

Julio 2020



# THE PANDEMIC IN MEXICO

The Scope of the  
Tragedy

**SIGNOS VITALES**  
EL PULSO DE MÉXICO

[www.signosvitalasmexico.org.mx](http://www.signosvitalasmexico.org.mx)

- **Content**

- 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**

COUNTRY	DEATHS FROM COVID-19	DEATHS OF MEDICAL PERSONNEL	PERCENTAGE	SOURCE
México*	14649	385	2,63%	<a href="https://tinyurl.com/ybt6wht4">https://tinyurl.com/ybt6wht4</a>
United states*	111.620	600	0,54%	<a href="https://tinyurl.com/ybpbkm4ht">https://tinyurl.com/ybpbkm4ht</a>
China**	4645	23	0,50%	<a href="https://tinyurl.com/ybf4q8fe">https://tinyurl.com/ybf4q8fe</a>
United Kingdom***	48106	191	0,40%	<a href="https://tinyurl.com/y7lbkcoy">https://tinyurl.com/y7lbkcoy</a>
Peru ****	3024	26	0,86%	<a href="https://tinyurl.com/ybrd5kmu">https://tinyurl.com/ybrd5kmu</a>
Brazil *****	21048	256	1,22%	<a href="https://tinyurl.com/y6vta6cc">https://tinyurl.com/y6vta6cc</a>
* As of June 9, 2020		*** As of May 22, 2020		
** As of June 4, 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.

**Coronavirus COVID-19**

IT IS NOT AN EMERGENCY SITUATION

THERE IS NO NEED TO CANCEL MASS EVENTS, WORK AND SCHOOL ACTIVITIES

NEITHER NEED TO MAKE PANIC SHOP

FOLLOW YOUR NORMAL ACTIVITIES, BUT STRENGTHEN PREVENTION MEASURES

REMEMBER: THE ILLNESS CAUSED BY THE COVID-19 CORONAVIRUS IS NOT SERIOUS

WHEN YOU TAKE CARE OF YOU, WE TAKE CARE OF OURSELVES!

