

# POLITICAL ECONOMY ANALYSIS WORKSHOP REPORT

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*IDRC Grant/ Subvention du CRDI: 109580-001-The impacts of COVID-19 responses on the political economy of African food systems (COVID-19-AFS)*



# **“The Impacts of COVID-19 Responses on the Political Economy of African Food Systems”**

## **Political Economy Analysis Workshop Report**



**AFRICAN**  
FOOD SYSTEMS

**29 June 2021**



**Canada**

*This work was carried out with the aid of a grant from the International Development Research Centre, Ottawa, Canada. The views expressed herein do not necessarily represent those of IDRC or its Board of Governors.*

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## COVID-19 and African Food Systems

### [Political economy analysis workshop programme](#)

[\[click link above for Zoom meeting\]](#)

Date: Tuesday 29 June 2021

Time: Ghana: 11.00-13.00, Tanzania: 14.00-17.00, SA: 13.00-16.00

### Agenda

Chair: Dzodzi Tsikata

Team: Ruth Hall, Dzifa Torvikey, Emmanuel Sulle, Andries du Toit

- |  |                                   |
|--|-----------------------------------|
| 1. Framing presentation  | <b>10 mins</b>                    |
| 2. Initial country analysis<br><i>Please confirm your 'starting point' political economy analysis<br/>Indicate a few key sources on the country's political economy in general (local, national, regional context) and governance of food systems in particular. What data &amp; analysis have you generated so far?</i> | <b>3 x 10 mins (+ discussion)</b> |
| 3. Breakout rooms<br><i>What is the evidence across the 4 questions in our 3 countries?<br/>What are the differences across our countries - and reasons for these?<br/>What are we missing?</i>  | <b>50 mins</b>                    |
| <b>Group A: Public regulation</b><br><b>Group B: Public mitigation</b><br><b>Group C: Private regulation &amp; mitigation</b><br><b>Group D: Networks, patronage &amp; corruption</b>  |                                   |
| 4. Break   |                                   |

5. Report back: what we have evidence of & how we understand it

**4 x 7 mins (+ discussion)**

6. Next steps

**10 mins**

*Consolidate plans to deepen gathering & analysis of political economy information*

# 1. Political economy

## 1.1 Political economy analysis: An overview

### *What is meant by political economy?*

Political economy is the study of how politics and economics shape one another: how power and resources are arranged among people, states and markets within an overall economic system. In Marxist terms, it is the study of how surpluses are produced and appropriated – that is, how capital is accumulated and class formation takes place. The Marxist approach to the question of the political economy sets it apart from the approaches adopted by neo-classical economics; institutional economics; and orthodox development studies. The basic factors of production under the Marxist view are land (or natural resources, and access and rights to these); labour; and capital.

### *Key questions in the political economy*

- Who has what?
- Who does what?
- Who gets what?
- What do they do with it?

### *Questions asked in political economy analysis*

- Who are the powerful actors and how are power and control exerted?
- What are the different forms of power and control over decision-making?
- How do these mechanisms of power shape the decisions and outcomes?
- How have people contested and resisted these outcomes and strategised as a result?
- How are power, control and benefit then redistributed as a result?

### *Narratives of scarcity*

Scarcity is a politically contingent concept. The idea of what is scarce is affected by resource distribution across gender, class and generation, and is shaped by the values that drive markets and access to technology. Many policy choices which are made in relation to food systems – particularly those associated with the idea of food security – assume a position on scarcity and in turn seek to redistribute scarcities.

### *From food security to food systems*

The international narrative has shifted from a focus on food security to a focus on food systems in recognition of declining public investment in food and agriculture and thus, greater private sector control of the sector. This has raised important questions around the politics of access to what may be regarded as a universal public good, as well as recognition of continuing inequality as a crucial factor in poverty reduction efforts. It has come to be widely acknowledged that governance of the food system is the product of power, politics and socio-economic inequality. Decision-making in relation to food systems may also be shaped by the biopolitics of who can and cannot die, and thus what can be risked and what can be preserved.

