

FEATURE

Covid-19 Attacks the Down-and-Out in South Africa

Patrick Bond

It is hard to imagine a more worrying place to watch Covid-19 hit a society than Johannesburg, South Africa. This is, after all, the world's most unequal major city, serving as economic headquarters for the world's most unequal country. In spite of a poverty rate (at \$2.80/day) of more than 60 per cent and a national unemployment rate of 40 per cent before the current crisis, the labour movement is considered (by corporate elites) to be the world's third most militant (although its political divisions are profound). The capitalist class in turn is rated (by PwC 2020) as the world's third most crime-prone and corruption-riddled.



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Is a social time-bomb ticking here now? If so, the ruling elites – led by President Cyril Ramaphosa – appear not to be listening, much less worried. On 27 March, the South African state's response to Covid-19 saw the imposition of harsh – albeit apparently necessary – public health restrictions on movement and social interaction. They included a dramatic

economic shutdown limiting business to essential services, health care and pharmacies, and food (but not restaurants, or even seeds to grow vegetables, apparently). Aside from a few categories of workers, everyone else in the country was ordered to stay inside their homes until 16 April and allowed to leave them only for grocery-shopping trips.

Many have praised the state for swift action as a new stage of 'Ramaphoria' infects the chattering classes. However, the state's ability to respond properly to the Covid-19 threat has been fatally weakened since the 1990s through habitual reinjections of neoliberal ideology, resulting in a profound health-care crisis, pathetically slow economic policy reactions, and tokenistic welfare responses – while the security apparatus' brain has apparently weakened too, albeit that its trigger finger is oversensitive.

As necessary as restrictions on movement may be in a society with nearly eight million people living with HIV and where TB is rampant and countless other immune-system threats exist, there is genuine fear that Ramaphosa's 27 March lockdown order cannot prevent a profound calamity. The decimated and divided health system and unreconstructed character of apartheid-era urban slums are plainly apparent even here in the continent's richest city, below which half the world's historic stock of gold was dug up over the last century.

The disease and the ghettos

According to Housing and Water Minister Lindiwe Sisulu, South Africa today has 2,000 densely packed townships, inner-city areas and rural villages ‘urgently in need of assistance’ merely for the provision of clean water. No doubt this is an underestimate, but at least poor and working-class people are finally being targeted for urgent water relief. This relief is nevertheless mainly in the form of communal water tanks (only a thousand of which have been delivered), creating potentially dangerous collection points for spreading the virus. (Installation of house taps and flush sanitation is the traditional demand of social movements, in part for reasons of waterborne-disease prevention and gender equity.)

As media commentator Ayabonga Cawe (2020) argues, although it is important for these communities belatedly to ‘tanks as an emergency measure, the real crisis lies in underinvestment in service infrastructure and state capacity’ – it is hence no wonder there are ongoing water protests across the country. Moreover, Cawe (2020) continues, even in short-term crisis management mode, the state’s insensitivity to the needs of the masses is tragic:

‘The confrontations on the first morning of the lockdown between workers, the taxi industry and tavern owners on the one hand, and law enforcement officials on the other, indicate how inadequate the attention, communication and support are that have been extended to those outside the policy scope.’

The lockdown and social-distancing mandates simply won’t work in the overcrowded townships, which under apartheid were traditionally built merely as the urban holding cells of a reserve army of migrant labour.

As an illustration, on 29 March, SkyNews reporter John Sparks witnessed army brutality against residents of the impoverished community of Alexandra, but a few minutes’ drive from Johannesburg’s luxurious financial district of Sandton: “‘The police minister says you could go to jail for being out here,” I said to one man, who was drinking a beer in the street. “I am staying in one room with five others, how can I stay in there all day? They must just come and arrest us,” he replied.’

Nonchalant defiance against the lockdown in areas such as Alexandra could have been prevented with a proper public-education campaign and generous social-support systems, rather than futile episodes of mindless coercion. And to be sure, the urgent ‘de-densification’ of these slums is part of Sisulu’s rhetoric. However, given the history of police brutality in post-apartheid South Africa, one that includes the Marikana massacre, incidents of police and army overkill during the lockdown were inevitable.

