**Forum:** Economics and Social Council

**Issue:** Developing policies to address the impact of the pandemic on global economic inequality and promote economic recovery and resilience in the African continent

**Student Officer:** Kate Han

**Position:** President



**Introduction**

The theme of Beijing Model Unites Nations XXXI, “Coexisting Peacefully in a Polarized World” proposes meeting compromises in a society full of opposing opinions. Indeed, the nature of economic inequality, the focus of the agenda at hand, revolves around polarization, and solutions ought to be developed for demonyms in the African continent to co-exist peacefully.

In December 2019, a new infectious disease called the coronavirus disease 2019 (COVID-19) was identified for the first time in the People’s Republic of China (PRC). This virus spread at an alarming rate, and soon, in March 2020, the World Health Organization (WHO) officially declared a Public Health Emergency (PHE), or the pandemic.

Since then, the COVID-19 pandemic has deeply impacted countries worldwide, forcing entire economies to abruptly come to a halt. Indeed, all of us can agree that we experienced its impact to a considerable extent. Many families were forced into quarantine and lockdown, suddenly losing most of their social opportunities. Policies attempting to remove contact, notably physical contact, were implemented, and the world introduced overwhelming amounts of changes daily. Inevitably, technology started replacing the social aspects of our lives. For example, for students and teachers, new education systems such as online learning were introduced. Meanwhile, workers were encouraged or even forced to work at home. Naturally, many previous workers suffered from losing their jobs due to the barriers that the pandemic established.

Set apart from these changes we, ourselves, faced, there are countless other changes that others faced. The agenda at hand specifically focuses on the economic impacts the COVID-19 pandemic had on the African continent, and it aims to find solutions to resolve the economic inequality it left behind and to promote economic recovery and resilience that is yet to be achieved in Africa.

**Definition of Key Terms**

**Pandemic**

 An epidemic of an infectious disease over a large region, such as a whole country or the world at a particular time. In the context of the agenda at hand, pandemic refers to the recent COVID-19 pandemic.

**Economic Recovery**

A stage in the business cycle following a recession, a period where the improvement of business activity is sustained. During this period, the economy bounces back as

1. gross domestic product (GDP) grows,
2. incomes rise,
3. and unemployment rates drop.

**Resilience**

 The ability to withstand adversity and adapt and rebound. In the context of the agenda at hand, resilience refers to the ability to respond to economic inequalities and recover from the previous economic downturn.

**Gross Domestic Product (GDP)**

 The total economic value of all completed goods and services produced within a country’s borders during a specific period, with this time usually lasting a year. GDP is often used to measure and numerically present the economic health of a nation.

**Trade**

 The voluntary exchange between two parties to fulfil both of their desires or requirements, forming a symbiotic relationship where both parties benefit from each other.

**Background**

**Historical overview**

On 14 February 2020, the COVID-19 pandemic was confirmed to have reached Africa for the first time, spreading to Egypt. By 13 May 2020, all African countries had been affected by the pandemic, with Lesotho becoming the last country in Africa to record a case of COVID-19. Soon, by 8 July 2020, half a million cases were confirmed, and this number reached a million on 6 August 2020. Even worse, the true number of cases is believed to have exceeded that of confirmed cases, due to the low testing rates in the majority of African countries.

**Causes and Impacts**

 Despite the African continent being the second largest and second most populous continent of the world, with its population of approximately 1.4 billion people making up 18% of global population, it was already nominated as the least developed continent in terms of human development index even before the COVID-19 pandemic. Therefore, scientists and researchers naturally predicted that low and middle-income countries such as countries is Africa will receive the most negative impact. Indeed, due to the lack of research and resources, Africa was heavily impacted by the pandemic, in areas such as but not limited to global supply chains (trade), tourism, vaccine inequality, and food security. The following sub-sections discuss these areas, but keep in mind that these are not all of the areas that were negatively impacted by the pandemic.

Although the ultimate cause of the agenda at hand can be blamed on the COVID-19 pandemic, there are other internal factors that amplified the negative impact of the pandemic.

