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What South Africa needs to do to save lives and livelihoods - IRR

The Covid-19 outbreak presents South Africa with grave challenges, not least because we confront the coronavirus crisis in an existing – recessionary – crisis.

Acknowledging this, and confronting the economic, financial and policy ramifications, is central to the detailed report – *Friends in Need, Covid19: How South Africa can save #LivesAndLivelihoods* – issued today by the Institute of Race Relations (IRR).

The report acknowledges that 'actions taken by South Africa's government, by business and by civil society have for the most part been praiseworthy', and it places the IRR's contribution squarely in the context of President Cyril Ramaphosa's declaring that if South Africans 'act together' in confronting the crisis, 'we will overcome it'.

Proposals in the report offer constructive, practicable responses to immediate, medium- and longer-term challenges across the six key areas of:

- 1. Healthcare;
- 2. Income security;
- 3. Social stability;
- 4. Financial stability;
- 5. Economic stability; and
- 6. The balance between state power and civil liberties.

The IRR will continue to work on expanding and refining these proposals in the time ahead.

Equally, the report makes no bones about the conditions of crisis in which South Africa has had to confront the grave healthcare and economic challenges presented by the Covid-19 pandemic.

The causes of this underlying crisis are now all the more unignorable, and solutions to it all the more pressing, if South Africa is to emerge from the pandemic with any reasonable hope of economic recovery and a future of growth and prosperity.

This is the basis of the IRR's warning in the report not only that counterproductive policy responses such as 'ramping up the deficit, nationalisation, or dipping into private savings' would be counterproductive, but that 'wealth-generating, job-creating growth' compels the country to 'rethink B-BBEE, to reject expropriation without compensation and to ensure that the civil service is depoliticised and properly skilled and motivated'.

These policy trajectories, it notes, are among 'ideas that have done so much to breed mistrust and to dissuade investment; they have undermined the resilience of the economy and South Africa's collective ability to rise to (the coronavirus) challenge. It would be a profound tragedy if, weakened by recession and hit by the pandemic, South Africa wilfully compounded the damage by proceeding with policies and politics that compromised its future prospects'.

As the report argues: 'For South Africa, (this) could be the moment at which the aspirations of the post-apartheid society founder. We dare not allow this to happen.

'The threat is multi-faceted and must be faced as such. South Africa's response must – as President Ramaphosa has said – unite the country's stakeholders, drawing on the contribution of each. Its response must take account of the resources available. And its response needs not only to deal with the immediate epidemiological threat, but with the socio-economic dislocation that this stands to cause, as well as preparing for a post-pandemic future.'

The report concludes: 'Only if state and society, public sector and private sector, rise to the occasion in placing the people's lives and livelihoods first, can South Africa hope to weather the storm and emerge a more caring, harmonious, trusting, and united country. The IRR is committed to developing and promoting practical and reasonable proposals on how this can be done.'

Read the full report <u>here</u>. (<u>https://irr.org.za/reports/occasional-reports/friends-in-need-covid-19-how-south-africa-can-save-livesandlivelihoods</u>)

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