The first two such murders were recorded on 29 March, the one arising from police tasing in Cape Town. The other happened in a township southeast of Johannesburg, where according to a journalist, ‘41-year-old Sibusiso Amos was allegedly killed when Metro officers tried to arrest people who were found drinking in a local tavern, thus violating the lockdown rules (Mavuso 2020). It is alleged that Amos and some community members attacked the officers and in retaliation, the police discharged rubber bullets. It is further alleged that the deceased Amos was followed up to the veranda of his home where he was fatally shot’. Several children were also injured.

Even in the cosmopolitan Johannesburg suburb of Melville (supposedly ‘one of the world’s 50 coolest neighbourhoods’, as the municipality brags), the *Financial Times* reported on 29 March that city police invaded the home of lawyer Elisha Kunene, who simply had witnessed and objected to cops burning a homeless person’s possessions: ‘They searched the whole house, pulled everything out of our pockets, they berated us ... It was very definitely a trespass and illegal search.’

A pandemic of neoliberal violence

At the same time, it also appears likely that already-high domestic violence and petty crime will rise. One reason is a new onslaught of neoliberal financial violence from the Treasury. On 26 February, Finance Minister Tito Mboweni – who in 2008 was named *Euromoney’s* ‘Central Banker of the Year’ thanks to his *laissez faire* philosophy – cut the health budget by a painful \$250 million, amidst other austerity



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hits, to please Moody's credit rating agency.

In subsequent weeks there was a massive flight of emerging-market capital to the United States in search of the safety of the dollar. As a result, on 24 March, Mboweni's attempt to sell state securities to the private sector in Treasury's regular auction failed completely. No one was interested. And then on 27 March, Moody's gave Mboweni the dreaded junk rating.

The next day, Treasury was 'trembling in our boots about what might be in the coming weeks and months,' said Mboweni (2020). Then on 29 March, his surreal response to an interviewer seemed to promise further blows to society: 'When I spoke to the president before Moody's announced their decision he said to me, "We now need to move more boldly on the structural reforms programme." I said, "Hallelujah." I've been preaching that agenda for a long time.'

Egged on by the International Monetary Fund – to which, as Mboweni has threatened, he might have turned for loans – his reforms consist mainly of predictable budget austerities, civil service cuts, higher levels of cost recovery, and the privatisation or closure of money-losing parastatal agencies.

But as political economist Duma Gqubule (2020) points out, helpful reforms would consist of the opposite: Keynesian fiscal stimulation, because '[South Africa's] GDP growth is expected to drop by

5-10 percentage points during 2020. By comparison, GDP growth declined by 1.5 points in the wake of the global financial crisis. The economy lost 1-million jobs between December 2008 and March 2010. This time the collapse in GDP will be at least three times larger. SA could lose 3 million jobs.'

In contrast, even under Boris Johnson's right-wing rule, the United Kingdom's Treasury has offered a state-spending stimulus of nearly 19 per cent of GDP to tackle Covid-19. Mboweni's team could come up with only 0.1 per cent.

Not only fiscal but monetary policy remains stuck in neoliberal quicksand. As the Covid-19 catastrophe moved from public health crisis to world economic meltdown during February-March, the South African Reserve Bank (SARB) cut its main interest rate by only 1.5 per cent (from 6.75 percent) in spite of South Africa's suffering the world's third-highest rate among 50 countries regularly issuing state bonds, after Turkey and Pakistan.

Finally, the SARB began to try unorthodox monetary policy by issuing funds on 24 March to purchase Mboweni's securities. It was a version of Quantitative Easing, something which SARB governor Lesetjo Kganyago – who in 2018 began chairing the International Monetary Fund's main policy committee – had sworn nine months ago never to do unless inflation and the main interest rates were both at zero (they are 4.2 and 5.25 per cent, respectively).

