec 16, 2020

Shown is the rolling 7-day average. The number of confirmed cases is lower than the number of actual cases; the main reason for that is limited testing.



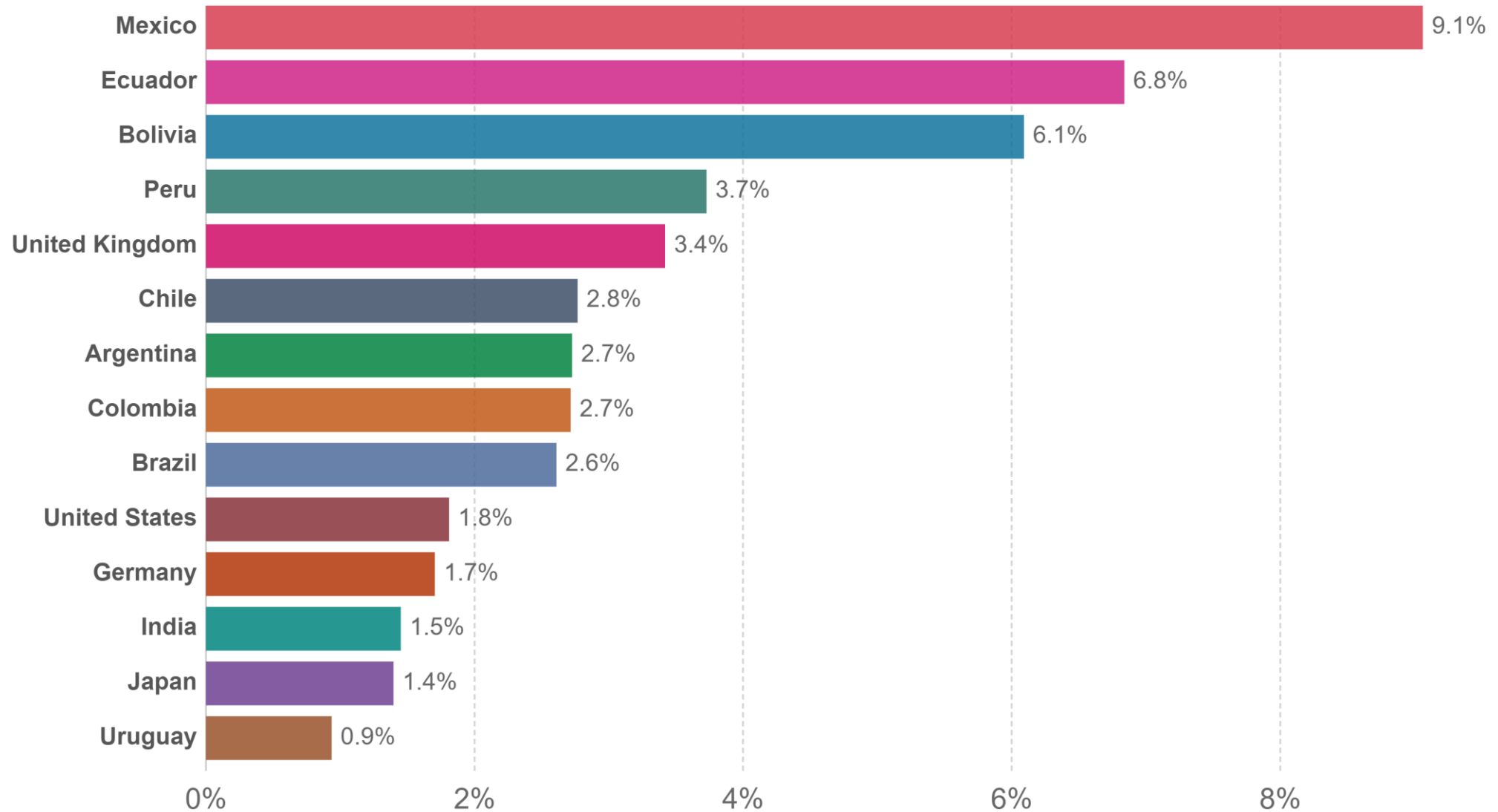
Cumulative confirmed COVID-19 deaths per million people, Dec 16, 2020

Limited testing and challenges in the attribution of the cause of death means that the number of confirmed deaths may not be an accurate count of the true number of deaths from COVID-19.



