



Strengthening post-pandemic socio-economic recovery

THE BRICS PILLARS

Since its establishment in 2009, and subsequent to the joining of South Africa in 2010, the five BRICS member states have agreed to focus their cooperation on the three basic pillars which are (i) Political and Security, (ii) Economic and Finance, and (iii) Cultural and People-to-People exchange. For the 15th BRICS Summit in South Africa, the theme is, "BRICS and Africa: Partnership for Mutual Accelerated Growth, Sustainable Development and Inclusive Multilateralism." With 19 potential BRICS member applications this year, the BRICS is fast becoming a magnet of attraction for the developing nations. For its part, South Africa serves as a primary linkage for other African countries to this important multilateral formation – the

BRICS. Mutual cooperation for the post COVID-19 economic recovery is therefore important for both the BRICS and other developing nations.

INTRODUCTION

Towards the end of 2019, the world encountered a massive global health crisis that was later termed COVID-19, i.e., Coronavirus diseases, an infectious disease caused by the viral respiratory infection (SARS-CoV-2 virus), which is the seventh known respiratory coronavirus to infect humans. By the 5th of January 2020, the World Health Organisation (WHO) had published its first report about the disease outbreak and on the 12th of January China, publicly shared its genetic sequencing of the COVID-19 virus. Ever since, an estimated 764, 5 million people have been infected and 9,9 million people are equally estimated to have died from this disease.

As COVID-19 devastated societies between late 2019 and 2022, almost all nations went into unprecedented restraint in the form of curfews that came to be labelled "lockdowns." These were meant to reduce human-to-human interaction and therefore constrained the spread of the disease.

Table 1: COVID-19 Infections and deaths

Country	Infection	Deaths	Death as % of infected	Death as % of tot pop
Brazil	37 407 232	701 215	1,9	0,3
China	764 473 623	6 915 273	0,9	0,5
India	44 905 827	531 369	1,2	0,04
Russia	22 820 815	398 142	1,74	0,28
South Africa	4 072 533	102 595	2,5	0,17

Source: World Health Organisation, World Death Indicators (accessed on May 2023).

The implications of these major lockdowns are that the ordinary way of life, experienced before COVID-19, in the economic and social spheres ceased. According to the World Health Organisation (WHO, 2022) COVID-19 not only escalated the mortality rate, but caused other economic, social, political, and psychological challenges. The press statement of the United Nations (UN) Secretary General António Guterres' on COVID-19 stated that it is "... a generational catastrophe that devastated the viability of economies and threatened to reverse the global, regional and national gains made to quality educational delivery." The Secretary General, furthermore, noted, "... now we face a generational catastrophe that could waste untold human potential, undermine decades of progress, and exacerbate entrenched inequalities." (UN Educational, Scientific and Cultural Organisation; UNESCO, Press Release No.2020-73).

For the BRICS and developing nations, COVID-19 had implications on all the three pillars of BRICS cooperation which are Political and Security, Economic and Finance, and Cultural and People-to-People Exchange. The analysis in this paper is limited to three areas where COVID-19 had major implications which are the health, economy and social (people-to-people) realms.

THE GLOBAL HEALTH IMPACT OF COVID-19

The COVID-19 pandemic emerged for the first time in December of 2019 and spread throughout the world during the first quarter of 2020 and is considered a major health pandemic. Analysis of the implications and the impact of COVID-19 suggests that it had global reach, and was costly in terms of human life, although not at the same level as other major historic pandemics like the Spanish Flu or Black Death. With the current medical research advancements, COVID-19's health impact was quickly halted although finally it managed to spread to over 764 million people worldwide and caused over 6,9 million deaths (WHO, 2022).

While it was contemplated that COVID-19 would affect mostly poorer and less developed nations, infection and death statistics however suggested, in 2020, that "despite the extensive spread of the virus, the mortality toll remains highly concentrated in high-income countries. Developing countries represent 85 percent of the global population, but only 21 percent of the pandemic's death toll." (Schellekens and Sourrouille, 2020). Philip Schellekens and Diego Sourrouille (2020) considered that the excessive skewness may be accounted for by the aged demographics in high-income nations.

