

AN ASSESSMENT OF THE COVID-19 PANDEMIC IN SOUTH AFRICA: FROM ITS IMPACT ON THE ECONOMY TO THE REBUILDING STRATEGY

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Abstract

The conventional understanding is that the coronavirus pandemic (Covid-19) has challenged the development of the economies at all levels – global, regional and domestic. The need to assess its damage to the South African economy became imperative if the economy has to be resuscitated in an informed and targeted way. The study therefore aimed at assessing the impact of the Covid-19 Pandemic in South Africa, assessing the effectiveness of the South African government response to Covid-19 and outlining government strategies that have been employed in an effort to rebuild the South African economy. The study utilised the qualitative research approach in which semi-structured interviews were used to collect information on a purposive sample of 12 participants. Through the use of thematic analysis as the data analysis method, the study discovered that the Covid-19 pandemic has both long-term

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and short-term impacts on the South African economy such as loss of employment, contracting GDP, depressed growth below pre-pandemic projections and lack of organisational performance. In response to Covid-19, the government introduced supporting programmes to businesses, regulations aimed at allowing credit facilities and partnership with various stakeholders. Strategies such as expansionary monetary strategies and the introduction of specific programmes targeting the resuscitation of key economic sectors have been implemented to rebuild the economy. The study, therefore, recommends that the government needs to build a buffer of resources in preparation of devastating pandemics such as Covid-19, such that when the country is hit by the pandemic, there are avenues that can be explored to resuscitate the economy. There is also need to ensure that there is a platform where business organisations can flourish as they can access capital and resources.

Keywords: *Coronavirus, Covid-19, Economy, South Africa, Government support programmes, Rebuilding Strategies*

JEL Classification: A10, I10; I15, O40

1. Introduction

The coronavirus (Covid-19) pandemic has had wide and diverse impacts on the economies across the globe. As noted by Berger and Reupert (2020) the Covid-19 hit the global, regional and domestic economies harder than the 2008 financial crisis and most sectors are recovering at a slower pace as compared to the financial crisis of 2008. In addition, the consequences of the pandemic are being experienced in all sectors such as financial markets, travel and industry, tourism, sales, investments, hospitality and tourism to mention just but a few. In today's global, regional, and domestic economies, there is an intertwine between economies such that certain types of economic and financial shock such as the Covid-19 pandemic, have medium to high impact on other countries. As noted by the International Labour Organisation (ILO, 2020), COvid-19 crisis has already transformed into an economic and labour market crisis. There is increased unemployment and loss of revenue by business organisations.

Two years after the emergence of the pandemic, the topic of Covid-19 continues in dominating every narrative in respect to the global economy. As noted by Muchenje (2021), the future of trade, tourism, migration, education, supply chain and innovation in Africa amongst other aspects remain constrained by the uneven

recovery from the pandemic. Returning to ‘normal’ indeed will require a truly global effort aimed at curbing and addressing the rampage caused by Covid-19 is continuing to have on human and financial health in economies. Instead, the world is now witnessing the emergence of parallel but diverging world where there is the rich and the vaccinated and the poor and unvaccinated (Muchenje, 2021). Africa remains amongst the latter and the region is being left behind during global economic recovery.

As of 2021, there major themes in Africa were that of divergence in vaccination rates, intensification of fiscal pressures, increased b=debt levels and uneven economic recovery. These themes further enhance the challenges that Africa was already facing such as unemployed youth, lack of infrastructure and challenges in climate change. Therefore, the pandemic has forced African leaders to realise that the best way of addressing the effects of Covid-19, is through promotion of healthy economic growth (Bhorat, 2021).

Despite these challenges to African growth and development, there are reasons to be cautiously optimistic for the future of Africa. regional powerhouses such as South Africa, Nigeria, Egypt and Ethiopia may continue to struggle in the year ahead, there is the forecast by the International Monetary Fund (IMF) on string economic growth of Sub-Saharan Africa in which projections are of 3.8% growth in 2022 (Bh orat, 2021). Medium-sized economies such as Ghana, Ivory Coast, Kenya and the likes are projected to have 6% growth rate as high commodity process and government reforms improves financial stability. Smaller economies such as Seychelles, Mauritius and Niger will also improve and reach growth in 2022. This is also perceived from the now-operational African Continental Free Trade Area (AfCFTA) as well as the increase in entrepreneurial and technological savvy populations (Muchenje, 2021).

South Africa is at war with the on-going novel coronavirus disease which has adversely affected all areas of production within the economy causing many businesses (both small and large) to close permanently, and leaving many South Africans without employment, with loss of income and food security concerns. According to ILO (2020), the coronavirus affected the health, daily life, and psychological wellbeing of the South African population.

There have been efforts by governments in the world to deal with the effects of the pandemic. According to Masters, Shish and Bukoff (2020) such measures taken by governments include relief programmes to business organisations, capital injections to boost importing of raw materials, cash injection to citizens, delayed tax and loan payments to mention just but a few.

According to Garidzirai (2020) the South African government mitigated the demographic and economic effects of Covid-19 by imposing some forms of lockdowns to reduce the spread of the virus challenged on conventional socio-economic forms of contact. The ultimate effect of lockdown was a loss of income and the laying -off of some workers, leading to an increase in the unemployment rate. According to Statistics South Africa (2020), currently, the unemployment rate in South Africa is at 35.3%, which is significantly high. According to Dzomonda and Masocha (2019), most companies in South Africa operate on credit basis where they borrow capital and the pandemic meant that these organisations were not able to repay the loans and even operate.

Although there are now a sizeable number of studies undertaken on the impact assessment of the pandemic, it is imperative to note that such studies were mostly carried out before a lot had been known about coronavirus. The cause of the pandemic has greatly evolved, with various variants observed and studied; it necessitates another study to look into the impact of the Covid-19 on South Africa – a lacuna this study aims to fill. As the South African economy is still ailing, an investigation into the government's response to the pandemic; and the ways and strategies available for the country to come out of the doldrums cannot be overemphasised.

Against this backdrop, the study aims to assess the impact of the Covid-19 Pandemic in South Africa and the effectiveness of the South African government response to Covid-19. It is also the aim of the study to present measures taken by the government to address economic challenges presented by the pandemic and in the process, protect the citizens and enhance economic development. This study therefore provides a storyline detailing the impact of the pandemic, survival strategies and rebuilding strategies that can be implemented for economic recovery.

This study is unique in that it assesses the impact of the pandemic on the South African economy at a time when it has evolved, and a lot of information is now known about the virus than before. As the study further attempts to unmask the recovery strategies, it is expected that the results of this study are valuable to the policy makers in South Africa to help fight the virus and devise speedy rebuilding mechanisms. The study is organised into five sections. Section 2 reviews literature while Section 3 details the methodology, leaving Sections 4 and 5 for the discussion of results and the conclusion, respectively.

2 Literature review

2.1 The dynamics of Covid-19 in South Africa

An overview

The first stringent lockdown was introduced in South Africa on 23 March 2020, where the government imposed strict restrictions on movement and limited economic activities to essential services (Donthu and Gustafsson, 2020). The lockdown measures lasted for over 5 weeks and this only allowed 40% of the workforce in South Africa to work. This included those who had jobs that allowed them to work from virtual offices and from home (Kerr and Thornton, 2020).

Businesses that were deemed not essential were forced to close during lockdown, resulting in a large number of employees losing their jobs and increasing pressures on the South African economy. In response, the South African government May 2020 and June 2020 implemented level 4 and 3 lockdown respectively with the aim to open up the economy but many business organisations had failed due to the effects of the pandemic (Makoae, Tolla, Hongoro and Sekyere, 2020).

