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Reimagining the Global Economy: Alternative Visions for an Equitable and Sustainable Post-Covid-19 Economic Recovery

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Reimagining the Global Economy: Alternative Visions for an Equitable and Sustainable Post-Covid-19 Economic Recovery

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Introduction

On 30 January 2020, the World Health Organisation (WHO) declared the outbreak of the novel coronavirus disease (Covid-19) a "public health emergency of international concern" (WHO, 2020). Since then, the Covid-19 pandemic has had significant implications for the global economy and for the lives and livelihoods of millions of people around the world. With a 4.3% contraction in global GDP in 2020, the World Bank's (2021) *Global Economic Prospects* indicated that the Covid-19 pandemic had caused severe economic damage, triggering the fourth most severe global economic recession in 150 years (World Bank, 2021). Furthermore, according to the United Nations Conference on Trade and Development (UNCTAD, 2021), for the period 2019 to 2020, global foreign direct investment (FDI) fell by 42%, from $1.5 trillion in 2019 to approximately $859 billion in 2020.

In addition, the global health crisis and the measures that were implemented to mitigate its effects had significant impacts on global supply chains. In an effort to limit the spread of the virus, governments around the world implemented several social distancing measures. These measures caused severe disruption to global supply chains, including declining commodity prices, production stoppages and reduced supply (UNCTAD, 2020a; World Bank, 2021a). Consequently, food insecurity also rose during this period. Projections for 79 countries indicated that a further 123 million people would be among the acutely food insecure by the end of 2020 (World Bank, 2021). There were also concerns that the social and economic effects of the pandemic would reverse the progress made in the fight against poverty and inequality around the world (UN, 2020a).

In addition, estimates from the International Labour Organization (ILO) indicate that the Covid-19 pandemic resulted in the loss of 225 million full-time jobs in 2020 (ILO, 2021). Moreover, in line with persistent inequities in the distribution of paid and unpaid work in the economy, women and informal workers have disproportionately borne the risks of the ongoing crisis. According to the ILO (2020c), women account for 70% of the workforce in the health and social sectors globally. Women workers are also more likely than their male counterparts to be in insecure jobs in the informal economy that lack social protections (ILO, 2020c). At the same time, the Covid-19 pandemic has significantly increased the burden of care for dependents that women workers engage in throughout the day, as many women are expected to balance paid work and unpaid care work in the household.

In addition, due to long-standing legacies of colonialism, the long-term implications of the Covid-19 pandemic will be profound in the global South, affecting the most vulnerable people in our society.

Against this backdrop, this report analyses several economic recovery policy proposals influencing the international discussion on the post-Covid-19 economic recovery. The main aim of this report is to determine the extent to which each of these recovery plans reflects issues concerning the global South, particularly increasing vulnerability to external debt, inefficient tax regimes, declining employment security and the lack of or inadequate access to social protection and social services. In addition, the report seeks to identify the policies required to improve livelihoods and build resilient economies in the global South in the medium to long term. Particular emphasis is placed on the experiences, concerns and strategies of activists, policymakers and indigenous communities in the global South for developing pathways towards a green, just and sustainable economy for all.

The report is divided into ten sections and is structured as follows. Following this introduction, the second section presents an overview of the global macroeconomic landscape. In particular, the section considers the international debt landscape before the Covid-19 pandemic and how the social and economic crisis will affect the global economy in the medium to long term. In addition, the section evaluates the state of tax justice around the world and summarises regional variations in how global tax abuses have affected the fiscal space available for national governments to address issues of poverty and inequality in their local contexts.

The third section provides an overview of the trends in climate change around the world. In particular, the section considers the relationship between climate change, work and livelihoods and highlights the multiple ways in which the human economy depends on environmental services for its functioning. The fourth section reviews the economic recovery policy proposals that are likely to inform national government responses to the Covid-19 pandemic. The section provides a brief description of each recovery policy proposal and identifies the main stakeholders and beneficiaries of each plan.

The fifth and subsequent sections are devoted to centring the perspectives of activists, policymakers and indigenous communities from the global South in debates about policies for a post-Covid-19 economic recovery. The report concludes with a summary of the main findings and recommendations for achieving a green, just and sustainable economy for all.

Macroeconomic Landscape

This section provides a brief overview of the global macroeconomic landscape. In particular, the section considers the key trends and characteristics of rising debt risks in lower income countries before and as a result of the

Covid-19 pandemic. In addition, the section analyses the impact that global tax abuses have had on the resources available for protecting livelihoods and building resilient economies in the global South.

