



# Healthcare Governance

Lessons from Emerging Markets

January/February 2021





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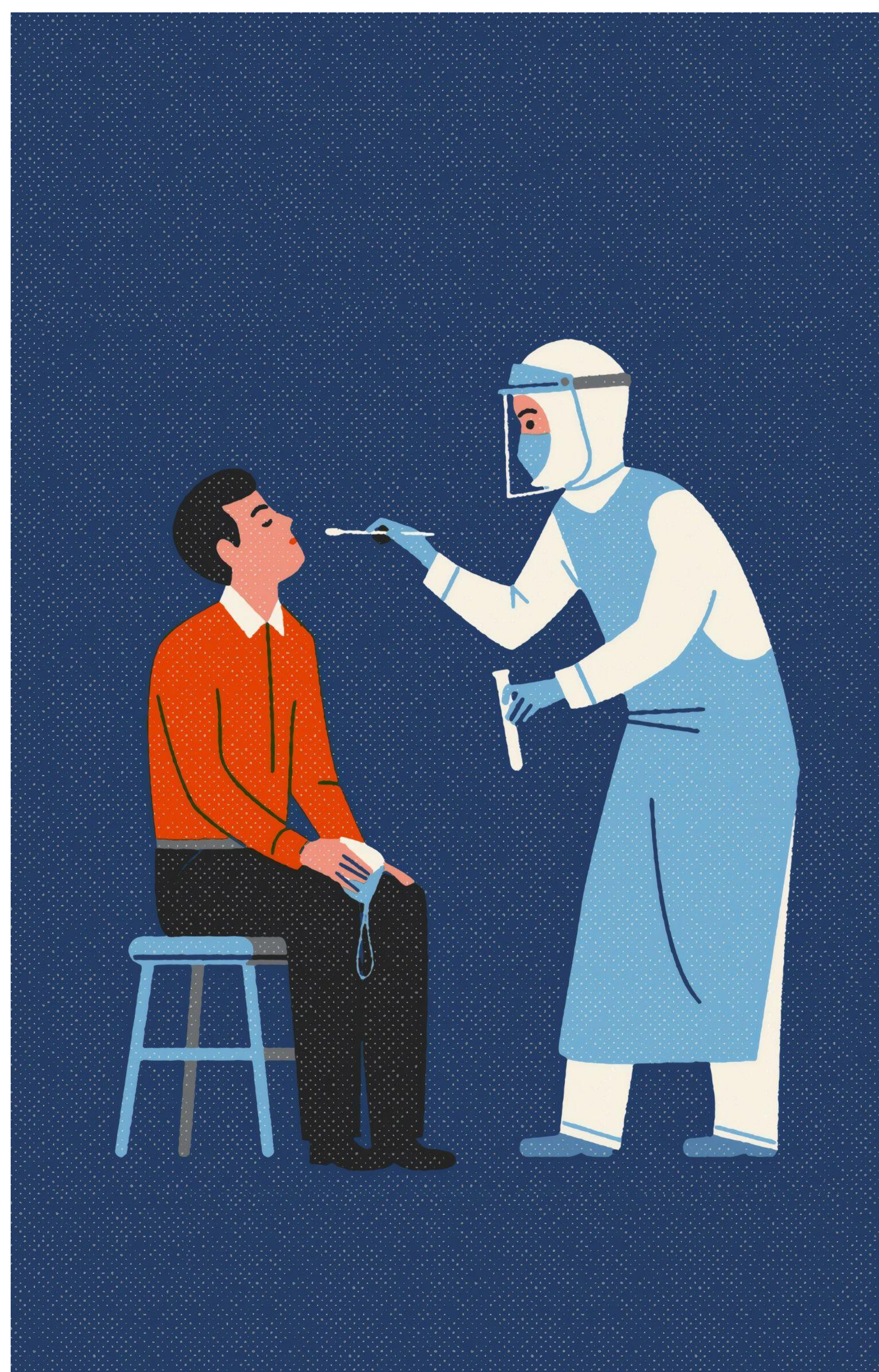
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# Optimism for the New Year

By Jeffrey D. Sachs



**Man commemorating America's Independence on 4th of July.**

**NEW YORK** – The year 2020 was a harrowing one, with the COVID-19 pandemic, worldwide economic reversals, widespread climate-related disasters, pervasive social unrest, and even US President Donald Trump's phony claims about massive electoral fraud and calls among his backers for martial law. Yet, despite the grim news, the year also brought some powerful reasons for optimism. In the coming year, we can lay the foundations for a new era of sustainable development, peace, and cooperation.



The **first** reason for optimism was the success of many countries in suppressing COVID-19. Countries throughout the Asia-Pacific region, as varied culturally and politically as Australia, China, South Korea, Laos, New Zealand, and Vietnam, deployed effective public health strategies to contain the pandemic. So, too, did some countries in other regions, including in Sub-Saharan Africa. While the headlines were dominated by the disastrous shortcomings of the pandemic response in the United States and Europe, the successes in the Asia-Pacific region and elsewhere show us how the combination of good governance, a responsible citizenry, and evidence-based policies can solve big and urgent challenges.

The **second** reason for optimism is the arrival of new vaccines, which are not only a source of great hope for saving lives and stopping the virus, but also a sign of the power





of modern science to deliver technological breakthroughs in record time. The vaccine development exemplified the “mission approach” of targeting research and development in a public-private effort. The same mission approach should be deployed to address other

global challenges, such as boosting renewable energy, sustainable farming, and the conservation of biodiversity.