### *Crisis governance*

The politics of crisis governance are not that different from “normal” politics, although they may be enacted using new tools. Similar contestations can prevail as the crisis is leveraged as cover for the

advancement of pre-existing interests. In relation to food systems, this process has entailed a number of crops occupying a crucial role in the governance of the crisis and in supporting the political legitimacy or otherwise of the approaches adopted.

*Key questions for this study of crisis*

- What are the competing views of the nature of the crisis and the logics of the various responses?
- Who/which bodies have shaped the responses, how and to what end?
- What is the reality of the implementation and enforcement of the responses?
- How have the various actors (government, private-sector and civil-society) interacted in forging and implementing these responses?
- How has power changed as a result?
- Who has benefited, who has lost?
- How has the food system been reshaped as a result?

## **1.2 The political economy of the responses to the Covid-19 pandemic in relation to food systems**

The present research seeks to understand the politics of the responses shaping and being shaped by the structures of the food system in the three countries under study. In this regard, it is important to acknowledge that diverse contexts and responses lead to diverse outcomes; and also to distinguish between issues of the political economy that have arisen post-Covid and pre-existing ones, even though these may be quite interconnected.

The diverse Covid-19 mitigation and regulatory responses should be understood in the context of existing political economies and the different agrarian structures and food systems in Ghana, Tanzania and South Africa. The political economy is both the context for and an outcome of the impacts of the pandemic and the responses to the pandemic. The political economy also refers to the power and relationships spanning the public and private sectors and their roles in the food system.

There are clearly key differences in the official regulatory/mitigation responses, agrarian structures and food systems in the three countries:

- Government regulatory/mitigation responses: in Tanzania, there has been minimal regulation and denialism up until recently; in Ghana, there was a short, medium-level lockdown; in South Africa, there was an initial long, hard lockdown.
- Agrarian structures, in terms of capital intensity and relative scale of the producers: in Tanzania, smallholder producers anchor primary production; in Ghana, smallholders dominate supply, with some medium- and large-scale farmers; in South Africa, there is a dual system with much of the production concentrated in the commercial sector.
- Food system formalisation, corporatisation and supermarket-isation: in Tanzania, small-scale traders dominate in a market characterised by diversified short-value chains; in Ghana, small-scale traders play a significant role but the formal retail sector has grown; in South Africa, distribution and retail have been corporatised although there is a large informal sector.

In order to assess the shifts in the political economy under Covid-19 in relation to these three factors, a number of important questions need to be asked:

- What is the content and nature of national regulatory responses to the pandemic and how have these changed over time?
- How are the pandemic and the responses to it affecting the functioning of production systems, value chains and markets?
- Looking at the nature of the regulatory responses and what has driven these, how have these responses been interpreted and enforced; and what have been the implications of these processes for political agency, voice and representation?
- To which stakeholder voices are the governments and other authorities listening? And what are the narratives and framing of the food system which are being produced as a result?
- To what extent are vulnerable and marginalised actors, such as small-scale farmers and informal food traders, able to mobilise and articulate their concerns?

A stringency index developed by Our World in Data may be useful as a measure of how strict the lockdown has been in the various countries over time. At the same time, it is important to recognise that the relationship between the response measures and the path of the pandemic seems malleable, and that the criteria for regulation may be unclear or may shift over time. For example:

- In South Africa, the official response to the spread of the virus may be seen as initially pre-emptive then lagging. A hard, sustained lockdown was imposed at the beginning, which was gradually softened after the first peak in infections; then only made more stringent late after the second peak and, even then, in a more muted way; before, once again, being strengthened during the third wave but with fewer forms of mitigation and social protection than during the previous lockdown at this level, despite the fact that the infection levels were far higher than they had been during the first wave.
- In Ghana, there was an immediate, strong reaction; but subsequently official measures have responded to the path of the pandemic in quite tenuous ways.
- In Tanzania, there was a minimal initial response, which then fell away completely at the same time that all data on the prevalence of the virus was suppressed. However, there has now been a reversal in policy and a \$170 million deal with the International Monetary Fund (IMF) to track and respond to the pandemic.

An important variable for the study may be provided by tracking the stringency of the measures adopted against the actual path of the pandemic in each country.