The lockdown measures affected the streams of distribution of income and employees that had low levels of education were more affected than those with skilled labour and worked in professional organisations. In other words, those with low levels of education lost their jobs as compared to those with higher levels of education. The wages earned by households with lower levels of education were reduced, affecting their ability of employees to cater for their families. From this perspective, Covid-19 led to increased poverty in the country (Arndt et al., 2020).

Covid-19 and the South African economy

South Africa was at war with the on-going novel coronavirus disease (COVID-19) which has negatively affected almost all sectors of the economy, causing many businesses (both small and large) to close permanently, and leaving many South Africans without employment, with loss of income and food security concerns. The coronavirus affected the health, daily life, and psychological wellbeing of the South African population. (South African Chamber of Commerce and Industry, 2020:5).

According to South Africa Economic Update (2021), the pandemic recorded the worst decline in the South African economy after independence as there was the contraction of the economy by 7%. This was more than any other emerging economies across the globe. In addressing this effect, the government injected a sizeable relief package which saw the increase in GDP to 12.9% and public debt to 78.8% of the GDP (South Africa Economic Update, 2021). This, however, has led

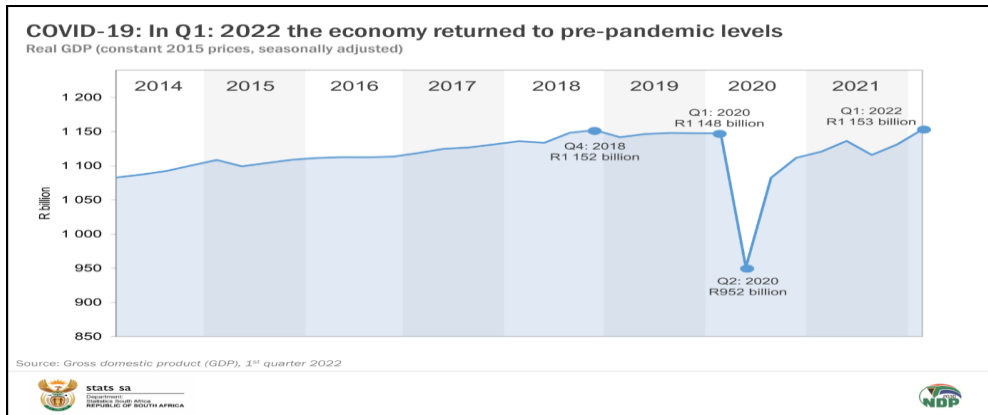
South Africa to face a high debt cost as its service debt burden is at 5% of the GDP, thus lack of servicing debt at low interest cost. South Africa also entered the Covid-19 pandemic with a fragile fiscal framework, economic challenges of lack of employment, collapsed industry and liabilities from state-owned enterprises, including those in power utility, Eskom. The South African Country Report (2021) mentions that Covid-19 triggered crisis in the tourism industry in South Africa which is one of the most critical sectors for economic growth. This was further enhanced when there was the closing of the border on 18 March 2020 for high risk countries and cancelling of international flights by March 27, 2020. The level 3 and 4 lockdown restrictions saw hotels and accommodation agencies; restaurants (except takeaways), tourist destinations and others could not trade. Muchenje (2021) noted that there was spending less by households on fast foods in the second quarter of 2020.

In addition, the lockdown affected the poor as they lost their jobs as compared to others who were better off. In addition, the wages of those remaining at work reduced drastically and there was increased inequality in the country. At the start of Covid-19, unemployment rate in South Africa reached 29% and the number of people who were not in employment, training or education reached 24% of the population (South Africa Country Report, 2021).

The South African government mitigated the demographic and economic challenges brought by the pandemic through restriction of movements and imposing a strict lockdown. The ultimate effect of lockdown was a loss of income and the laying -off of some workers, leading to an increase in the unemployment rate (Garidzirai, 2020). Currently, the unemployment rate in South Africa is at 35.3%, which is significantly high (Statistics South Africa, 2022). Most companies in South Africa operate on credit basis and the conditions of the pandemic meant that these organisations were not able to operate and also repay the loans they had accessed (Dzomonda and Masocha, 2019).

Figure 1 presents the real GDP of South Africa between 2014 and 2021.

Figure 1: South Africa's (GDP) growth rate from 2014 to 2021



Source: Statistics South Africa (2022)

The GDP refers to the total sum of all goods and services that a country produces by each year and this is an important indicator of the strength of the country's economy (Bhorat, 2021). Real GDP is adjusted for price changes and it is therefore perceived as a key indicator for economic growth (Stats SA, 2022). The economic activity in South Africa thus recovered from the impact of the pandemic as real GDP increased by 1.9% between January and March 2022 following a revised 1.4% growth between October and November 2021. The level of real GDP exceeded the average 2019 level, before the beginning of the Covid-19 pandemic, for the first time in the first quarter of 2022.

South African government response to Covid-19 pandemic

In terms of governance, a pandemic such as Covid-19 requires that the government of South Africa present regulatory and fiscal measures aimed at addressing the effects of the pandemic. The government therefore responded to the pandemic through a plethora of avenues in which the main aims however was stabilising the economy. Other measures included addressing the decline in supply and demand of the economic activities and protection of the economy from the rising unemployment rate as well as protecting life (The Presidency, 2020).

The South African Reserve Bank responded to the pandemic through offering lending facilities to private organisations. This was welcomed as a positive measure to address the effects of the pandemic as it allowed organisations to access capital and reduced liquidity from 100% to 80%. These measures also saw relaxed

capital charges and a general boost in business operations amidst the pandemic. The government also ensured that there was financial relief as R20 billion in additional health relief. In addition, another R20 billion was also given to local government to ensure service delivery (The Presidency, 2020).

The government also deployed various health resources through partnership between the public and private sector. There was also support from civil society organisations and non-governmental entities as well as advice from those in the academic sector. The South African government also called out to private sector into the pandemic battlefield. According to the Global Compact Network South Africa (2021) the private sector, with government backing, responded to Covid-19 in various ways, including the following:

South Africa's rebuilding strategies

The South Africa Reserve Bank introduced expansionary monetary policies aimed at making borrowing cheaper, increasing consumer spending, and boosting economic growth through the multiplier process. The borrowing rate was lowered from 6.25 to 5.25% (Reserve Bank of South Africa, 2020a). The fiscal authorities increased government spending to support small businesses and vulnerable people in the society (National Treasury, 2020a). President Cyril Ramaphosa announced a R502 billion stimulus package in April 2020, in which R50 billion was aimed at social assistance in direct financial transfers to support economical vulnerable households (National Treasury, 2020). There was also a temporary increase in all existing financial grants where 18 million people were beneficial. There was also the introduction of the new grant where R350 Covid-19 Social Relief of Distress Grant was given to the unemployed who had no access to government assistance (The Presidency, 2020).

According to the Presidency (2020), the South African government mobilised a social protection system that was aimed at addressing the negative economic impacts of the pandemic to the most vulnerable in communities, households and even organisations through grants, Covid-19 relief fund, and expansion of Unemployment Insurance Fund. There was also the introduction of Temporary Employee/Employer Relief Scheme (TERS)

According to South Africa country report (2021), government also provided the bridging of liquidity aimed at sustaining organisations to facilitate a post lockdown recovery, provide wage support and mitigate lay-offs. The Reserve Bank of South Africa reduced the repo rate by 3.25% in 2020. In addition, there was the granting by banking and financial institutions of loans to individuals. In addition, the President also launched the Economic Reconstruction and Recovery Plan that was

aimed at stimulating the economy and boosting the ailing infrastructure, summarised in Table 1 (The Presidency, 2020).