The **third** reason for optimism is that Trump was decisively defeated in the November election. Like many demagogues of the past and present, Trump was able to generate a broad public following with the backing of mass propaganda, especially Rupert Murdoch’s Fox News. Yet enough of the public saw through the lies and smears to enable the US to make a new start after Trump’s disastrous reign of ineptitude, hatred, and lies.

Trump’s ignorance and lying contributed to more than 330,000 US deaths from COVID-19 in 2020, roughly one-quarter of the world’s death from the virus, though the [Biden supporter at the rally.](#)





US accounts for only 4% of the world's population. Trump's disastrous mishandling of COVID-19 ultimately led to his election defeat, yet even then Trump tried to maintain power by making desperate and delusional claims about widespread voter fraud. Fortunately, both the public and US institutions – mayors, governors, state legislatures, courts, and the military – resisted Trump's authoritarian impulses, so that President-elect Joe Biden, a decent, honorable, and rational man, will soon be inaugurated.

The **fourth** reason for optimism is the United Nations' strong performance, despite the powerful headwinds in 2020. The UN was ushered into existence 75 years ago by America's greatest president, Franklin Delano Roosevelt, as a bulwark against future wars. It defends the three pillars of multilateralism: peace, human rights, and sustainable development. In 2020, it performed admirably on all three fronts, despite the provocations from the Trump administration.

The UN agencies today are led by men and women of great skill and integrity, and Secretary-General António Guterres has guided the organization with enormous skill and vision during the toughest year since it was founded. In 2021, the UN will host several crucial global gatherings – on oceans, biodiversity, foods systems, and climate – that together can lay the foundations for decades of global cooperation on sustainable development.





### Researcher analysing COVID-19 sample.

The **fifth** reason for optimism is the digital revolution, the leading unspoken protagonist of the global pandemic response. Online activities kept the world functioning. Within weeks, businesses, schools, finance, government, commerce, payments, health-care providers, and the UN system went online at a rate, scope, and depth unimaginable until that point. The digital technologies played a direct role in fighting the epidemic, providing information, monitoring disease transmission patterns, and providing multiple health-system services.

Obviously, the new digital world has not been an unalloyed paradise. Distressingly, half the world still lacks Internet access. As a result, the rapid shift of work, school, social life, commerce, and



**“ We can be optimistic knowing that the world’s cutting-edge technologies and scientific knowledge empower us to solve pressing global problems. ”**

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entertainment to online platforms fueled dramatic inequalities between the Internet haves and have-nots. Moreover, digital technologies have given rise to other new and serious social ills, including large-scale hacking, fake news, cyberwarfare, and unwarranted surveillance by governments and private companies.

The two faces of the digital age, positive and negative, exemplify the situation we face on many fronts. We can be optimistic knowing that the world’s cutting-edge technologies and scientific knowledge empower us to solve pressing global problems. Yet we must also be vigilant to stop the forces of greed, ignorance, and hatred from hijacking the new technologies for their ulterior purposes.

The ancient Greek philosophers believed that politics and ethics must go hand in hand. Aristotle wrote two of his masterworks, the *Nicomachean Ethics* and *The Politics*, as companion studies, the first as a guide to human happiness and the latter as a guide to how politics can promote happiness in the Greek city-state (the *polis*).



In our time, Pope Francis has presented two great encyclicals, *Laudato si'* in 2015 and *Fratelli tutti* in 2020, to show how ethics can help guide the world to environmental sustainability and global peace. The new encyclical offers a profound description of how we can reach beyond our own families, communities, and countries to build dialogue and trust around the world.

So, let us enter 2021 with real yet cautious optimism. Let us resolve to extend the public-health successes of the Asia-Pacific region and the new vaccines developed in the US, Europe, Russia, and China to benefit the entire world. Let us resolve to set aside the hatreds that have undermined global cooperation, and join forces to overcome the inequality, poverty, exclusion, and environmental destruction that threatens the world. Let us redouble our support for the UN, to build a future based on peace, human rights, and sustainable development. And for those in the US, let us begin to heal a wounded and divided nation.

*Credits: Project Syndicate*

(Top) Toddler wearing mask while on motorcycle with dad. (Bottom) Barista preparing coffee with mask on.