### **1.3 Key questions to interrogate the role of public and private actors in response to the pandemic**

Four major themes have been identified for the project on “The impacts of Covid-19 responses on the political economy of African food systems”: the political economy; food flows; relationships within the food system; and social reproduction.

In relation to the political economy theme, a number of key questions and issues emerge in four main fields of activity:



- Public regulation, which considers who shapes the responses to the pandemic in terms of lockdown and other regulations and the impacts of this. Since it may not be immediately evident from the outcomes of such regulations how they came about and to what end, information on this sphere of activity may best be gleaned from in-depth interviews with key actors.
- Public mitigation, which may include food relief and other forms of social protection.
- Private-sector regulation and mitigation, which is an area which may not have been considered in depth or with sufficient understanding in the research. A key concern here is to identify the various forms of private-sector engagement, from the corporate to the small-scale individual farmer or trader, effectively.
- Networks and patronage, which considers the intersection and articulation between public and private forms of economic power.

### **1.3.1 Public regulation**

*Key questions:*

- Who shaped the regulations and how did pre-existing systems of power and authority allow/disallow influence?
- Is there any evidence of how they influenced decisions?
- Who benefited from the way they were defined and implemented?
- How has power over decision-making shifted as a result?

*What to look for:*

- Stringency of lockdown levels and measures over time, comparing these with the path of the pandemic;
- Structure of institutions with authority over deciding on regulations; and
- Any formal/legal shifts and any observable informal shifts.

### **1.3.2 Public mitigation**

*Key questions:*

- Who shaped decisions about what kind of financial/other support the governments provided?
- Is there any evidence of how they influenced decisions?
- Who benefited from the way measures were defined and implemented/
- How has power over decision-making shifted as a result?

*What to look for:*

- Social protection systems, including subsidies and food provisioning by the state;
- Civil society advocacy/pressure in support of social grants and relief for farmers;
- Evidence of how the formal rules were applied, who could access the support on offer and from whom the state procured food; and
- Evidence of shifts in the obligations on, or expectations of, the state to provide social protection and support food-system actors.

### **1.3.3 Private regulation and mitigation**

*Key questions:*

- What new rules have firms adopted in the food system?
- What private forms of mitigation have non-state actors (from corporate social investment [CSI] to non-profit organisations [NPOs]) provided?
- What are the politics of who is offering what support and how has this shaped decision-making?

*What to look for:*

- Evidence of how procurement of food worked for solidarity or for “charity” and who benefited; and
- Key private-sector contributions to relief efforts including food relief and cash transfers; what they provided, to whom, and from whom was the food sourced.

### **1.3.4 Networks, patronage and graft**

*Key questions:*

- How have powerful interests positioned themselves to benefit from the pandemic?
- How have party politics influenced the nature and timing of regulatory and mitigation responses?

*What to look for:*

- In the intersection between public and private regulation and mitigation, the alliances that have emerged; and
- Key forums at which government and business stakeholders have worked together in response to Covid-19, including the status of these forums and how have they operated.

## **2. Country analysis**

### **2.1 Ghana: on the political economy of the food system under Covid-19**

The structural imperative framework developed by the Pakistani Marxist sociologist and activist Hamza Alvi provides a useful lens for viewing the political economy in Ghana. Under this framework, the state is seen as an arena of class struggles. In many African countries, the state has an authoritarian element, although at the same time there is a critical role for civil society organisations (CSOs) as well as a degree of multi-class representation in the apparatus of government. There can be considerable deviation in state actions and significant pressures exerted from peripheral economic systems. Broadly the continual evolution of the state is seen as taking place through a cyclical process: representatives and officials are appointed through electoral politics and patronage systems; they may face localised, sporadic resistance to their aims as these are expressed through the state; there are then efforts to incorporate the interests of subordinate classes, although this may give rise to contradictions in the system; then order may be attained through a process of

compromise and concessions. The political economy of the food system under Covid-19 may be considered in the context of these four elements in the continuous evolution of the state.

#### *Food system and electoral politics*

The Ghanaian food system is largely an informal one, featuring interconnected urban and rural food networks – meaning that government restrictions on movement in urban areas which were deployed to curb the spread of the pandemic affected rural food producers.