***Global Supply Chains (Trade)***

Due to the inevitable barriers the COVID-19 pandemic set, global supply chains were disrupted and the African continent was not an exception to this phenomenon. Africa’s top export products lost value, experiencing sharp declines in prices, and the continent could not continue trade with its top trading partners such as the PRC and the United States of America (USA). Trade finance transactions are largely paper-based, so they were directly impacted by the limitations the pandemic imposed on in-person interactions. Finance approval rates were slowed down, and the supply of bank-intermediated trade finance decreased.

***Tourism***

Before the COVID-19 pandemic, tourism was an efficient source of foreign income that was used in the African continent. With the natural closure of international borders, international tourist inflows into Africa decreased accordingly. According to the United Nations World Tourism Organisation (UNWTO), international tourist arrivals to Africa decreased by 35% between January to April 2020. Especially countries such as Gambia, South Africa, Egypt, Kenya that are heavily dependent on the expenditure of international tourists suffered from a sudden decrease in foreign income. Whether it was to prevent the spreading of COVID-19, or whether it was due to the lack of customers, the close down of tourism businesses was inevitable and resulted in a massive job loss crisis across the tourism industry in Africa.

***Vaccine Inequality***

Unlike countries such as the USA and those in the European Union (EU) that made significant progress regarding post-COVID-19 pandemic recovery, the African continent is still struggling, especially in areas related to healthcare. Even in 2023, 53 African countries revealed of not having reached the targeted 70% vaccination rate. The delay of reaching a sufficient vaccination rate to achieve herd immunity causes the negative impact of the pandemic to continue, and indeed, Africa continues to suffer from the pandemic.

***Food Security***

The COVID-19 pandemic negatively impacted food security in the African continent, starting from crop producing and ending with the difficult general access to food. Especially in the Western and Eastern Africa regions, crop production was negatively impacted as cropping season had just begun when the pandemic struck the continent. Livestock was inevitably impacted as well, mainly due to malnutrition. According to the Food and Agriculture Organization (FAO) of the United Nations (UN), “producers experienced constrained access to markets, animal feed, pasture, water, veterinary services and other inputs, while drugs and animal feed prices increased.” While about 200 million people in Africa consider fish as their primary source of animal protein, the fisheries sector was negatively impacted as well, in countries such as Algeria, Morocco, and Seychelles. Overall, the more vulnerable population were correspondingly more vulnerable to malnutrition and starvation as well.

**Major Parties Involved**

**African Governments**

 With the nature of the agenda at hand revolving around the African continent, African governments play a major role in the agenda at hand. African governments are in charge of not only making the final important decisions, but most importantly, they are responsible for keeping track of the current situation regarding its economic status. African governments are also in charge of managing trade, more specifically the exports and imports status of Africa, and they oversee its vaccination status as well.

**People’s Republic of China (PRC)**

 The PRC stands as the African continent’s biggest trading partner, maintaining a symbiotic relationship. Many African economies export goods that contribute to the manufacturing processes in the PRC, and they rely on Chinese firms for immediate inputs in exchange. Therefore, a decrease in the PRC’s PMI, a system used to measure the industrial performance of a nation, imposes several economic risks to Africa as well. All things considered, the first case of COVID-19 occurred in the PRC, and cases in the country thereby expanded at a rapid speed to an overwhelming number. Consequently, the PRC’s PMI dropped by 29 between January and February 2020, causing Africa-PRC trade to decrease by 14% when comparing the first quarter of 2020 to that in 2019. During this period, businesses were operating below capacity, and some companies even decided to terminate the trade contracts they had with Africa prior to the COVID-19 pandemic.

**United States of America (USA)**

Internationally, the USA is a major player involved in many agendas. Therefore, it is also involved in determining the policies that support the economic recovery of Africa. Meanwhile, the USA stands as the African continent’s second biggest trading partner, following the PRC.

**Timeline of Events**

|  |  |
| --- | --- |
| Date | Description of event |
| 14 February, 2020 | COVID-19 reaches Egypt, spreading to the African continent for the first time |
| 13 May, 2020 | COVID-19 affects all African countries |
| 6 August, 2020 | The number of confirmed COVID-19 cases surpasses a million in Africa |

**Previous Attempts to Resolve the Issue**

With the COVID-19 pandemic standing as one of the first outbreaks to spread to the African continent, although the African continent was willing to be committed and involved, not all attempts made were entirely successful or helpful.