Table 1: COVID-19 support package, as announced on 21 April 2020

Intervention	R (billion)	% of Total
Additional Health Support	20	3.98
Municipal Assistance (water and sanitation)	20	3.98
Wage Protection (UIF)	40	7.97
Job Protection and Creation	10	19.92
SMME Support	2	0.40
Tax Relief	70	13.94
Credit Guarantee Scheme	20	39.84
Social Assistance (Grants)	50	9.96
Total Allocation	50	100.0

Source: National Treasury (2020)

According to Table 1 there is the breakdown of the support by the state to Covid-19. The government spent R20 billion in additional health and this amounted to 4% of the total intervention to curb the pandemic. Another R20 billion was allocated to municipalities to provide for basic services. The bulk of the spending by the state was based on worker support measures which added up to 82% of the total Covid-19 relief intervention. There was also the allocation of R40 for low-income earners in the formal sector, R100 billion was spent on job creation and protection, covering wage subsidies for those in low-wage formal sector; R2billion was allocated to SMMEs; R70 billion allocated in corporate tax relief and a R200 billion loan facility (National Treasury, 2020).

Challenges and opportunities presented by Covid-19 to South Africa

The pandemic had an impact on food security, education and exposed the healthcare of the country as many communities were facing challenges. This showed a system of inequality in South Africa. There were further drops in employment as people could not access employment and the virus led to serious socio-economic challenges. As noted by Donthu and Gustafsson (2020), the

pandemic led to the close of air traffic, reduced road traffic and lack of tourism challenged cities that were accustomed to such.

A lockdown was declared, leading to the closure of schools and tertiary institutions. Student's educational progress was challenged and lecturers and teaching had to revert to remote teaching online Teachers and learners in poor communities could not access online teaching and learning due to lack of resources. Ajam (2020) is of the view that the education system of South Africa was exposed as the poor communities were not able to access education as compared to rich communities.

The Covid-19 pandemic created an opportunity to reduce greenhouse gasses, air, water, and land polluting outputs. Human resources management in all sectors has an opportunity to ensure investments in acquiring skills and training and development of employees (Ajam, 2020).

The technological development of a polity was also perceived in the era of the pandemic (Berger and Reupert, 2020). This is because an economy that is technologically advanced is able to ensure that there is access to resources, capital and jobs as innovation and entrepreneurship is enhanced. The Covid-19 pandemic therefore ensured that countries in Africa that were not investing in technological developments are able to ensure that there is access to technology and investment in such (Sharma and Shukla, 2018).

2.2 Covid-19 impact, response strategies and rebuilding, strategies: Theoretical literature review

The impact of Covid-19

The coronavirus pandemic broke out at the beginning of 2020 and became a global pandemic. One hundred and sixty million cases and 3.3 million deaths were reported worldwide by May 16, 2021. This significantly affected the economic operations and import and export trade of all countries in the world.

According to the Masters *et al.* (2022), the pandemic affected global economic and trade activities from the following perspectives: closing of business organisations, reduced consumption by households, strict custom regulations due to restrictions in movement and increased costs in logistics. The pandemic caused a slowdown of world trade, loss of income, high unemployment, depreciation of the local currency and stagnant economic growth (Department of Small Business and Enterprise, 2020).

The virus also saw the decrease in merchandise trade by 10% and there was also decrease in commercial services by 21% in 2020. There was a different impact of

the pandemic on goods and services in which services were mostly affected. Services declined by 30% between March and June 2020, compared to 23% decrease in goods. There was decrease in movement, travel, tourism, recreation facilities due to lockdowns and this affected operation of business organisations and economies (Department of Small Business and Enterprise, 2020).

Most schools of thought argue that the pandemic had wide effects in Sub-Saharan Africa as this part had agriculture and tourism as major economic players, and these were affected by the pandemic. Aspects that were affected also included remittances, markets and financial sectors. The pandemic exposed the region to existing challenges such as poverty, inequality, health challenges and increased unemployment Muchenje (2021).

Tourism declined drastically in Comoros, Seychelles, Cape Verde, The Gambia, Sao Tome and Prince and Mauritius due to the imposed global travel restrictions (IMF, 2020). Other countries in the region that suffered from the pandemic include Ethiopia, Tanzania, Kenya, and South Africa (Lone and Ahmad, 2020). Ethiopian Airlines radically cut their flights across the region and by April 2020 reported USD550 million lost in revenues and 90% drop in flights (Desta, 2020).

Sub-Saharan African countries experienced a decline in earnings from a range of export primary products including agricultural products, minerals, and oil. The International Monetary Fund (2020c) predicted that oil-exporting economies will shrink by -4.0% – Nigerian and Angolan economies alone by -4.3% and -4.0%, respectively, in 2020.

The decline in economic activities and shutdown of factories and plants in the industrial countries leads to lower external mineral demand, which adversely affected the mining industry in South Africa (Lone and Ahmad, 2020). The imposition of lockdowns and work restrictions reduced the income of those who send some of their earned money back to their families and relatives for support. Remittance reflects strong family connections and dependency in many parts of Africa. The IMF projected that the pandemic would result in the remittances to SA falling by around 20% (IMF, 2020b)

The World Bank (2020) concluded that in sub-Saharan Africa, the pandemic pushed about 26 million more people into extreme poverty in 2020 and up to 39 million in case downside risks to growth materialize (Donthu and Gustafsson, 2020; Republic of South Africa, 2020a). Income inequality increased as lockdowns disproportionately affected informal sector workers and small and medium sized companies in the services sectors (IMF, 2020b). Almost 90% of women employed in Africa are in a bad position because they work in the informal sector with no

social protections. Female headed households are particularly at risk (United Nations, 2020).

The squeezing of global financial conditions had great repercussions on SA. Capital outflows caused interest rate spreads which restricted the regions borrowing capability from the international capital markets. The consequences of lockdowns and reduced economic activities are lower levels of revenues, specifically tax revenues (Ataguba, 2020; Lone and Ahmad, 2020).

Response strategies to the covid-19 pandemic

The World Health Organization initiated the Covid-19 solidarity response fund aimed at raising funds for the emerging and developing economies and provide support for the development of business organisations. In the United States for example, there were laws passed to ensure fiscal support for entities in the economy. There were direct payments to individuals who were made worse off by the pandemic and funds such as Covid-19 aid, economic security and the others were aimed at economic revival. Nations, worldwide, responded by introducing national aid schemes to improve access to health and ensure that people were able to afford basic commodities.

The following key strategic interventions were implemented by governments with the aim of enhancing socio-economic recovery amidst the pandemic: cooperation and trust between government and non-state actors, financial relief plans, harmonisation between all levels of government, trade facilitation, resumption of all economic activities, environmental relief programmes amongst others. Governments in Africa also responded through monetary and relief programmes and measures aimed at economic recovery. Such measures saw capital injections to households, business revival strategies and defaulting tax and loan repayments (Chowdhury, 2020).

Many governments in the Southern African region were able to put in place crisis management on areas affected by the pandemic and the creation of quarantine zones to manage the spread of the virus. There was the adoption of the unusual monetary and fiscal expansion policies with the aim of addressing the effects of global supply and demand that were caused by the virus (Benmelech, 2020). The Central Bank of Madagascar injected US\$111 million beginning of March and US\$53 million at the end of March 2020. Morocco Bank Al-Maghrib implemented the integrated business support and financing program (Bhorat, 2021). The government of Ivory Coast ensured that US\$200 million was channelled to efforts aimed at mitigating the spread of the virus. The central bank

was also able to cut cash reserves and more than USD 130 million was injected to fund businesses that were struggling (Benmelech, 2020).