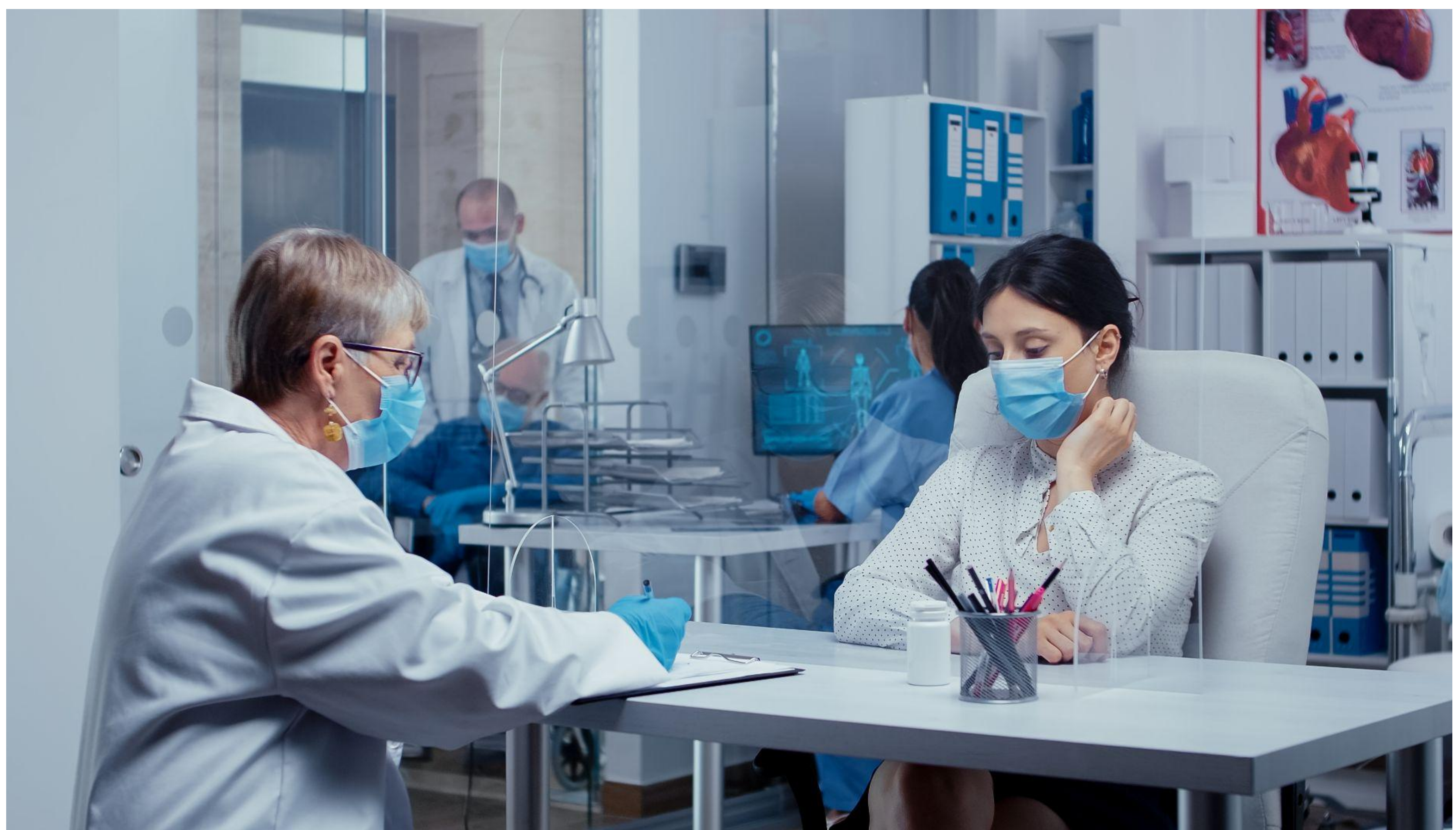


# The Brutal Governance Lessons of 2020

By Ngaire Woods

**OXFORD** – COVID-19 has offered some tough but useful lessons about governance. Many wealthy countries did not manage the crisis as well as anticipated, whereas many poorer, populous, and vulnerable countries exceeded expectations. The difference raises important questions not just about public-health management but also about the state of governance in the world's largest and oldest democracies.

Just before the pandemic, a coalition of major foundations published a Global Health Security Index (GHSI) that ranked



Woman receiving vaccination consultation.

