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## Latin America and the Caribbean: Impact of COVID-19

The Coronavirus Disease 2019 (COVID-19) pandemic is having widespread economic, social, and political effects on Latin America and the Caribbean. As of April 14, 2021, the region had almost 26.7 million confirmed cases (19.3% of cases worldwide) and over 846,000 deaths (28.4% of deaths worldwide). Brazil, Mexico, Colombia, Argentina, and Peru had the highest numbers of deaths in the region, and Brazil and Mexico had highest death tolls worldwide after the United States. The regional rankings change when examining deaths per 100,000 population—using this measurement, Peru had the highest rate in the region, followed by Brazil, Mexico, Panama, and Colombia (see **Table 1**). A University of Washington COVID-19 projection model (updated April 8, 2021) forecast deaths in the region could reach 1.2 million by August 1, 2021.

The Pan American Health Organization (PAHO) warned in early March 2021 that a Brazilian variant of the virus was more contagious and could affect neighboring countries. In its weekly briefing on April 14, 2021, PAHO reported that the virus was continuing to spread in the Americas, particularly in South America, which it described as the current epicenter of the pandemic. The recent spike in the Amazon has led to increases in neighboring countries, with Brazil, Colombia, Venezuela, Peru, and some parts of Bolivia seeing a sharp rise in cases. In the Caribbean, cases were rising in Cuba and some smaller overseas territories. According to PAHO’s director, weekly case averages and deaths are higher than in 2020. She noted that despite ongoing transmission in many places, social distance restrictions are being relaxed.

PAHO has played a major role in supporting countries in their pandemic responses. When the pandemic began to surge in the region in 2020, the PAHO director expressed concern about the poor and other vulnerable groups at greatest risk, including those living in the Amazon Basin, particularly indigenous communities; women, who make up 70% of the health workforce in the Americas; people of African descent; migrants in temporary settlements; and prisoners in crowded jails.

The rollout of vaccines in the region has been slow, with some exceptions; there is concern that widespread vaccine access in some countries could be delayed until 2022. As of April 9, according to PAHO, Chile was the leader in the region, with 37% of its population having received a first dose. Several Caribbean countries that received vaccine donations from India—Antigua and Barbuda, Barbados, and Dominica—had vaccinated more than 20% of their populations with a first dose. Many countries in the region, however, have vaccinated far smaller percentages of their populations. For example, as of April 9, 2021, Argentina had vaccinated 9.3% of its population with a first dose,

Brazil had 8.9%, Mexico 5.8%, Colombia 4.2%, and Peru 1.9%.

PAHO has helped countries prepare for vaccine rollout and facilitated access to vaccines through the COVAX Facility, a mechanism developed by global health organizations for pooled procurement and distribution of 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—are eligible to benefit from the COVID-19 Vaccines Advance Market Commitment (COVAX AMC), launched by Gavi, the Vaccine Alliance, to provide donor-funded vaccines for low- and middle-income economies worldwide. PAHO maintains that by the end of 2021, vaccines provided through COVAXs should cover about 20% of each country’s population.

**Table 1. COVID-19 Cases, Deaths, and Mortality Rates in Latin American/Caribbean (LAC) Countries** (countries with more than 2,000 deaths, as of April 14, 2021)

Country	Cases (millions)	Deaths	Deaths per 100,000
Brazil	13.674	361,884	171.47
Mexico	2.291	210,812	165.24
Colombia	2.586	66,819	132.74
Argentina	2.604	58,542	130.27
Peru	1.668	55,812	171.67
Chile	1.094	24,548	129.53
Ecuador	.351	17,400	100.15
Bolivia	.285	12,519	108.74
Guatemala	.207	7,089	42.69
Panama	.360	6,177	145.46
Paraguay	.242	5,040	71.54
Honduras	.198	4,905	50.33
Dom. Rep.	.259	3,402	31.68
Costa Rica	.225	3,044	60.31
El Salvador	.067	2,060	31.92
<b>Total LAC</b>	26.656	846,394	—
United States	31.421	564,402	171.95

**Source:** Johns Hopkins University School of Medicine, Coronavirus Resource Center, “Mortality Analyses,” April 15, 2021, updated daily, at <https://coronavirus.jhu.edu/data/mortality>.