The cause of the pandemic required that special means had to be introduced by governments to address the effects of the pandemic. This came through monetary and fiscal measures aimed at keeping the economy afloat and these missions were characterised by the ability of the government to recognise potential areas that needed to be addressed (The Presidency, 2020). In efforts aimed at mitigating the socio-economic impacts of Covid-19, a set of measures were adopted by the South African government such as wage support through UIF, supporting business organisations, releasing disaster funds and tax relief for organisations and partnership with various stakeholders (The Presidency 2020a).

Bhorat (2021) argues that the response by the South African government to the pandemic was through fiscal stimulus package which has seen an increased number of funding on key economic sectors such as the tourism sector and agriculture sector. Furthermore, the fiscal mandate has also seen spending on individual and business organisations and this has added up to 6.5% of GDP. The government also injected financial capital in curbing the virus in which R20 billion was injected into the health department aimed at enhancing access to healthcare of communities, especially those that were most vulnerable. In addition, the government also ensured that support was given to households in forms of grants and relief packages. The Presidency (2020a) further postulate that the National Treasury took upon itself to ensure that hospitals and other medical facilities had access to protective clothing, masks and other instruments critical in fighting the pandemic.

The central bank of South Africa also played its part in addressing the effects of the pandemic as it reduced the repo rate by 250 bases points so as to ensure that debtors are able to repay the loans at most affordable terms.

Rebuilding Strategies

Muchenje (2021) is of the view that global recovery strategies amidst the effects of the pandemic required that governments come up with flexible and supportive policies aimed at enhancing economic development and improving all aspect of sustainable and inclusive growth. The pathway towards this was the government support and effectiveness in rolling out vaccinations, meaning that the economy would be able to function (Muchenje, 2021; Bhorat, 2021).

Multilateral action was introduced with the aim of sharing knowledge, financial resources, human capital and removing trade restrictions. This was perceived as a way to ensure the resuscitating of economies and sharing of resources. According to Benmelech (2020), policy makers were also able to make sure that governments

were able to understand short-term solutions to the pandemic as well as long-term projects to be implemented. The pandemic also exposed the pre-pandemic challenges that governments were facing and governments were given the opportunity to address such without political pressure (Atuguba, 2020).

Countries in the African region need robust policy responses, paired with strong support from development partners to rebuild post Covid-19. African countries would need to prioritise healthcare spending for the provision of essential personal protective equipment (PPE) and materials, acceleration of local production of medical supplies including PPE and vaccine and drug discovery. African governments were also to allocate funds for scientific, economic, and social research. Vulnerable households would need to benefit from targeted cash transfers and subsidies. Businesses should receive incentives in a form of tax relief and subsidies (Ajam, 2020). Central banks must inject liquidity into the African economies, turning to unconventional policy tools such as quantitative easing if necessary. Governments must aim at supporting private sector growth, revamping education and labour markets for the future of work (Bhorat, 2021).

Challenges and opportunities presented by Covid-19

The methods aimed at curbing the pandemic such as restrictions on travel and movement challenges trade in services which required close proximity between consumers and suppliers. The fear for the spread of the virus meant that drastic measures were put in place but however these methods had wide and diverse effects on production, distribution of goods and services (Veeramani, 2021)

In addition, the pandemic had an impact on food security, healthcare and other facets of the economy and in the process, exposed the state of affairs in economies (Ajam, 2020). There were cases of increased unemployment, loss of income as people lost their jobs, disruption in supply chains, economic turmoil and poverty was largely experienced. Industries were forced to close due to lack of markets and both air and road traffic reduced challenging on supply chain and routes critical for socio-economic development (Arndt, 2020).

According to McGrath (2022), Covid-19 presented a global opportunity of remote working to the business world. Companies that were previously sceptical about allowing employees to work remotely realized that place of work is not as important as they always thought. Companies have embraced that hybrid and remote forms of work are going to be around.

According to Ajam (2020), the Covid-19 pandemic has offered the opportunity for a much more human-focused approach to productivity and for leaders to think the way they think of work. The coronavirus pandemic also saw the introduction

and increased demand of online education as tertiary institutions as well as schools closed. However, this avenue challenged access to education of learners from poor and remote area and this is often perceived as the genesis of uneven access to education from people from poor communities (Bhorat, 2021).

The Covid-19 pandemic created an opportunity to reduce greenhouse gasses, air, water, and land polluting outputs. Human resources management in all sectors has an advantage to invest in aspects such as talent acquisition and development of skills for employees. The post Covid-19 pandemic Africa, therefore, needs to re-think on the need to utilise technology and innovations as these have the potential to drive economic development. socio-economic progress in the contemporary environment require that there is adoption of technological development in communities (Ataguba, 2020).

2.3 Covid-19 impact, response strategies and rebuilding strategies: Empirical literature review

There are a plethora of studies that have been conducted across the globe with the aim of understanding the effects of Covid-19 on the economies with focus on aspects such as changing consumer behaviours. In India, a study was conducted by Lama (2020) where a qualitative approach was conducted through interviews and the study was an exploratory research. The study discovered that people were now spending on basic commodities not on luxury. The same results were found by Goswami and Chouhan (2021) and Aday and Aday (2020).

Aday and Aday (2020) further discovered that people started to adopt and be comfortable with e-commerce as this business avenue gradually increased in the pandemic era. This is confirmed by Ataguba (2020) who discovered that online food shopping replaced the traditional form of shopping. The worst affected sectors within the pandemic were travel and tourism as restrictions in movement impacted on the sector (Muchenje, 2021; Jaipuria, 2021).

Besides India, several countries were also subjected to studies on the impact of Covid-19. Bharot (2021) found that in South Africa a large number of the workforce was not able to earn any income during the pandemic. Fairlie and Fossen (2022) through utilising the 2020 current population survey in an analysis of small businesses in the USA, discovered that small businesses declined by 22% in the first quarter of 2002 and most immigrant-owned entities were also affected.

Against the tide, there are some studies that found Covid-19 to have benefited economies. According to Veeramani (2021) Covid-19 opened the doors for many services rendered through digital networks and the internet. The pandemic pushed 'The third unbundling' as a form of globalization that affects the services sector by

changing the way services are transacted (Bhorat, 2021). Digitally enabled services capable of online delivery such as tele-health, online education, professional consulting and online advisory services grew much faster due to the changing global business scenario. Digital entertainment platforms such as Netflix, Amazon, Showmax, YouTube Premium and DSTV have seen a whopping jump in their membership subscriptions (Muchenje, 2021).

While the positive impact of the pandemic was reverberated by Srivastava (2020) in the automobile industry, from the health/medical front, it was echoed by Chatterjee (2021) and Zonke (2021). Agarwal et al. (2020) relied on synthetic control methods to investigate the effect of counterfactual mobility restriction interventions in United States. The author found that lifting severe mobility restrictions and retaining moderate mobility restrictions effectively reduced the number of deaths in United States.

Further search on empirical literature revealed the existence of studies, though just a few, that empirically investigated the rebuilding strategies employed by various economies to bring their economies back to their pre-pandemic levels, in terms of socio-economic performance (see Rasul et al., 2020 and World Bank, 202a, among others). Rasul et al., (2020) found that the Covid-19 situation in South Asia provided a unique opportunity to use the disruptive forces of the pandemic and associated policies for recovery, to accelerate the transition to more sustainable and resilient societies.

The World Bank (2020) recorded that the central bank of India rolled up an initiative aimed at increasing the GDP of the country and enhance access to capital for business organisations. This was adopted in all India as stimulus measures aimed at economic development were rolled up with the need to also enhance access to capital by small businesses. This was also conducted in Pakistan where financial support was injected with the aim of supporting SMES. There was also an initiative to reduce taxes and tariffs on importing of goods and services. Furthermore, the Bangladesh government announced the plan aimed at supporting export services (World Bank, 2020).

