Transcript of IMF podcast:

**Vietnam: A Remarkable Response with Limited Means**

Anne-Marie Gulde-Wolf:

Vietnam's fight against the pandemic was expected to be an uphill battle, actually. Vietnam was considered to be highly vulnerable because it's proximity to China, sharing a very long border, densely populated urban areas, and very limited treatment infrastructure.

Bruce Edwards:

Today economists Anne-Marie Gulde-Wolf and Era Dabla-Norris on how a developing country with limited means can fight a pandemic.

Anne-Marie Gulde-Wolf:

A series of decisive measures have really set Vietnam apart from what we've seen in other countries.

Era Dabla-Norris:

There have been only 331 confirmed cases and no deaths. Vietnam was also among the first countries to lift virtually all domestic containment measures. And this was by mid-May and they're already some signs of an incipient domestic economic recovery.

Bruce Edwards:

Welcome to this podcast produced by The International Monetary Fund. I'm Bruce Edwards. "The storm is a good opportunity for the pine and the cypress to show their strength and stability," so said Ho Chi Minh, the Father of the Vietnamese nation. And it turns out Vietnam has shown its strength in weathering the COVID-19 storm. Era Dabla-Norris and Anne-Marie Guide-Wolf are both economists in the IMF Asia Pacific department. They say Vietnam's approach should allow for a quicker rebound.

Bruce Edwards:

So why has Vietnam been so successful at containing the pandemic while most countries, especially developing countries, are struggling with this? I mean, what went right?

Anne-Marie Gulde-Wolf:

Let me, first of all, stress that Vietnam had a plan early on. So a national health response plan and a national steering committee chair at the highest levels of the government was already put in
place in mid-January of 2020. This allowed swift and aggressive response to the pandemic. It emphasized transparent communication and led to buy-in by the public, that was really a hallmark of the response by Vietnam.

Era Dabla-Norris:

And one of the things that we also see is that they also took a series of measures that were progressively tightened. For instance, they introduced health screenings at the airports, which were implemented as early as mid-January. And then they included other types of measures, included travel bans on all foreign travelers, school closures as early as February and public event cancellations. And they also enforced wearing a mask in public venues and encouraged people to work from home, shut down or non essential services, and sort of the stricter mobility restrictions or the lock downs, that we speak of, were imposed earlier than most other countries.

Bruce Edwards:

Yeah. So they were obviously very proactive in their approach. Why do you think they were more proactive than other countries?

Anne-Marie Gulde-Wolf:

A part of that is dating back to their experience in 2003, with the SARS outbreak. So they had already faced one experience with a pandemic and the lesson from that was that early action was instrumental to address things. So given the proximity to China, and as I mentioned, the long border with China, Vietnam took early signs of a pandemic in China very, very serious. Soon after China officially reported to the WHO, several cases of unusual pneumonia on December 31st, 2019, the government immediately started preparing for this pandemic.

Era Dabla-Norris:

And there was also an understanding, just to add to what Anne-Marie is saying, there was also an understanding that because of the limited treatment infrastructure, this had to be contained early on because there was a risk of overwhelming the relatively weak health systems. And the weakness of the health system was also an important consideration in terms of their early response.

Bruce Edwards:

So testing has been a challenge for most countries, I guess. To what extent was testing part of Vietnam's approach?

Anne-Marie Gulde-Wolf:

Testing was part of Vietnam's approach, but Vietnam did not have the financial means to do a mass testing that was successfully adopted in the more advanced economies such in Singapore, Korea and New Zealand. So Vietnam tested mostly high risk and suspected cases, such as incoming international travelers, and focused largely, on their contacts. So to date, Vietnam has conducted about 350,000 tests, a relatively small share of the population of 97 million. However, more than 1,060 people were confirmed cases, the highest ratio in the world, which means that the testing was very targeted and therefore very effective.

Bruce Edwards:

And they did do a lot of quarantining, that was part of their strategy, and they used a lot of the state facilities to do that. Did they have the medical facilities to do that and treat all the confirmed cases? Or did they have to sink a whole bunch of money into a new infrastructure?

Era Dabla-Norris:

You're right, Bruce, in that a key component of the continuous strategy, as Anne-Marie said, involved extensive contact tracing, isolating suspected cases in quarantining. And this is actually
much more aggressive than many other countries. What Vietnam did was that, groups of people who live near confirmed cases, sometimes it was an entire street or an entire village, it was really strictly tested and they were isolated. And this helps limit community transmission. Another key aspect was that suspected cases and their contacts were quarantined away from their families, or they were asked to self isolate.