In the first round of COVAX Facility allocations through May 2021 (including both self-financing participants and countries receiving donations through the AMC program), Latin American and Caribbean countries are scheduled to receive 27.8 million doses. Many countries in the region also have signed commercial agreements with pharmaceutical companies, and several countries have begun to use Chinese and Russian vaccines. Cuba is making progress on a vaccine it is developing.

PAHO's director said the region lags in the vaccination effort because most countries cannot access the doses they need through bilateral agreements with manufacturers. On April 14, 2021, she warned that, for most countries in the region, vaccines will not stop the current wave and there are not enough vaccines available to protect everyone at greatest risk.

### Economic Impact

In the April 2021 update of its *World Economic Outlook*, the International Monetary Fund (IMF) estimated a 7.0% economic contraction for the region. Economic recovery may be a protracted process in countries that rely heavily on global trade and investment. Caribbean nations that depend on tourism face deep economic recessions, several with projected economic declines over 15% in 2020. Several South American nations hard hit by the pandemic are projected to register economic contractions over 10%. Although most countries in the region are expected to begin economic recovery in 2021, the IMF regional growth forecast of 4.6% lags behind the expected world economic growth forecast of 6.0%.

The economic contraction in 2020 has increased poverty and exacerbated income inequality in the region. Latin America already was the most unequal region in the world in terms of income inequality, according to the U.N. Economic Commission for Latin America and the Caribbean (ECLAC). A March 2021 ECLAC report said 22 million people in Latin America moved into poverty in 2020, with overall poverty rising to 33.7% of the region's population from 30.5% in 2019.

A number of countries in the region have implemented stimulus programs to help protect their economies and vulnerable populations, but countries have needed external financing to respond to the pandemic and associated economic downturn. In response, international financial institutions, including the IMF, the Inter-American Development Bank, and the World Bank, significantly increased lending to countries throughout the region.

### Political Impact

Even before the pandemic, public satisfaction with the quality of democracy in several Latin America and Caribbean countries was eroding. The 2018-2019 Americas Barometer public opinion survey showed the lowest level of satisfaction with democracy since the poll began in 2004. 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 has exacerbated these factors, which could stoke social unrest similar to that in 2019.

Human rights groups and other observers have expressed concern about leaders taking advantage of the pandemic to advance their own agendas and restrict freedom of expression. In Bolivia, the former interim government twice postponed presidential elections, prompting widespread protests, until elections were held in October 2020. In Venezuela, the government and security forces have used a state of emergency imposed to curb the virus's spread as an excuse to crack down on dissent. Cuba also has used regulations designed to prevent the spread of COVID-19 to repress government opponents.

### U.S. Policy Considerations

The 116<sup>th</sup> Congress passed two supplemental appropriations measures in March 2020—P.L. 116-123 and P.L. 116-136—that provided nearly \$1.8 billion in aid to respond to COVID-19 globally. The State Department reported that, as of August 2020 (latest information made available), the United States was providing \$141.4 million in new and previously announced assistance to help countries in the region respond to the pandemic. In December 2020, Congress approved the Consolidated Appropriations Act, 2021 (P.L. 116-260), which included \$4 billion in emergency Global Health Programs assistance for COVID-19 vaccine procurement and delivery, with funds made available as a contribution to Gavi, the Vaccine Alliance. Gavi supports COVAX AMC and coordinates implementation of the COVAX Facility, both of which benefit countries in the region.

The 117<sup>th</sup> Congress approved the American Rescue Plan Act of 2021 (P.L. 117-2), signed into law in March 2021, which provides \$9.755 billion for foreign assistance programs to respond to COVID-19 globally, including through global health interventions, humanitarian assistance, and contributions to multilateral efforts.

Some Members of Congress have called for President Biden to prioritize Latin American and Caribbean countries in donating surplus vaccines to countries in need. The White House announced in March 2021 that the United States would share 2.5 million doses of the AstraZeneca vaccine with Mexico. Caribbean and other countries have appealed to the United States to provide vaccines.

Legislation has been introduced (S. 616) to authorize a capital increase for the Inter-American Development Bank, in part to help countries address the pandemic and its economic impact. Some Members also have argued for and against a proposal at the World Trade Organization to waive intellectual property rights for COVID-19 vaccines.

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