THE IMPACT OF COVID-19 ON ECONOMIES

The COVID-19 pandemic shocked the global economy and triggered the largest global economic recession experienced in a century according to the World Bank (2022).

The quarterly GDP results for the period 2020 to April 2021 suggest that the global economy contracted by 3.5% and every country posted a "recessionary" growth between 2019 and 2021. The recessionary performance was more pronounced in poorer and developing nations (International Monetary Fund, 2020b). Throughout the same period, the world experienced the worst unemployment crisis since the Great Depression showing the following trends:

- 20% unemployment average for the Organisation for Economic Cooperation and Development (OECD) countries for the period of Apr/May 2020
- 11.2% unemployment average for BRICS countries in 2020

The worst affected of the labour force were frontline staff throughout all industries and those involved in physical jobs, migrants, ethnic minorities, young people and low wage earners.

During the same period, the worst food crisis in decades was observed. For instance, the highest food insecurity was observed affecting between 650 and

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Table 2: COVID-19 effect on Gross Domestic Product (GDP) and employment indicators

GDP					
Country/Year	2018	2019	2020	2021	2022
Brazil	1,78%	1,22%	-3,88%	4,62%	2,90%
Russia	2,81%	2,20%	-2,66%	4,75%	2,99%
India	6,45%	3,87%	-5,83%	9,05%	6,83%
China	8,11%	2,24%	5,95%	6,75%	2,99%
South Africa	1,52%	0,30%	-6,34%	4,91%	2,04%
Unemployment Rates					
Country/Year	2018	2019	2020	2021	2022
Brazil	12,33%	11,93%	13,69%	14,40%	4,10%
Russia	4,85%	4,50%	5,59%	5,01%	8,30%
India	5,33%	5,27%	8,00%	5,98%	5,60%
China	3,80%	3,62%	4,24%	3,96%	4,20%
South Africa	24,22%	25,54%	24,34%	28,77%	29,20%

Source: World Bank, World Development Indicators (accessed on May 2023).

700 million Africans and globally, over 300 million people faced food insecurity especially in the less developed nations.

COVID-19 SOCIAL IMPACT

The disruptions that COVID-19 pandemic caused, to what is deemed the normal human existence, were extreme. Disruptions were experienced in the world of work and in social interactions (WHO, 2022). The implementation and enforcement of COVID-19 lockdown and social distancing policies worldwide had implications on among others, social gatherings and interactions as well as tourism. Little attention is given to the resultant effects of lockdown policies on the domestic or home front. Below, we provide some perspective on these “soft” social issues that form part of the BRICS third pillar of culture and People-to-People exchanges.

Tourism

Where the impact of COVID-19 was felt the most included industries such as agriculture and tourism, and the associated value chain. Its impact on the tourism industry and on tourism service providers resulted in the loss of 20% of all tourism jobs. The slump in tourism resulted in US\$1.3 trillion reduction in export revenue and a reduction of 50% tourism contribution to the global GDP in 2020 alone. The United Nations World Tourism Organisation (UNWTO) estimated a loss of 850 million to 1.1 billion international tourist arrivals at all major tourism destinations (Richter, 2021).

