Robust International Response to the Pandemic Act (H.R. 6581)

At-a-glance: Care-based analysis

As the COVID-19 pandemic triggered an unprecedented public health crisis and economic breakdown in the US and worldwide, US Congress proposed and passed several pieces of legislation to address and alleviate the impact of this crisis. The following analysis spotlights the ways in which COVID-19-related legislation and economic relief packages can advance an approach rooted in care. This lens must center those made most vulnerable during this crisis and recognize our interdependence across borders.

Background: This legislation was introduced in the House on April 21, 2020 by Representatives Jesus "Chuy" García, Jan Schakowsky, Mark Takano, and 13 other original co-sponsors. It aims to ensure that the International Monetary Fund (IMF) and other international financial institutions support countries of the Global South with an infusion of financial resources required to confront COVID-19.

Highlights: This legislation has three key components:

1. **Debt relief**: It requires US representatives to international financial institutions to use their influence to support the suspension of debt payments to those institutions during the pandemic.

2. **Protection of public health spending**: It requires US representatives to international financial institutions to oppose loan agreements or programs that would cut health care spending or other spending that would impede governments' ability to respond to COVID-19.

3. **Provide vital funding**: It calls for the US representative to the IMF to support the issuance of $3 trillion in Special Drawing Rights (“SDRs”), which would provide governments additional funding to respond to COVID-19, at no cost to the US.

Why is this needed?

- As the pandemic spreads across the globe, lockdowns are causing far-reaching ripple effects, exacerbating food insecurity and poverty. The United Nations has warned that the number of people dying from hunger, or hunger-related illness, could double this year, while the World Food Programme cautioned that we lie on the brink of a “hunger pandemic.” This crisis has gendered impacts. When food is scarce, women and girls are often most likely to eat last and least — due to deeply-rooted gender norms — and disproportionately suffer from malnutrition. Already, women and girls make up 60% of those facing hunger globally.

- As we face a global recession, we need to confront the economic pains that will fall along these gendered lines. Women already make less money than men, own less property, have fewer savings, and are more likely to live in poverty. The economic fallout of the pandemic is intensifying these disparities. In this context, the issuance of SDRs — a special international reserve asset created by the IMF and distributed to IMF member countries to help stabilize economies — is an important measure.
  - There is precedent for such an action; the IMF issued SDRs in 2009 as a response to the global financial crisis. Today, many economists and humanitarian organizations support SDRs, which will give countries in the Global South the resources to increase spending on care-based policies to save lives, like healthcare and social protection.

- A moratorium on debt payments by Global South countries is vital. Currently, 64 countries pay
We must further reject conditional loans that would undermine government spending to confront COVID-19, thus deepening poverty and weakening health systems. Such conditionality also creates gross imbalances in power and is anti-democratic, taking away countries’ and peoples’ ability to make their own decisions about resources.

- Further, when countries are forced to implement fiscal austerity and cut health spending, women’s health — from maternal mortality to reproductive rights — is hit hard. As health systems are doubly strained by the pandemic, already, we see severe impacts on maternal and child mortality — which would only worsen with budget cuts. Moreover, women and girls — who are largely responsible for caregiving worldwide and also make up a significant portion of essential and healthcare workers — face heightened risks of contracting the virus. Ensuring strong health systems is crucial to mitigating these gendered inequalities.

**How could this legislation be strengthened from a care-based perspective?**

- While the temporary suspension of debt payments from Global South countries to international financial institutions is a crucial first step, a just recovery demands a more comprehensive, long-term approach. This includes permanent debt cancellation for the world’s poorest countries, as called for in a letter to the World Bank and IMF recently released by Sen. Bernie Sanders (I-Vt.) and Rep. Ilhan Omar (D-Minn.). The road to recovery from this crisis will be long — and countries will need their resources to shield their populations from the worst impacts.

- When the IMF or World Bank condition loans on budget cuts, even if they don’t specify where those cuts need to happen, governments tend to put health, education, agricultural subsidies, and social welfare programs on the chopping block. Due to existing inequalities, including high poverty rates and lack of equal access to health and education, women and girls are often disproportionately impacted by such budget cuts. We must reject conditionalities that lead to these harmful outcomes.

- Finally, the pandemic, like other historic crises, is deepening existing gender inequalities — from worsening access to food and healthcare to increasing violence and exploitation. Any economic justice response must recognize this and center an intersectional gender analysis — a lens that US Representatives to the IFIs should bring as they review policy.

- Our policy responses must be rooted in care, as we reach beyond borders and recognize our global interdependence. We must offer support for those made most vulnerable by decades of policies that have failed to meet people’s needs. These measures will allow countries to recenter care and protection amidst crisis.