

The Socio-Economic Impact of COVID19 on Peace and Security in Africa

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Tomorrow (30 June) on the last session of the month, the African Union (AU) Peace and Security Council (PSC) is expected to hold its latest session on the novel coronavirus (COVID19), this time with a focus on the socio-economic impact of COVID19 on peace and security in Africa.

It is expected that PSC members will conduct the meeting through video teleconference. The AU Commissioner for Economic Affairs Victor Harison is expected to deliver a remark to the Council. Africa CDC and Department of Social Affairs will make presentations. Executive Secretary of the Economic Commission for Africa Vera Songwe is scheduled to make a presentation as well. Additionally, Founder and Executive Director of the African Centre for the Constructive Resolution of Disputes (ACCORD) Vasu Gounden will deliver a presentation.

Since the outbreak of the virus, the AUPSC has been undertaking discussions to assess the multiple impacts of the pandemic on the peace and security of the continent. The discussion on Tuesday is a follow up of this ongoing discussion with a particular focus on the socio-economic impacts. As the Director of the African Centre for Disease Control and Prevention (CDC) aptly put it, COVID-19 could be “a national-security crisis first, an economic crisis second, and a health crisis third”.

According to data compiled by the Africa CDC, the virus has already infected more than 350 thousand people across the continent and 9 thousand people have so far lost their lives. The spread of the virus has shown major surge during the

course of the past month. This spread has as yet to reach its peak.

More than the health crisis, what has actually been worrying for Africa is its devastating socio-economic impacts. In one of its first sessions on the virus, the PSC, in its communique of the 918th session, noted 'with deep concern the profound socio-economic consequences of COPVID19 within Africa, including the fall in commodity prices and the attendant loss of national resources'.

For tomorrow's session, it would be of interest for members of the PSC to receive update on the scale of the socio-economic impact of COVID19. Based on UNECA's projections, "Africa will be hard hit by the projected medium to long-term social and economic impacts of the pandemic". The drop in GDP could lead to stalled economies and exacerbate historical structural inequities in most African economies. The pandemic has affected social interaction and significantly reduced economic activities because of the series of measures, including social distancing and stay at home orders, undertaken to contain its rapid spread. This has had enormous implications for the lives and livelihoods as well as socio-economic wellbeing of Africans, particularly those vulnerable groups of the society who earn their living from the informal economy. In this respect as well, the PSC expressed its deep concern about 'the pronounced negative impact of COVID19 on the informal sector, which is the source of livelihood for the majority of the population in both, rural and urban areas.'

Africa's economy is likely to enter into recession perhaps for the first time in decades with a projection of a 1.1% growth rate this year in the best-case scenario and a contraction of -2.6 per cent in the worst case. The economic impact of this crisis will have ripple effects across different sectors. This has been manifesting itself in various forms, and according to UNECA, these include "falling demand for Africa's commodities; capital flight from Africa; a virtual collapse of tourism and

air transport associated with lockdowns and border closures; and depreciation of local currencies as a result of a deterioration in the current account balance”.

Also, of interest for tomorrow’s session is the impact of the pandemic on regional integration processes on the continent, including in the implementation of some of the flagship projects of Agenda 2063. It has been pointed out within AU that Africa was making progress towards implementing the African Continental Free Trade Area (ACFTA) to boost intra-African trade but now this has been upended because of the pandemic. Simultaneously, as much of the adverse consequences are linked to the excessive dependence of Africa on global supply chains, COVID19 also underscored the imperative of investing in the ACFTA and continental economic integration.

All the negative consequences of COVID19 on the economy are undermining the gains made over the past decades in making a dent on poverty and exasperate already existing socio-economic difficulties. According to the United Nations Development Programme (UNDP), the pandemic will likely increase poverty and inequalities jeopardizing the well-being of millions of people for many years to come. In this regard, the International Growth Centre estimates that 9.1% of the African population may have already been pushed into extreme poverty. The Centre also estimates that the pandemic is” likely to make the savings of about 30% of the population [in sub-Saharan African countries] essentially vanish, removing all resilience capacity to future shocks”. The reversal of the development gains that the continent made, the fall of millions of people on the continent into extreme poverty, and the expected limited or absence of economic opportunities particularly for the youth that accounts for the vast majority of the continent are all potential areas of concern for political stability and peace.

