

Editorial

BRICS and Economic Development: A multidisciplinary perspective the impact of Coronavirus on the BRICS and beyond

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1. Introduction

The Brazil, Russia, India, China and South Africa (BRICS) is an established socio-economic and political partnership among major emerging economies which originated from a top-down cooperation and moved towards one which recognises a bottom-up participation (of the grassroots) through developmental projects of potential positive economic impact. Amid the 2008/2009 global economic crisis the BRICS outperformed the leading economies thus giving hope to the populace of those member countries. China as the leading economy of the BRICS also played a major role in the financing and supporting of the National Development Bank (also known as the BRICS Bank) the aim of which is to fund capital intensive developmental projects in regions surrounding the BRICS (as opposed to only helping BRICS partners) [1]. So far, the BRICS have been doing well on trade and cooperation as they coped with the many challenges in and among them. However, the novel Coronavirus 2019 (COVID-19) adds to the challenges that were yet to be overcome in and among the BRICS countries, namely poverty, unemployment, human rights abuses (including environmental and linguistic rights infringements) and corruption. This editorial seeks to also bridge the gap created by papers barely addressing the impact of COVID-19 to the BRICS economy (of which Africa is concerned through South Africa, as a gateway to the continent). COVID-19 causes the BRICS States to discontinue efforts that meant regional integration. This could be accelerated as visa constraints are added and several travel restrictions beyond the partnership are imposed. The health crisis will slow the progress of seeing the BRICS projects realised in time and this is a matter of concern.

2. Tackling the Covid-19 Health and Economic Crisis¹

One of the limitations to this SI could be the fact that COVID-19 economic impact was barely addressed in these papers merely because the studies were conducted prior to the epidemic outbreak. The aim of this editorial is thus to bridge that gap. There is no way one can talk of BRICS economy today without alluding to the catastrophic situation the partnership is facing due to the COVID-19 pandemic. The impact of coronavirus on daily life is multidimensional. The transport industry has been affected together with almost all sectors of life including, Hotel, Tourism, Education (Schools Colleges and Universities) to name but a few. Petrol traded 19c/l (cents a litter) and petrol price went down on 2nd March 2020 because people are now travelling less. Diesel went down 54c/l (cents a litter) for the same reason as reported in South Africa. Usually in March, petrol price would increase but the current situation is unprecedented, and predictions point to a possible recession if the situation is not reversed soon. The tourism industry in South Africa realised an income of R120 billion in 2018 but due to COVID-19 the impact is already negative not only in South Africa but in the rest of the BRICS as well.

Economists predict that a 130 billion US\$ in loss would hit the aviation industry because of the pandemic. The health crisis will have far-reaching effects on the auto-manufacturing industry (one of the biggest in the BRICS) with 92% of car sales dropped in China upon announcement of the novel coronavirus disease in late 2019 – in fact it is still too early to project thoroughly the impact of COVID-19 to the economy. The above depicts a picture of a situation which affects South Africa as an open economy depending on many players in and outside the BRICS. To mitigate the impact on the economy and life in general, the BRICS try to put in place containment measures gradually – with China declaring the state of emergency and South Africa declaring the state of disaster. The situation in the BRICS Countries is therefore worrisome to say the least. South Africa, a country which already had a zero-growth, or less than 1% growth economy could suffer the most because of its persisting fiscal crisis according to [2]. By 8 March, the Indian Bollywood was cancelling ceremonies as the number of infections in that country rose (to 30 people on that date). Brazilians think their government was not taking the Coronavirus threat seriously and thousands of people called for the resignation of the current president. Russia closed its borders to China (quasi) claiming the Chinese case to be the most desperate.

Sectors that employ more people in South Africa are yet to see the worse impact, but the future isn't bright at all. The mining and manufacturing sectors are reportedly expected to show weaknesses due to the COVID-19 as the days go on. As the rand value increases there are reports of a 30% drop in oil price due to the crisis in the world. The situation is worse since the second world war aftermath crisis. The stock markets are also affected badly.

Because of the Corona virus pandemic the fuel went down, flights booking were cancelled as the aeroplanes were stopped, tourism takes the hit, people lose jobs

¹ SABC News (Broadcast). 2020. & BBC News (Broadcast). 2020

as there is simply not enough revenue in the country, consumers also have reportedly insufficient money to buy certain goods and services like never before in modern history.