3. Research Methodology

3.1 Research philosophy, design, strategy and approach

There are basically two broad philosophies used in research and these are positivism and interpretivism (Creswell, 2018; Saunders, 2016). The study utilises the interpretivism philosophy. This philosophy captures on shared meanings, language and opinions of participants that critical towards generation of knowledge

towards what is being investigated (Creswell, 2014). This study further utilises the exploratory research design. This design is used in studies that seek to gather in-depth information in respect to the research problem and in the process, offer founding solutions for future studies (Creswell and Creswell, 2018). A case study strategy was used in the study in which this requires the observation of characteristics of a setting. The case study design was used as it ensures deep exploration and analysis of a plethora of perspectives that are prevalent in a social situation. The qualitative approach was used in the study as it ensures deep and insightful understanding of the research problem as smaller samples are also utilised.

3.2 Data

The study used primary data as information was collected from first hand sources. The target population of the study consisted of owners of small businesses, employees in private sector, unemployed youth and management agents of malls. The simple random sampling was applied on the selected population. The study further utilised non-probability sampling technique where each and every element in the target population does not stand an equal chance of being part of the (Babbie, 2010). Purposive sampling technique was further utilised in which participants are included in the research based on their understanding and experience with the phenomenon being investigated (Kumar, 2014). This sampling technique ensured that the researcher was able to access samples that are critical towards giving an insightful and deep perspective on the matter under investigation.

Ultimately, the sample size is comprised of four small business owners from beauty and personal care, two unemployed youth, two trade unions, one filling station, one training and skills provider and two respondents from business leadership South Africa, Brand South Africa and two managing agents of shopping malls. Therefore, the total sample size is 14. In qualitative research, a sample size has to be between eight and 15 participants for findings to be representative of the target population (Creswell, 2014). This sample size is also argued to lead to data saturation in research.

Semi-structured interviews were used as the research instrument in the study (Flick, 2016). This method allows for probing where the researcher engages with participants to effectively comprehend the research problem. The guide is structured to present the demographic details of participants as well as impact of Covid-19 on the economy, government strategies to curb the impact of the pandemic and rebuilding strategies to ensure economic growth. The collected data was analysed qualitatively using thematic analysis (Creswell, 2014).

Trustworthiness of the study was ensured through aspects such as credibility, transferability and dependability (Leedy and Ormrod, 2015). Credibility was ensured through member checking as participants who have informed understanding of the research problem were included in the sample. Transferability was ensured through enhancing that the findings from the study can be transferred to different contexts and settings. Dependability was achieved using data source triangulation. Ethical issues were abided by, ensuring that issues of confidentiality and anonymity of participants is upheld. Ethical clearance certificate was also applied for and granted before data collection commenced.

4. Empirical Results and Discussion of Findings

4.1 Response Rate, Validity and reliability

From a sample of 14, 12 participants gave their consent to be part of the study and successfully participated in the interviews. Thus, the study achieved an 86% response rate. Creswell (2014) is of the view that in qualitative research, the response rate has to be more than 60% for the findings of the study to achieve data saturation. From the study, the response rate was ideal to ensure the understanding of the research problem. Respondents comprised of four small business owners from beauty and personal care, two unemployed youths, two trade unions, one filling station, one training and skills provider and two respondents from business leadership South Africa, Brand South Africa and two managing agents of shopping malls. Therefore, the total sample size of the study was 14 participants.

4.2 Demographic profile of the respondents

The demographic details are an important element within research studies as they present the traits and characteristics of the target population and how these ensure the understanding of the research problem (Maree, 2015). The study captured demographic details such as age, gender, highest qualification, work experience, position in the organisation and employment sector. These are summarised in Table 2 (see annexure). These demographic details and their relevance in the study are presented in the following subsections.

As revealed in Table 2, participants aged below 35 years constituted 25% of the sample. In addition, those aged between 35 and 50 years comprised of 42% of the participants and those aged above 50 years constituted to 33% of the participants. This means that although participants came from a wide and diverse age backgrounds, enhancing the comprehension of the research problem from different age groups, most participants were in the middle age-group. From the study, it was

found that males constituted more in terms of gender as they comprised of 58% of the participants. This is against the 42% composition of females. The mode highest educational level was the graduate degree with 50% of the participants. Overall, the participants from the study had wide and diverse educational qualifications enhancing the effective understanding of the assessment of the Covid-19 pandemic on the South African economy, and the rebuilding strategies.

From the study, it was found that participants had a wide range of work experience, critical towards an effective comprehension of the matter under investigation. While 33% had experience of less than 10 years, 42% and 25% had 10-20 years and more than 20 years experience, respectively. About 33% of the participants were the owners of business organisations whilst 25% of the participants were part of the executive within organisations they are associated with. Those in management constituted to 17% of the participants whereas employees comprised of 25% of the participants. The spread was considered suitable for the balanced understanding of the views, opinions and experiences of individuals towards the research problem. In terms of the business sector distribution, most participants were from the beauty and spar as well as the real estate sectors.

4.3 Research Results

The section reports and discusses the results of the study. The presentation and discussion of findings is organised by study objectives.

4.3.1 Objective 1: To assess the impact of Covid-19 pandemic in South Africa

The first objective of the study sought to assess the impact of Covid-19 pandemic in South Africa. This objective was derived from the conventional understanding that the Covid-19 pandemic, ever since its emergence, and the mitigation measures to curtail the spread of the pandemic, challenged the conventional ways of life and doing business, thereby having an undeniable impact on the socio-economic and political development of South Africa. To address this objective, the study sought to identify the long-term and short-term impact of the Covid-19 pandemic on the South African economy.

(i) The study revealed that the Covid-19 pandemic has had both long-term and short-term impacts on the South African economy. These are presented and discussed in the paragraphs below.

(ii) *Loss of employment*

One of the impacts of the Covid-19 on the economy of South Africa was loss of employment to citizens. As noted by Participant One:

The Covid-19 pandemic saw increased cases of loss of employment which coupled the socio-economic challenges in South Africa for before the pandemic, there were high levels of unemployment. The pandemic saw small business organisations not being able to operate and even large organisations were forced to shut down leading to issues of loss of employment.

This was confirmed by Participant Two who noted that:

Economic impact, Covid-19 impacted the industry in a way that people had to stop working and so their salaries were reduced by 20%. That became a huge burden, although TERS grant was provided by government to reduce the burden, people had to survive with less money, and food.

From these findings, it can be noted that loss of employment is both a short-term and long-term impact of Covid-19 on the South African economy. The results were consistent with Muchenje (2021).

(iii) Contracting GDP

Another short- and long-term impact of Covid-19 on the South African economy is the GDP contraction. According to Participant Three:

The Covid-19 pandemic saw the closure of almost every economic activity, apart from essential services; and in the South African economy where tourism and small businesses are critical towards the development of the country, the pandemic challenged the operations of such businesses. This saw the contracting of the GDP, leading the country to operate on high debt platform.

This assertion was also shared by Participant Nine who noted that:

The Covid-19 saw the contraction of South Africa's GDP by 7% in 2020. This was the worst contraction of South Africa's GDP in the era of democracy and this saw the increase in public debt. The South African rand continued to fall against the dollar and even in the present economy, the South African currency is not performing well on international markets

The Covid-19 pandemic had short- and long-term impact on the economy of South Africa as the country's GDP by the end of 2020 contracted by 7%. This was due to closure of businesses including tourism and hospitality. Same sentiments were echoed by Muchenje (2021).