According to the Oxfam Digital Repository, Southern Africa is most committed to reducing inequality, followed by Northern Africa, Eastern Africa, Central Africa, and Western Africa in that order. All things considered, there have been a considerable amount of attempts to resolve the agenda at hand.

Generally, the African continent itself has not been able to take much action to resolve the agenda at hand. Due to its lack of research and resources, the best attempt Africa could make was to impose national lockdowns. Jobs that were contact-heavy in nature had to be put on hold, and its economy itself was thereby put on hold. Meanwhile, external organizations and international campaigns such as the COVAX has attempted to increase vaccinations rates to achieve herd immunity. As a whole, even the scarce number of attempts that were made to resolve the agenda at hand were not entirely successful or helpful.

**Possible Solutions**

* A solution that is always brought up regardless of the agenda is the hosting and participation in diplomatic discussions. Although diplomatic discussions may not always be efficient, with a consensus or solution very rarely being met after days of continued discourse, they will be the most efficient medium if implemented correctly. To handle this situation, third-party mediators could be invited to the diplomatic discussions to moderate the discourse. They will be in charge of ensuring there is no power imbalance between countries that is negatively impacting either one or the other. Participant nations should also make sure to focus on one specific agenda during a diplomatic discussion rather than focusing on a broad agenda that requires more specification.
* The COVID-19 pandemic has broken the African continent’s trading ties not only with other countries but also within the continent. Although it would be ideal for long-term solutions to be developed to address reviving trading ties with external markets, the most immediately implemented solution should be promoting intra-African trade and regional economic integration to reduce the current dependency on external investment. Then, once the African economy is settled to a safe extent, countries can reach out to external nations to recommence regular trade.
* One of the most immediate industries that were negatively impacted by the COVID-19 pandemic was the tourism industry, and due to the nature of the African continent being heavily dependent on tourism, restoring the tourist dollars is compulsory. Fortunately, as the pandemic has now come to an end, and lockdown measures have been lifted, this area will be a relatively easy one to tackle. An immediate approach African governments shouldt take is reducing the overall cost of the tourism services they offer. This solution will have to involve the bundling of individual tourism elements to attract the tourists to visit many monuments and stay for an overall longer period of time. Additionally, African governments can offer tax exemptions and holidays to support their fast recovery. After tourism businesses are ready for promotion, tourism products should be aggressively marketed to not only Western countries but also Chinese tourists.

**Bibliography**

*Assessing the impact of the COVID-19 pandemic on agriculture, food security and nutrition in Africa*. Accra, Ghana, FAO, 2021. *Food and Agriculture Organization of the United Nations*, www.fao.org/documents/card/en?details=cb5911en. Accessed 1 Jan. 2024.

Burke, Jason. "Total confirmed coronavirus cases in Africa pass 1 million." *The Guardian*, 6 Aug. 2020, web.archive.org/web/20200807120309/https://www.theguardian.com/world/2020/aug/06/total-confirmed-coronavirus-cases-in-africa-pass-1-million. Accessed 1 Jan. 2024.

Bwire, Godfrey, et al. *The COVID-19 pandemic in the African continent*. 2 May 2022. *BMC Medicine*, bmcmedicine.biomedcentral.com/articles/10.1186/s12916-022-02367-4. Accessed 1 Jan. 2024.

Cocks, Tim. "Remote Lesotho becomes last country in Africa to record COVID-19 case." Edited by Jon Boyle and Pravin Char. *Reuters*, 13 May 2020, Remote Lesotho becomes last country in Africa to record COVID-19 case. Accessed 1 Jan. 2024.

"Covid-19 and Tourism in Africa: An Unprecedented Shock." *ISPI*, 28 Sept. 2020, www.ispionline.it/en/publication/covid-19-and-tourism-africa-unprecedented-shock-27640#:~:text=The%20impacts%20of%20the%20pandemic%20on%20the%20tourism%20economy%20in%20Africa&text=Chiefly%20among%20these%20impacts%20on,inflows%20into%20Africa%20have%20ceased. Accessed 1 Jan. 2024.