Case fatality rate of the ongoing COVID-19 pandemic, Dec 16, 2020

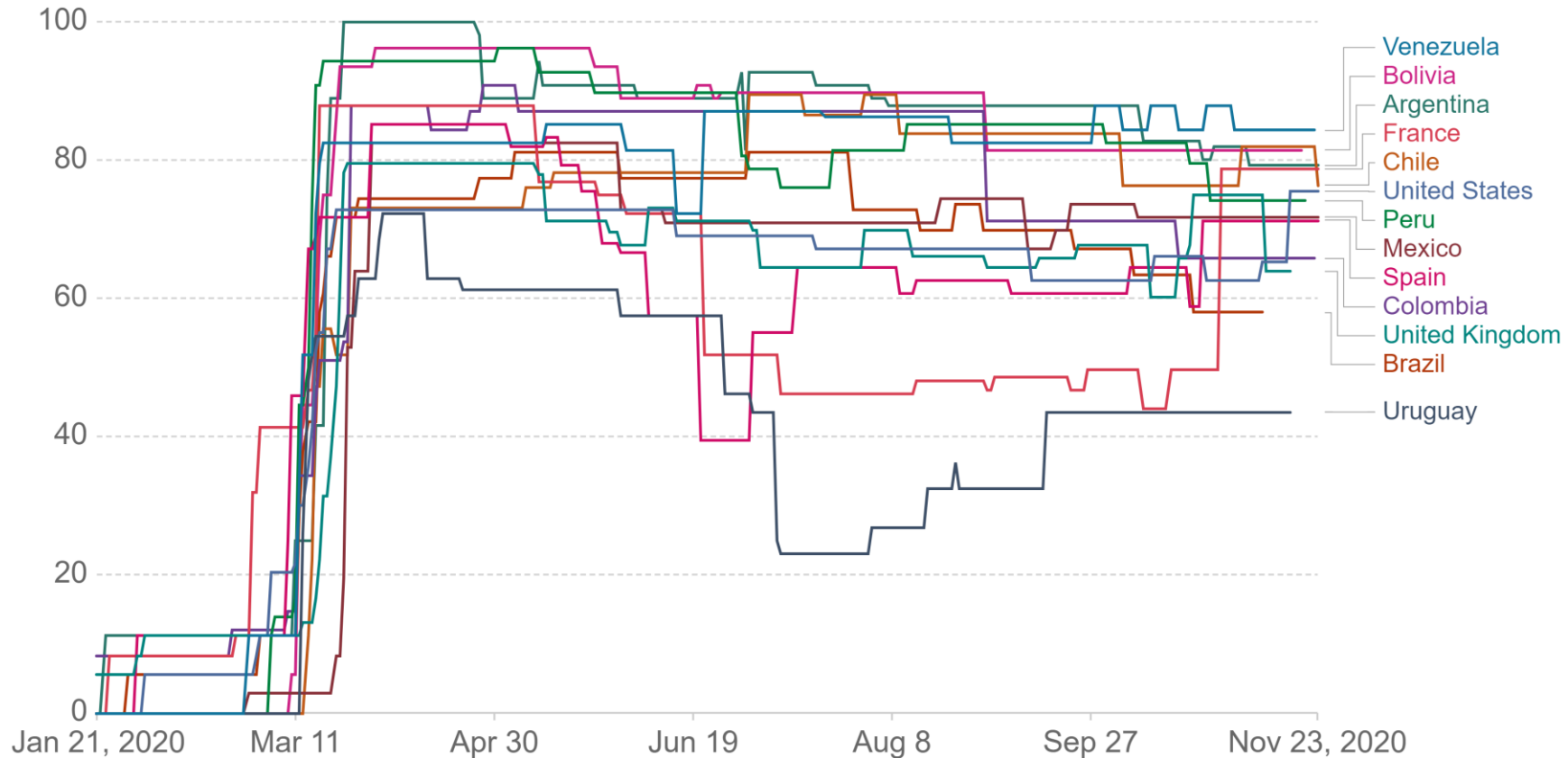
The Case Fatality Rate (CFR) is the ratio between confirmed deaths and confirmed cases. During an outbreak of a pandemic the CFR is a poor measure of the mortality risk of the disease. We explain this in detail at OurWorldInData.org/Coronavirus