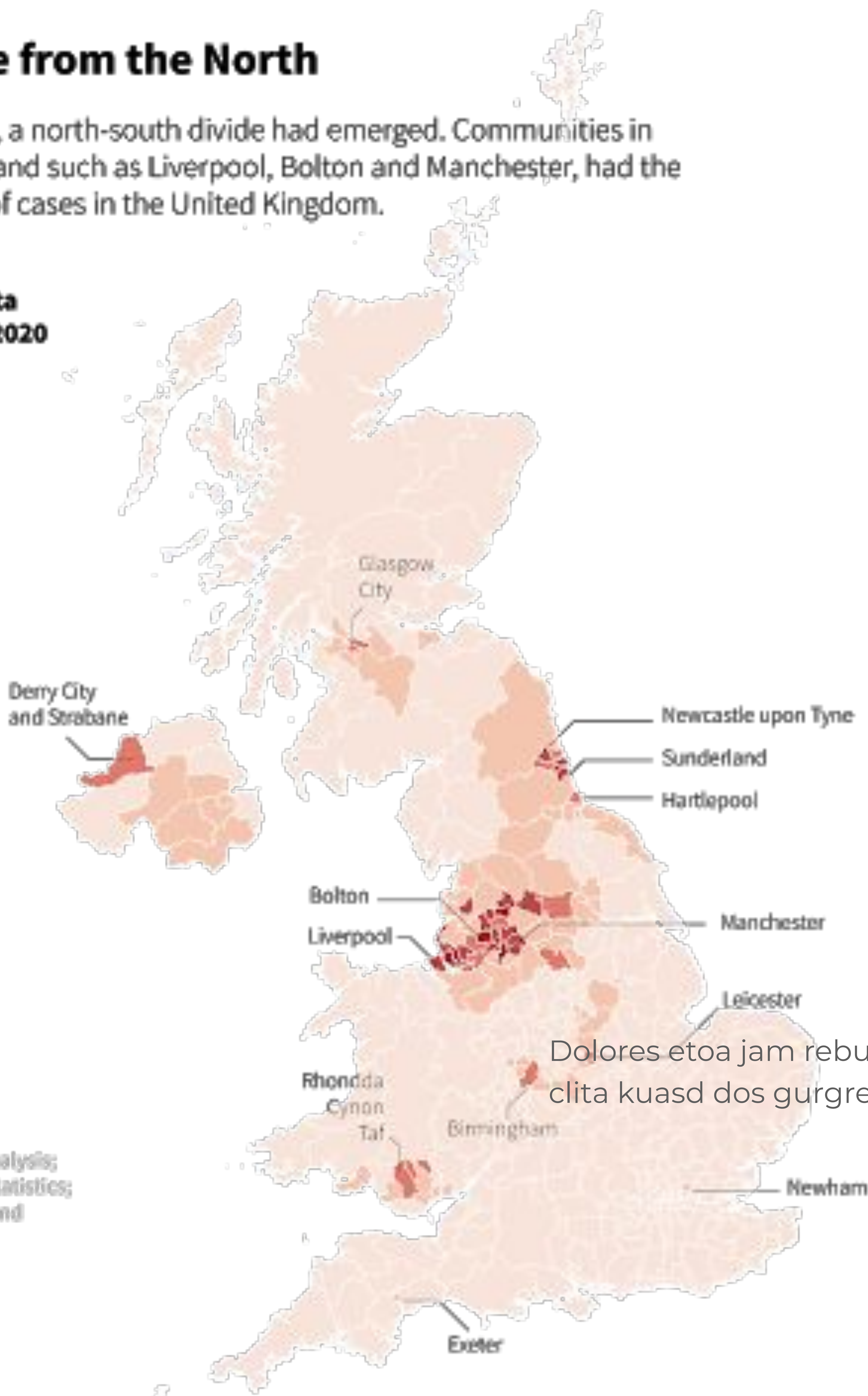


countries’ capacity to prevent, detect, and report an infection, and to respond rapidly to disease outbreaks. “Unsurprisingly,” a data journalist with Statista observed at the time, “higher income countries tended to record better scores in the index.” Topping the list of “countries best prepared to deal with a pandemic” were the United States and the United Kingdom.

## The Wave from the North

By September, a north-south divide had emerged. Communities in northern England such as Liverpool, Bolton and Manchester, had the highest rates of cases in the United Kingdom.

Cases per capita  
in September 2020



Sources: Reuters analysis;  
Office of National Statistics;  
Public Health England

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One year later, those rankings appear farcical. According to a study published in September, “The 10 countries worst affected with COVID-19 in terms of deaths per million are among the top 20 countries in terms of their overall GHSI scores.”

Of course, it is too early to trumpet a “successful model” for dealing with the pandemic. New epidemic waves are bearing down even on countries that thought they had the virus beat. But it is clear that some governments have deployed their resources, skills, and institutions much more effectively than others. Particularly interesting are three countries that ranked among the lowest on the GHSI.

## SENEGAL’S EARLY PREPARATION

Consider Senegal. With a population of just over 15 million and per capita GDP of around \$1,500, it ranked 95th on the GHSI with a score of 37.9 (the US, in first place, scored 83.5). Yet in January 2020, when the World Health Organization first declared an international public-health emergency, Senegal was already preparing.