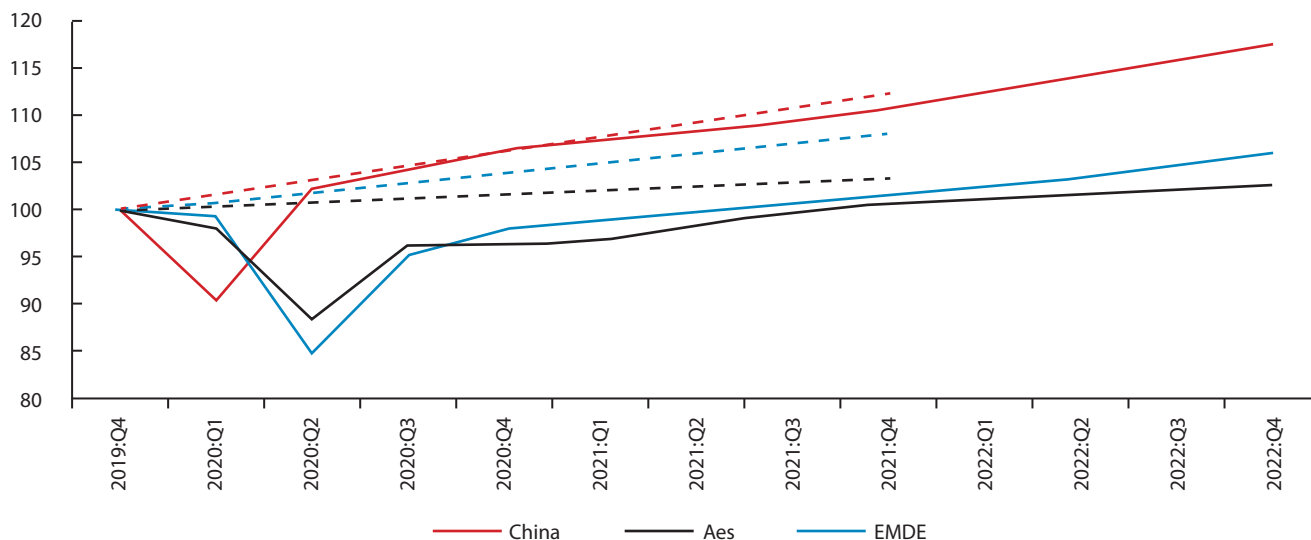
The UN records for July 2022 suggest that the COVID-19 impact on tourism was a complete standstill in international tourism. This resulted in between US\$1,2 and US\$3.3 trillion loss to the global economy. These figures are an upward adjustment to the 2020 tourism arrivals that were further adjusted from US\$1,3 to an estimated US\$2,4 trillion in economic loss (UN News, 2021). The collapse in the tourism industry severely impacted the livelihoods of tourism-dependent communities. This especially in small tourism countries, towns and communities where it negatively affected small businesses and women-run enterprises who are part of the entire tourism value chain beyond reduced government tax revenues and GDPs.

Organised Crime and domestic violence

COVID-19 related literature generally points to the impact on GDP and other “important indicators” such as employment and health statistics. Below the surface, there are other social indicators that are often ignored or not well established; pervasions that include the effect of COVID-19 on crime and criminality. Tracing global criminal trends during COVID-19, John Boman and Thomas Mowen (2021) concluded that the overall crime decreased by 37% worldwide due to lockdown policies, however criminality such as homicide remained unchanged.

After studying organised criminal trends in 42 African countries, the Institute for Security Studies (ISS, 2021) concluded that organised crime increased in Africa during the COVID-19 era. Organised

Figure 1: Economic Performance Indicators



Source: IMF-WED Jan-2021. Note: dashed lines indicated estimates for Jan 2020 World Economic Outlook update

crime that includes human trafficking for sexual exploitation to corruption, fraud and money laundering, and poaching of endangered wildlife, escalated. This resulted in an estimated US\$88,6 billion in illicit financial flows (3,7% of Africa's GDP).

Since the outbreak of COVID-19, data trends suggest that all types of violence against women and girls, particularly domestic violence, had intensified. This emergent crisis varied in its intensity from country to country and city to city. In Canada for argument sake, a reported 22% escalation in domestic violence required a collective global response. UN Women (2021) surveys on the abuse of women suggest that COVID-19 unleashed another pandemic, i.e., women abuse. Seven out of ten women reported that domestic violence had increased during the COVID-19 pandemic negatively affecting women's mental health during the pandemic. Socio economic factors such as food insecurity (Humphreys, 2020).