In general, the Corona mortality rate is only 1-3%, with Italy known to have around 5% mortality rate a few weeks ago, reportedly surpassing China in numbers of deaths caused by the deadly disease. The entire Lombardy region in Italy was quarantined by 9 March 2020, leading to the whole country declared lockdown (with huge impact on the economy). Predictions show that the Italian economy could shrink by 3% subsequent to the crisis.

The economic effects are predicted to be worse because of poverty and restrictions due to the virus [3]. The COVID-19 will test the democratic institutions in the BRICS countries and beyond as states seek to introduce stringent (or autocratic) measures (like in China) to fight the pandemic. Reliable statistics, transparent data and breakthrough research leading to a vaccine are a prerequisite in finding practical solutions to the pandemic. The death toll in countries like Iran, Spain, Italy and now the USA is catastrophic, thus global solidarity and human rights should be another reason why countries in despair should be assisted.

More than 100 countries have reported cases of COVID-19 with 850-billion-dollar negative global impact on the economy. Measures similar to the quantitative easing adopted to curb the 2008/2009 global economic crisis are now adopted in countries such as America, Italy and France to safeguard/protect the economy. Central banks, Federal reserves are now appealed to help preserve the economy. Interests are dropped in the banking sector and each country introduces new regulations suitable to their context. A total of 26 EU countries were banned from entering USA, and the UK is also now targeted as the European continent is declared the new epicentre of the virus. Religious organisations should now become more cooperating to play an active role at the forefront of fighting the virus – instead the Vatican City, churches and mosques are closed down to the public while more should be done to stop the pandemic. The socio-economic situation inside the BRICS is not homogenous but analysts agree that to overcome challenges the umbrella organisation must put in place a job-creation strategy to support countries such as India, South Africa and Brazil where joblessness (and as is the case for South Africa, a zero-growth' economy) persists.

If any, the positive impact of the COVID-19 has been the quality of air experienced in China (and the less carbon emission in industrialised countries such as Italy) during the challenging period of lockdown and anti-Coronavirus War which the populace equally experience. This could lead to nations revisiting or introducing carbon emission tax regulations in the aftermath of the pandemic.

Sooner than later, the overall economic impact of the COVID-19 threat will be known within the BRICS and beyond – but for now analysts put sound estimates based on medical facts, observation and success or failure stories with regard to how COVID-19 pandemic unfolds. Corporate Social Responsibilities have been

demonstrated at a greater extent as multinational corporations, companies and faith-based organisations closed down their activities helping to fight the worse pandemic since the 1918 post-war threat. Apart from the airlines industry, the maritime and tourism are among the most hit sectors by the health crisis – a different trade war altogether.

The war against the COVID-19 and its associated economic impact within the BRICS can only be won when all sectors give their best in cooperation with the World Health Organisation (WHO) – hence a multidisciplinary approach undertaken in this SI. What has appeared to be a nationalistic move towards fighting the pandemic has the potential of bringing countries together to fight the threat – and the fear of globalisation would actually bring birth to a rather different and more responsible internationalisation of approaches. Having said that, the COVID-19 will have lasting and devastating effects on our behavioural changes for a foreseeable future.

The BRICS had been relatively good at embracing the fourth industrial revolution to some extent, again with China taking the lead [2]. With the advent of a threat of the magnitude of COVID-19 many activities have gone virtual or online. This appears to boost the rethinking of digital economy or the digitalisation of everything we do going forward. If there are lessons one can learn from the novel Coronavirus pandemic, a few stand out: as people, we need to rethink what we do in respect of handling the environment around us; nations need to work together to be effective in fighting and planning against global threats [4] [5] of this magnitude; and perhaps science and technology should accommodate indigenous knowledge (or traditional/herbal medicine) in addressing mega-problems that appear beyond what we can bear thus limiting the exposure to chemical with unknown side-effects. The cooperation of spiritual bodies (faith-based organisations) to fight stress and trauma complications of those people hit by the Corona health disaster is something psychologists alone cannot manage. Social scientists (including theologians) and scientists ought to work together to thrive. All the sectors need to come together to solve problems like the COVID-19 pandemic that we are facing today.