In general, the government’s Covid-19 decisions and responses have been taken in a top-down, centralised way. With general elections being held in 2020, the state prioritised the maintenance of social order, even in defiance of the reality of the impacts of the pandemic and restrictions on movement and trade on the food system. Notwithstanding significant price hikes for staple foods, President Akufo Addo declared that there was “no food shortage despite Covid-19”.

In addition, it seems that the implementation of some Covid-19 regulations enabled the gentrification of CBD in Accra to resume/continue. For example, the forced relocation/decongestion of markets areas (ostensibly in the cause of social distancing) freed sought-after urban land. Some of these areas will not be returned to the food sellers, such as tomato and onion traders, because they have fallen into the hands of influential capitalist property developers who want to build alternative structures on these sites. Thus, the pandemic has been used to pursue elite interests.

#### *Contradictions and deviations in state actions*

The government’s response to the pandemic has taken place within the context of continuous neo-liberalisation. The state is now opening land information banks to the private sector, and promoting contract farming arrangements and public-private partnerships (PPPs), for example, in the rice value chain. However, there are a number of clear contradictions in the government’s role which have become (increasingly) evident in the official responses to the pandemic. For example:

- The government has supported greater production by the domestic poultry industry but closed places that use poultry products, such as restaurants and schools, as part of its lockdown measures. As a result, contestation has mounted between the state and the national poultry farmer association over contracts for the supply of chicken and eggs for the school feeding programme, which has been exacerbated by a government policy of prioritising imports over domestically produced outputs in this scheme.
- Although restrictions on production and transport in the food and fisheries sector have been relaxed, harassment of those engaged in this food system by the police and soldiers has continued.
- The country’s main airport was reopened for business although the closure of land borders remained in place, which makes little apparent sense given the great amounts of food – particularly onions and tomatoes – brought in over these borders.
- The government has implemented the forced relocation of largely informal markets at the same time that it has increasingly formalised the state’s interaction with local market governance structures (that is, so-called “market queens”).
- Although a number of taxes were waived in 2020 – such as that on everyday communications, 2021 has seen the imposition of several new taxes, including a 1% “health recovery” levy on domestic goods. The regressive imposition of this across-the-board, 1% tax has disproportionately hit poorer people. The government has also imposed a “financial recovery” levy of 5% on pre-tax profits; and additional levies on petrol and diesel. In addition,

where previously banks were encouraged to offer favourable loan terms to agro-processors, they are now being subject to new taxes.

#### *Compromises and concessions*

The government in conjunction with banks, the private and non-profit sectors and international aid organisations provided a range of emergency support for rural livelihoods and food systems exposed to Covid-19. The government oversaw a programme of cash transfers to 50,000 beneficiaries and 2,500 households in Upper East, Upper West, Northern and Ashanti region, North East and Savannah, of which 60% went to extremely poor farmers; 30% to women-headed households; and 10% to all people with disabilities in selected districts. In addition, soft loans were made available to agro-processing small and medium-sized enterprises.

A number of funds were made available by the World Food Programme (WFP), the International Fund for Agricultural Development (IFAD), Ghana's Ministry of Gender, Children and Social Protection, the National Board for Small Scale Industries (NBSSI), business and trade associations, and commercial and rural banks.

Contributions were also made by international aid organisations, such as USAID, World Vision, which supported farmers with inputs, and Rainforest Alliance, which supported vulnerable farmers. Meanwhile, a local NPO, Development Action Association, successfully lobbied for outboard motors for women fishers.

#### *Localised, sporadic responses*

Civil society and food producers and traders responded to the large-scale regulation and mitigation efforts implemented in response to the pandemic in quite localised sporadic ways. A number of initiatives were mounted:

- Rural farmer groups seized the opportunity to demand that resources, such as seeds and fertilisers, be made available to women from the government's Planting for Food and Jobs programme for unreachable farmers. Under existing criteria, this programme did not cover so-called "women's crops" such as vegetables.
- CSOs lobbied for additional resources for farmers and fishers.
- A movement to encourage fishers to apply and receive ID cards so that they could move freely was established. (Meanwhile, the Ministry of Fisheries and Aquaculture (MOFAD) launched a drive to encourage fishers to formally register for tax, which would enable them to access Covid-19 cash [and ease the process of future tax collection by the state].)
- Vegetable farmers in Bolgatanga resisted the implementation of an exploitative marketing system, leading to mediation by the Ministry of Food and Agriculture (MoFA).
- Civil society has called for stronger associations and unions, such as the Peasant Farmers Association of Ghana (PFAG), to protect the interests of small-scale food traders and farmers.
- The displacement and relocation of informal markets has been resisted by tomato traders, including through strike action.
- There has been a rise in online food marketing and digital payment systems partly as a result of the restrictions imposed on the food system.