COVID-19: Government Response Stringency Index




This is a composite measure based on nine response indicators including school closures, workplace closures, and travel bans, rescaled to a value from 0 to 100 (100 = strictest). If policies vary at the subnational level, the index is shown as the response level of the strictest sub-region.



Source: Hale, Webster, Petherick, Phillips, and Kira (2020). Oxford COVID-19 Government Response Tracker – Last updated 25 November, 21:01 (London time)

Note: This index simply records the number and strictness of government policies, and should not be interpreted as 'scoring' the appropriateness or effectiveness of a country's response.

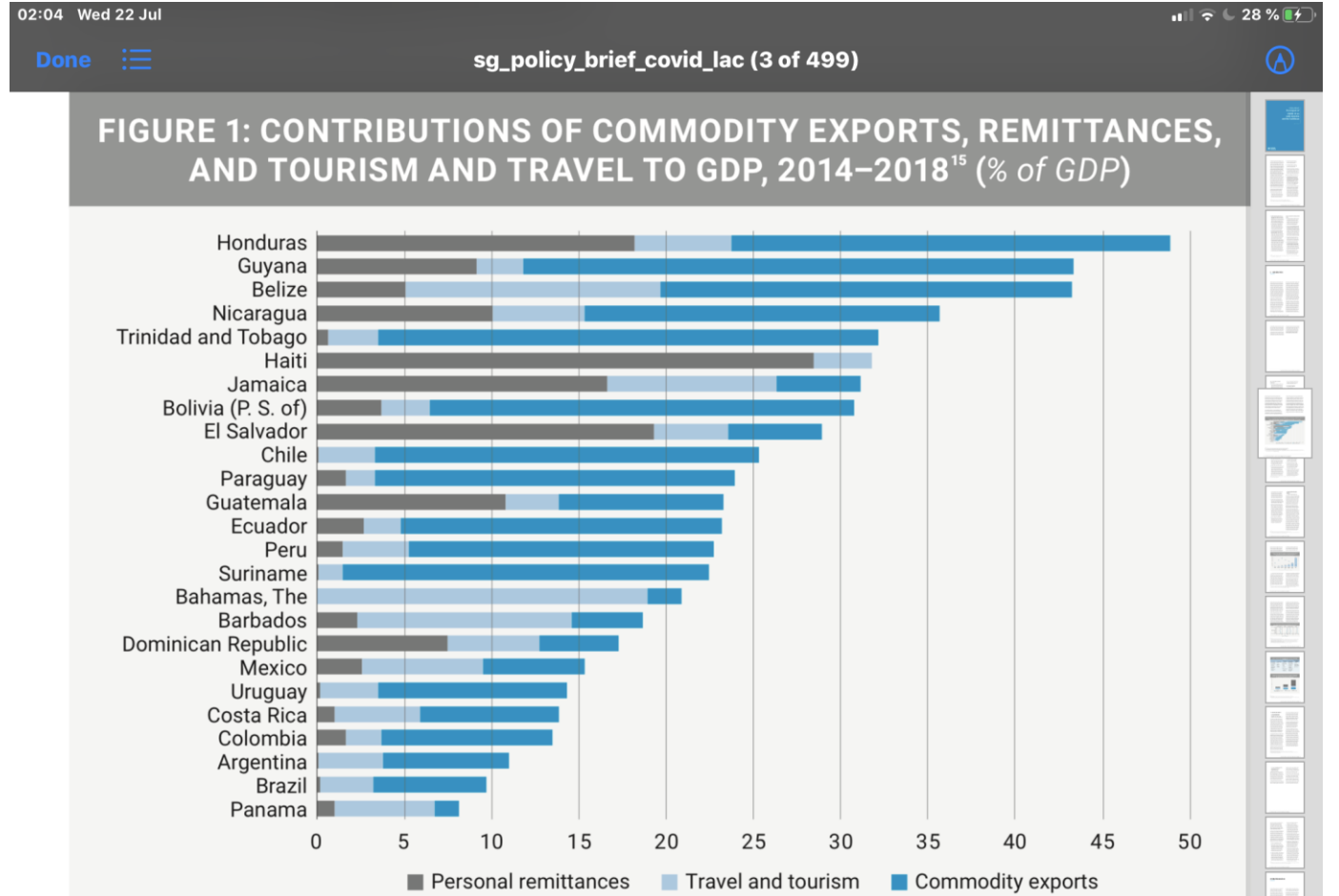
OurWorldInData.org/coronavirus • CC BY

- 
- Nadie ha dejado la pandemia definitivamente atrás (quizás excepcion sea China)
 - Pero menos que nadie... Latinoamerica:
 - Nuevos casos,
 - Muertos acumulados
 - Tasa Fatalidad México es una tragedia

Económica y socialmente llueve sobre mojado...

- ❖ Desde 2014 Latinoamérica está estancada. En 2019 creció un 0.1% - un 0.8% excluyendo Venezuela - el peor resultado desde 1951.
- ❖ En 2019, Argentina y México ya estaban en recesión. En Venezuela proseguía la hecatombe
- ❖ La pandemia y el confinamiento son una “tormenta perfecta” para la región:
 - Espacios fiscales
 - **Commodities**
 - Comercio internacional
 - **Remesas**
 - **Turismo**
 - Dólar
 - FDI, Primas de Riesgo, Ratings, acceso a Mercados capitales

A la
vulnerabilidad
Macro a
shocks
externos
inducidos



Annex Table 1.1.3. Western Hemisphere Economies: Real GDP, Consumer Prices, Current Account Balance, and Unemployment