POST PANDEMIC RECOVERY RECOMMENDATIONS

Beyond and besides the COVID-19 pandemic, cooperation between the BRICS nations in its outreach to the developing nations is ongoing. This cooperation is aligned to the three pillars that are outlined in the introduction to this paper. When COVID-19 disrupted the global economic and political architecture, both the BRICS and the developing world were not spared. The recommendations made here relate to the critical

areas covered in this paper, namely of health, economic performance and social realms after COVID-19. However, these recommendations are cast beyond the effects and implications of COVID-19. The question is how the BRICS and its outreach agenda to the developing nations can be optimised.

Repositioning the BRICS economically

The experiences of the BRICS nations through COVID-19 varied especially in the areas of health and procurement of vaccinations, as well as in areas such as economic performance and in food security. COVID-19 proved that BRICS nations are not currently trading and operating at levels that insulate each other from unnecessary disruptions from outside of this grouping both in trade and in other important areas of the BRICS cooperation. It is recommended therefore that:

- To facilitate smooth trade among themselves, during and outside of challenging economic times, that pose potential for food insecurity and energy insecurity, among others, BRICS nations should address their long trade and tax instruments, i.e., the trade tax regime and use of local currencies.
- The BRICS should consider implementing long term trade development plans and strategies that are geared towards a singular BRICS currency. This has been in the pipeline for way too long and in the interim, the use of local currencies in some instances has already taken effect between China and Russia and India and Russia in the context

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of the Ukraine war. The BRICS should take a principal position to make this a reality for all trade arrangements.

- Other important trade instruments that have been in the pipeline for a considerable time, and articulated in the previous BRICS declarations, include establishing currency Swap agreements that will lubricate interstate trade.

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Improved labour market conditions after COVID-19

The COVID-19 crisis highlighted the extent of interdependency among states. Importantly the pandemic also highlighted the dependence upon the frontline workers who delivered essential goods and services throughout the pandemic while exposing themselves to high infection risks. It is important that collectively the BRICS, and the international community, improve work conditions for the young, less educated, foreign-born and from racial/ethnic minorities and workers employed in low-paying jobs (OECD, 2020).

It is equally important to recognise and ensure that the long-standing inequalities of women, who earn less, save less and hold less secure jobs, are intentionally, strongly and permanently redressed (UN Women, 2022). The BRICS and other nations, either through or without the International Labour Organisations or the UN, should foster multilateral arrangements that empower migrant labour systems. These should provide attention to the migrants and racial/ethnic minorities groups and ensure that they attain the appropriate skills to fill the jobs of the future.

Rebuilding the tourism industry

The tourism industry is one of the economic sectors that suffered the most as a result of COVID-19, both in financial terms and employment. It is important therefore that in the short term, improvements and restoration of traveller confidence, and people-to-people exchanges within the BRICS, and tourist safety are guaranteed. Nations should commit to building resilient and inclusive tourism sectors, leveraging renewed interest in sustainability. A focus of the tourism sector should also be to guarantee

environmentally friendly practices wherein people and technology meet to mitigate climate change and build a resilient and sustainable tourism. BRICS nations have ample opportunity to expand their mutual tourism attractions beyond leisure, which is currently the main source of tourism, to include tourism in other sectors such as medical, industrial, sporting and academic tourism, among others.

Closing the inequality gap within and among countries

BRICS nations should prioritise investment in education, beginning in early childhood to combat and decrease persistent inequality across nations and increase economic mobility. Within the BRICS framework, there already exist the BRICS universities network which is largely deemed to be operating loosely. A formal education cooperation framework, similar to UNESCO, for the BRICS nations would be most ideal in fostering joint collaborations, scholarships and championing mutually beneficial innovations and research engagements.

Combating criminality and violence

In previous declarations BRICS nations emphasised the importance of cooperating in national and international security spaces to guarantee national and international sovereignty of states. COVID-19 has demonstrated that there are international criminal syndicates in the health and other spaces that requires BRICS nations to cooperate closely in order to combat these social disruptions. It is important for the BRICS to give an expression to supporting the rights of victims of cross-border crime and criminality as well as to prosecute perpetrators and strengthen penalties for offenders. ●

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