Era Dabla-Norris:

So nearly to-date about 450,000 people have been quarantined. And this was either at hospitals or state-run military facilities or other types of public facilities. And the hospitals were really responsible for treating cases that were confirmed. Other suspected cases were put in these military facilities or other types of public facilities or put in isolation. And treatment in quarantine for state-run facilities were confirmed or suspected cases, was provided free of charge for all Vietnamese nationals. And in terms of cost, it ended up being more cost effective, precisely because the government was able to deploy these military and other state-run facilities to host all suspected cases.

Bruce Edwards:

One of the challenges that many countries had was sort of convincing people that they needed to take these strict social distancing guidelines seriously, wear masks, et cetera. I mean, it took months for countries, especially advanced economies, to implement. How did they convince the Vietnamese people that this social distancing was super important very early on?

Anne-Marie Gulde-Wolf:

Yeah, Bruce, that's a challenge everywhere, but the Vietnamese government had, as we emphasized before, a well coordinated and well-designed plan and communication was a key element in that plan. So the government relied on a multimedia approach that outlined the details on symptoms, protective measures and testing sites were nationally communicated through the mass media public pronouncements, and through grassroots organizations. Text messages, for example, appeared before you could make a phone call. So it was a massive communication effort. This helped to build both trust and buy-in into social distancing measures and also supported lockdown and other measures that might be coming across as more harsh, but there was trust in what was being proposed.

Bruce Edwards:

And so Era, you touched upon this a little earlier in terms of Vietnam's budget and how it might have been affected by the whole containment strategy. Are they looking at the same issues that many developing countries are having coming out of COVID-19?

Era Dabla-Norris:

So like other developing countries, and I should say that Vietnam's economy has not been entirely spared from the economic ill-effects, if you will, of the crisis. Growth has declined, from a very robust 7%, that was seen in recent years, to an estimated 2.7% this year. But the impact on Vietnam's economy, the overall impact of shock so far, is expected to be milder than what we see in most other countries in the region. And this is really largely thanks to the successful containment strategy that was adopted by the government, and the fact that the government was able to flatten the curve and open up the economy earlier than most other countries, and as well as the policy measures that have been taken to support both individuals and firms.

Era Dabla-Norris:

So as in other countries with some of the fiscal deficit has expanded, and debt has increased, but it's well below the government's statutory limit of 65% of GDP, and the public health strategies I mentioned was cost effective. This is because there was swift to containment of the outbreak early on and this was coupled with a use of existing public and military facilities. And the overall budgetary cost of fighting the pandemic is estimated to be around 0.2% of GDP. And the bulk of
this was really spent on healthcare equipment and materials for hospitals and treatment, and then the rest on quarantine and containment activities. So it was a much more cost effective strategy then we've seen elsewhere.

Bruce Edwards:

That's impressive. So what can we learn, or what should we learn from Vietnam's experience in terms of preparation for a crises like these?

Anne-Marie Gulde-Wolf:

Here, I think we should look at three lessons. The first one is that really an early response based on a consistent and in most cases, a national plan when you see a pandemic rather than having uncoordinated or localized measures being taken. The second lesson is that you have to be aggressive from the start, you have to rely on testing, contact tracing and strict quarantines, just to be sure that you treat the symptoms early on. And then the third and really important lesson I would stress is the transparent and consistent communication, both on the disease prevention of further outbreak, the reasons for testing, where this testing takes place, and to make sure that everybody speaks with one voice to ensure that there is public trust in the message. With the three steps, we believe that Vietnam has shown that even with limited means, you can be successful and you can make a difference from what could have otherwise happened.

Era Dabla-Norris:

Actually Vietnam even had a very, very catchy hand-washing song.

Bruce Edwards:

So we have to hear a little bit of that.

Era Dabla-Norris:

It's something about wash your hands, wash your hands, and don't touch your face- along those lines (laughs). It's a very fun song. And this went viral around the globe, I think this was also part of the communication strategy.

Bruce Edwards:

Thanks to you both.

Anne-Marie Gulde-Wolf:

Thank you, Bruce.

Era Dabla-Norris:

Thank you, Bruce.

Bruce Edwards:

So what you're hearing is actually a public service announcement or PSA by Vietnam's Ministry of Health in the form of the very catchy 2017 song Ghen by singers, Min and Erik. The hand-washing dance has become a bit of a craze. You can learn it on YouTube, check it out.

Bruce Edwards:

Era Dabla-Norris is a Division Chief and Anne-Marie Gulde-Wolf a Deputy Director in the IMF's Asia Pacific Department. You can read more about how Vietnam, and other countries in the region, are weathering the COVID-19 storm at IMF.org. Look for other IMF podcasts wherever you get your podcasts, subscribe if you like what you're hearing, and follow us on Twitter @IMF_podcast. Thanks for listening.