(iv) Low economic growth below pre-pandemic projections

One thematic area that kept popping up as a long-term impact of Covid-19 on the economy of South Africa, related to the GDP contraction, is low growth, below pre-pandemic projections. Accordingly, Participant Four noted that:

The Covid-19 pandemic have seen limited growth in South Africa as sectors and industries such as commerce and tourism are still not operating at a maximum due to issues brought about by the pandemic. In addition, people across the globe have changed their spending in which most people are no longer spending on recreational facilities as they can no longer afford such or now have different priorities.

These findings were confirmed by Participant Nine who noted that:

The economy of South Africa is projected to be growing at a slower pace than anticipated before the pandemic, where projections of economic growth in South Africa were high. There were estimations that the unemployment rate would have been halved by 2022 but in reality, the employment rate is still high.

From these findings, it can be observed that the Covid-19 pandemic impacted negatively on the economic growth of South Africa. The results find support from (Arndt et al., 2020).

(v) Lack of Organisational Performance

The Covid-19 pandemic has had short- and long-term impacts on organisations which culminated into lack of organisational performance. According to Participant Two:

Covid-19 saw the closure of non-essential business organisations, big and small, meaning that revenue was minimised especially on small business entities operating in food, retail, beauty and spar to mention other sectors. People were spending less on non-essential activities and were surviving on basic commodities. This meant that organisations were not able to operate thus lack of effectiveness and efficiency.

In addition, Participant Six noted that:

Small business entities were affected immensely by Covi-19 as they were forced to shut down due to measures aimed at mitigating the spread of the virus. For instance, organisations in clothing, beauty and construction were forced to close off as these were regarded as non-essential services. As small businesses survive on their day-to-day operations, these entities were forced to close off permanently.

In addition, Participant Ten argued that:

Less than 70% of emerging businesses survived the Covid-19 pandemic as the socio-economic conditions of Covid-19 challenged business operations of such organisations. This is also the case with established organisations who had to think of new ways and strategies to meet customer needs as they were forced to close operations. This saw large number of people losing their jobs and businesses losing their contracts and risking closure.

From these findings, it can be noted that lack of organisational performance is both a short-term and long-term factor that impacted business organisations in the Covid-19 era. This is due to economic forces that challenged the operations of businesses as they were forced to shut down and access markets. As noted by Kerr and Thornton (2020), 99% of families in the era of the pandemic were able to shun the operations of fast-food restaurants impacting negatively on organisational performance of business operations.

It is also imperative to note, however, that the impact of Covid-19 on business operations have all not been negative as some positive aspects have emerged.

(vi) New and informed ways of doing business

Another short- and long-term impact of Covid-19 on the South Africa economy was that this led to new and informed ways of doing business for businesses to survive. According to Participant Five:

The lockdown and mitigation measures to curtail the spread of the virus meant that organisations had to come up with new and informed ways of doing business amongst which included working from home, setting up virtual offices and use of technology to reach potential clients. In the present economy, some small organisations in South Africa have successfully set-up virtual offices cutting across issues to do with rentals and other office issues that can impact on their financial performance.

In addition, Participant Eight noted that:

Enterprise social media marketing was introduced effectively as a phenomenon in the Covid-19 pandemic. Since people could not access physical enterprises, social media was used as an advertisement platform where organisations were using cheap and convenient methods to reach to clients and even deliver goods and services. In the post-Covid-19 environment, social media marketing is now

being experienced and ensuring that organisations are able to reach markets and customers.

Furthermore, Participant Twelve highlighted that:

Social media marketing has seen the increased use of technology within organisations where tele-conferencing, zoom meetings and other applications are now being used at the convenience of people. This is effective as people do not need to be in one room to make decisions. This is increasing the development of organisations and helping them realise their goals and objectives.

From these findings, it can be noted that survival strategies adopted by organisations in the Covid-19 era have ensured their survival and development. The results is consistent with (Kerr and Thornton, 2020).

4.3.2 Objective Two: To assess the effectiveness of the South African government response to Covid-19

The second objective of the study sought to assess the effectiveness of the South African government's response to Covid-19. This objective was derived from the understanding of the impact of Covid-19 on the South African economy and the need to determine the methods and practises employed to mitigate such effects. To address this objective, the study sought to determine the effectiveness of South Africa government's response to Covid-19 on the country.

The results of the study revealed wide and diverse aspects in respect to the effectiveness of South Africa government's response to Covid-19 on the country. These are presented and discussed in the paragraphs below.

(i) Fiscal and monetary measures to address economic challenges

The government of South Africa introduced fiscal and monetary measures aimed at addressing economic challenges which managed to address short-term challenges but created long-term undesired effects on the South African economy. As noted by Participant One:

The fiscal and monetary measures introduced by the government were effective towards addressing the socio-economic challenges faced by communities. For instance, in the beginning of Covid-19, companies introduced the salary reductions and the TERS grant made a huge difference on salaries. The difference after receiving this grant was replaced by the transport allowance

which was not utilised during Covid-19 lock downs. Be that as it may, the government, in the long run, is facing challenges in repaying these grants taken which has challenged the effectiveness of the economy.

In addition, Participant Four perceived interventions from the business level and noted that:

The government introduced programmes aimed at supporting large businesses and small business in the Covid-19 pandemic. These monetary and non-monetary interventions helped organisations access capital and resources from both domestic and international markets which was critical for survival. However, these strategies in the long-term were not sustainable on both the government and business organisations requiring performance of the economy which is still lagging behind.

From this perspective, it can be noted that the government of South Africa introduced monetary and fiscal measures aimed at enhancing the development of people and organisations in the era of the pandemic. Sets of measures such as debt fund, aid fund, unemployment fund and social grants to communities allowed for entities and individuals to access basic needs and ensure survival amidst the challenges brought by the pandemic (The Presidency, 2020). However, the sustainability of these measures has been questioned as the South African government has to have incurred associated huge debt.

(ii) Regulations to allow credit facilities

Another intervention by the government on the economy was the introduction of regulations aimed at allowing credit facilities. As noted by Participant Three:

The government allowed the banking system to support lending to the private sector as liquidity was reduced. This allowed institutions and organisations to be able to access capital from banks and financial institutions and in the process be able to operate within the business constraints of the pandemic. However, this was a short-term policy as banks were beginning to be affected by lack of repayments of loans leading to a financial crisis.

This is confirmed by Participant Ten who noted that:

The government introduced regulatory frameworks amongst which allowed banks to offer credit facilities to individuals and organisations on much more flexible terms. The idea was to ensure that organisations have access to capital

and resources that would enhance their development; and that individuals are not defaulting on their repayments. However, the conditions of the pandemic saw challenges in lack of investment by organisations and they were facing challenges in repaying these loans.

The South African Reserve Bank provided regulatory relief to the banking system to support lending to the private sector. It allowed temporary relief of bank capital requirements reduced the liquidity coverage ratio from 100% to 80% and relaxed capital charges and provisioning requirements on Covid-19 related credit exposures. This was welcomed as an initiative to enhance the development of the country as business organisations had access to capital and resources. However, in the long run, this was a challenge towards the survival of banking institutions as there were limited business activities and organisations were not able to re-pay the loans given to them. This impacted the regulatory framework by the government as a strategy to mitigate the effects of Covid-19 on the economy. In addition, the stimulus package was also introduced which included a considerable additional and reprioritised spending, targeted at both firms and individuals, and added up to 6.5% of GDP. Concerns were raised on how easily the relief measures will be implemented and accessed by the various government departments that oversee their delivery (Bhorat et al., 2020).

