

IN FOCUS

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Latin America and the Caribbean: Impact of COVID-19

Beginning in 2020, the Coronavirus Disease 2019 (COVID-19) pandemic had widespread economic, social, and political effects on Latin America and the Caribbean (LAC). From the start of the pandemic through early December 2022, the region recorded 1.74 million deaths (over 26% of deaths worldwide). Brazil, Mexico, Peru, Colombia, and Argentina had the region's highest numbers of deaths. Looking at deaths per 100,000 people, Peru had the highest recorded COVID-19 mortality rate in the region, followed by Chile, Brazil, Trinidad and Tobago, Argentina, Colombia, and Paraguay. Experts have expressed concerns that countries worldwide, including in LAC, have significantly undercounted deaths for various reasons, suggesting that COVID-19 deaths in the region could be significantly higher.

When the pandemic first surged in the region in 2020, Pan American Health Organization (PAHO) Director Dr. Carissa Etienne expressed concern about the poor and other vulnerable groups at greatest risk. In 2021, the PAHO director stated that the virus had deepened inequities that had long divided the region and exposed vulnerabilities in the region's health, economic, and social sectors.

In October 2022, PAHO's director maintained that trends showed a potential transition of the pandemic from an acute phase into a phase of sustained control. She reported that over 70% of the population of LAC had been fully vaccinated but noted several countries and territories had yet to reach the 40% mark. As of early December 2022, Grenada, Haiti, Jamaica, St. Lucia, and St. Vincent and the Grenadines had fully vaccinated less than 40% of their populations. Of these, the most extreme situation is in Haiti, with just over 2% of its population fully vaccinated.

PAHO has helped countries with their vaccination campaigns and has facilitated access to vaccines through the COVID-19 Vaccines Global Access (COVAX) Facility, a mechanism developed by global health organizations to facilitate equitable distribution of COVID-19 vaccines; 22 countries in the region have signed agreements to access vaccines through the facility. In addition, 10 countries in the region—Bolivia, Dominica, El Salvador, Grenada, Guyana, Haiti, Honduras, Nicaragua, St. Lucia, and St. Vincent and the Grenadines—benefit from the COVID-19 Vaccines Advance Market Commitment (COVAX AMC), launched by Gavi, the Vaccine Alliance, to provide donorfunded vaccines for low- and middle-income economies.

As of early December 2022, PAHO reported that over 151 million doses had been delivered through COVAX. LAC countries also have acquired COVID-19 vaccines from other sources, including China, Russia, and India. The United States significantly ramped up vaccine donations to the region beginning in 2021 (see below).

Table I. COVID-19 Deaths, Mortality Rates, and Vaccinations in Latin American & Caribbean (countries with more than 1,000 deaths, as of Dec. 2, 2022)

Country	Deaths	Deaths per 100,000	Fully Vaccinated (percentage)
Brazil	689,945	324.59	76.91
Mexico	330,525	258.64	62.56
Peru	217,414	659.39	80.99
Colombia	141,881	278.84	69.60
Argentina	130,025	287.69	82.28
Chile	62,484	326.86	91.29
Ecuador	35,940	203.71	78.55
Bolivia	22,248	190.59	49.98
Guatemala	19,952	111.37	48.33
Paraguay	19,621	275.09	33.93
Honduras	11,051	111.57	48.82
Costa Rica	9,038	177.42	87.77
Cuba	8,530	75.31	80.18
Panama	8,526	197.60	70.84
Uruguay	7,537	216.97	82.34
Venezuela	5,828	20.50	50.24
Dom. Rep.	4,384	40.41	54.92
Trinidad & Tobago	4,267	304.90	66.27
El Salvador	4,230	65.22	50.81
Jamaica	3,399	114.79	23.11
Suriname	١,393	237.46	40.50
Guyana	1,285	163.37	46.25
Total LAC	1,743,723	_	_

Sources: Johns Hopkins University School of Medicine, Coronavirus Resource Center, "Mortality Analyses," December 2, 2022, at https://coronavirus.jhu.edu/data/mortality. Vaccination statistics are from Josh Holder, "Tracking Coronavirus Vaccinations Around the World," *New York Times*, updated December 2, 2022, at https://www.nytimes.com/interactive/2021/world/covid-vaccinationstracker.html.

Note: Peru revised its official COVID-19 death toll in May 2021 to account for excess deaths attributed to COVID-19 not previously counted, which tripled the country's reported death toll.

In terms of COVID-19 vaccine manufacturing in Latin America, Cuba's biotech sector has developed and manufactured three vaccines, two Brazilian companies and a partnership between Argentine and Mexican companies have manufactured some vaccines, and two companies from Brazil and Chile announced plans to manufacture vaccines. PAHO announced a program in 2021 to boost COVID-19 vaccine manufacturing in the region and subsequently selected biomedical centers in Argentina and Brazil to produce the vaccines.

