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

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It's 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 most unequal country. In spite of a poverty rate (at \$2.80/day) of more than 60 percent and a national unemployment rate of 40 percent *before* the current crisis, the labor movement is now considered (by corporate elites) to be the world's third most militant (although its political divisions are profound). And the capitalist class is rated (by PwC) as the world's third most crime-prone and corruption-riddled.

Is a social timebomb ticking here now? If so, the ruling elites – led by President Cyril Ramaphosa – appear not to be listening, much less worried. On March 27, the South African state's response to Covid-19 included harsh – albeit apparently necessary – public-health restrictions on movement and social interactions. They included a dramatic economic shutdown limiting business to essential services, healthcare 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 has been ordered to stay inside their homes until April 16, and probably even later, aside from grocery-shopping trips.

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

Necessary though restrictions on movement may be in a society with nearly eight million people living with HIV, with TB rampant, and with countless other immune-system threats, there is a genuine fear that Ramaphosa's March 27 lockdown order cannot prevent a profound calamity. The decimated and divided health system and the unreconstructed character of apartheid-era urban slums are obvious 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 2000 densely-packed townships, inner-city areas and rural villages "urgently in need of assistance" merely for clean water provision. No doubt this is an underestimate, but at least poor and working-class people are finally being targeted for urgent water relief. But it is mainly in the form of communal

water tanks (and only 1000 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 because of waterborne disease prevention and gender equity.)

As media commentator Ayabonga Cawe argues, while it is important for these communities to belatedly now get “tanks as an emergency measure, the real crisis lies in underinvestment in service infrastructure and state capacity”; hence no wonder there are ongoing water protests across the country.

Moreover, even in short-term crisis management mode, Cawe continues, 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 traditionally under apartheid were built merely as the urban holding cells of a reserve army of migrant labor.

To illustrate, on March 29 *SkyNews* reporter John Sparks witnessed army brutality against residents of the impoverished community of Alexandra, 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, including the Marikana massacre, incidents of police and army overkill during the lockdown are inevitable.

The first two such murders were recorded on March 29, one by police taser in Cape Town. The other was 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. 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 March 29 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 February 26, 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 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 March 24, Mboweni’s attempt to sell state securities to the private sector in Treasury’s regular auction completely failed. No one was interested. And then on March 27, 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. Then on March 29, his surreal response to an interviewer threatened 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 – from which he now threatens he might turn for loans – Mboweni’s reforms mainly consist of predictable budget austerity, civil service cuts, higher levels of cost recovery and the privatization or closure of money-losing parastatal agencies.

But as political economist Duma Gqubule 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, the United Kingdom’s Treasury has offered a state-spending stimulus of nearly 19 percent of GDP to tackle Covid-19 even under Boris Johnson’s right-wing rule. Mboweni’s team could only come up with 0.1 percent.

Not just fiscal, but also monetary policy remains stuck within neoliberal quicksand. As the Covid-19 catastrophe moved from public health crisis to world economic meltdown during February-March, the SA Reserve Bank (SARB) cut its main interest rate by only 1.5 percent (from 6.75 percent) in spite of South Africa 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 to purchase Mboweni’s securities on March 24. It was a version of Quantitative Easing which SARB Governor Lesetjo Kganyago – who in 2018 began chairing the International Monetary Fund’s main policy.

committee – had nine months ago sworn never to do unless inflation and the main interest rates were both at zero (they are 4.2 and 5.25 percent respectively).

The state's social policy response is also illustrative. Many workers and most of the massive unemployed precariat were immediately without income as the full lockdown began on March 27, just as the state safety net was fraying. Not only was there no capacity in the collapsing public health system, there was little availability of suitable Covid-19 testing kits, masks, protective healthworker garb, Intensive Care Unit beds and hospitals. Only 4000 ventilators can be located in a country with nearly 60 million residents. The number of cases soared past the 1000 mark on March 30, with thousands more expected this week.

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 kids 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 has struck, 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 SA Communist Party (SACP) were moved to confess, "We 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 percent of South Africans with access to private health care."

The SACP further lamented, "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 March 30, 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.

ABloomberg 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."

Social unrest, with nowhere to go

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

In Westville where out of 40 communal water taps only 20 are working, one activist told a local reporter, "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 March 24, the brutally xenophobic character of that policy was revealed by Small Business Development Minister Khumbudzo Ntshavheni: "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 a series of brutal xenophobic attacks in 2008, 2010, 2015, 2017 and 2019, aimed at regional immigrants – including hundreds of owners of the tiny shops. This is the first time in more than a dozen years that a leading politician has been so brazen.

In Nelson Mandela Bay, township protesters defended immigrant spas shops from police closure, and they 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, generating more protests in late March.

In Cape Town, in spite of announcing a period of relief for water debtors on March 20, deputy mayor Ian Neilson would not even reconnect water to thousands of poor households because municipal supply was "restricted to a running trickle-flow after numerous warning letters have been sent to pay debt." Protesters from Khayelitsha amped up pressure against Neilson on March 25.

For workers everywhere in South Africa, the consumer debt load has continued to rise. In late 2019, 41 percent 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 organizing 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), and insisted they are produced locally on a generic (not Big-Pharma-branded) basis, and delivered to society via the public health system. The result was an increase in life expectancy from 52 to 64 years over the course of a decade.

Such a movement is desperately needed now, but impossible to locate given the adverse conditions. Opposition political parties are unable to mobilize, and in any case have mainly fallen lockstep into line behind Ramaphosa. The trade unions are desperately trying to react to terrifying news from one company after another, either firing workers outright or in a few cases (in retail and airlines especially) already declaring bankruptcy. The divisions between the pro-government Congress of SA Trade Unions and the left-oppositionist SA Federation of Trade Unions 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, and another came from 113 civil society organizations endorsing an ambitious campaign statement. The SA Federation of Trade Unions offered tough critiques of Ramaphosa, Mboweni and Kganyago, along with strong demands. On March 30, scores of progressive professionals organized by the Institute for Economic Justice made further progressive economic-policy suggestions.

Mostly these are occurring in online meetings of civil society strategists and allied intellectuals seeking a united front against government's stinginess. But Durban community activist Vanessa Burger is correct to warn, "Many 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, 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 organizing 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 a 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 for loans was 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 which have resulted in the Covid-19 pandemic and its spread.

It is despairing, though, that in a country with among the most portentous objective conditions, the subjective conditions are made yet more miserable by a disease whose economic amplification is weakening everyone's ability to resist.

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