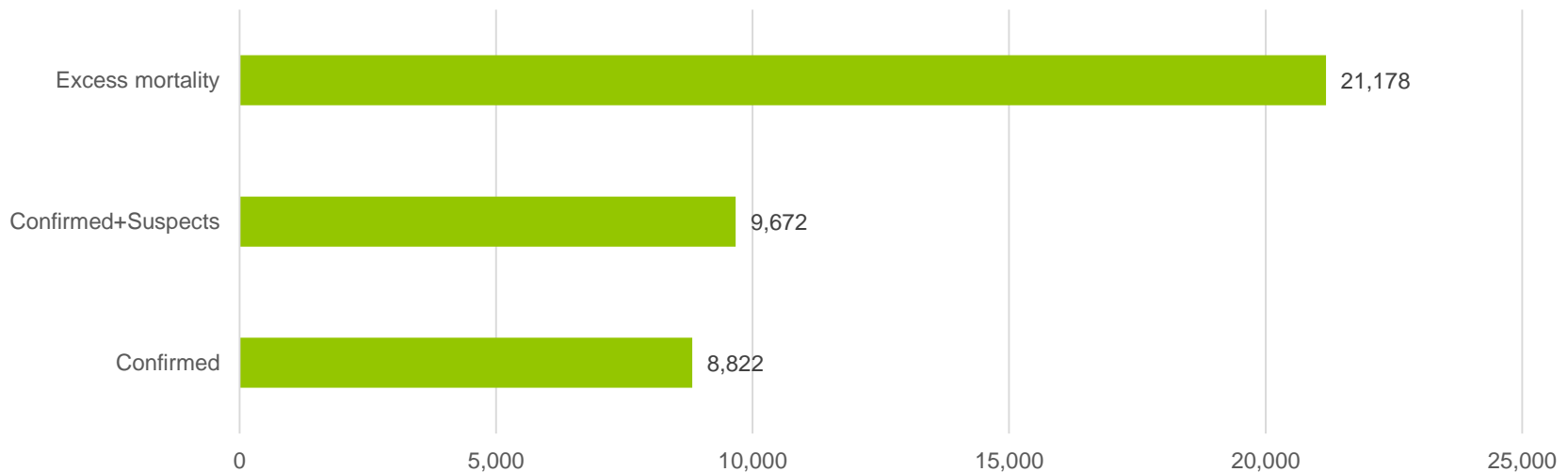
 GOBIERNO DE MÉXICO

 gohms

- **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 deads are also underreported

Comparison between the number of deaths from covid-19 and excess mortality in Mexico City, accumulated data from week 14 to week 27



- 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>
- 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.

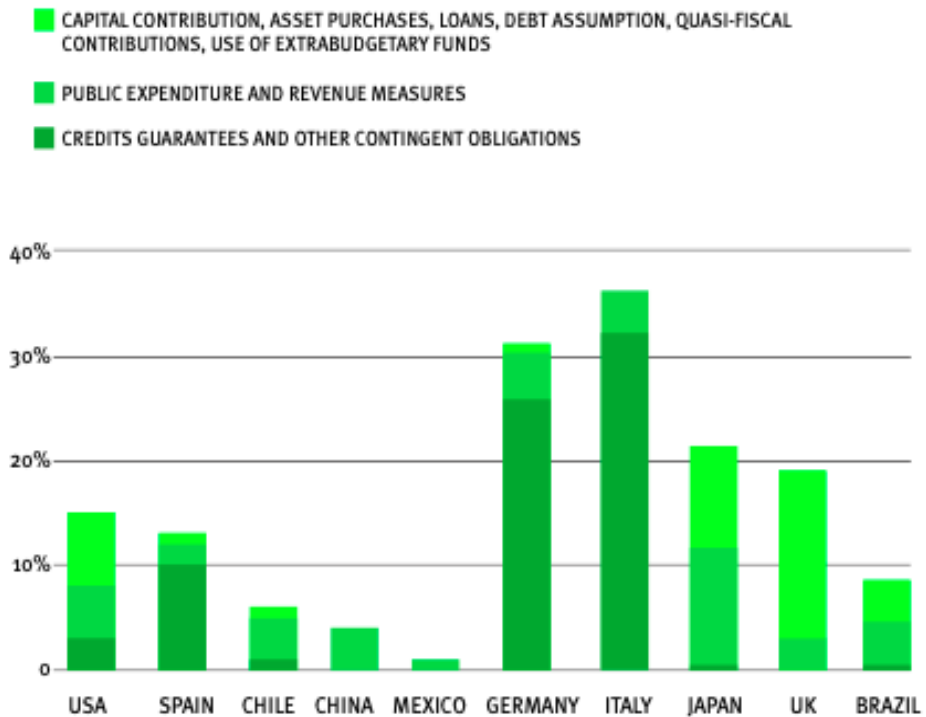
- In economic and social matters, the government did not act on time or with strong determination.
- GDP is forecast to fall **more than 8%** in 2020 and will recover very slowly.
- **A lost decade is in the horizon.**

TABLE 10. FORECASTS OF ECONOMIC GROWTH IN 2020 BY COUNTRY

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

- 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.

GRAPH 9. FISCAL MEASURES IN RESPONSE TO COVID-19



Source: Bank of Mexico in 2020. <https://tinyurl.com/y852bv43>

# Fiscal measures in various countries

TABLE 12. FISCAL MEASURES OF DIFFERENT ECONOMIES

FISCAL MEASURES	DE	BR	CA	CL	CN	KR	ES	US	FR	IT	JP	MX	PE	GB	EU
Direct transfers to homes															
Subsidies for the payment of wages															
Extension for the payment of taxes and contributions															
Tax extensions															
Business loan programs															
Government guarantess to back loan to companies															
Vaccine research and development resources															