3. About the Special Issue

As a team, we are grateful for the opportunity given to us (the editor and the reviewers) to work on this a tough and rewarding project. To start a project of this magnitude and to lead it to fruition isn't easy. It took efforts to work together as an interdisciplinary group of researchers, academics, professionals and even practitioners. The result is a great research product presented in this special issue (SI). We believe this special issue answers both theoretical and empirical questions around the importance of BRICS in economic development in addition to contributing to the current discourse on Business Ethics, Economics, Knowledge Management, Sustainability Development, Health crisis, International trade and co-operation (with sub-themes ranging from Regional integration, BRICS Plus, BRICS economies, Prospects for a low-carbon economy, Corporate Social Responsibility in BRICS,

Maritime economics, BRICS Policy issues, Multinational Corporations and more).

Of the 10 papers that were sent to us, only 6 met the requirements of inclusion in this special issue and were thus subjected to a thorough blind review after an initial proofreading of all papers by the editor. Reviewers included academics, researchers, practitioners, business economists, economists and engineers. The limited number of submissions could be explained by the time span associated with this special issue from the date the first Call for Papers was issued to the public. There is no doubt many submissions could have been received should we prolonged/extended the deadline. Both quantitative and qualitative methodologies were used by the authors, owing to the fact that this issue invited multidisciplinary experts and professionals to contribute. Authors were either Professors, Postdoctoral Research Fellows, PhD holders, Doctorate researchers, master's or honours graduates amongst the other qualifications.

4. About the Research Papers

Reviewers had an opportunity to reflect on the review process and present a brief report thereof. Part of the report included a rate of the paper on a scale of 1 to 10 and saying in which way the paper contributes to research in the field of study. The sequence of papers in this special issue does not represent the gravity of papers but an attempt to mix papers that represent the core of the issue under study and those which are generalist rather than specialist in nature. The idea was also to have rich and informative papers both at the beginning, in the middle and towards the end of the SI.

Dr Gustave Kansinkingi and Dr Byelongo Elisée Isheloke wrote about “A Trajectory of Innovation Outputs among the BRICS Countries: Critical Perspectives of Brazil, Russia, India, China, and South Africa” (BRICS), used a quantitative methodology (statistics) to derive meaning of presented data. The article examines important aspects of the knowledge economy as it applies towards BRICS countries using critical perspectives.

Dr Byelongo Elisée Isheloke's article on the challenges and opportunities for BRICS is a case study of the South African mining sector. The paper identifies a myriad of challenges the organisation is facing and presents opportunities for socio-economic development.

Mr Dieudonné Kabongo Nyandu authored “A comparative study of selected African ports and ports within a BRICS-specific Country (South Africa), maritime economics compared to two other sub-Saharan ports (Matadi and Douala). A hard but interesting task to accomplish. Using hermeneutics in the comparison as a methodology, the paper presents an impactful analysis of maritime economics relevant to selected countries.

Ms Kresenta Moodley, Prof Shamila Singh and Dr Byelongo Elisée Isheloke authored a paper on the banking sector's regulations in KwaZulu-Natal, a province of South Africa – the one and only BRICS country in Africa. The paper titled: “The impact of Basel III regulations on bank's lending and growth rates in Kwa-Zulu

Natal” tackles the issue, role and need of Basel III Accords in enabling the banking sector to remain on top of things in times of a quagmire such as the world economic crises. Based on a master’s research conducted in selected KwaZulu-Natal banking organisations the study paves the way to similar investigation in other provinces or even countries.

Mr Mulongetsha Basele and Dr Byelongo Elisée Isheloke wrote an article titled: investigation of the impact of the economic ties between South Africa and Russia: an overview.

Mr Tiema Muindi and Dr Byelongo Elisée Isheloke discussed the role of multilingualism in economic development of the BRICS countries. The policy of language planning is looked into from economic point of view.

Dr Byelongo Elisée Isheloke² concludes with a summary titled “Concluding remarks: BRICS Plus and Economic growth: what if Africa becomes an option? "Africa has a shape of a revolver of which the trigger is in the Congo-Kinshasa" (Franz Fanon) provided. Enjoy!