International debt landscape

Debt risks in developing countries have been rising for the past ten years (World Bank, 2020). For the period 2012 to 2019, median public debt in developing countries increased from 35% to 51% of GDP (UN, 2021). In some low income countries, growing debt vulnerabilities reflected a push to finance public investment (Essl et al., 2019). This is supported by the doubling of median public investment in low income countries from 3% of GDP in 2000 to 6% in 2015 (Essl et al., 2019).

Increasing debt vulnerability in developing countries has been attributed to the growing dependence of low-income countries on external debt financing. According to Essl et al. (2019), a large share of debt in low-income countries comes from abroad and is denominated in foreign currency. This poses serious challenges for low-income countries, because depreciating currency can increase the domestic value of their debt, further exacerbating existing fiscal constraints to national budgets. Another characteristic of increasing debt risks of low-income countries has been rapidly rising interest payments (Essl et al., 2019). For the period 2013 to 2017, interest payments for low income countries grew by nearly 130% compared to 31% growth in government revenues (Essl et al., 2019).

Private debt and rising levels of non-concessional public debt have also made low-income countries susceptible to increasing debt risks (Essl et al., 2019). For the period 2009 to 2018, the aggregate net financial flows from private creditors to low income countries grew by 300%, from $56.4 billion in 2009 to $225.4 billion in 2018 (World Bank, 2020b). Since these loans are more likely to be made at market rather than commercial rates, there is a growing concern that this will lead to a further increase in debt service costs and a reduction of economic growth in low-income countries (Essl et al., 2019).

As a result of the Covid-19 pandemic, global public debt reached 99% of GDP at the end of 2020 (IMF, 2021). Further, overall deficits as a share of GDP were projected at 13.3% for advanced economies, 10.3% for emerging market and middle-income economies, and 5.7% for low-income developing countries (IMF, 2021). This will have significant implications for the ability of low and middle-income countries to address the multiple social and economic challenges resulting from the Covid-19 pandemic. Thus, rethinking the international development finance system is crucial to achieving an inclusive post-Covid-19 economic recovery. Progressive

macroeconomic policies, debt transparency and effective regulation and supervision of the financial sector are all recommended strategies for ensuring that developing countries survive the current economic crisis, despite high levels of debt (Kose et al., 2020).

Taxation

According to the Tax Justice Network's *State of Tax Justice* report (2020), each year, the world is losing more than $427 billion in tax to international tax abuses. Higher income countries are responsible for facilitating 98% of these losses (Tax Justice Network, 2020). Moreover, despite lower income countries contributing less than 2% to all global tax losses, studies suggest that lower income economies account for nearly $200 billion in lost tax revenues each year (Shaxson, 2019; Tax Justice Network, 2020).

In 2012, developing countries lost approximately $100 billion in revenues as a result of multinational corporation tax avoidance (UNCTAD, 2020). In addition, the Tax Justice Network (2020) argues that the taxes lost by lower income countries are equivalent to 52% of their health budgets, compared to 8.4% in higher income countries. Therefore, it can also be argued that global tax abuses are depriving developing countries of the resources necessary to save lives and livelihoods in the face of crisis.

Climate Change, Work and Livelihoods

This section considers the trends in climate change around the world. Particular attention is paid to the relationship between the natural environment, work and livelihoods.

According to the Intergovernmental Panel on Climate Change (IPCC, 2019), land is the primary basis for human livelihoods. Countries in sub-Saharan Africa and South Asia – the regions accounting for most of the global poor – are particularly vulnerable to the threats of climate change (Mointt and Maitre, 2018). At the same time, vulnerability to the effects of climate change varies depending on age, class, ethnicity and gender (IPCC, 2019).

Furthermore, the risks associated with climate change and land degradation also have direct impacts on the world of work. Approximately 1.2 billion jobs, or 40% of total world employment, depends directly on the resources that ecosystems provide (Montt and Maitre, 2018). According to Montt and Maitre (2018), Africa and Asia and the Pacific have the highest share of employment that depends on ecosystems.

The negative effects associated with climate change have already reduced labour productivity. According to the ILO (2018a), globally, for the period 2000 to 2015, 23 million working-life years were lost as a result of environmental hazards. Moreover, among the G20, countries in the global South were the most affected, with China, Brazil and India respectively recording 8.7, 3.2 and 1.5 working-life years lost per person, per year, for the period 2008 to 2015. The increase in the frequency of extreme weather and climate events is also expected to reduce the number of working hours by 2030 (ILO, 2018a). Hence, Volz (2020) suggests that in the face of stretched public finances, it will be crucial for governments to align all public spending with efforts aimed at protecting the natural environment and reducing environmental risks.