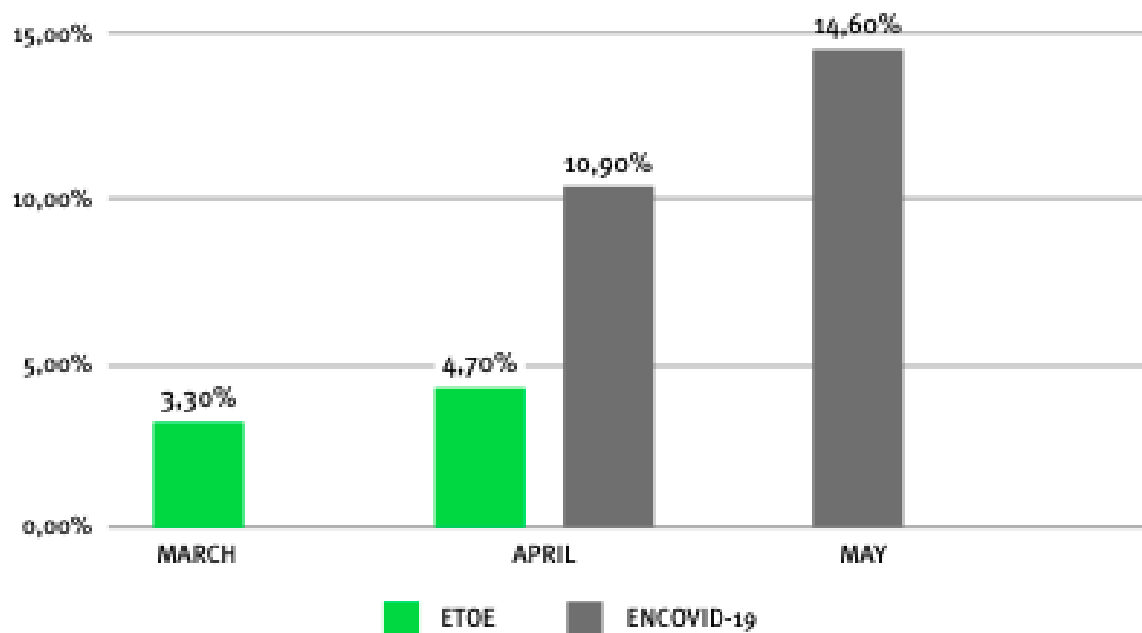
Source: Bank of Mexico in 2020. <https://tinyurl.com/y852bv43>

- **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).

