

Preface

A COHERENT APPROACH TO SOCIO-ECONOMIC SUSTAINABILITY IN A POST-PANDEMIC ERA

It is not an easy task to analyse a process that has not finished yet. This is true for most social, economic, or demographic processes, but even more so for COVID-19 pandemic; even more so on the socio-economic sustainability in the post-pandemic era, which is the focus of this book. This is predominantly due to two reasons. First, it is difficult to fully analyse the effects of COVID-19 pandemic in all aspects, being them demographic, economic, and societal effects. Some of these effects are short term and others long term. Secondly, at the time this book is written, we haven't as yet come out of this pandemic with the virus still causing illness and death, but much fewer deaths due to the development and global utilisation of a number of vaccines, as well as a number of non-pharmaceutical interventions. This book goes to a great length in trying to present a coherent multidisciplinary discussion on the topic with great reference to possible future developments, where pandemics, regional epidemics and natural disasters are expected to be more common (Lancet, 2021). The events of the past two decades have taught us that these situations will be more common for humanity, partially due to rapid environmental changes taking place in the World in the past decades (Soubotina, 2004). Through detailed analyses of particular countries or comparative cases, this book details some of the main socio-economic consequences of COVID-19 pandemic. It also explores a number of ways forward, for research on one side, but most importantly it offers solutions and policies for the future sustainable socio-economic development. After a short brief on the demographic, socio-economic and public health consequences of the pandemic, this introduction highlights some of the socio-economic challenges addressed through brief descriptions of the chapters presented in each part of this book.

Demographic, Socio-Economic, and Public Health Consequences of COVID-19 Pandemic

To date, COVID-19 pandemic, has killed 6,606,624 people worldwide, as reported by WHO, on 23 November 2022, with about 636,440,663 confirmed cases. Most affected areas have been developed countries, with Europe having the majority of cases, around 42% of all cases, and smallest number of cases in Africa with less than 1.5% (WHO, 2022. Corona Virus Dashboard, 28 November 2022¹). COVID-19 Mortality increases with age and to some extent it follows the population rate of ageing (Sasson, 2021). In high income countries, in the first wave before vaccination, the median percentage of people over 60 years old dying from COVID-19 was 88.5% of all deaths (range 69.5-95%). This did not change

much in the vaccination period with the median percentage still at around 84.7% of all deaths (range 74-100%) (Pastorino et al. 2022)². Stage of population ageing of the country is also one of the main reasons, amongst others, why the developed countries have been affected more than developing countries, due to their stage of advanced ageing of their populations (Lippi et. al. 2020; Cortis, 2020; Boehmer, 2020; Omori, et al. 2020; Davis, 2020). While the pattern of age and sex distribution of deaths suggest that the elderly are more affected than all other age groups, and males more than females, country differentials suggest that the pattern of COVID-19 mortality may be due to differences in underlying population health, standards of hospital care, or time and type of interventions during the pandemic. Other authors have highlighted the importance of public health readiness, more specifically the capacity of intensive care units (Basellini & Camarda, 2021). Globally, 44.9 percent of the total years of life lost (YLL) are attributed to the deaths of individuals between 55 and 75 years old, 30.2 percent to younger than 55, and 25% to those older than 75 years (O'Driscoll et al., 2021). A similar study of 81 countries (Pifarré i Arolas et al., 2021) came to the same conclusion, confirming the large mortality impact of COVID-19 pandemic amongst the elderly.

Data Availability and Data Quality During the COVID-19 Pandemic

An important aspect of analysing any political, economic or society effects of the pandemic is the availability of data and their quality. Most chapters in this book use large amount of data and some of them discuss their availability and quality. The need for quality and detailed data is important for any scientific analysis, but even more when lives of people are at risk in an emergency where current, daily and sufficient information is required. The fast pace this pandemic developed required fast and effective intervention policies to cope with it. This need for fast decision making showed that continues, on time and accurate data collection is of paramount importance for COVID-19 detecting, testing, monitoring, diagnosing, surveillant, mapping, tracking, and creating awareness (Mbunge et al., 2021; Khalatbari-Soltani et al., 2020).