The next section analyses several policy proposals that are influencing international discussions on the post-Covid-19 economic recovery.

Mainstream Policy Proposals

As noted in earlier sections of this report, the health and economic crisis presented by the Covid-19 pandemic has resulted in the catastrophic loss of lives and livelihoods. As a result, a common element of international discussion about economic recovery after Covid-19 has been the concern that the global health and economic crisis could reverse the progress made in achieving the Sustainable Development Goals (SDGs) (UN, 2021). At the same time, the effects of the Covid-19 pandemic have revealed that crises spread, and are fuelled by the conditions of poverty, inequality, hunger and inadequate access to social services (Heggen et al., 2020). Hence, the United Nations' *World Economic Situation and Prospects* report (UN, 2021) suggests that the pandemic has highlighted the importance of sustainable development in safeguarding against future crises. Moreover, rectifying existing structural challenges through the development of progressive fiscal and debt sustainability frameworks is imperative to protect livelihoods and build resilient economies in the recovery (UN, 2021).

Using this perspective, this section analyses several policy proposals that are influencing international discussions about a post-Covid-19 economic recovery. In line with the SDGs, the proposed policies for recovery will be analysed based on the criteria that they should:

- protect and improve livelihoods,
- promote gender equality,
- boost employment,
- advance efforts towards a green transition,

- establish and strengthen macroeconomic policy frameworks.

Policies for recovery to protect and improve livelihoods

Based on a review of the economic policy proposals that are influencing international discussions about the post-Covid-19 economic recovery, this study has found that there is consensus amongst policymakers that the recovery should be maintained and tailored to the evolution of the pandemic (IMF, 2021). According to the United Nations *World Economic Situation and Prospects* report (2021), recovery efforts must drive the structural transformations that are needed to eradicate poverty, and advance efforts towards a green transition. Furthermore, policy-makers suggest that fiscal support for households and firms is necessary for protecting livelihoods in the short-to-medium term (ILO, 2020c; IMF, 2021). In the long term, recovery efforts must prioritise the development of macroeconomic frameworks that ensure governments around the world can provide universal access to social protection and social services such as health care, water, sanitation and a clean environment (ILO, 2020c; UN, 2021; World Bank, 2021b).

Policies for recovery to promote gender equality

According to the United Nations (2020), the global health and economic crisis is threatening to reverse the gains made towards achieving gender equality around the world. In line with this, UN Women (2020) estimates that the feminisation of poverty will be exacerbated as a result of the Covid-19 pandemic. It is projected that, by the end of 2021, the pandemic could place 47 million more women and girls in extreme poverty (UN Women, 2020). Moreover, for every 100 men in extreme poverty, 118 women are expected to be in extreme poverty by the end of 2021 (UN Women, 2020). At the same time, studies show that the pandemic has increased the vulnerability of women and girls to gender-based violence at home and at work (IFC, 2020; Mittal and Singh, 2020; UN Women, 2020).

However, despite evidence of the gendered trends in vulnerability to the Covid-19 pandemic, a review of economic recovery plans suggests that little attention is being paid to the kinds of policies that could protect women and girls in the medium to long term and advance efforts towards gender equality in the long run. The pandemic has revealed the vital role that women play in engendering livelihoods and ensuring the resilience of economies around the world (ILO, 2020c). Hence, the United Nations' *World Economic Situation and Prospects* (UN,

2021) suggests that gender equality is crucial to achieving sustainable development in the post-pandemic economic recovery.

According to the World Bank (2021), in the short-term, policies for recovery should prioritise the safe reopening of schools as well as ensuring that girls stay in school, as they are more likely to drop out because of the increasing burden of care responsibilities in the household. In the medium to long term, the World Bank (2021) suggests that policies for recovery should target investing in education and infrastructure that increases women's long-term participation in the labour force (World Bank, 2021). In addition, policies must promote a rapid growth in feminised industries and support efforts aiming to increase female participation in the labour force (World Bank, 2021). Flexible work arrangements, clean water and sanitation, safe public transport, access to high quality child care and increasing women's wages have all been recommended as effective pathways for achieving gender equality in the post-Covid-19 economic recovery (World Bank, 2021). Moreover, the ILO (2020c) argues that it is equally important to expand access to social protection and social services to encompass workers in the informal economy, as these workers typically fall outside of the scope of labour law and social protections, are disproportionately female, and are twice as likely to be poor than workers employed in the formal sector.