(Annual percent change, unless noted otherwise)

	Real GDP			Consumer Prices ¹			Current Account Balance ²			Unemployment ³		
	2019	Projections		2019	Projections		2019	Projections		2019	Projections	
		2020	2021		2020	2021		2020	2021		2020	2021
North America	1.9	-4.9	3.3	2.0	1.6	2.7	-2.1	-2.0	-2.0	...	...	...
United States	2.2	-4.3	3.1	1.8	1.5	2.8	-2.2	-2.1	-2.1	3.7	8.9	7.3
Canada	1.7	-7.1	5.2	1.9	0.6	1.3	-2.0	-2.0	-2.4	5.7	9.7	7.9
Mexico	-0.3	-9.0	3.5	3.6	3.4	3.3	-0.3	1.2	-0.1	3.5	5.2	5.8
Puerto Rico ⁴	2.0	-7.5	1.5	0.1	-1.6	0.6	...	...	...	8.3	12.0	11.5
South America⁵	-0.2	-8.1	3.6	10.1	7.9	8.6	-2.3	-0.6	-0.7	...	...	...
Brazil	1.1	-5.8	2.8	3.7	2.7	2.9	-2.8	0.3	0.0	11.9	13.4	14.1
Argentina	-2.1	-11.8	4.9	53.5	...	...	-0.9	0.7	1.2	9.8	11.0	10.1
Colombia	3.3	-8.2	4.0	3.5	2.4	2.1	-4.2	-4.0	-3.9	10.5	17.3	15.8
Chile	1.1	-6.0	4.5	2.3	2.9	2.7	-3.8	-1.6	-2.9	7.2	11.4	10.2
Peru	2.2	-13.9	7.3	2.1	1.8	1.9	-1.4	-1.1	-0.3	6.6	12.5	8.8
Venezuela	-35.0	-25.0	-10.0	19,906	6,500	6,500	8.4	-4.1	-4.1	47.6	54.4	57.3
Ecuador	0.1	-11.0	4.8	0.3	0.0	1.0	-0.1	-2.0	-0.1	3.8	8.1	5.6
Paraguay	0.0	-4.0	5.5	2.8	2.9	3.2	-1.0	-0.7	0.0	6.1	7.0	6.1
Bolivia	2.2	-7.9	5.6	1.8	1.7	4.1	-3.3	-2.6	-3.5	4.0	8.0	4.0
Uruguay	0.2	-4.5	4.3	7.9	10.0	8.2	0.6	-1.7	-3.3	8.9	9.7	9.0
Central America⁶	3.2	-5.9	3.6	2.0	1.8	2.2	-1.2	-3.1	-2.9	...	...	...
Caribbean⁷	0.7	-5.4	3.9	4.2	7.1	7.8	-2.4	-9.9	-7.5	...	...	...
<i>Memorandum</i>												
Latin America and the Caribbean ⁸	0.0	-8.1	3.6	7.7	6.2	6.7	-1.7	-0.5	-0.8	...	...	...
Eastern Caribbean Currency Union ⁹	2.8	-15.1	5.8	0.8	0.6	1.5	-7.7	-21.0	-20.5	...	...	...

