THE PANDEMIC IN MEXICO

The Scope of the Tragedy

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• The pandemic in Mexico
  • Response and government narrative
    • The first victims
  • The health strategy
  • The economic strategy
  • Health impacts of the pandemic
  • Economic impacts
  • Social impacts
  • The picture ahead
• Alerts
• **Response and narrative**

• The government’s initial response was to downplay the COVID-19 pandemic.
• Neither the Mexican health system nor the population were prepared to face the disease.
• Lack of coordination in the states.

It took 20 days to establish the General Health Council after the first contagion
• The first victim: medical and health personnel.

• Protests due to the lack of equipment, training and supplies. Fear of dying from Covid-19.

• 21% of the infections are from medical and health personnel.

• 2.6 % of total deaths are from medical and health personnel (June 16).

• Today, 2.1% of total deaths
### TABLE 7. COMPARATIVE BY COUNTRY WITH TOTAL DEATHS AND MEDICAL PERSONNEL

<table>
<thead>
<tr>
<th>COUNTRY</th>
<th>DEATHS FROM COVID-19</th>
<th>DEATHS OF MEDICAL PERSONNEL</th>
<th>PERCENTAGE</th>
<th>SOURCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>México*</td>
<td>14649</td>
<td>385</td>
<td>2.63%</td>
<td><a href="https://tinyurl.com/ybt6wht4">https://tinyurl.com/ybt6wht4</a></td>
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<tr>
<td>United states*</td>
<td>111,620</td>
<td>600</td>
<td>0.54%</td>
<td><a href="https://tinyurl.com/ybpkm4ht">https://tinyurl.com/ybpkm4ht</a></td>
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<tr>
<td>China**</td>
<td>4645</td>
<td>23</td>
<td>0.50%</td>
<td><a href="https://tinyurl.com/ybf4q8fe">https://tinyurl.com/ybf4q8fe</a></td>
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<tr>
<td>United Kingdom***</td>
<td>48106</td>
<td>191</td>
<td>0.40%</td>
<td><a href="https://tinyurl.com/y7lbc0y">https://tinyurl.com/y7lbc0y</a></td>
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<tr>
<td>Peru ****</td>
<td>3024</td>
<td>26</td>
<td>0.86%</td>
<td><a href="https://tinyurl.com/ybrdg5kmu">https://tinyurl.com/ybrdg5kmu</a></td>
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<tr>
<td>Brazil *****</td>
<td>21048</td>
<td>256</td>
<td>1.22%</td>
<td><a href="https://tinyurl.com/y6vtx6cc">https://tinyurl.com/y6vtx6cc</a></td>
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</tbody>
</table>

* As of June 9, 2020  
** As of June 4, 2020  
*** As of May 22, 2020  
**** As of May 20, 2020  
***** As of May 22, 2020
• Conflicting messages between the President and the Ministry of Health.

• 1: AMLO underestimates the danger and consequences.

• 2: Ministry of Health recommended protection measures that are not being followed by the president.
• The Health Strategy

• Monitoring of the pandemic by limited and unrepresentative sampling, and allowed the contagion of the population without tracking. Few tests.

• 6, 100 tests per million inhabitants vs 130 to 150 thousands in other similar countries. The number of cases is underreported.

• https://ourworldindata.org/coronavirus-testing
The deaths are also underreported

- Source: Authors with data of Ministry of Health, INEGI and civil registry from Mexico City.

Multiply by 3 to get real death toll. More than 170,000. And the number keeps increasing: third place worldwide.
• Projections: **88 thousands dead by the beginning of october** (IHME). The number of cases and deaths does not yield. [https://covid19.healthdata.org/mexico](https://covid19.healthdata.org/mexico)

• The pandemic is out of control, the health scenario is unfortunate.

• Still, the authority ended social distancing.
“Traffic-lights” to return to the new normality

MAY 28: ANNOUNCEMENT OF THE RETURN TO THE “NEW NORMALITY”
• The Economic Strategy

• Economic policy in other countries was ignored.
• The strategy: almost no-support, continue existing social programs and reduce public spending.
• CMN (Mexican Business Council) achieved an agreement with BID Invest for 30 thousand credits.
• The government neither provided emergency (and temporary) income to poor families for keeping social distancing (informal sector), nor significant support to protect employment and companies (solidarity salary).

