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OPINION PIECE

‘COVID-19 is an extraordinary opportunity to turn the economic soil inside out’ – UP academic on how government has a chance to rebalance livelihoods in SA

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Among the many extraordinary moments in the ANC’s long history was the release of Nelson Mandela in 1990 and the liberation of South Africa in 1994. The first occasion signalled the final dash towards freedom, while the second created the possibility of transforming the state from a slave master to the guardian of human dignity.

The time of COVID-19 could be another landmark if fully seized.

Mandela represented high ethical qualities, exuded lofty moral rectitude, and the people trusted the ANC governing team to chart a liberating and economically transformative agenda. That first vote carried the denied dreams of freedom and dignified life of centuries.

But the old order and its allies had a different agenda: give up the reins of government but fortify their grip on the economic status quo. Dominant global neo-liberalism was their ally and demanded that the ANC government uphold property rights and the free market economy – properties acquired through theft and wealth gained through slavery.

The ANC used state power to provide services, such as modest housing, access to healthcare and educational opportunities for the indigent population. These basic reforms were unaccompanied by gigantic retooling of the productive sectors of the economy. Instead, the unfiltered opening up of the economy to the cold winds of global markets devastated industries such as textiles and institutionalised anaemic jobless growth.

This postcolonial strategy made vital contributions to the undoing of apartheid’s social and spatial ordering, but the gap between the rich and poor expanded even further despite a fraction of Africans joining the well-heeled. To live like the master requires multitudes of servants, and that is what has become of the dream. What has been missing is the construction of a one-nation strategy whereby the elite and the masses are resolute in their commitment to eradicate poverty and reverse obscene inequality.

The first two presidents maintained their integrity and those of the institutions of the republic. Nevertheless, there were awful undercurrents in the party bent on using the public sector for personal gain. The tide turned in the latter’s favour in 2009 under Jacob Zuma’s leadership, and a decade of looting and institutional destruction ensued. Those at the very top watched the carnage at close range but failed to utter a public whisper. Miraculously, the voice of some of the political opposition and civics, the diligence of the Public Protector, and the extraordinary independence of the judiciary forced the ruling party to remove Zuma from power.

President Cyril Ramaphosa restored some dignity and competence, but the rot in the party remains deep. An effort has been made to clean up the mess, but the damage to major state-owned enterprises, which are key to economic rejuvenation and the fight against neo-liberalism's final assault, continues. Sadly, the Ramaphosa government appears wedded to a neo-liberal strategy and there are valid worries that it might auction off most of the state-owned enterprises. Such a move will allow white capital and their black comrades to tighten the noose on the indigent population, naturalising the horrid legacy of apartheid.

Coronavirus exposes the obscenity of economic injustice

COVID-19 arrived on the shores of a country ill prepared. But Ramaphosa demonstrated high quality leadership as his government pre-emptively responded with alacrity. Yet the virus uncovered the poverty and squalor in which the majority of South Africans live. It was ironic that Ramaphosa was shocked when he encountered inhumane conditions in one of the settlements in the Free State during the recent anniversary of the ANC. Nearly three decades after liberation, Statistics South Africa shows that 56% of the population live in poverty. If the ANC had any conscience left, the president's encounter would have shaken whatever is left of its moral foundation, but the celebrations went on uninterrupted – until COVID-19 showed up.

A fleeting opportunity

The national mobilisation of the entire population against the virus and the ensuing social solidarity affords the country the chance to defeat the disease. However, it will be the height of folly to go back to business as usual and ignore apartheid's deep deficit, which neo-liberalism and corruption have reinforced. As troublesome as the times are, the current moment offers Ramaphosa and the ANC an ephemeral opportunity to rediscover its soul by shedding the delusion of neo-liberalism and focusing on building a productive economy that will offer real, dignified work and livelihoods. It is astounding to see how worried the establishment is about the international credit rating agencies downgrading South Africa. The same elite do not seem to spend a moment thinking about millions of South Africans deprived of basic needs. Similarly, the ANC and the government have failed to enquire why the Chinese state-owned enterprises (SOEs) are profitable while ours flounder.

The massive disruption induced by COVID-19 offers Ramaphosa, his team and the country an extraordinary opportunity to turn the economic soil inside out. This is not some crazy counsel, but a sensible one that rebalances profits and people's livelihoods. The first steps in such a task is to rewire the SOEs in such a way that they become profitable, but meanwhile offer their employees a stake in the enterprises through a profit/loss sharing scheme with the state. Simultaneously, the SOEs must be prohibited from running at a loss for two consecutive years at a time. A skilled and ethical management must also be given full professional autonomy. Secondly, the government must urgently reassess its neo-liberal trade policy, and do everything conceivable to champion the local production of goods to satisfy the needs of the vast majority of citizens. Thirdly, progressive land reform need not engender economic dislocation if huge farms are transformed into shareholding enterprises for all the people who work the land.

To break the back of obscene poverty South Africa requires a radical social settlement. This is the only real option; otherwise, the long walk to freedom would have been in vain.

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ABOUT THE UNIVERSITY OF PRETORIA

The University of Pretoria (UP) is one of the largest contact and residential universities in South Africa, with its administration offices located on the Hatfield Campus, Pretoria. This 112-year-old institution is also the largest producer of research in South Africa.

Spread over seven campuses, it has nine faculties and a business school, the Gordon Institute of Business Science (GIBS). It is the only university in the country that has a Faculty of Veterinary Science which is ranked top in Africa, and overall has 120 academic departments, as well as 92 centres and institutes, accommodating more than 55 000 students and offering about 1 100 study programmes.

UP is one of the top five universities in South Africa, according to the 2019-2020 rankings by the Center for World University Rankings. It is also ranked among the top 100 universities worldwide in three fields of study (veterinary science, theology and law), and among the top 1% in eight fields of study (agricultural sciences, clinical medicine, engineering, environment/ecology, immunology, microbiology, plant and animal sciences and social sciences).

In June 2019, the annual UK Financial Times Executive Education Rankings once again ranked GIBS as the top South African and African business school. The University also has an extensive community engagement programme with approximately 33 000 students involved in community upliftment. Furthermore, UP is building considerable capacities and strengths for the Fourth Industrial Revolution by preparing students for the world beyond university and offering work-readiness and entrepreneurship training to its students.

As one of South Africa's research-intensive universities, UP launched the *Future Africa Campus* in March 2019 as a hub for inter- and transdisciplinary research networks within UP and the global research community to maximise 4IR innovation and address the challenges and stresses our continent and world is facing. In addition, UP also launched the Javett Art Centre in September 2019 as a driver of transdisciplinary research development between the Humanities and other faculties. In 2020 UP will launch Engineering 4.0. as a hub not only for Smart Cities and Transport, but also to link the vast resources in technology and data sciences to other faculties via Future Africa. These initiatives are stimulating new thinking at the frontier of 'science for transformation'.

For more information, go to www.up.ac.za