The state's social policy response is also illustrative. Many workers and most of the massive unemployed precariat were immediately without income when the full lockdown began on 27 March, the very moment that the state safety-net was fraying. Not only was there no capacity in the collapsing public health system, but there was little availability of suitable Covid-19 testing kits, masks, protective health-worker garb, and intensive care unit beds and hospitals. Only 4,000 ventilators could be located in a country with nearly 60 million residents. The number of cases soared past the thousand mark on 30 March, with thousands more expected.

There is no unemployment insurance or social grant provision for the informal sector. The monthly grant received by 18 million elderly people and children has

shrunk dramatically, measured in US dollars: the vast majority of recipients are mothers who must raise their children with \$24/month, down from \$38/month at the end of apartheid, while the elderly get a state pension of \$103/month. Now, standing in long queues to withdraw those funds represents an added threat.

So, as Covid-19 strikes, the country's extreme inequality has been exacerbated and the state's long-standing delivery shortcomings stand exposed. Even Ramaphosa's close allies in the South African Communist Party (SACP) were moved to confess that 'w]e have been far too timid in driving forward a comprehensive National Health Insurance. We have allowed our public health system to be hugely overstretched long before the arrival of the coronavirus, allowing the bulk of health resources to be enjoyed by the 16 per cent of South Africans with access to private health care.'

The SACP lamented further: 'If we can use decisive state power in the public interest to deal with the coronavirus pandemic, why have we not used state power to shut down massive illegal capital flows out of our country? Why did we not long ago build up a major, buffer sovereign wealth fund by imposing, amongst other things, a windfall tax on Sasol when it was still making super-profits out of its sale of petrol on our local markets? Why have we been so timid with urban land reform, perpetuating apartheid spatial patterns that will now expose millions of South Africans to crowded and potentially highly infectious minibus commutes?'

The answer, say traditional leftists such as those at Johannesburg's Khanya College, is that Ramaphosa's neoliberal regime has no intention whatsoever of doing anything the too-loyal Communists claim they want.

As one indication of service to corporate power, Environment Minister Barbara Creecy stunned anti-pollution activists by **doubling** the allowable SO₂ emissions of big emitters on 30 March, raising it to a level 28 times what China allows. Thousands of deaths a year are already attributed to SO₂ and co-pollutants from Eskom's massive coal-fired power plants, Sasol's gas-to-oil facility, other oil refineries and countless petro-chemical firms. A **Bloomberg** reporter observed that Creecy's generosity comes 'at a time when

there is growing concern about the outbreak of the coronavirus, which is more severe for those who already have respiratory problems' (Burkhardt 2020).

Social unrest with nowhere to go

For many people suffering what were already recessionary conditions, the coronavirus seems the least of their concerns. Social protests that erupted at the end of March in Khayelitsha township of Cape Town, central Durban, Soweto and Nelson Mandela Bay's Westville township drew attention to the lack of services that is the more pressing issue for communities – although if these communities succeed, their strength to fight back against the virus will be much greater.

In Westville, where, out of 40 communal water taps, only 20 were working, one activist told a local reporter (Sizani 2020): 'We are aware that the coronavirus is dangerous, but it is here for a short period, while we have been living under these dangerous conditions since 2000. We are 1 625 households with no electricity. We do deadly illegal connections that have killed more than 20 people. Some of our people were electrocuted, others were killed in shack fires. On wet days, ambulances and the police don't come to our area because it is muddy. We have to push sick people in wheelbarrows.'

Lockdown exceptions have been made for local 'spaza shops' selling basic-needs groceries and consumables. Yet on 24 March, the brutally xenophobic character of that policy was revealed by Small Business Development Minister Khumbudzo Ntshavheni (Qodashe 2020): 'We must indicate that those spaza shops that will be open are strictly those that are owned by South Africans, managed and run by South Africans.' The crucial context here is the series of xenophobic attacks in 2008, 2010, 2015, 2017 and 2019 targeted at regional immigrants, including hundreds of owners of these tiny shops. It was the first time in more than a dozen years that a leading politician was so brazen.