• Numerous proposals from the private sector, research centers, universities, political parties and prominent individuals were ignored.
• In economic and social matters, the government did not act on time or with strong determination.
• GDP is forecast to fall **more than 8%** in 2020 and will recover very slowly.
• A lost decade is in the horizon.

### TABLE 10. FORECASTS OF ECONOMIC GROWTH IN 2020 BY COUNTRY

<table>
<thead>
<tr>
<th>COUNTRY</th>
<th>GDP ESTIMATE 2020 (%)</th>
<th>PAÍS</th>
<th>GDP ESTIMATE 2020 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>-7.00</td>
<td>Greece</td>
<td>-10.00</td>
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<tr>
<td>Saudi Arabia</td>
<td>-2.30</td>
<td>India</td>
<td>-3.20</td>
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<tr>
<td>Argentina</td>
<td>-7.30</td>
<td>Italy</td>
<td>-9.10</td>
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<tr>
<td>Brazil</td>
<td>-8.00</td>
<td>Japon</td>
<td>-6.10</td>
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<td>Canada</td>
<td>-6.20</td>
<td>Libya</td>
<td>-58.70</td>
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<td>Chile</td>
<td>-4.50</td>
<td>Mexico</td>
<td>-8.22</td>
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<td>China</td>
<td>1.00</td>
<td>UK</td>
<td>-6.50</td>
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<tr>
<td>Colombia</td>
<td>2.40</td>
<td>Russia</td>
<td>-6.00</td>
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<td>Spain</td>
<td>-8.00</td>
<td>South Africa</td>
<td>-7.10</td>
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<tr>
<td>USA</td>
<td>-6.10</td>
<td>Venezuela</td>
<td>-15.00</td>
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<tr>
<td>France</td>
<td>-7.20</td>
<td>World economy</td>
<td>-5.20</td>
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</tbody>
</table>

*Source: World Bank "World economic perspectives"*
• The government plan to relieve the economic and employment crisis was modest, late and insufficient.
• Support amounted to less than 1% of GDP, while other countries provided support of 5%, 10%, 15% and even 30% of GDP.
## Fiscal measures in various countries

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<td>Direct transfers to homes</td>
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<td>Subsidies for the payment of wages</td>
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<td>Extension for the payment of taxes and contributions</td>
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<td>Government guarantees to back loan to companies</td>
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<td>Vaccine research and development resources</td>
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Source: Bank of Mexico in 2020. [https://tinyurl.com/y852b4v43](https://tinyurl.com/y852b4v43)
• **In short:**
  • Social distancing measures were not applied in a timely or strict manner, nor was the proliferation of infections prevented.
  • It was considered that social distancing would undermine economic activity.
  • The government refused to give people an emergency (modest) income to stay home.
  • Without that sustenance, it was impossible for millions of people to strictly observe social distancing.

• *The government fell into the trap of the false dilemma: economics vs health*
Serious social and economic consequences

- In the absence of government support, occupation and employment have collapsed, especially informal workers (especially women) and low-wage workers (95% less than two UMAS).
• The unemployment rate is higher in the informal sector, especially in woman.
• More than a million formal jobs have been lost

• In May 12 million people lost their income. The loss was 65.1% on average.

• 9% more households than in 2018 have severe or moderate food insecurity (33.8% of households)

• There will be between 6.1 and 10.7 million more people in extreme poverty

In June-July the occupation rate has improved slightly, but income has not.
• There will be 4.3 million more young people who neither study nor work

• 12.2 million members of the middle class will fall into poverty

• By the end of 2020 there will be about 90 million people in poverty
• Gender violence has increased **27.1%** in the first four months of 2020.
• Homicides continue to rise

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*Source: Vital Signs with information from the SESNSP*
• 27.3% of the individuals 18 years of age or older presented depressive symptoms and **32.4%** severe anxiety symptoms.

• **80%** of households with children or adolescents reported problems to continue with education during confinement. Main problem: *lack of computer equipment or access to internet* (48.5%)

• 16% more dropouts from high-school due to increased poverty

• Increase in inequality and more obstacles to social mobility

*A lost decade is on the horizon*
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