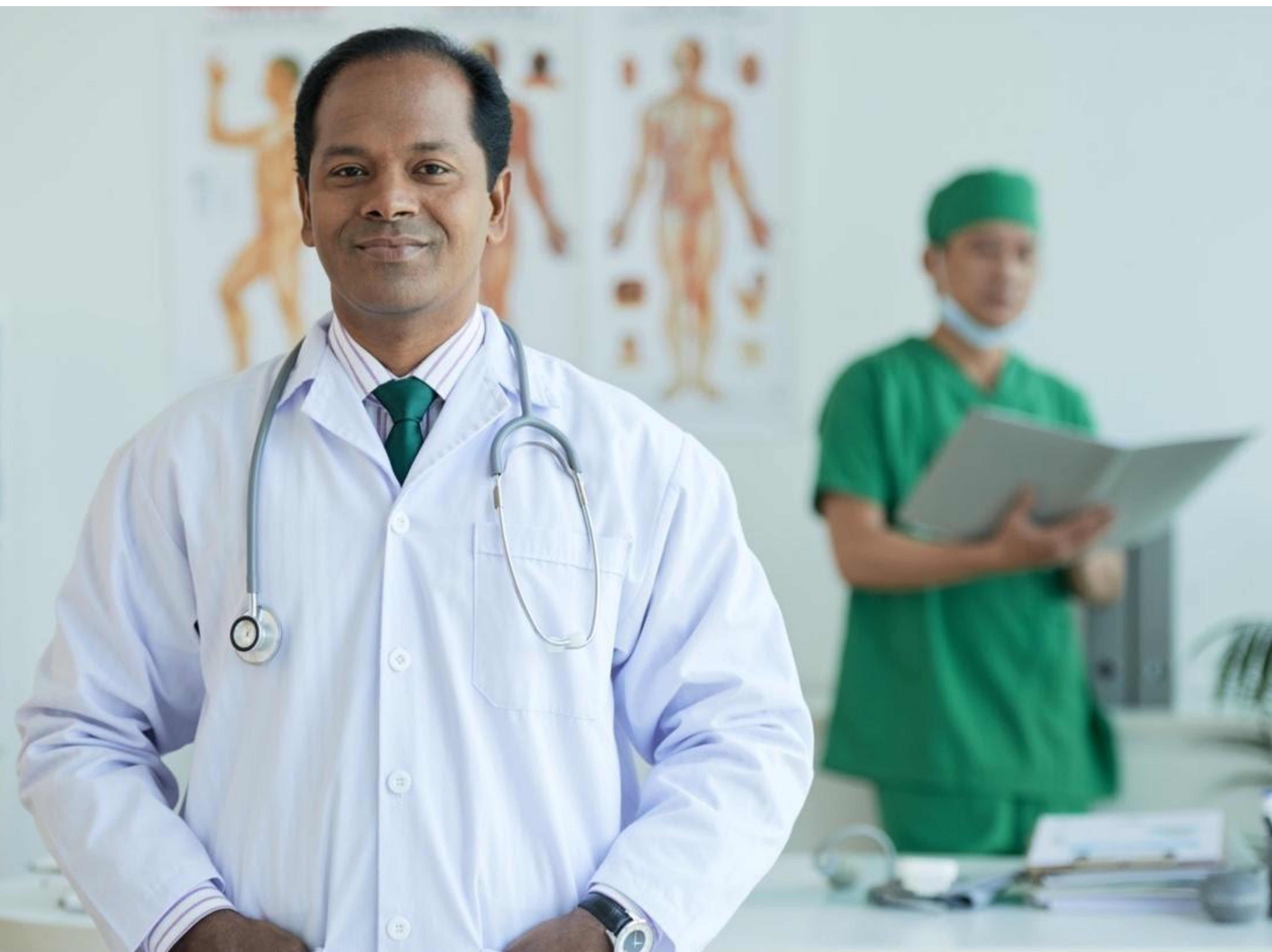
When Senegal detected its first COVID-19 case on March 2, it deployed mobile testing units (with results in 24 hours), established a contact-tracing system, and set up isolation facilities in clinics, hospitals, and hotels. The government also immediately banned public gatherings, imposed a nightly curfew, restricted domestic travel, and suspended international commercial flights. By April,



face masks had been declared mandatory in all public spaces. As of October, the country had recorded around 15,000 cases and 300 deaths.

It was not all smooth sailing, of course. Rioting in June led to an easing of restrictions. But the country adapted quickly. Its Health Emergency Operations Center remained committed to openness and transparency. Through the media, religious groups, village and community leaders, and other channels, it kept the public informed about the evolution of the epidemic, having learned the importance of clear and direct messaging during the 2013-16 Ebola crisis.

### **Sri Lankan doctor with his nurse.**





## RAPID LOCAL TESTING FOR SRI LANKA

Another country to beat expectations is Sri Lanka. With a population of 21.5 million, it ranked 120th on the GHSI, but it responded quickly to early reports about the virus. Deploying the military to help, the government rolled out locally developed rapid tests (with results in 24 hours) and random polymerase-chain-reaction (PCR) testing in densely populated areas. It established a stringent contact-tracing regime, provided support for those in isolation, mandated face masks in public, restricted and screened travelers, and set an island-wide curfew. And, as in Senegal, the Sri Lankan government launched a massive public-communications campaign. As of November 2020, the country had reported only 13 COVID-19 deaths.



**Civil servant in Vietnam getting swab tested.**

## VIETNAM CURBS COVID

A third country to stand out is Vietnam. With a population of 95 million and an under-developed health-care system, it was ranked 50th on the GHSI, but it moved with impressive speed on the first news of the virus in neighboring China. Shortly after logging its first cases, it had prepared

laboratories and tests, and imposed restrictions on all visitors from China. These measures were followed by rapid testing, contact tracing, hospitalization for all infected people, and isolation for all contacts of suspected cases. By October, the country had reported only 35 deaths.



If these poor countries could manage so well, why did the US and the UK fail? Recent experience with contagious diseases clearly played a role in country-level preparedness. Just as Senegal had experienced Ebola in 2013-16, Vietnam and Sri Lanka had absorbed the lessons from SARS (2003) and MERS (2012). Each had created an infrastructure to manage outbreaks (and some populations may have developed immunity to coronaviruses).

But history alone doesn't explain why these three countries fared so much better than the US and the UK. Why didn't these wealthier countries roll out rapid-result testing, contact tracing, and isolation procedures for suspected cases? Why didn't they mandate face masks and do more to prevent travel and in-person gatherings? Long after the data had shown these measures to be effective, the US and the UK continued dithering.

“ If these poor countries could manage so well, why did the US and the UK fail? Recent experience clearly played a role in country-level preparedness. ”

## GOVERNANCE LESSONS FROM EMERGING COUNTRIES

There are deeper lessons about governance. In Senegal, Sri Lanka, and Vietnam, each government unified behind a strategy, focused on clear public communications, and partnered with community networks. By contrast,



neither the US nor the UK proved capable of mobilizing its world-leading institutions behind a coherent national strategy. Instead, both countries' governments succumbed to feuding among elites.