Economic and Social Impacts

The International Monetary Fund (IMF) reported a 7.0% economic contraction for Latin America and the Caribbean in 2020. Caribbean nations that depend on tourism had deep economic recessions, many with gross domestic product declines of 10% of more in 2020. In 2021, many of the region's economies began some recovery, with the IMF estimating a regional growth rate of 6.9% for LAC and forecasting 3.5% regional growth in 2022. For 2023, the IMF projects that regional growth in Latin America and the Caribbean will slow to 1.7%, about one percentage point behind projected world growth. Major economic challenges to the regional and world economies include the lingering effects of the COVID-19 pandemic along with a global increase in energy and food prices due to Russia's invasion of Ukraine, and China's economic slowdown.

The regional economic contraction beginning in 2020 increased poverty and exacerbated income inequality. Latin America already was the most unequal region in the world in terms of income. The U.N. Economic Commission for Latin America and the Caribbean (ECLAC) estimated that an additional 17 million people in Latin America moved into poverty in 2020, with poverty rising to 32.8% from 30.4% in 2019. With economic growth rates increasing in 2021 and 2022, ECLAC reported that poverty declined slightly to 32.3% in 2021 and is forecast to decline to 32.1% in 2022. Nevertheless, according to ECLAC, extreme poverty rose to 13.1% in 2020 and after a slight dip in 2021 is forecast to return to 13.1% in 2022.

Many countries implemented relief programs to help protect their economies and vulnerable populations, and international financial institutions increased lending to countries throughout LAC to help countries respond to the pandemic. ECLAC noted that government transfers to vulnerable populations helped partially offset the fall in income in the region and that poverty would have reached higher levels without such transfers.

Political Impact

Even before the pandemic, public satisfaction with the quality of democracy in several Latin American and Caribbean countries was eroding. Several broad political and economic factors drove the decline and help explain the eruption of social protests in the region in 2019. Political factors include an increase in authoritarian practices, weak democratic institutions, politicized judicial systems, corruption, and high levels of crime and violence. Economic factors include stagnant or declining growth; high levels of inequality and poverty; and inadequate public services, social safety net programs, and advancement opportunities. The pandemic exacerbated these factors, contributing to increased protests in LAC since late 2020.

The pandemic-induced economic downturn also contributed to an anti-incumbent electoral trend in the region as governing leaders and parties seeking reelection had to contend with increased food and fuel prices and other economic challenges. This resulted in candidates and parties from the political left and center-left winning all but two elections for head of government in the region in 2021 and 2022.

U.S. Policy Considerations

Congress has provided some \$17 billion in international affairs funding (through two FY2020 supplemental appropriations measures, P.L. 116-123 and P.L. 116-136; the Consolidated Appropriations Act, 2021, P.L. 116-260; and the American Rescue Plan Act of 2021, P.L. 117-2) to help countries worldwide respond to COVID-19. The funding supports global health interventions, humanitarian assistance, and contributions to multilateral efforts. For example, P.L. 116-260 included \$4 billion as a contribution to Gavi, the Vaccine Alliance, which supports COVAX AMC and coordinates implementation of the COVAX Facility, both of which benefit LAC countries.

Through mid-2022, the U.S. Agency for International Development had provided more than \$539 million for the COVID-19 response in the region. This funding is in addition to annual foreign assistance to the region funded through the Department of State, Foreign Operations, and Related Programs appropriations measure, some of which has been used to support pandemic recovery and support.

As of early December 2022, the United States had donated over 70 million COVID-19 vaccine doses to 29 Latin American and Caribbean countries, both bilaterally and through the COVAX Facility, according to the State Department (at https://www.state.gov/covid-19-recovery/ vaccine-deliveries/). Top recipients include Mexico (16.9 million); Guatemala (8.5 million); Colombia (7 million); Honduras (5.9 million); Brazil (5.2 million); Bolivia (5.1 million); Argentina (3.5 million); El Salvador (3.2 million); Ecuador, Paraguay, and Peru (2 million each); Nicaragua (1.6 million); Costa Rica (1.5 million); Haiti (1.1 million); Trinidad and Tobago (0.7 million); Jamaica (0.6 million and Panama and Uruguay (0.5 million each). Eleven smaller Caribbean Community (CARICOM) countries received a total of 2.1 million vaccine doses.

At the June 2022 Summit of the Americas, the Biden Administration launched a partnership with PAHO to establish an Americas Health Corps that would provide training to 500,000 public health, health science, and medical professionals throughout LAC. The initiative is aimed at supporting implementation of an action plan agreed to at the summit focused on addressing the effects of the COVID-19 pandemic and strengthening the region's health systems to address future disease outbreaks.

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