Policies for recovery to boost employment

A key issue in international discussions about a post-Covid-19 economic recovery has been the implications that the global health and economic crisis have had for employment and decent work. A major concern for policymakers is that the Covid-19 pandemic could place as many as 150 million more people in extreme poverty and is further exacerbating existing inequalities in our society (UN, 2020a; World Bank, 2020a). Hence, the UN (2021:26) proposes that policies for recovery must entail "a holistic approach with inclusive and sustainable development as its overriding objective". Moreover, the economic recovery must go beyond the narrow neoliberal approach which prioritises GDP growth and ignores the socio-political, economic and environmental inequities in society. Rather, policymakers propose that decent jobs must be central to policies that aim to achieve an inclusive post-Covid-19 economic recovery (UN, 2021).

In the short term, the ILO (2020c) suggests that economic policies should aim to mitigate the impact that the Covid-19 pandemic has had on economies and labour markets through the provision of fiscal support for firms, particularly micro and small enterprises, and income support for workers in affected sectors. In line with this, it is argued that support for employment and extending social protections is crucial to protecting livelihoods

and building resilient economies in the recovery (ILO, 2020c). Furthermore, in the medium to long term, the ILO (2020c) suggests a demand-led strategy for recovering jobs and incomes that have been lost as result of the pandemic. According to the World Bank (2021), the strategy should include efforts to boost employment creation in key sectors, restore a favourable environment for business and strengthen productivity growth. Based on this approach, the IMF (2021) suggests that governments can facilitate the reallocation of labour and capital through, for example, targeted time-bound and state-contingent hiring subsidies, skills development programmes and wage-loss insurance programmes. Moreover, where economies have relied heavily on individual sectors, ILO (2020) and World Bank (2021b) policymakers recommend advancing diversification and investment in digital infrastructure to boost employment in the post-Covid-19 economic recovery.

Policies for recovery to advance efforts towards a green transition

Earlier sections of this report have noted that there is a direct relationship between vulnerability to the effects of the Covid-19 pandemic, climate change and livelihoods. Moreover, the ecological, socio-political and economic challenges experienced by the global community are inextricably linked (ClimateWorks Global Intelligence, 2021). A review of the policy proposals for post-Covid-19 economic recovery suggests that, as we examine strategies for recovery and resilience, in the medium to long term, policies must be aligned with efforts to reduce emissions, fight climate change and protect the natural environment.

According to the Organisation for Economic Co-operation and Development (OECD, 2020a), as the effects of climate change intensify, the emergence and spread of zoonotic diseases such as Covid-19 may gather speed. Moreover, environmental degradation can exacerbate society's vulnerability both to disease and to the social and economic impacts of climate change (OECD, 2020a). Hence, the United Nations (2021) suggests that resilience against climate change coupled with greater investment in the green economy are crucial elements of resilient economic recovery after the pandemic. Governments must ensure that policies which advance efforts towards a green transition are incorporated into all policies going forward (UN, 2021).

Correspondingly, the IMF (2021) suggests that fiscal policy must aim to enable a green, digital and inclusive transformation of the economy. In line with this approach, the World Bank (2021) suggests that recovery packages must target environmental and climate-related spending. This includes investment in green infrastructure; fostering the widespread adoption of climate-resilient and environmentally sustainable technologies; establishing public works programmes targeting climate adaptation; financing water-related

investment; and improving the quality and efficiency of existing infrastructure, such as that related to land use, transportation and the use and supply of energy sources (IMF, 2021 OECD, 2020b; UN, 2021; World Bank, 2021). The UN (2021) suggests that these investments have the potential to increase job security and offset some of the job losses experienced as a result of the Covid-19 pandemic.

Policies for recovery to establish and strengthen macroeconomic policy frameworks

The various social and economic challenges presented in this report have highlighted the need for progressive macroeconomic policies to protect livelihoods, ensure fiscal sustainability and build resilient economies in the recovery. According to the World Bank (2021), macroeconomic policies to moderate business and financial cycles are crucial for ensuring economic growth and resilience in the long run. Furthermore, ILO (2020c) policymakers argue that a global coordination of monetary and fiscal policies is crucial for ensuring that the post-Covid-19 economic recovery is inclusive and benefits both high-income countries in the global North and developing economies in the global South.