"COVID-19 (Coronavirus) Response in Africa." *World Bank*, www.worldbank.org/en/region/afr/coronavirus. Accessed 1 Jan. 2024.

Egypt Today Staff. "Egypt announces first Coronavirus infection." *Egypt Today*, 14 Feb. 2020, www.egypttoday.com/Article/1/81641/Egypt-announces-first-Coronavirus-infection. Accessed 1 Jan. 2024.

Fernando, Jason. "Gross Domestic Product (GDP): Formula and How to Use It." *Investopedia*, 30 Nov. 2023, www.investopedia.com/terms/g/gdp.asp. Accessed 1 Jan. 2024.

"Global and U.S. Agencies Declare End of COVID-19 Emergency." *Pfizer*, 11 May 2023, www.pfizer.com/news/announcements/global-and-us-agencies-declare-end-covid-19-emergency. Accessed 1 Jan. 2024.

Hurley, Katie. "What Is Resilience? Your Guide to Facing Life's Challenges, Adversities, and Crises." *Everyday Health*, 14 July 2022, www.everydayhealth.com/wellness/resilience/. Accessed 1 Jan. 2024.

"Impact of the Coronavirus Covid-19 on the African Economy." *Union Africaine*, au.int/fr/node/38326. Accessed 1 Jan. 2024.

The Investopedia Team. "Economic Recovery: Definition, Process, Signs, and Indicators." *Investopedia*, 13 Oct. 2021, www.investopedia.com/terms/e/economic-recovery.asp. Accessed 1 Jan. 2024.

Mwai, Peter, and Christopher Giles. "Coronavirus: How fast is it spreading in Africa?" *Yahoo News*, 7 July 2020, web.archive.org/web/20200707213330/https://news.yahoo.com/coronavirus-fast-spreading-africa-232332271.html. Accessed 1 Jan. 2024.

Nyantakyi, Eugene Bempong. "COVID-19 PANDEMIC Potential Risks for Trade and Trade Finance in Africa." *Africa Economic Brief*, vol. 11, no. 6, 23 June 2020, pp. 1-8. *African Development Bank Group*, www.afdb.org/fr/documents/africa-economic-brief-covid-19-pandemic-potential-risks-trade-and-trade-finance-africa-volume-11-issue-6. Accessed 1 Jan. 2024.

"Trump Vows to Issue Executive Orders if Coronavirus Relief Talks Collapse." *The New York Times*, 7 Aug. 2020, web.archive.org/web/20200812151402/https://www.nytimes.com/2020/08/07/world/covid-19-news.html#link-16eac8b3. Accessed 1 Jan. 2024.

Wei, Calvin R., et al. *Vaccine inequity: a threat to Africa's recovery from COVID-19*. 19 Dec. 2023. *BMC Medicine*, tropmedhealth.biomedcentral.com/articles/10.1186/s41182-023-00564-2#:~:text=Africa%20has%20many%20countries%20still,and%20June%202022%20%5B3%5D. Accessed 1 Jan. 2024.

"What is 'Trade.'" *The Economic Times*, economictimes.indiatimes.com/definition/trade.

**Appendix or Appendices**

1. <https://doi.org/10.1186/s12916-022-02367-4>

*This article specifically focuses on the impact of the COVID-19 pandemic on the African continent. It explores why the pandemic was deadly, especially in Africa, and it further provides a historical overview of the pandemic in Africa.*

1. <https://www.worldbank.org/en/region/afr/coronavirus>

*Although this article was not written recently, having been written during the COVID-19 pandemic, it briefly mentions the deceleration of economic growth in the African continent, and it suggests solutions accordingly.*

1. <https://www.afdb.org/fr/documents/africa-economic-brief-covid-19-pandemic-potential-risks-trade-and-trade-finance-africa-volume-11-issue-6>

*This article provides an overview of the economic impacts the pandemic had on the African continent.*