One of the main concerns during the pandemic was the up-to-date reporting of death. As described above this was needed to monitor the course of the pandemic, but to also provide information for any possible intervention. The main data in the early days of the pandemic was coming from existing sources, such as hospitals (routine collective data), care home data (not always diagnosed by the physician, and the vital registration system (which had a ten to twelve days delay in many developed countries, but the data were more accurate). Under such circumstances, the first issue with COVID-19 death and infection data was the definition of what these data represented. In UK alone, the reporting of the death data changed four times in a period of two months; from hospital deaths, to deaths of individuals diagnosed with COVID-19 in the past two weeks; than deaths from both hospitals and care homes and finally the recorded diagnosed deaths reported by Office of National Statistics. The second issue was the accuracy of these data. As mentioned above, all these data were coming from different sources and not all of them initially were diagnosed from a physician. Another concern was if these deaths should be counted as COVID-19 deaths when the co-morbidity was considerable as old age was affected the most. In high income countries it is expected that the quality of data is high, but no surveillance data system was in place for such data collection. In the case of UK, it was only when Office of National Statistics introduced the COVID-19 infections survey of initially 10,000 individuals and later increasing to 150,000 individuals by March 2022 (ONS, 2023). Developing countries that are used to collecting data on different infectious

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diseases through their surveillance systems, had better tools and existing systems to collect continuous data on the pandemic than most middle- and high-income countries (Khalatbari-Soltani et al., 2020).

The Scientific Decision Making During COVID - 19 Pandemic

The scientific decision-making regarding the interventions during the COVID-19 pandemic has been and still is a debatable topic amongst researchers and policy makers. Nobody argues about the importance of the need to use science to orientate decision making, but the main question here is: Was this the case in most of the countries or international organisations during the COVID-19 pandemic? Of particular importance is the question for the early decision makings when the data were missing and there was no scientific information about the decision making. In such cases the past experiences should have helped, or as we called it the “Power of Observation” (Glatter, 2021; Mittal et al., 2020; Afolabi, 2021). The world has gone through a number of pandemics and regional epidemics in the past century to have learned the lessons, which were not applied by most a large number of governments in developed countries in the early stages. A thorough review by Juneau, C.E. et al in 2022 revealed, that “the most cost-effective interventions are swift contact tracing and case isolation, surveillance networks, protective equipment for healthcare workers, and early vaccination (when available)”, followed by home quarantines, social isolation etc., but most importantly the combinations of these measures were more cost-effective options (Juneau, Pueyo, and Bell (2022). This was already known to the scientific community, which could have been used for policy making. In the first two weeks of the pandemic in United Kingdom and other high-income countries, there was a debate, if non-pharmaceutical interventions known to public health and the scientific community, such as isolation, restricting transport, closing public events and many more, were not implemented due to the competing arguments of economic slow-down or even economic recession. Thus, we were experiencing a crisis of competing policies, which should have not been the case. Countries that intervened first and swiftly, such as New Zealand, Australia, Thailand, South Korea, Finland and many more, had the least number of deaths in the first wave, but also overall (Hasle et al., 2021). There is no doubt that public health measurements should have taken priority in the early stage, not just because they save lives, but also because they have proven to also be best for timing and speed of economic recovery. The conclusions of a number of research papers supported the view that earlier closure of society and the borders were associated with less deaths (Haug et al., 2020).

Socio-Economic Aspects of the Pandemic

One can say with some certainty, that while a worldwide pandemic, COVID-19 has affected disproportionality the affluent countries of global north compared to many countries in the less developed global south. Consequently, the socio-economic consequences and socio-economic sustainability in this book, refer mainly to the middle- and high-income countries. This does not necessarily mean that the developing countries’ economies were not affected, either directly or indirectly, due to the slow-down of the World economy amongst other factors. Many countries initially implemented policies of “balancing” the economic activity closure with public health policies to curve the pandemic and reduce deaths. In many cases, it proved that this approach was not right and these countries suffered most in terms of deaths. Research by Dept, P. et al (2022) suggests that “containment measures had a significant impact on economic activity . . . easing of containment measures results in an increase in economic activity.” The scholars also found that school closures, cancellation of public events are not just effective to curb