Perhaps the most significant response to the government's recent actions has been the "Feed the Country" mass youth movement, which organised an "anniversary" march in May 2021, celebrating the original launch of this movement 26 years ago when one of its leading activists was Akuffo Addo,

the present president. The current campaign was galvanised by the many new taxes which are causing hardship; corruption; a culture of silence; media freedom under threat; the high cost of living; low wages and salaries; and mass unemployment. In fact, the planned march was banned and activists have taken the government to court as a result. This has led to tens of protestors being arrested at the court precinct. Then an activist was killed at a Feed the Country demonstration in the Ashanti region, giving rise to further protests and deaths. The resistance has also been conducted as cyber activism under the hashtag #fixthecountry.

### *Conclusions*

After imposing an initial lockdown, the state revised and recalculated its policies a number of times, seeking to balance health and economic concerns and also seeking to appease powerful allies, including religious organisations, during an election year. Thus, restrictions were eased and there was a lifting of a ban on religious gatherings. In addition:

- Covid-19 measures were used to advance the interests of elite classes.
- The government has pushed for the formalisation of producers and traders in the informal sector.
- Intense neo-liberalisation has led to the gradual incorporation and displacement of small producers.
- Contradictory positions were adopted in relation to local production, including on issues of processing, marketing and self-reliance. (For example, although the state claimed it was trying to boost domestic production it gave priority to the purchase of imported foods for its school feeding programme.)
- There have been increased civil-society calls for stronger unions and producer associations; and significant resistance to recent government actions under the pandemic.

## **2.2 Tanzania: Preliminary findings on the political economy of the food system under Covid-19**

Although Tanzania is a food-sufficient country, there was a shortage of cooking oil, although little public attention was drawn to this due to a general lack of freedom of speech in relation to the pandemic under Magufuli. Instead, the government blamed shortages on “hoarders”.

### *Public regulation*

The response to the pandemic under Magufuli’s government was almost entirely shaped by his approach, which was to deny the existence of the Covid-19 virus as the state continued to pursue a number of key strategic infrastructure and military projects. There were restrictions on sharing data on the virus and a deputy minister of health who contradicted Magufuli’s policy was replaced by a member of parliament (MP) who opposed mass testing for Covid-19. As the pandemic spread, the government acted in panic, rejecting the science on the crisis.

However, local mask manufacturers benefited as the president cast doubt on the effectiveness of foreign-produced masks and urged people to use those made in Tanzania. Local traders of “immunity-boosting” crops such as ginger, lemon and onions also profited. The government also benefited, for example, continuing to collect taxes from bars in the absence of lockdown measures (although revenue was lost from the tourism sector). The approach further enabled it to continue

rolling out a number of strategic projects which had been approved and were backed by the ruling Chama Cha Mapinduzi (CCM) party and the president – purchasing planes, improving the railways and building the country's biggest dam for electricity.

Under Magufuli's successor, Samia Suluhu Hassan, who was appointed in March 2021, a new approach was adopted towards the pandemic. Data on infected people was released and a plan to vaccinate the nation was produced. The example of business people who had already gone abroad to get vaccinated was cited as an argument for vaccinating all Tanzanians. Those who sought to provide jabs on a commercial basis were allowed to do so. International financial institutions provided \$400 million and the economy was opened to foreign investors in an effort to regain trust. The government has claimed that investment has doubled in the three months since March 2021 over the same period in 2020.