Many African countries find themselves facing the risk of becoming food insecure. The World Food Programme has already

warned, for instance, that “the number of acutely food insecure people [in east Africa and the Horn] is likely to increase to between 34 and 43 million from May through July due to the socio-economic impact of the pandemic”. This coupled with the multiple crisis affecting the region, including the massive outbreak of desert locusts and flash floods threatens to wipe out the lives and livelihoods of millions of people.

Another area of interest for members of the PSC during tomorrow’s session is the efforts underway to limit and mitigate the socio-economic adverse effects of COVID19 in Africa. The UNDP argues, ‘[d]evelopment trajectories in the long-term will be affected by the choices countries make now and the support they receive’. Leading experts, such as former UNECA Executive Secretary, pointed out that Africa needs ‘a stimulus package of at least 5% of GDP, either in the form of capital mobilization, or in the form of debt relief or restructuring, or support for the social sectors’. Similarly, the UN Secretary-General also launched an initiative for mobilizing \$200 billion, which he said is required, for delivering economic relief package to prevent the worst impacts of the pandemic. It is to be recalled that the Bureau of the AU Assembly, among others, urged G20 countries to provide an effective economic stimulus package that includes relief and deferred payments. In this regard, the Bureau called for the waiver of all interest payments on bilateral and multilateral debt, and the possible extension of the waiver to the medium term, in order to provide immediate fiscal space and liquidity to governments. Furthermore, the Bureau also urged the World Bank, International Monetary Fund, African Development Bank and other regional institutions to use all the instruments available in their arsenal to help mitigate against the scourge and provide relief to vital sectors of African economies and communities. UNECA points out that these measures need to include direct support that will keep households afloat and businesses solvent with particular

focus on the vulnerable sections of the society.

No doubt, the socio-economic impact of the pandemic varies from countries to countries given the different strengths and vulnerabilities. For this reason, one of the issues that requires attention during tomorrow's session is identifying how the socio-economic impact of COVID19 would affect transitional processes of countries in transition, peace processes and the peace and security dynamics of countries in conflict.

As far as African countries not affected by conflict prior to COVID19 is concerned, it would of course be difficult to argue in terms of a direct causal link between the socio-economic impact of the pandemic and its possible ramifications for stability. But there is no doubt that the institutional capacity of governments in Africa are being stretched to the limit. Indications are also that domestic violence and crime are on the rise and there is a sense of frustration and disillusionment particularly on the part of people who depend on the informal sector and most affected by the socio-economic impact of COVID19. The potential of this socio-economic situation eventually eroding societal cohesion and becoming a source of instability cannot simply be overlooked. 'If not controlled early, the pandemic could quickly morph into humanitarian, socioeconomic, development, and political crises, with profoundly destabilizing effects', UNECA warns.

The expected outcome of the session is a communiqué. The AUPSC is expected to assess the corona virus situation in Africa and the response efforts in the continent. It may wish to express appreciation to the ongoing national, regional, and continental efforts to mitigate the socio-economic impact of this pandemic. In particular, the Council may commend the measures taken by African governments and African people including CSOs and business to implement socio-economic response to save lives and livelihoods. It may also wish to commend the work of some of the regional and continental

organizations in support of these national efforts.

The Council may note the various implications of socio-economic impacts of COVID-19 to the peace and security of the continent. In this regard, it may wish to emphasize on the impact of the pandemic on fragile countries, which require urgent attention and look at ways and means of extending support and solidarity to those countries. In this context, while welcoming the Sudan partnership meeting of 25 June that mobilized a much needed financial support to sustain the transitional process in Sudan, the PSC may renew its appeal to the international community to provide much needed support and, reiterating its the communiqué of 928th session, urge follow up on call by the UN Secretary-General for a \$200 billion economic relief package to avoid the worst consequences of the socio-economic impact of the pandemic. It may further look at the underlying structural issues that expose Africa's vulnerabilities to shocks and reflect on measures that could be taken at various levels to address those vulnerabilities. It may also encourage greater synergy at the national, regional, and continental efforts to provide effective socio-economic response to protect the wellbeing and livelihood of the African people. Beyond the immediate and short to medium term emergency response efforts, the Council may also wish to look at how Africa could ensure a better socio-economic recovery while also trying to promote and maintain its peace and stability.