the pandemic, but also with very low economic costs. They also found that the workplace closure and international traveling were the less economic effective measurements with costs being much higher than other measurements (Deb et al., 2022). One other element to add here is that, while the lack of public health readiness could be justified on the fact that, these pandemics or regional epidemics take place rarely, one cannot justify the lack of preparations for economic and financial interventions in the time of crises at global level as we have had a number of them in the past two decades only. A number of studies concluded that earlier government policies and information dissemination regarding public health policies, testing and social isolation policies, awareness campaigns, and income support packages for both individuals and employers resulted in positive market reactions and returns (Ashraf, 2020). The studies on the economic effectiveness of the non-pharmaceutical interventions are sometimes conflicting, however a number of them suggest that these early interventions, in most of the societies where they have been applied, had an indirect positive economic output through mechanisms resulting from the reduction of the intensity of COVID-19 outbreaks. This finding is of paramount importance, as it can influence the early decision making in the decades to come when the intensity of pandemics and natural disasters, as a result of climate change, will increase rapidly (Ashraf, 2020).

Another study (Wieland, 2022) found that, while the growth effects and policy responses are influenced by labour market institutions and the relative importance of different sectors, a speedy reaction through fiscal policy by Banks and Governments to the onset of the pandemic and economic contraction is essential. The research also concluded that fiscal economic sustainability can successfully cope, with best practices involving “flexible fiscal instruments that are easily scaled up and reversed without causing economic and behavioural distortions”. A number of studies also suggest that with a flexible approach, it is important to phase out the support as the economy recovers. But most importantly, governments need to be prepared financially in order for the economic and fiscal resilience in future crises. Not that this finding is new from the COVID-19 pandemic, as previous research on 1918 flu pandemic has shown that rigorous, early and tough non-pharmaceutical interventions, led to better economic outcomes in the medium run (Correia et al., 2020).

The focus of this book is how countries and international community can achieve sustainable economic and social development, under the conditions of continues economic, political and public health crises, using evidence-based research from the effects of COVID-19 pandemic on economies and societies. The collection of contributions is wide and integrates different, disciplines and different point of views on such an important topic.

Most contributions in this book are both, comparative and individual countries/regions analyses, addressing specific issues with regards to the socio-economic sustainability during and after COVID-19 pandemic. The first part of the book, “COVID-19 Pandemic and Economic Sustainability,” starts with a comparative analysis of all EU countries analysing the effects of fiscal consolidation measures/economic adjustments that were taken at EU level, under the 2008 Economic Crisis, to the Impending Economic Crisis caused by COVID-19 Pandemic. With an innovative approach, the creation of COVID-19 effect economic index, this paper uses the 2008 financial economic adjustments and if these adjustments affected the COVID-19 economic aftereffects. The second chapter, again in a comparative and more theoretical approach to economic inequalities, trying to project a country’s socio-economic sustainability, by creating a coefficient (value) of socio-economic sustainability, in order to quantify countries’ socio-economic sustainability for the post-COVID-19 period. The third chapter presents comprehensive review of the importance of financial inclusion on economic growth. After examining the facts and evidence, the chapter establishes that financial inclusion encourages savings at different population levels. It increases

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financial wealth and better fund management, which in-turn promotes trade and economic progression. The fourth chapter, by using an econometric approach, tries to analyse Greece's sectoral production in terms of labour and capital inputs, and the (residual) sectoral multifactor productivity element in terms of the type of technology, the types of labour and the type of capital used. The chapter also suggests that investing in certain sectors may be preferable on account of the production coefficients and depreciation rates, and the authors argue that this is of great interest to policy makers at national, but also international level. Chapter 5 looks at the economics of advertising and marketing and their effect in unusual behaviours of consumers. The chapter envisions a number of new economic paradoxes and their effective leverages. It concludes that the inefficiency of advertisement and marketing requires social marketing in order to protect the interests of social groups affected by these actions. The sixth chapter of the book focuses on the SMEs' challenges in a pandemic and post-pandemic world by focusing on South-Eastern Europe and the Black Sea countries, in light of an economic sustainable development. The chapter concludes that the model of corporate sustainability management, for sustaining the competitive position of corporations, would have a substantial influence at building up and further sustaining the competitive position of the fastest growing segment of SMEs, particularly those with highest rate of growth.