#### *Public mitigation*

No social protection measures were implemented in response to the pandemic under Magufuli despite calls from business and other political parties. However, calls have now emerged from actors in the agricultural sectors for a response programme; the opposition party has suggested support for the hospitality industry; and the government is looking to introduce an economic stimulus package. Meanwhile, the United Nations Development Programme (UNDP) has indicated its backing for tourism and blue economy initiatives.

#### *Private regulation and mitigation*

Under Magufuli's regime, everyone was gagged. So, private sector engagement was limited to supporting the provision of personal protective equipment (PPE); and there was not much in the way of solidarity support or charity schemes. Some leading non-profit organisations and other countries, such as Canada, supported the government by donating money and PPE – but came under fire for doing so, given the denialist stance of the Magufuli regime. However, faith-based organisations, including the country's Catholic bishops opposed the president, insisting on the need to wear masks; and played a key role in shifting the government's response to Covid-19.

#### *Networks, patronage and graft*

Members of opposition parties played an important role in calling for an appropriate response to Covid-19 – and some of these individuals were attacked as a result. Meanwhile, the ruling party pushed back on lockdown restrictions since it considered these may damage its prospects on the stump at the general elections in 2020. The CCM was also banking on economic gains as a result of its policy of relaxing restrictions, although these did not materialise. Subsequently, a number of powerful business interests on the mainland and in Zanzibar have supported government interventions on Covid-19, indicating a return of some heavyweight patronage networks.

In conclusion, it seems clear that the political situation influenced the timing and type of the regulations, that is, partial restrictions which were subsequently lifted. But with the change of regime, there has been a change of tone and of policy and regulatory stance. At the same time, no hard evidence of corruption in the responses to the pandemic has emerged although there has been little transparency on how private and NPO contributions to efforts to combat the pandemic were spent.

### **2.3 South Africa: Preliminary findings on the political economy of the food system under Covid-19**

Prior to the pandemic, the political paradigm adopted by the South African state was one of neo-liberal developmentalism to address the country's economic crisis; at the same time, it was also seeking to manage a crisis in governance resulting from what came to be dubbed "state capture" under the previous administration of Jacob Zuma.

On the economic side, the structure of the economy has become heavily dependent on the energy-minerals complex during deindustrialisation; and the food system is not accorded a central place in economic planning given its relative insignificance in terms of GDP and notwithstanding the crucial importance of food production for governance and social reproduction. In general, the food system is deeply anchored in corporate power from input supply to production and services; processing and manufacture; and distribution and retail. The system may be described as having an hourglass structure, with relatively few commercial farmers and a select number of dominant retailers, but many small-scale farmers and a quite large population, with a concentrated food system separating producers and consumers.

Under the pandemic, there have been almost 3 million cases of Covid-19 and more than 60,000 deaths. In other words, about 0.1% of population have died of the virus so far. Nearly half of all recorded Covid-19 deaths in Africa are in South Africa, which is also 51<sup>st</sup> in the world in terms of deaths per million.

There have been some significant shifts in public regulation efforts since the declaration of a national state of disaster in March 2020 and the introduction of an initial protracted hard lockdown. A number of different views of the regulatory response have emerged. One of which looks at its rationality and whether the government is listening to society. Another of which places greater emphasis on analysing the political machinations behind the decision-making processes and outcomes.

Decision-making now takes place at a national Coronavirus Command Council with ministerial inputs. Initially, the decision-making in the national government seemed split. Although there was an attempt to centralise power within the presidency of Cyril Ramaphosa, the declaration of a state of disaster accorded significant powers to the Minister of Cooperative Governance and Traditional Affairs (COGTA), Nkosazana Dlamini-Zuma, the former president's ex-wife and part of an anti-Ramaphosa faction in government. Tensions between the Coronavirus Command Council and the cabinet, and Dlamini-Zuma's powers to make regulations took on a factional tinge. Definitions of what were deemed "essential" services and goods, which were exempted from the lockdown regulations, seemed to shift in response to a power play among the national political leaders.

There have also been other stakeholders who have influenced the decision-making process. President Ramaphosa's declarations have placed some emphasis on the importance of science and the number of different groups which have been consulted. In this regard, an economic advisory council which was established before the lockdown and had no formal role in the production of the regulations had some informal influence, with its members drafting inputs into policy processes through ministers and ministerial advisors.

