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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 June 22, 2021, the region had over 36 million confirmed cases (20% of cases worldwide) and over 1.2 million deaths (32% of deaths worldwide). Brazil, Mexico, Peru, Colombia, and Argentina had the highest numbers of deaths in the region. Looking at mortality (death) rates per 100,000 population, Peru had the highest recorded COVID-19 mortality rate in the region, followed by Brazil, Colombia, Argentina, and Mexico (see **Table 1**).

In its weekly epidemiological update issued June 22, 2021, the World Health Organization reported that many countries in South America, Central America, and the Caribbean were continuing to record high levels of COVID-19 transmission and mortality. Brazil, Colombia, and Argentina had the highest number of new cases and deaths in the region from June 14 to June 20, 2021.

The Pan American Health Organization (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 varied considerably, and there is concern that widespread vaccine access in some countries could be delayed until 2022 or early 2023. As of June 23, 2021, according to Johns Hopkins University, Chile was the leader in the region, with 50% of its population fully vaccinated, followed by Uruguay, with almost 42%. Several countries with high numbers of COVID-19 deaths have fully vaccinated smaller percentages of their populations, including Brazil (11.7%), Mexico (13.4%), Peru (7.8%), Colombia (9.9%), and Argentina (8.3%). Countries with low vaccination rates include Guatemala and Honduras (both with less than 1% fully vaccinated), Jamaica (just over 1%), and Trinidad and Tobago (3.3%). Haiti is the only country in the region that has not yet received any vaccines.

PAHO has helped countries prepare for vaccine rollout 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—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.

Table 1. COVID-19 Cases, Deaths, and Mortality Rates in Latin American/Caribbean (LAC) Countries (countries with more than 2,000 deaths, as of June 22, 2021)

Country	Cases (millions)	Deaths	Deaths per 100,000
Brazil	18.055	504,717	239.15
Mexico	2.483	231,505	181.47
Peru	2.031	190,645	586.41
Colombia	3.997	101,302	201.24
Argentina	4.299	90,281	200.9
Chile	1.526	31,690	167.21
Ecuador	.447	21,315	122.69
Bolivia	.424	16,243	141.08
Paraguay	.409	11,849	168.2
Guatemala	.283	8,785	52.91
Honduras	.255	6,818	69.96
Panama	.395	6,483	152.67
Uruguay	.358	5,350	154.55
Costa Rica	.356	4,546	90.06
Dom. Rep.	.318	3,769	35.1
Venezuela	.263	2,989	10.48
El Salvador	.077	2,341	36.27
Total LAC	36.332	1,245,855	—
United States	33.565	602,462	183.54

Source: Johns Hopkins University School of Medicine, Coronavirus Resource Center, “Mortality Analyses,” June 23, 2021, updated daily, at <https://coronavirus.jhu.edu/data/mortality>.

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.

PAHO maintains that by the end of 2021, vaccines provided through COVAX should cover around 100 million people in the region, roughly 20% of each country’s population. As of June 22, PAHO reported that over 21 million doses had been delivered through COVAX. Vaccine deliveries through COVAX have been slower than expected due to supply problems. Many countries in the region also have

signed commercial agreements with pharmaceutical companies. A number of countries have begun to use Chinese and Russian vaccines; for several countries (e.g., Chile, Uruguay, Brazil, the Dominican Republic), China has supplied a large portion of vaccine doses. Cuba, with 8.1% of its population fully vaccinated, is deploying domestically developed vaccines and aims to have 70% of its population vaccinated by August. In May 2021, PAHO's director said more vaccines were urgently needed for Latin America and the Caribbean; in June 2021, she called on G7 nations to prioritize the region in their vaccine donations.

Economic Impact

In the April 2021 update of its *World Economic Outlook*, the International Monetary Fund (IMF) estimated the region registered a 7.0% economic contraction in 2020. 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 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 estimated 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 relief programs to help protect their economies and vulnerable populations, but many have needed external financing to address 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 in the region.

Political Impact

Even before the pandemic, public satisfaction with the quality of democracy in several Latin American 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 exacerbated these factors, contributing to increased protests in the region since late 2020. Beginning in late April 2021, mass protests in Colombia against a pandemic-related tax increase turned into broader anti-government demonstrations. Human rights groups and other observers also have expressed concern about leaders taking advantage of the pandemic to advance their own agendas and restrict freedom of expression.

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. As of April 2021, the State Department and the U.S. Agency for International Development had allocated nearly \$166 million of new and prior-year funding to help Latin American and Caribbean countries respond to the pandemic. 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 countries in the region. Congress may consider additional funding for international pandemic response as it considers the Biden Administration's FY2022 budget request.

The Administration has committed to share and donate vaccines globally through the COVAX Facility and COVAX AMC as well as bilaterally. Some Members of Congress have called for President Biden to prioritize Latin American and Caribbean countries in donating surplus vaccines to countries in need.

Latin American and Caribbean countries are to receive a yet-to-be-determined amount of vaccines. In June 2021, the Biden Administration announced its strategy for sharing 80 million vaccine doses worldwide. Certain Latin American and Caribbean countries are to receive 20 million doses through COVAX, as well as a portion of 20 million doses targeted for regional priorities and global partners. The White House announced in March 2021 that the United States would share 2.5 million vaccine doses with Mexico. On June 10, President Biden announced that the United States would purchase and donate an additional 500 million doses to 92 countries eligible for COVAX AMC donations, including, as noted above, 10 countries in the region.

Some Members have argued for and against a proposal at the World Trade Organization to waive intellectual property rights for COVID-19 vaccines. On May 5, 2021, the Administration announced its support for negotiating such a waiver due to the pandemic's extraordinary circumstances.

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