(iii) Partnership with stakeholders

The government of South Africa also partnered with various stakeholders in a bid to enhance relief mechanisms to curb the spread of the pandemic and achieve development. As noted by Participant Two:

The government partnered with stakeholders in both the public and private business environment and together methods of business such as relief mechanisms to organisations and social grants to citizens were enhanced which ensured survival of businesses and organisations in the pandemic era.

This was confirmed by Participant Six who noted that:

The government and various stakeholders in the public and private sphere were able to coordinate and ensure that measures to mitigate the spread of the virus were enhanced. Organisations in the health sector funded and led research to come up with vaccines which was a positive result towards ending the lockdown and ensure that the economy was opened up.

From this perspective, it can be noted that the government was effective in responding to the pandemic and its effects on the community through partnership with various stakeholders.

The study findings reveal that although the government's response to the Covid-19 had unintended negative consequences to a certain extent, in the main, the response was effective.

However, despite the highlighted effectiveness, respondents had a few pointers on how the government's response and its effectiveness could be improved in the future. The study found that there is need for a platform in which the government can respond to future pandemics. The conditions for such as found from the study are *relief fund for public emergencies* and *research and development*.

In respect of the *relief fund for public emergencies*, the study found that there is need for relief fund for emergencies and methods of disposal for such funds have to be ensured. As noted by Participant One:

Just like how private organisations have resources that are set aside in cases of emergencies, the government has to ensure that it has at its disposal such funds that can be channelled to curtail the spread and address socio-economic challenges that come from disasters and pandemics.

This was confirmed by Participant Three who noted that:

There is need for the government to come up with a legislative framework that presents the ways in which funds can be accessed and channelled towards addressing socio-economic challenges that comes from crisis and situations such as the pandemic. The importance of such is to ensure that there is swift response towards addressing consequences that come from pandemics

In terms of *research and development*, it was felt that it needs to be enhanced so as to capture information about disasters and address these disasters. As noted by Participant Six:

Governments have to ensure that research and development is made to ensure that as much information is captured on the effects of disasters and create strategies and measurements to guarantee that disaster management strategies are put into place.

In addition, Participant Eight noted that:

Data management and capture has to be the focal point in responding to pandemics and governments have to ensure that resources are put in place to manage the spread and effects of disasters. This has to be learned from the Covid-19 pandemic where mitigation measures were put in place without effective data management.

Furthermore, Participant Twelve noted that:

There is need to ensure that research and data collection is enhanced from all levels and the process has to be integrated. This means that local communities, local authorities, organisations and provincial governments have to be included in the collection of data for effective implementation of processes and procedures to address disasters.

From this perspective, it can be argued that data collection, management and research has to be ensured to enhance those methods and practises to develop and mitigate consequences of pandemic. Lessons from the Covid-19 pandemic saw countries in the developed world coming up with responses that were based on data collected and this made their efforts to deal with the pandemic effective (Benmelech, 2020). This has to be translated to developing countries such as South Africa that are lacking in research and data management in respect of the pandemic as realised in the Covid-19 era. Therefore, research and development has to be enhanced for effective and swift methods of intervention in times of crisis.

4.3.3 Objective Three: To outline the government strategies that have been employed in an effort to rebuild the South African economy

The third objective of the study sought to outline the government strategies that have been employed in an effort to rebuild the South African economy. This objective was derived from the understanding of the impact of Covid-19 on South Africa's economy as well as the effectiveness of South African government response to Covid-19. Therefore, there is need to determine the policies and methods that have been put in place by the South African government to spearhead the efforts of rebuilding the economy. To address this objective, the study sought to identify and discuss the strategies implemented by the government in rebuilding the economy of South Africa.

The study discovered that there are numerous strategies that have been adopted by the government of South Africa in an effort to rebuild the economy. The following is a presentation and discussion of such strategies.

(i) Expansionary Monetary Policies

The study discovered that expansionary monetary strategies were implemented by the government and the Reserve Bank of South Africa with the aim of rebuilding the economy after the effects of Covid-19. As noted by Participant One:

The government of South Africa and the Reserve Bank came up with further policies aimed at ensuring that companies and business organisations have access to capital, resources and markets with the aim of surviving the effects of the pandemic. The central bank and the government had, during the pandemic, come up with monetary policies but these were expanded post-Covid-19 to boost the economy.

This was confirmed by Participant Six who noted that:

There is the realisation by the government that post-Covid-19, the economy is growing at a slower pace. The government, therefore, expanded loan facilities and access to capital to organisations that required it. In addition, state enterprise grants were enhanced to help struggling organisations, such as Eskom, which are vital towards the economic development of South Africa.

It can be noted from the findings that during the pandemic, the government through the Reserve Bank came up with policies and initiatives to enhance borrowing and access to credit for firms. From this perspective, it can be noted that the government has introduced monetary policies aimed at rebuilding the economy after the effects of Covid-19.

(ii) Specific programmes to alleviate challenges faced in key economic sectors

Another strategy implemented by the government with the aim of rebuilding the economy was the introduction of specific programmes targeting the resuscitation of key economic sectors. Accordingly, Participant Two noted that:

The government has introduced specific measures to address the challenges faced in the tourism industry which is a major contributor to the economic development of South Africa. Amongst these is the Tourism Relief Fund, the Tourist Guides Fund and the Tourism Equity Fund which are aimed at boosting the tourism sector in the country.

In addition, Participant Five noted that:

The government has introduced programmes targeting the revival of the industry that was challenged by the effects of the pandemic. The Industrial Development Corporation's Covid-19 Distressed Funding is the major aspect that has been introduced to address challenges faced in the industry and the government has even promulgated policies to ensure that the industry has access to finances, capital and raw materials.

Furthermore, Participant Seven highlighted that:

The government has noted the challenges faced by emerging small farmers in respect to Covid-19 and in the process, has come up with policies and mechanisms enhancing their access to markets and resources. Social grants to emerging farmers have also been enhanced with the aim of enhancing food security.

From this understanding, it can be noted that the government has introduced various policies and frameworks aimed at enhancing the development of key sectors in the economy.

(iii) Investment in social media marketing

In an effort to rebuild the country, one of the South African government's strategies was to encourage the businesses to adapt to the new environment presented by Covid-19 and embrace the use of social media platforms as marketing and sales order avenues achieve productivity and satisfy the demands of their customers. As noted by Participant Four:

The government has encouraged organisations and businesses to invest in social media marketing which is perceived as a cheap, convenient and flexible method of conducting business. Social media marketing ensures that there is interaction between the brand and customers, there is data and research on the trends and processes to determine customer demands and that these platforms have high engagement rates

In conformity, Participant Ten noted that:

Social media is being used as a method of conducting businesses as organisations are utilising small budgets on marketing in trying to survive in the economy. Social media marketing requires the use of minimum resources in engaging with customers and responding to customers and organisations are increasing in their use on these platforms.

In addition, Participant Eleven argued that:

Social media marketing has a high response rate and organisations in the contemporary business environment have started using these approaches to market their products and communicate with clients. Social media marketing ensures that organisations have the ability to interact with target audiences as the increase in the use of social media doubled in the Covid-19 era.

Statistics South Africa (2021) acknowledges that ever since the pandemic began, there has been increased use of social media by people and organisations; and that those with social media presence are able to interact and achieve organisational efficiency through these platforms. Social media is cheap and easy to use, thus organisations have found it effective to conduct their business through social media. Therefore, in terms of profitability, organisations are leveraging social media marketing as a method to engage with customers, as the national rebuilding process takes place.