Source: IMF staff estimates.

NBER WORKING PAPER SERIES

DEADLY DEBT CRISES: COVID-19 IN EMERGING
MARKETS

Cristina Arellano Yan Bai

Gabriel P. Mihalache

Working Paper 27275 <http://www.nber.org/papers/w27275>

NATIONAL BUREAU OF ECONOMIC RESEARCH

1050 Massachusetts Avenue

Cambridge, MA 02138

May 2020

Conclusion

In this paper we studied the COVID-19 epidemic in emerging markets. We developed a framework that combines an epidemiology model with a sovereign default model. Our results suggest that this epidemic threatens not only a large health and economic crisis, but also a prolonged debt crisis.

We also show that default risk makes lockdowns more costly because they limit the fiscal capacity of governments to support consumption. These additional costs from default risk in turn result in a deeper health crisis, with more lives lost to the epidemic.

Through counterfactuals, we show that debt relief programs can have profound positive effects: debt relief supports consumption, can reduce the severity of the debt crisis, and can save lives.

In this context, our work suggests that the recent debt relief policies promoted by the International Monetary Fund and other international organizations, are right on target to combat the costs associated with COVID-19.

Restructuring the Debt-Restructuring Process

Nov 24, 2020

[Willem H. Buiter](#) , [Anne Sibert](#)

While the world has come a long way since the days when **sovereign defaults were settled with gunboats** Argentina's recent restructuring shows that we still have not arrived at a sensible, orderly process.

Beyond tweaks to the contractual framework, **an entirely new governing mechanism is urgently needed.**

A la
vulnerabilidad
Macro ante
shocks externos
inducidos.. se
une la
vulnerabilidad
Social

- ❖ Alrededor del 60% del empleo es informal, la mayor parte en sector servicios. Las mujeres están sobre-representadas en economía informal: 78%
- ❖ Los informales vulnerables (que suponen el 65%) no tienen acceso a mecanismos de sustitución de rentas, si bien los Gobiernos han adoptado en torno a 200 medidas ad hoc para paliar dramático impacto social. Alrededor de 286 millones de personas (44% población) los están recibiendo.
- ❖ Los estrechos márgenes fiscales limitan impacto: 6 meses de confinamiento suponen un gasto de emergencia en los vulnerables de cerca de 70 mil millones de US \$ o el 1.4% del PIB.
- ❖ Sería necesario otro 1.9% del Pib de gasto para asegurar a todos los pobres vulnerables regresar al umbral de pobreza que existía en 2019. Los gastos son extremadamente sensibles a la duración del confinamiento (un año tendría un coste de 8% del PIB)

Los efectos
sobre la
Pobreza y la
desigualdad van
a ser
devastadores

- ❖ La tasa de desempleo se espera que suba desde el 8.1% al 13.5% y que la informalidad vuelva a crecer de manera muy sustancial
- ❖ La tasa de pobreza puede crecer hasta el 37.2% (+ 7 p.p) y la extrema pobreza hasta el 15% (+ 4.5 pp)
- ❖ Inseguridad alimentaria puede afectar al 16 millones de personas (y Centro América)
- ❖ 30 millones de personas que formaban parte de las clases medias vulnerables pueden retornar a la pobreza: desandar el 50% del camino de 2002-2014.