The second part of the book, "The Politics of Sustainable Development in a Post-COVID-19 Period," focuses mainly on government policies that address the sustainable development in a post-pandemic/crisis environment. The first chapter in this part (Chapter 7), focuses at the role of state in a pandemic situation, with regards to two aspects of this role, the behavioural constraints and economic compensations. The analysis in this chapter reveals that, whereas support for the government and its authoritarian attitudes positively affect support for COVID-19 measures, economic approaches, such as liberalism and redistribution do not seem to have any effect. Chapter 8 in this part seeks to construct a framework for analysing political marketing strategies and tools in crises. This paper is a comparative analysis on marketing strategies and communication management of the COVID-19 pandemic in the cases of Albania, Bulgaria, Croatia, Cyprus, Greece, Kosovo, Romania, Republic of Serbia, and Turkey. The diverse results are carefully interpreted in this chapter. Chapter 9 is a theoretical piece of research, based on a thorough literature review that aims to analyse the organisation resilience based on different environments, being that culture, resource allocation, level of flexibility etc. This chapter is followed by some very detailed analysis on developmental sustainability in Russia under the conditions of COVID-19 pandemic (Chapter 10). It addresses some important aspects of development focusing on energy, such as sustainable development through energy-efficient economy, and "green" economic growth for which Russia is behind major leading economies. Within this chapter the authors investigate the history of Russia's commitment to the global climate-related initiatives and showcase whether the national legislative system is supporting these "efforts". The last contribution in this part, Chapter 11, addresses a very important aspect of COVID-19 pandemic, that of the organisational design and ad hoc structures of public health in response to the pandemic. The chapter addresses the complexity and interconnectiveness of various types of health policies that necessitates the adoption of new organisational models. The chapter describes how organisational design and architecture, other than the dominant New Public Management model complementary to New Public Governance Model can provide viable, sustainable solutions as well as more democratic leadership and decision making.

The last part of this book focuses on "Social Sustainability for a More Equitable Society in a Post-Pandemic Era." This part convergently addresses the sustainable development goals for different regions of the world during and after the COVID-19 pandemic. The opening chapter in this part (Chapter 12) offers an analysis on the sustainable development goals (SDGs) that are under the threat due to the pandemic,

but at the same time the chapter addresses the issue of the importance of achieving SDGs for future economic crises. The chapter also examines the short-term political economic scenarios established about the pandemic that led to the economic crisis. Chapter 13 also looks at the SDGs under the conditions created by the COVID-19 pandemic, and focuses its analysis on South Eastern Europe and the Black Sea countries. The aim of the study is to assess the possibility of constructing a statistically comparable set of indicators for assessing the achievement of the SDGs at three levels - national, territorial and at the city level. The next chapter examines the existing and potential impact of Artificial Intelligence (AI) on the economic circuit in terms of wealth creation and redistribution. It also examines the potentially disruptive impact of AI on labour market and social equality. Chapter 15 is in line to other chapters in this part, by focusing on the connections between society, economy, and the SDGs. An important aspect of this chapter is that it addresses the development as complex processes built upon synergies and trade-offs between factors, such as good health, human capital, and environmental prosperity. These interconnections are expressed through the concept of sustainable development in this chapter. Chapter 16, taking stock from the unprecedented macroeconomic challenges emerging from the coronavirus pandemic that has had unprecedented impact on the global economy, questions the progress on SDGs threatening decades of development gains and further delaying the urgent transition to a greener world. To prevent future pandemics and promote sustainable development, it is necessary to further embed ecosystem services into socioeconomic development. The next chapter, Chapter 17, is innovative in the idea that introduces the term “guilt economics” - in understanding, explaining, and evaluating the application of methods that deliberately introduce guilt feelings at the micro and macro level, by either private or public agents and institutions. It also creates a theoretical framework for the changing character and purpose of self-controlling and self-imposing individual and collective behaviour within a certain social paradigm. It also looks at how during the pandemic the new alienated behavioural standards introduced, besides being indeed a way for stopping the pandemic, gradually became a new status of interpersonal relations of prohibitive nature. The last chapter of this part and the book, Chapter 18, addresses an important topic during the pandemic, that of quality of global information, which the author concludes should be a prerequisite of socio-economic safety for populations in the cases of global economic shocks and catastrophes. The chapter concludes that building “clean” information environment based on wide infrastructural information systems, especially on official statistics, in order to adjust and cope with the conditions created by shocks and natural disasters similar to COVID-19 pandemic.

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ENDNOTES

¹ WHO, 2022. Corona Virus Dashboard, 28 November 2022 - <https://covid19.who.int/>

² These data have been calculated based on an article by Pastorino, R. et al. 2022 in Environmental Research Journal.