In Nelson Mandela Bay, township protesters defended

immigrant spaza shops from police closure, and also demonstrated (in their hundreds) for long-demanded electricity supplies. And in Soweto, the national power supplier Eskom continued to cut off electricity to thousands of residents of Johannesburg's main township, leading to more protests in late March.

In Cape Town, in spite of announcing a period of relief for water debtors on 20 March, the deputy mayor Ian Neilson would not reconnect water to thousands of poor households, saying that municipal supply had been 'restricted to a running trickle-flow after numerous warning letters [were] sent to pay debt' (ANA Reporter). Protesters from Khayelitsha amped up pressure against Neilson on 25 March.

For workers everywhere in South Africa, the consumer debt load has continued to rise. In late 2019, 41 per cent of the country's 22 million borrowers from the formal credit system – and millions more who borrow informally from '*mashonisa*' loan sharks – were already more than three months in arrears, according to the National Credit Regulator.

Progressive precedent but an uphill struggle to rebuild the Left

On a prior occasion, a progressive social movement organising to resist economic oppression associated with a health crisis was exceptionally impressive. During the last pandemic between 1999-2004, the Treatment Action Campaign fought to gain access to AIDS drugs for free (thus saving \$10,000 per patient annually), insisting that they be produced locally on a generic rather than big-pharma-branded basis and delivered to society via the public health system. The result was that over the course of a decade, life expectancy increased from 52 to 64 years.

Such a movement is desperately needed now but impossible to locate, given the adverse conditions. Opposition political parties are unable to mobilise, and in any case have fallen mainly into lockstep behind Ramaphosa. The trade unions are desperately trying to react to terrifying news of one company after



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another either firing workers outright or in a few cases (in retail and airlines especially) declaring bankruptcy. The divisions between the pro-government Congress of South African Trade Unions and the left-oppositionist South African Federation of Trade Unions (SAFTU) remain profound.

In March, efforts emerged from several quarters to forge progressive principles, analyses, strategies, tactics and alliances, of which two were at Khanya College while another came from 113 civil society organisations endorsing an ambitious campaign statement. SAFTU offered tough critiques of Ramaphosa, Mboweni and Kganyago, along with strong demands. On 30 March, scores of professionals, mobilised by the Institute for Economic Justice, made further progressive economic-policy suggestions.

Most of these efforts are being made through online meetings of civil society strategists and allied intellectuals seeking a united front against government's stinginess. But the Durban-based community activist Vanessa Burger is correct to warn that '[m]any NGOs' move to online virtual events because of the coronavirus is further marginalizing groups who don't have the know-how, tools or resources to participate: unlimited free/cheap data,

reliable network connection, electricity (Bond 2020), etc. If this trend becomes permanent and the existing digital access challenges are not addressed, it will become a further source of inequity, division and the widespread exclusion of real grassroots and poor communities' politics.'

Because of the lockdown, the conditions for mass organising don't exist. Lacking linkages to the necessary street-heat that should accompany all the new policy demands, most pro-poor advocacy has been directed at meekly persuading the presidency, Treasury and Reserve Bank to reverse course. But the ruling elites remain profoundly committed to neoliberal ideology, and recourse to the International Monetary Fund and World Bank as indicated in Mboweni's latest suggestion.

In a country in which the 1994 transition to a better society should have been far more decisive, given the activists' death blow against apartheid, ambitions for socio-economic and especially health justice must be rekindled. Many now argue that between the Covid-19, climate and economic crises – to which here we would add patriarchy and residual racism – we are overdue for a socialist transformation everywhere on earth. And political consciousness now requires that we take account of the ecological stresses we have placed on the earth and that have resulted in the Covid-19 pandemic and its spread.

It is a cause of despair, though, that in a country with the most propitious objective conditions for this transformation, the subjective conditions for it are being made all the more miserable by a disease whose economic implications are weakening everyone's ability to resist it.

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