La estabilidad
política esta en
juego...

- ❖ Salvo 3 Presidentes Negacionistas – Bolsonaro, Amlo y Ortega – el resto ha convertido la pandemia en el eje de su gestión. Ética y políticamente era lo correcto ... pero muy arriesgado. Juegan sin red.
- ❖ Si sale mal.. el ya discutido Liderazgo de alguno de ellos colapsara, agravando los problemas de calidad institucional y rule of law. Interesante caso Chile.
- ❖ Tentaciones autoritarias y agravamiento problemas endémicos corrupción, violencia, degradación convivencia y medio ambiente



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RENUNCIEN





VACANCIA
PARA
VIZCARRATA



**CLASES MEDIAS : Deshacer el camino?
No con su consentimiento... ni el de los populistas**



The Global State of Democracy IN FOCUS

Special Brief, November 2020



Taking Stock of Regional Democratic Trends in Latin America and the Caribbean Before and During the COVID-19 Pandemic

Key facts and findings

- The COVID-19 pandemic has hit a Latin American and Caribbean region plagued by unresolved structural problems of high crime and violence, political fragmentation and polarization, high poverty and inequality, corruption, and weak states.
- Democratically, the region was ailing prior to the pandemic, with some countries suffering from democratic erosion or backsliding, others from democratic fragility and weakness. Overall, trust in democracy had been in steady decline in the decade preceding the pandemic, with citizen discontent culminating in a protest wave hitting several countries in the region at the end of 2019.
- Long-overdue political and socio-economic reforms in the region have compounded the health and economic crises caused by the pandemic. This, coupled with heavy-handed approaches to curb the virus, risk further entrenching or exacerbating the concerning democratic trends observed in the region prior to the COVID-19 outbreak.
- The challenges to democracy in the region during the pandemic include: the postponement of elections; excessive use of police force to enforce restrictions implemented to curb the pandemic; use of the military to carry out civil tasks; persistent crime and violence; new dangers for the right to privacy; increases in gender inequality and domestic violence; new risks posed to vulnerable groups; limited access to justice; restrictions on freedom of expression; executive overreach; reduced parliamentary oversight; political polarization and clashes between democratic institutions; new openings for corruption; and a discontented socially mobilized citizenry that shuns traditional forms of political representation.
- However, this overview also provides an opportunity to highlight some examples of democratic resilience and democratic innovation that have taken place during the pandemic.
- Despite the challenges, the crisis ultimately provides a historic opportunity to redefine the terms of social contracts across the region, and for governments to think innovatively about how to open up spaces for dialogue and civic participation in order to build more inclusive, sustainable and interconnected societies, as well as more accountable, transparent and efficient democratic systems of government.

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- The COVID-19 pandemic has hit a Latin American and Caribbean region plagued by unresolved structural problems of **high crime and violence, political fragmentation and polarization, high poverty and inequality, corruption, and weak states.**
- **Long-overdue political and socio-economic reforms have compounded the health and economic crises caused by the pandemic.** This, coupled with heavy-handed approaches to curb the virus, risk further entrenching or exacerbating the concerning democratic trends observed in the region prior to the COVID-19 outbreak.

The challenges to democracy Latin America and the Caribbean during the pandemic include: the postponement of elections; excessive use of police force to enforce restrictions implemented to curb the pandemic; use of the military to carry out civil tasks.....

- Si Uds. creen que ya han visto todo lo que los politicos populistas pueden hacer para polarizar a las sociedades... esperen a ver lo que puede aportar Latinoamerica





Mario Benedetti™

@BenedettiDijo



"En la vida hay que evitar tres figuras geométricas; los círculos viciosos, los triángulos amorosos y las mentes cuadradas."

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