A review of the post-Covid-19 economic recovery policy discussions suggests that in the short to medium term, monetary policy tools should be used to allow governments the fiscal space to support firms and households (ILO, 2020c). These may include equity injections, public sector loans, progressive taxation and unemployment benefits to support individuals and households during the crisis (ILO, 2020c). However, the IMF (2021) suggests that support should be targeted. Where local transmission of the virus has been low and activity has begun to normalise, quick withdrawal of these emergency lifelines may be justified (IMF, 2021). In addition, the IMF (2020) proposes that, in situations where countries continue to face difficult trade-offs despite reprioritising national budgets, additional assistance, including debt suspension and concessional and emergency financing, may be necessary. Strengthening transparency and governance practices are also identified as key factors for achieving debt sustainability in the long term. (IMF, 2021).

As noted in section two of this report, activists and policymakers around the world are particularly concerned with the impact of global tax abuses on the fiscal space that developing countries have to address the multiple social and economic challenges they are faced with. The IMF (2021) suggests that addressing weaknesses in the tax system, along with domestic measures for reforming the international tax system, would support an inclusive economic recovery in the long term. Progressive personal income tax, greater use of taxes on carbon

emissions, property and inheritance tax, and digital enhancements in the administration of tax revenue have all been recommended as promising strategies for addressing inefficient tax regimes in the long term.

In contrast, the Tax Justice Network (2020) argues that reprogramming the tax system to prevent global tax abuses during the recovery is crucial for ensuring that individuals and communities that have created the wealth share in it equally. A comprehensive rewriting of international rules on tax transparency measures may be necessary to protect livelihoods and build resilient economies in the long run. Furthermore, where national budgets are insufficient to address the health and economic crisis presented by the Covid-19 pandemic, progressive tax policies to raise additional tax revenues must be established. Therefore, efforts to strengthen macroeconomic frameworks in the recovery must prioritise equality over the interests of multinational corporations (Tax Justice Network, 2020).

Based on the perspectives of activists, policymakers and indigenous communities in the global South, the following sections consider the challenges and potential pathways for achieving green, just and sustainable economies in the post-Covid-19 economic recovery.

Key Social and Economic Challenges

Economies in the global South face six common issues: poverty, inequality, precarity (of work and livelihoods), insufficient access to social protections, high levels of debt and a constrained fiscal space which makes it difficult to effectively respond to the multiple social and economic crises presented by the Covid-19 pandemic.

Poverty, inequality and precarity

A fundamental concern for activists and experts in the global South is that poverty and inequality will be exacerbated by the Covid-19 pandemic. Emerging and developing economies face high levels of unemployment and represent the majority of the world's informal economy (ILO, 2018b). Furthermore, as a result of the measures taken by governments to prevent the spread of Covid-19, many of the working poor were not able to access their work, resulting in joblessness and a lack of income (Interviews, Chen; Liko; Rani). In addition, interviews revealed rising food insecurity in many countries, due to reduced earnings and school closures, particularly for women and girls (Interviews, Coleman; Heywood; Nanavaty).

Insufficient access to social protections

The Covid-19 pandemic has caused severe strain on poor healthcare systems in the global South. Indigenous communities, and those living in rural areas, face continuous challenges to accessing social services (Interviews, Angarova; Coleman; Liko; Sabella). In addition, due to the large numbers of workers in the informal economy, many people lack access to work-based social protections such as medical aid or health insurance. There is also increasing concern about the growing divide between Northern and Southern countries in the kinds of services communities are able to access to mitigate the effects of the pandemic (Interview, Sabella).

High levels of debt and constrained fiscal space

There is a strong belief among activists and experts in the global South that the continued legacy of colonialism and the unequal incorporation of developing countries in the global financial system, places constraints on countries' abilities to effectively respond to crises (Sabella; IEJ, 2021). According to the Institute for Economic Justice (IEJ, 2021), there are a number of factors currently disadvantaging developing countries in the global financial system, including high borrowing costs, unequal access to credit and restrictive conditions imposed by international financial institutions. As countries try to mitigate the effects of the global health and economic crisis, the debt burden on developing countries is expected to rise (Interviews, Coleman; Liko). As a result, fiscal consolidation has become a top priority in the post-Covid-19 economic recovery plans. However, it is argued that this may lead to reduced spending on the functions necessary for protecting lives and livelihoods in the post-Covid-19 economic recovery.

Policies Required

> We are living in such deep inequality and the power of money versus the power of labourers has never been greater…If we want to rebuild fairly, we have to look at how this system is so uneven. (Interview, Martha Chen, Women in Informal Employment: Globalizing and Organizing)

The issues identified in the previous section indicate a need for an inclusive policy framework that centres the experiences of communities and economies in the global South.