GRAPH 16. COMPARISON OF THE UNEMPLOYMENT RATE ETOE VS ENCOVID-19

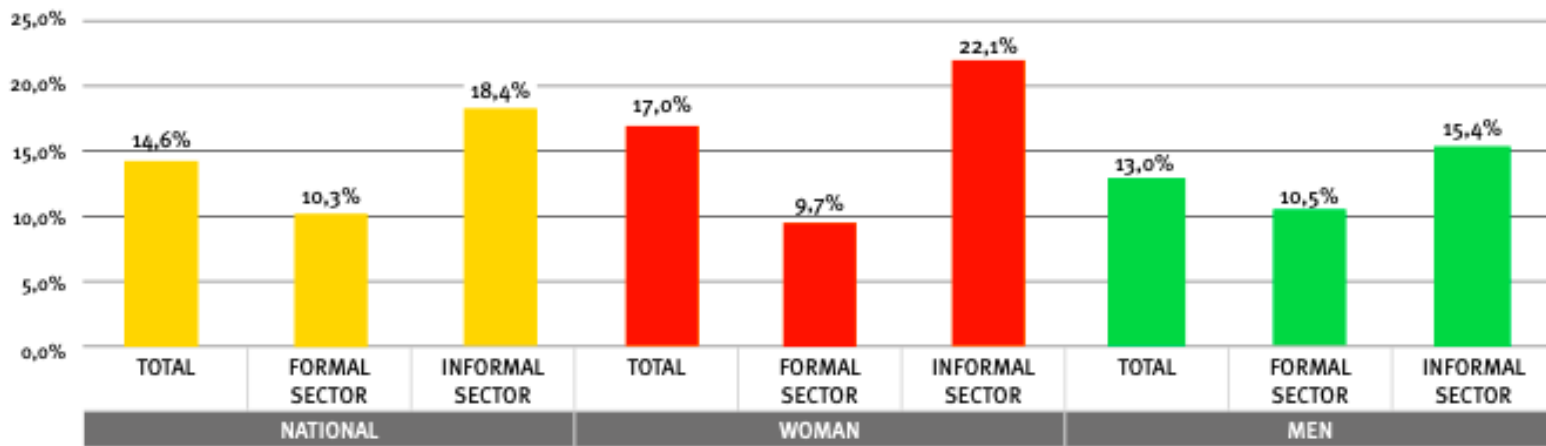


Source: EQUIDE, UIA CdMx, Encovid-19, May 2020.



- The unemployment rate is higher in the informal sector, especially in woman.

GRAPH 18: UNEMPLOYMENT RATE BY ACTIVITY SECTOR AND GENDER



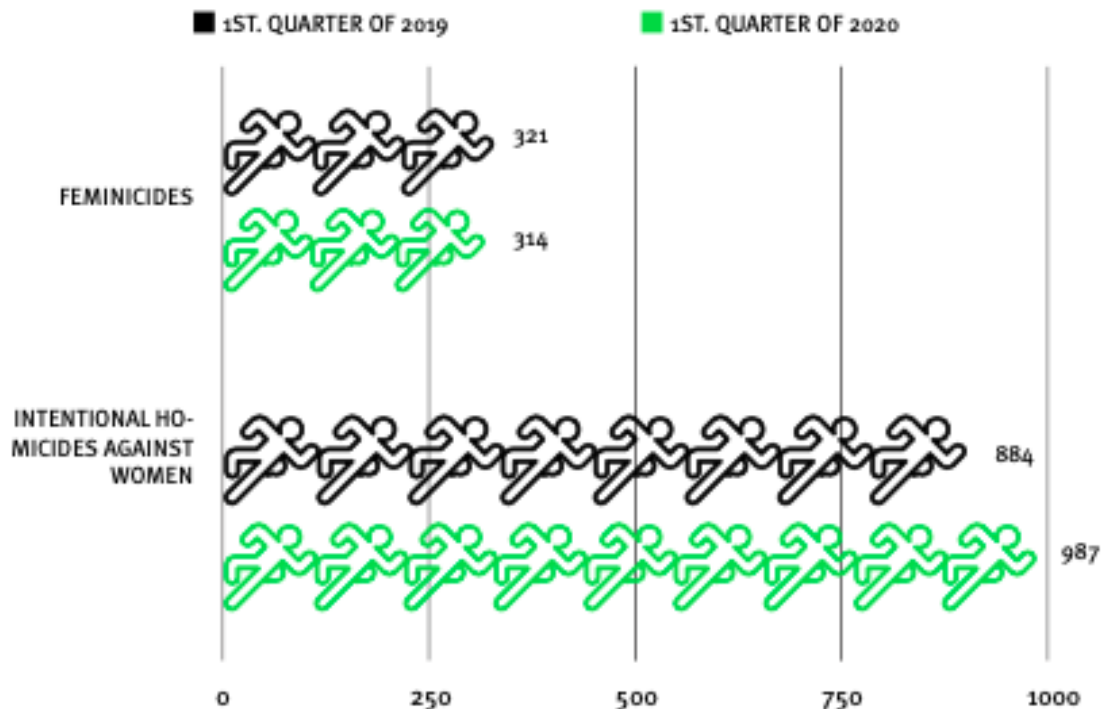
Source: EQUIDE, UIA CdMx, Encovid-19, May 2020.

- 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



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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