When it came to strategy, the divisions within the US Republican Party and the UK Conservative Party caused their respective leaders to veer from one approach to another. The experts advising them competed for attention and influence, promoted their own models and research, and often lacked the humility to reach out for advice to frontline workers and other countries with relevant experience.

When it came to delivery, the US Centers for Disease Control and Public Health England each insisted that it alone should develop and



**Patient in critical condition is sent to the hospital's emergency room.**



control the testing regime for its jurisdiction. That approach failed in both countries, while a more collaborative approach worked in others. Instead of building local networks for contact tracing (which would be useful for future pandemics), the UK government outsourced the task to the corporate giant Serco and a company called Sitel. The result was a national call-center and online track-and-trace system that has failed to perform anywhere near as well as local health-protection teams in more successful countries.

## POLITICS AT PLAY

In the end, COVID-19 exposed the weakness of strategies aimed at political popularity rather than at the pandemic. Equally, it has exposed the folly of attempting to govern by centralized command rather than collaboration and cooperation. The UK prime minister's office ended up at loggerheads with the mayor of Manchester, and the US president with the governor of Michigan. Resources did not flow from the center to the areas where they were needed most.

The pandemic has revealed the urgent need to build connective tissue across governments and between national and sub-national institutions in the US and the UK. This is as crucial for fighting the pandemic as it is for ensuring a successful post-pandemic recovery.

*Credits: Project Syndicate*



# Globalising the COVID Vaccine

By Ngozi Okonjo-Iweala

**LAGOS** – The development and approval of safe and effective COVID-19 vaccines less than a year after the start of the pandemic is a truly remarkable achievement, offering hope that the end of this devastating crisis may be in sight. What will follow in the coming months – or even weeks – will be equally remarkable: COVID-19 vaccines will be made available to people around the world – not just in the wealthiest countries – at roughly the same time.

Vaccines will reach the majority of rich-country citizens in the first quarter of this year, and citizens of low- and lower-middle-income countries will also begin to access them. The speed and scale at which vaccines are being provided is both extraordinary and necessary to end the pandemic, and is possible only thanks to an unprecedented show of global solidarity and multilateral support for COVAX, the central mechanism in the global COVID-19 vaccination effort, launched last year by the World Health Organization and Gavi, the Vaccine Alliance (which I led).

COVAX will facilitate the rollout of two billion vaccine doses over the next year, reaching people in 190 participating countries and economies, regardless of their ability to pay. In fact, there should be enough doses to protect all health- and social-care workers





### Man getting COVID-19 vaccination.

worldwide by mid-2021. And despite meeting with its share of naysayers, the program has continued to attract more governments, economic policymakers, and vaccine manufacturers. These participants are signing on because they recognize that COVAX is the only viable global solution to the COVID-19 crisis.

Now that we have reached this critical juncture, speculation about whether COVAX will fail must stop. It is time to start providing the support needed to ensure that it succeeds in doing what it was designed to do. The development and approval of vaccines is merely the first step. As long as the coronavirus can be transmitted between people, many will continue to be infected, and some will die. The hope of returning to normal trade, commerce, and travel will remain elusive.



**“ To end the cycle,  
we cannot  
vaccinate only  
some people in  
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## **EQUAL OPPORTUNITIES FOR ALL**

To end the cycle, we cannot vaccinate only some people in some countries; we must protect all people everywhere. Yet as vaccines have been rolled out, demand has predictably outpaced the still-limited supply. Under these conditions, even if doses are promised for the rest of the

world further down the line, allocating vaccines to the highest bidder will merely prolong the crisis. Vaccine nationalism is precisely the problem that COVAX was created to solve.

In tackling COVID-19, we must avoid a repeat of 2009, when a small number of rich countries bought up most of global supply of H1N1 flu vaccine, leaving the rest of the world with none. Because every national government has a first-order duty to protect its own citizens, it is no surprise that some 35 countries have already concluded bilateral deals with pharmaceutical manufacturers for COVID-19 vaccines.



## COPIOUS AMOUNTS OF VACCINE: GOOD OR BAD?

These arrangements are not ideal when it comes to the global vaccination effort. Although COVAX is flexible enough to work around this particular problem, it can do so only as long as manufacturers provide it with the same access to vaccines as national governments receive. Unfortunately, we are already seeing some governments buy far more doses than they need, adding to the pressure on global supply during this critical initial phase.

Some of these countries have indicated that they will donate their surplus orders, in which case these additional doses will need to be redirected as quickly and as equitably as possible. The best way to ensure that they are is for donor governments to go through the Gavi/COVAX Advance Market Commitment (AMC) mechanism, which was created to ensure that COVID-19 vaccines are made available to people living in the world's 92 low- and middle-income countries.

So far, COVAX has secured around one billion doses for people in these countries, by striking deals with manufacturers of several of the most-promising vaccine candidates. But many more doses are needed. All manufacturers must step up and make their vaccines available and affordable to COVAX, so that there can be a timely global rollout. Some manufacturers have already done this; and international donors have contributed the \$2 billion that the COVAX AMC needed for 2020. But the program needed an additional



\$5 billion in 2021, and in December, the United States allocated \$4 billion for Gavi in its second COVID-19 relief package.

Back in February, few imagined that by year's end we would have more than one approved vaccine and be in a position to deliver doses to high- and lower-income countries simultaneously. But the global community rallied and created a platform for doing precisely that. All COVAX needs now is enough international support to finish the job.