Key informant interviews reveal the following potential pathways for improving livelihoods and building resilient economies in the post-Covid-19 economic recovery.

Tax reform

The Centre for Economic and Social Rights argues that insufficient, inequitable and unaccountable tax systems fuel human rights deprivation and inequality around the world (CESR, 2017). Based on this approach, a rights-based tax policy may help governments to generate the revenue required to invest in the necessary social protections and social services for fulfilling the human rights needs of its citizens (Interview, Chaparro). Governments should institute a wealth tax and develop more progressive policies on taxation to increase revenue. At a global level, international taxation rules should be amended to address the issue of illicit financial flows which disproportionately affect emerging and developing economies in the global South. (Interview, Chaparro; IEJ, 2021b).

Protecting livelihoods

Universal social protections are needed to address the severe deprivation that has been exposed by the Covid-19 pandemic (Interviews, Chen; Heywood). In the short term, income support in the form of cash transfers should be extended to the poor, irrespective of employment status (Interview, Rani; IEJ, 2020). Governments should implement regulations to cap increases on utilities and rents to help households to recover from the economic impacts of the pandemic (Interview, Chen). Within the workplace, governments should implement greater oversight over employers to ensure that workers' rights are enforced and protected during this period (IEJ, 2020). In the medium to long term, governments should prioritise greater investment in health services, social welfare and public infrastructure (Interview, Lorenzo). Moreover, the expansion of existing social welfare programmes, in line with the food poverty line, is necessary for protecting livelihoods in the recovery (Interview, Lorenzo; IEJ, 2021a).

Labour market interventions and economic development

The resilience of livelihoods in the post-Covid-19 economic recovery requires governments to recognise and support the social and economic sectors that have long been ignored by policymakers, but which have proven to be essential for the effective functioning of our society during this crisis, such as the care economy (Interview, Nanavaty; IEJ, 2021b). Governments should implement economic stimulus packages to rebuild supply chains and boost employment (Interview, Chen). As previously mentioned, developing and emerging economies represent the majority of the world's informal economy. Therefore, governments should recognise and support the informal

economy by providing a blended pool of finance – that is, a combination of grants, capital and equity that women informal workers can easily access (Interview, Nanavaty). Furthermore, governments should implement a minimum wage to ensure that equal work is rewarded with equal pay and that large corporations are not profiting at the expense of workers in developing countries (Interview, Liko).

Green Transition

> Green transition for whom? For indigenous people it has always been a green economy.
> (Interview, Galina Angarova, Cultural Survival)

There is consensus among activists and experts that a green transition is critical for addressing the impacts of the climate crisis, which greatly affects developing countries. However, in recent years, the idea of a green transition has fostered much debate about what a green economy would look like in the context of developing, formerly colonised, countries in the global South. A key concern among activists is that current mainstream proposals for a green economy will lead to further environmental destruction, corporate capture and the continued exploitation of indigenous land territories and resources (Interviews, Angarova; Sabella). Hence, it is argued that a green, just and sustainable economy cannot truly be realised without radical redistribution and the restructuring of the current global economic system (Interviews, Coleman; Liko). This will require a fundamental shift in the narratives that have historically deprived communities of control over their own resources, and the centring of indigenous people and communities as the main beneficiaries of any advancements towards a green economy (Interviews, Angarova; Chaparro). Therefore, it is critical that proposals for a green economy are reviewed based on their potential to reduce persistent power asymmetries, within and between countries, and to build equal and fair societies around the world (Interview, Chaparro).

The question of what a green economy would look like in the global South is a contextual issue that can only be determined by each individual country. However, there are a few issues that experts believe countries should consider in determining the appropriate pathways for achieving green, just and sustainable economies in the post-Covid-19 economic recovery. First, it is important that countries consider how a green transition can improve the livelihoods of the poor and those working in the informal economy who have been severely impacted by the Covid-19 pandemic (Interviews, Rani; Chen). Second, countries need to consider how a green transition could lead to a more equitable distribution of incomes and the development of production systems that are more sustainable, local and environmentally friendly. Finally, countries need to consider how they can create sustainable

jobs that are able to absorb the large numbers of unemployed and those working in the informal economy. (Interview, Rani).

According to experts, there are efficiencies in the activities of informal workers that may be useful for achieving green economies in the global South (Interviews, Chen; Rani). Therefore, it is important for developing countries to build upon these existing strategies, by recognising the informal economy and ensuring the equitable distribution of rents and income from work that contributes towards a green transition (Interviews, Chen; Rani). Hence, it is argued that a green transition is not about sustainability issues alone, but also has to do with the equitability of the process (Interview, Rani).