Acknowledgments

Without the participation of the following people the accomplishment of this project would not have been possible. I am grateful to Prof Iqbal for his initial stimulation. It takes motivation like that to produce established researchers in literature, business, and economic studies.

We hope the Special issue provides answers to many research questions raised in the papers and in life, and as the special issue editor in chief, I would like to extend my gratitude to other editors, proof-readers, reviewers and corresponding authors and co-authors of articles herein published. Academic institutions or Universities represented in this SI include the University of Cape Town, the Durban University of Technology, the University of KwaZulu-Natal, University of Mpumalanga, and the University of the Western Cape, colleges such as the Management College of Southern Africa and the Damelin/Educator private institutions.

Many authors and other volunteers also reviewed papers, and all are hereby thanked for their voluntary and expert contributions. Other reviewers include Prof. Shepherd Dhliwayo, Prof. Shamila Singh, Dr. Shame Mugova, Dr. Ogujiuba Kanayo, Dr. Byelongo Elisée Isheloke, Dr. Gustave Kasinkingi, Dr. Rufus Adebayo, Eng. Temitope Oladele, Eng. Gabriel Bikombo, Mr. Tiema Muindi and Mr. Dieudonné Nyandu Kabongo. Your assistance was very much appreciated!

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Dedication

To peace

To peacemakers in the world

To the survivors of Covid-19

To the memories of those who succumbed untimely

BRICS WITH BROKEN BRIKS

By Byelongo Elisée Isheloke

You're not perfect oh BRICS

With those neglected broken BRIKS

BRICS with Border-related conflicts

BRICS with currency-related defects

Trade war

Corruption

When no cold war

Pollution

Dictatorship

Economic crisis

When no partnership

Corona crisis

You're not perfect oh BRICS

With those neglected broken BRIKS

If only you could improve co-operation

If only you could approve BRICS Plus

Value bottom-up operation

Value-addition be a plus

It would be perfect oh BRICS

And there would be no more broken BRIKS

You're not perfect oh BRICS

With those neglected broken BRIKS.

BRICS POEMS

ALL-EMBRACING HOUSE OF BRICS

Tiema Haji Muindi³

As regions and nations bled
Blood of poverty, hunger and disease
As the domination of the West
Continues skimming them dry
From the rubbles and debris of world crisis
A maverick had to emerge
And create a new vision for the world
A vision where all who are in it
Could see a bowl of economic prosperity
Not from the pages of a Wall Street Journal
Could see a dove of peaceful existence
Not as a mirage in the books of diplomacy
And nations could reach their potential
Not at the expense of mortgaging their country
But from BRICS, a just and fair forum
As the maverick BRICS present them with hope
As the maverick BRICS present them an option
Where Brazil, Russia, India, China
And the Rainbow nation of South Africa
Give new meaning to peace through diplomacy
And not war
Give new meaning to economic prosperity

³ Tiema Muhindi is affiliated to the Durban University of Technology and Damelin

And not the capture of nations' resources
Where, though borders are apart
Where, though languages are day and night
Where, though social-political settings
Divide BRICS much further
But the clear vision and mission
Of their leaders
And the zeal of their citizens
Has shown the world
That BRICS have built a home
Of social-economic prosperity
An alternative center of global power
Where all nations have a home
In the global house made of BRICS

By Tiema Haji Muindi

BRICS, THE BEACON OF HOPE

Tiema Haji Muindi

I could hear the cry of orphans

I could hear cry of families

I hear cry from nations

Where COVID19 has shown its ugly face

Where COVID19 has built its abode

As businesses collapses

As poverty bites the poor

As nations grapples with dilemma

Of saving lives or the economy

We look upon BRICS with hope

A powerful house made of BRICS

With enormous resources at its disposal

Let each of its FIVE powerful nations stand out

And support the other member of BRICS

Such that COVID19 should not be a focus

Such that COVID19 shouldn't be a menace

But a shadow of our dark past

But a memory in the pages of global history

As BRICS emerges a global voice of reason

As BRICS emerges a new center of global power

Where lives are not lost by bullets,

But saved

Where hopes of nations are not killed

But revived

And we shall salute the heroes of BRICS
For having shown the rest where hope lies

By Tiema Haji Muindi