*Credits: Project Syndicate*



# Reflections on a Plague Year

By Jim O'Neill

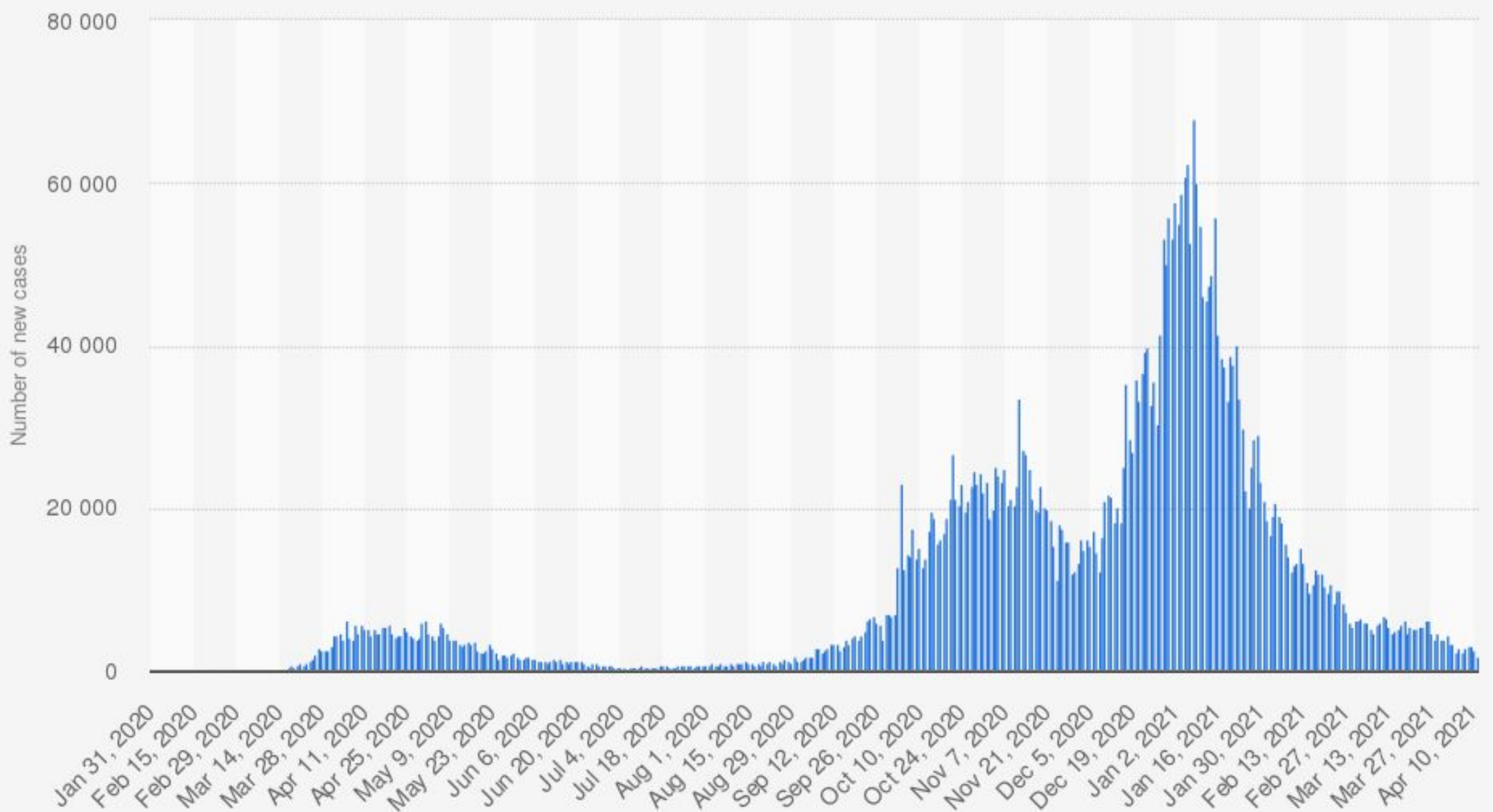
**LONDON** – It is probably premature to offer an assessment of the COVID-19 pandemic's possible consequences, not least because there may well be many more twists and turns to come. And once we defeat the coronavirus, some of the pandemic-induced changes to our lives might turn out to have been temporary. But with these caveats in mind, it is possible to begin drawing some conclusions.

**First**, it seems reasonably clear that once a new, highly infectious and dangerous virus appears, it pays to act aggressively to stamp it out as soon as possible, rather than wait and hope that we learn more. More than a year after the initial COVID-19 outbreak in China, many of the (mostly Asia-Pacific) countries that took the most aggressive steps to





## Number of new coronavirus (COVID-19) cases in the United Kingdom (UK) since January 2020 (as of April 11, 2021), by date of report



Source  
GOV.UK  
© Statista 2021

Additional Information:  
United Kingdom; 2021

tackle the coronavirus seem to be in a much stronger position than the West.

Recently, for example, Western Australia reacted to a single COVID-19 case by locking down the city of Perth for five days. Here in the United Kingdom, by contrast, the clamor to reopen resurfaces as soon as there is evidence that current hospital admissions and reported deaths have passed a peak, even though the daily rate of new infections is well above 15,000. Ending lockdown is obviously desirable, but as the UK has learned, any easing of restrictions will be temporary unless the number of active cases declines dramatically.