Similarly, there are alternative economic models that communities have historically engaged in, such as the circular economy and the solidarity economy, that may be useful for achieving green, just and sustainable economies in the global South (Interviews, Angarova; Liko; Lorenzo). However, activists suggest that there is a fundamental disconnect between what communities actually want and what is being recommended by experts and policymakers at the international level (Interview, Liko). For indigenous communities, a green transition is not about growth, but a method for communities to continue their sustainability for a nurturing and caring economy in which everyone can thrive (Interviews, Angarova; Nanavaty). Therefore, in order to achieve a green, just and sustainable economy in the global South, activists suggest that governments must protect the rights of indigenous people and communities and, through a consultative process, develop alternatives that are not based on the continued oppression of people and communities by large corporations (Interviews, Angarova; Liko).
Activists and experts in the global South propose the following pathways towards a green transition in the post-Covid-19 economic recovery:

- rural land reform for more equitable land ownership and agricultural production (IEJ, 2018a);
- protecting the land rights of indigenous people and communities (Interview, Angarova);
- building an agricultural supply chain that is relevant to the youth (Interview, Nanavaty);
- investing in skills development for youth in villages for the installation, operation and maintenance of green technologies (Interview, Nanavaty);
- supporting innovation and marketing in the agricultural sector (IEJ, 2018a);
- supporting investment in renewable energy, green technologies, agro-ecology, green mobility and transport networks (IEJ, 2018a; Interview, Nanavaty);

- supporting investment into green jobs in both the formal and informal economy (IEJ, 2018a, 2018b; Interview, Nanavaty);
- improving wages and working conditions of workers in the agricultural sector (IEJ, 2018a);
- investing in just, basic infrastructure, such as access to water (Interview, Heywood; IEJ, 2018b);
- prioritising investment into food systems in the context of climate mitigation (Interview, Heywood).

Promising Strategies and Opportunities for Change

The findings presented in this report suggest a range of strategic interventions that may help governments, civil society organisations and social movements to influence international discussions about a post-Covid-19 economic recovery in ways that centre the experiences of communities and economies in the global South. This section considers, in particular, the strategies that have been useful for building collective power across movements and regions, and identifies key interventions that have helped advance efforts to achieve green, just and sustainable economies in the global South.

Key informant interviews revealed the following strategies for building collective power across movements and regions in the global South.

Community work, community education, community mobilisation: Organisations advocating for human rights and social justice must work closely with local communities and social movements to strengthen collective counter power and challenge the mainstream policies that continue to disadvantage developing countries and communities in the global South (Interviews, Chaparro; Heywood).

Intersectionality: There is a direct relationship between individual and household characteristics (such as race, gender, social class, caste, and level of education) and people's vulnerability to the multiple crises currently faced by developing countries in the global South. Movements must reflect the demographics of those affected by the issues they are trying to address (Interview, Heywood). Therefore, an intersectional approach is critical for understanding the sources of the disadvantages that individuals and communities in the global South face and for developing a programme of work that adequately addresses these issues (Interviews, Chen; Lorenzo).

Engagement: It is necessary to create opportunities for communities to share their experiences and raise their grievances and demands, through community dialogues or local radio stations for example (Interviews, Angarova; Cojti; Heywood).

Collaboration: There is a need to build solidarity; share ideas, knowledge and strategies across movements; and develop a common voice on issues affecting economies and communities in the global South (Interview, Sabella).

Evidence-based advocacy: Developing plausible alternatives and mobilising around those alternatives is essential. For example, using research to help the masses see that policies that are being proposed are both reasonable and possible (Interview, Heywood).

In addition, participants identified the following key interventions that have helped advance efforts towards green, just and sustainable economies in the global South:

Addressing inequality by incorporating social policies into economic policies. For example, promoting immediate and long term measures to address inequality as part of the climate mitigation strategy (Interviews, Rani; Lorenzo).

Defending the rights of workers in the informal economy by advocating for the legal recognition of informal work to enable workers to bargain for better wages and working conditions. For example, waste pickers associations and cooperatives have been calling for the inclusion of waste picking into the public waste management system and have successfully secured contracts with the national government in some regions (Interview, Chen).

Building alliances, for example, developing a joint strategy among trade unions, membership based organisations and cooperatives for the creation of decent jobs in both the formal and informal economy (Interview, Nanavaty).