5. Conclusion

The focus of the study was an assessment of the Covid-19 Pandemic in South Africa: From its impact on the economy to the rebuilding strategy. The study was motivated by the need to establish and document the impact the Covid-19 pandemic has had on the economy of South Africa and the need to come up with interventions to ensure that these impacts are addressed, where needed. The first objective of the study was to assess the impact of the Covid-19 Pandemic in South Africa while the second objective of the study sought to assess the effectiveness of the South African government response to Covid-19. The third objective of the study sought to outline the government strategies that have been employed in an effort to rebuild the South African economy.

In order to realise its objectives, the study utilised the qualitative research approach due to its ability to lead to in-depth understanding of the research problem. Within this approach, a purposive sample was selected, for this method allows for selection of a sample that has an understanding and experience with the phenomenon being studied. Primary data was collected through semi-structured interviews and thematic analysis was used for the analysis.

The overall findings of the study have revealed that loss of employment, the contraction of the South African GDP, limited growth in South Africa as sectoral activities shrank are some of the short- and long-term effects of Covid-19 on South

African economy. On a positive note, another short and long-term impact of Covid-19 on the South African economy was that it led to new and informed ways of doing business for these organisations to survive. Further, the results show that In terms of assessing the effectiveness of the of the South African government response to Covid-19, the government of South Africa introduced fiscal and monetary measures aimed at addressing economic challenges which managed to address short-term challenges but created long-terms effects on South Africa's economy. The government of South Africa also partnered with various stakeholders in a bid to enhance relief mechanisms to curb the spread of the pandemic and achieve development. The results of the study, this, indicate that the government's response to the pandemic was largely effective.

Regarding the third research question, which sought the government strategies that have been employed in an effort to rebuild the South African economy, it was revealed that in an effort to rebuild the economy, following the devastating effects on Covid-19 – a pandemic that was still unfolding – the South African government adopted expansionary monetary and fiscal strategies. Social media centric approach to business was also one of the rebuilding strategies the government adopted to ensure the effectiveness of entities in doing business in a constrained environment.

Based on the results of the study, the South African government is recommended to build a buffer of resources in preparation of devastating pandemics such as Covid-19, such that when the country is hit by the pandemic, the immediate government response is not crippling to the economy. Through financial and human support to individuals and to businesses, in general, and to SMEs, in particular, the government can ensure that key players in the economy are playing their part in concerted efforts towards economic development in a pandemic period. The study also recommends that an avenue that can be exploited by governments in the future is to ensure that research and development is prioritised so as to capture information about disasters and address these in real time or as soon as possible. Data management and capture has to be the focal point in responding to pandemics. This has to be learned from the Covid-19 pandemic where mitigation measures were put in place without effective data management.

6. Declarations of interest

None

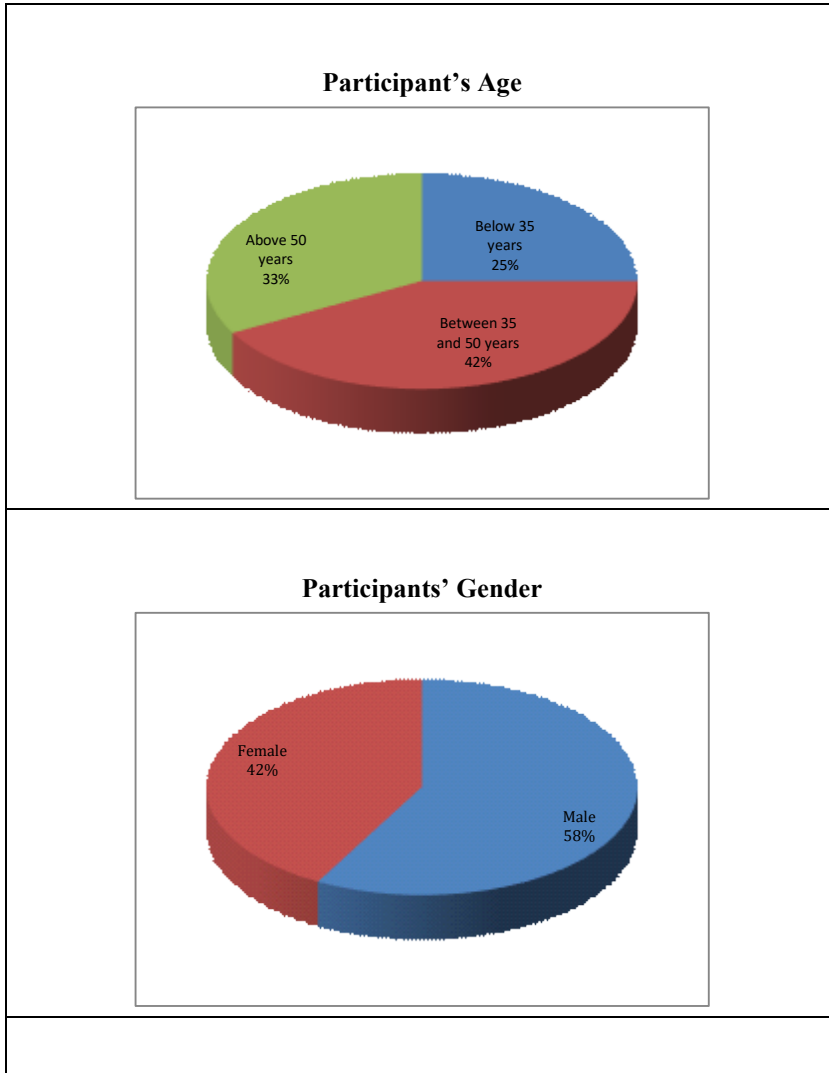
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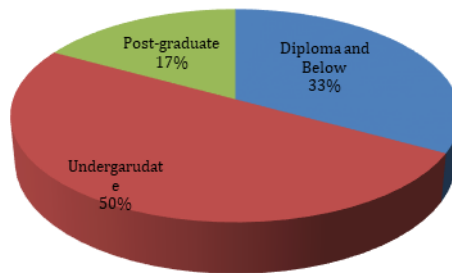
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Table 2: A Summary of the Demographical Information of Participants – Itemised

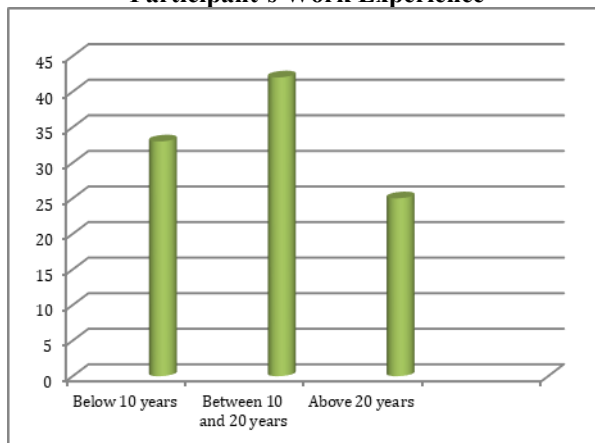




Highest Qualifications of Participants

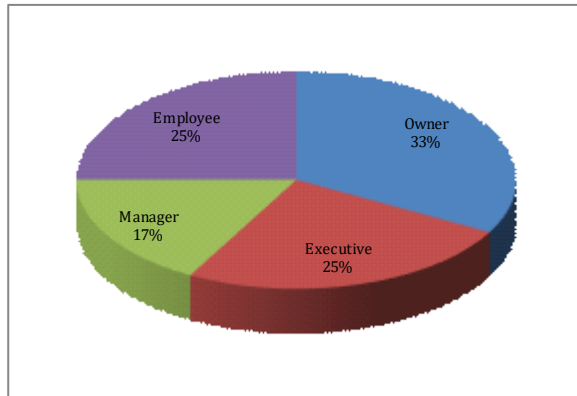


Participant's Work Experience





Participant's Position in the Organisation



Business Sector

