

Oxfam reveals 2.7 billion people did not get state aid during pandemic



London, December 16 (RHC)-- The COVID-19 pandemic and the lockdown measures to contain it have hit millions of people hard, with poverty set to increase sharply in almost every country for the first time in decades unless action is taken now, according to a new report by Oxfam.

Hundreds of millions of people have lost their jobs and income, and 2.7 billion people have not received any public financial support to deal with the economic devastation caused by the coronavirus pandemic, Oxfam said in the report published on Tuesday.

The report was compiled by Oxfam, a United Kingdom-based nonprofit, and consulting firm Development Pathways, which works with governments and organisations in developing economies. The organizations analysed social protection cash transfers in 126 low- and middle-income countries between April and

September 2020.

“The analysis shows that investments in social protection have been highly unequal between countries, and, in most cases, within countries. The consequence may be an increase in global inequality and the erosion of social cohesion,” the report said.

With eight out of 10 countries not having given any financial support to even half their population, “women workers in low- and middle-income countries in particular are suffering, as they work in the worst-affected sectors, such as garments, services and domestic work,” the report said.

“The income of informal women workers dropped by 60 percent during the first month of the pandemic. In almost every country, unless action is taken now, poverty is set to increase sharply for the first time in decades,” it added.

Because governments have had to dip into their own pockets to provide financial support to their citizens, there is a vast discrepancy between what wealthy nations have managed to do for their population and what the poorer nations – with more limited resources – could spend, the report said.

For instance, in total, countries around the world have raised \$11.7 trillion in additional spending this year to cope with the fallout of COVID-19. Of this amount, 83 percent has come from 36 rich countries while 39 lower-income nations have raised \$42 billion, 0.4 percent of the total.

Similarly, the wealthy G-20 countries have infused \$9.8 trillion into their economies, including measures to support workers and the general population. For social protection programmes, 28 rich countries have spent at the rate of \$695 per person in comparison to \$4 to \$28 per person spent by 42 low- or middle-income countries, the report said.

Ten months into the crisis, with many countries dealing with a second wave of the pandemic and continued economic hardships, there is an urgent need for governments to implement universal social protection measures to support their people including with unemployment benefits, payments to the elderly, financial support for children and families, measures that would provide a “vital lifeline,” the report said.

It also urged rich nations to step up financial support to poorer countries through the urgent provision of more aid and the cancellation of debts, among other options, to help them improve the support they provide their citizens.

The report also recommends rich nations set up a global fund for social protection to help low- and middle-income countries achieve those goals. Better technical cooperation and providing incentives for low-income countries to invest more in social protection could also help, Oxfam said.

While the richest will bounce back from this crisis quickly and with no help, poorer families will take years to get back on their feet, the report said. “To prevent a terrible increase in global inequality, a huge investment in universal social protection is needed,” it said.

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