**Second**, some countries are vaccinating their populations faster than others. Early leaders include the UK, which partly explains the loud calls to ease the lockdown. Initial evidence suggests that the COVID-19 vaccines are not only helping to reduce the scale of serious illness, but also reducing transmission. This could turn out to be spectacular news, and – if stronger signs of the vaccines’ efficacy emerge – mark the beginning of the pandemic’s end. But if governments lift lockdowns too soon, the risk of new coronavirus mutations resistant to current vaccines will increase.

**Third**, although the first approved COVID-19 vaccines were adapted from research already underway for other purposes, the pandemic may well permanently improve the entire vaccine development process, from research to clinical trials and regulatory approval procedures. If so, this should help us to combat future variants as well as new pandemics.



The pandemic may also boost the pharmaceutical sector’s overall efficiency and productivity (as opposed to its profitability). So, perhaps drug firms will also be able to develop new antibiotics far sooner than conventional wisdom would have us believe.

**Fourth**, the COVID-19 crisis has shown that governments can spend a lot more money without upsetting markets than most people



thought. Although high and increasing levels of government debt have raised huge questions, the fact that financial conditions have remained so benign – with bond markets, in particular, seemingly untroubled – raises the possibility that governments can be more fiscally ambitious than many believed.

This could have profound consequences for economic-policy debates, ranging from whether the eurozone should scrap its fiscal rule limiting government debt to 60% of GDP to whether governments should maintain a permanent presence in some sectors where they previously were absent.

For example, it seems obvious to me that we need a major overhaul of government expenditure accounting that results in a clear distinction between investment and consumption (or maintenance) spending.



**“ Unless everyone has access to technology, major national initiatives, such as COVID-19 test-and-trace schemes, are unlikely to succeed. ”**



If government investment spending is a source of future private-sector economic growth, especially in areas with a large positive multiplier, this crisis has demonstrated the silliness of treating all government spending equally. This applies to aspects of health and education in particular, but to many other areas, too – including how governments try to tackle climate change.

Crucially, governments must also play a bigger role in ensuring that all citizens have access to digital technologies (in the same way that they should ensure universal access to education and health care). Unless everyone has access to technology, major national initiatives, such as COVID-19 test-and-trace schemes, are unlikely to succeed.

**Fifth**, whatever the post-pandemic norm for remote work may be, work habits are set to become more flexible. This will have a host of positive consequences, including much less time wasted commuting, less pressure for conventional transport infrastructure upgrades, larger and more “liquid” labor markets, and perhaps even a rise in productivity.

**Sixth**, the crisis has accelerated the shift toward technologically enhanced tools, especially for consumers, thereby casting doubt on the future of many brick-and-mortar retailers. Policymakers will therefore presumably need to rethink some aspects of taxation, including finding new sources of revenue from online businesses. This might allow many traditional retailers at least to have a fairer





chance of playing a continuing role in our shopping habits.

**Seventh**, the function of urban real estate, especially perhaps in large conurbations, will need to adapt. This will require new ideas about the spatial relationships between offices, shops, and homes, as well as about transport. The idea of flexible and shared office spaces may well become embedded into the next generation of workers.

**Finally**, the COVID-19 crisis has accelerated Asia's global rise in terms of relative economic growth, with China driving the region's ascent. The contrast between China's governance structure and that of Western democracies – in terms of both global governance arrangements and managing bilateral relations – will thus become an even bigger issue for many leaders than it already is.

*Credits: Project Syndicate*



# Spotlight: Singapore



## Islandwide vaccination

The Pfizer-BioNTech vaccines have reached our shores. Priority has been given to our front-line workers like the healthcare staff, as well as those working in the aviation and maritime sectors. Vaccinations centres are now available, with many more opening in the months to come, potentially providing 70,000 shots daily. Those in the community will be able to receive the vaccination, starting with senior citizens at the start of this month.

### Singapore's latest update

**As of 21st January 2021, Singapore has a total of 59,235 COVID-19 cases, where 99.5% of them have recovered. 247 remain active (0.4%) while 29 died from the virus.**





# CORE ADVISORY

ADVISING CEOS & LEADERS WORLDWIDE

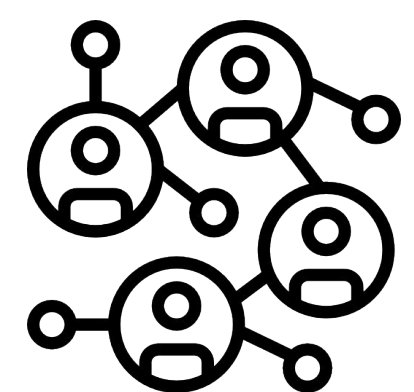
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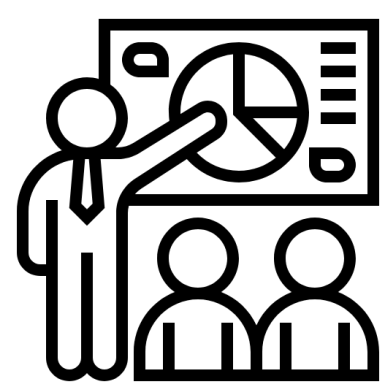
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