Social dialogue, for example, engaging in advocacy that includes reporting to treaty bodies and international agencies, such as the United Nations, and creating opportunities for communities to engage with corporations and identify common interests for the protection of social and environmental rights (Interviews, Angarova; Sabella).

Capacity building by providing training for indigenous communities to defend their rights (Interviews, Angarova).

Product diversification to meet current and future economic needs - for example, home-based workers producing essential goods such as Personal Protective Equipment (PPE) during the Covid-19 pandemic (Interview, Chen).

Reskilling workers to match the skills that will be required in the future (Interview, Chen).

Recommendations for funders

In addition to the abovementioned strategies, participants made the following recommendations to funders seeking to support interventions that will lead to real change for individuals and communities in the global South.

Interventions to build collective power

- Build power within communities by encouraging civil society to work within the communities they represent (Interview, Heywood).
- Support long-term partnerships among movements (Interview, Chaparro).
- Invest in capacity building for civil society organisations and social movements (Interviews, Angarova; Liko; Lorenzo).
- Support the generation of ideas and alternatives at the grassroots level rather than from the elite who are removed from crises (Interview, Heywood).
- Ensure the sustainability of funding and avoid creating dependencies in civil society (Interview, Heywood).

Interventions for an equitable and sustainable post-Covid-19 economy

- Recognise the large numbers of workers in the informal economy and support efforts aimed at changing narratives that stigmatise and criminalise informal workers (Interview, Chen).
- Support the expansion of existing collective bargaining processes to include representation in the informal economy so that workers can bargain for improved wages and working conditions (Interview, Chen).
- Fund indigenous-led advocacy projects and movements (Interviews, Angarova; Cojti).
- Fund efforts aimed at repairing the social infrastructure for social policies (Interview, Chen).
- Defend the rights of the working poor to work freely without harassment (Interview, Chen).
- Support the regulation of corporations for the protection of social and environmental rights (Interview, Sabella).
- Invest in small-scale community-based experiments for the implementation of green policies (such as the circular economy), to show how a green economy can be achieved in the global South (Interview, Rani).

- Ensure that the recovery is women-led and centres the experiences of indigenous communities and informal workers in the global South (Interview, Nanavaty).

Conclusion

This report sought to examine the key social and economic challenges currently facing communities and economies in the global South and to identify potential pathways towards an equitable and sustainable post-Covid-19 economic recovery. The findings presented in this report revealed that common issues currently facing countries in the global South include poverty, inequality, precarity, climate change, insufficient access to social protections and a constrained fiscal space. Furthermore, persistent colonial legacies and the unequal inclusion of Southern countries in the global financial system pose significant limitations on the resources that developing countries have to adequately respond to the multiple crises that have been highlighted by the Covid-19 pandemic.

One of the main aims of this report was to position the perspectives of activists, experts and indigenous communities from the global South in international discussions about the kinds of policies required for achieving a green, just and sustainable post-Covid-19 economy. The findings revealed that there is consensus among activists and experts that a green transition is critical for addressing the impacts of the climate crisis, which greatly affect developing countries and communities in the global South. Central to the proposals for a green transition in the global South are the protection of indigenous land rights, investment in the agricultural sector and the prioritisation of food systems as part of the climate mitigation strategy. Moreover, activists and experts in the global South suggest that international tax reform, expanded social protections and labour market interventions, such as investment in green jobs and the legal and economic recognition of work in the informal economy, are critical for protecting livelihoods and building resilient economies in the post-Covid-19 economic recovery.

Finally, this report has shown significant gaps in mainstream policy recommendations for economic recovery, particularly how and where these policies position women, informal workers and indigenous communities in the functioning of the global economic system. There is therefore a need for alternative visions for a post-Covid-19 economic recovery that are rooted in the experiences of communities and economies in the global South and which centre the role of women and indigenous communities in the structuring of the global economic system. The report makes several recommendations for governments, civil society organisations and social movements seeking to support interventions that will lead to real change for economies and communities in the global South.

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Appendix: List of Interviewees

Avexnim Cojti	Cultural Survival
Collins Liko	International Network for Economic, Social and Cultural Rights
Galina Angarova	Cultural Survival
Mark Heywood	Maverick Citizen
Martha Chen	Women in Informal Employment: Globalizing and Organizing
Mona Sabella	International Network for Economic, Social and Cultural Rights
Neil Coleman	Institute for Economic Justice
Reema Nanavaty	Self Employed Women's Association
Santiago Lorenzo	Climate Action Network
Sergio Chaparro	Center for Economic and Social Rights
Uma Rani	International Labour Organization