At some points there was also a ceding of regulation-making from the public to the private sector – for instance, when it became apparent that a list of economic sectors to be reopened had been drafted

by a group of industry leaders and given to the Department of Trade and Industry (dti). (At this time, the rules allowed shops selling certain “unessential” items such as clothing items to operate, but not others selling apparently equally “unessential” goods.) In addition, hospitality, alcohol, mining and cigarette interests have all lobbied hard for their exemption from restrictions.

In general, decision-making has been influenced under two dimensions of pressure from society. There has been a strong civil-society response, supported by academics and scientists, which has pushed for social grants, relief funds and other regulatory shifts. Alongside that, and perhaps less visible, has been the lobbying of big business, arguing for bailouts and the reopening of the economy. Thus, there has been significant informality in the influencing which has accompanied the highly formalised and centralised system of governance producing the regulations.

Broadly, the extent of the government’s stimulus and relief measures proved less than had been pledged. For example, it was announced that the equivalent of 10% of GDP would be allocated to a Covid-19 stimulus package – but in fact much of this funding was simply redirected from other, existing spending and the amount of new money committed turned out to be less than 1% of GDP. Particularly hard-hit in this process were the relief measures, which, it became apparent, were meant to be funded from funds which had already been allocated. In this regard, this project is seeking to track the stimulus and relief pledges in provisional and revised budgets against actual expenditure flows.

Analysis of the decision-making processes produced by the political response to the pandemic should also consider the resulting shifts in the internal politics of the ruling party and how these may have translated into the establishment of new centres of power in the state.

In addition, the benefits accruing from the implementation of the new regulatory regime should take account of the privatisation of relief efforts, which is a quite South African phenomenon. In this regard, an initial major initiative was the establishment of a Solidarity Fund which was co-chaired by two business leaders. This served as a mechanism through which state and private funds were pooled for quicker disbursement. Such privatisation of relief may be considered a product of the nature of South Africa’s managerialist state and the restrictions imposed by its Public Finance Management Act, which makes it hard for the government to act outside slow tender processes. Thus, the Solidarity Fund as a quasi private-public entity, took on the key role of delivering food parcels; and of helping to issue loans to small businesses on favourable terms.

In its responses to the pandemic, the managerialist South African state also adopted a strongly authoritarian approach. About 250,000 people were arrested for Covid-19 violations in the first three months of the lockdown in 2020 – the world’s highest rate of arrests for such offences. At the same time, there was a great outpouring of micro-kindnesses in solidarity efforts and in the philanthropic giving of big businesses, which was trumpeted. Throughout, the government displayed a deep anti-informality bias in the kinds of efforts it promoted and approved.

In terms of private-sector responses, there was both a huge role for direct charity and significant indirect distribution of private finance through civil society organisations for relief. Interestingly, some of the big civil society food distribution agents received a lot of money from the government and state institutions, as well as businesses, such as big mining interests, banks and carmakers. These stakeholders pooled their money through a small number of powerful, politically neutral NPOs



In relation to the issue of graft, while there has been evidence of great corruption in the official Covid-19 response, this has generally related to how politically connected groups and individuals have benefited from tenders for PPE and state grants under the Temporary Employer/Employee Relief Scheme (TERS). There has been less data on the big contracts for food acquisition, relief and distribution which were secured, and who benefited from these. In addition, greater attention should be paid to the issue of the selection of the big agribusiness companies which won the contracts to distribute the input vouchers as part of the small-scale farmer relief programme. In general, the research for this project should interrogate how an authoritarian but ostensibly consultative state process was influenced both by civil society in a public way and by strong big-business interests in less visible ways.

### **3. Preliminary findings on the impacts of regulation and mitigation efforts and of public/private-sector networks on the political economy of national food systems**

#### **3.1 Public regulation**

*Who shaped the regulations and how did pre-existing systems of power and authority allow/disallow influence?*

In Ghana, the World Health Organisation (WHO) and the Centers for Disease Control and Prevention (CDC) in the United States (US) were influential epidemiological and medical associations in shaping the government's position on Covid-19; while the Ghana Medical Association criticised the government for its faltering measures during the general elections in 2020. The National Peace Council of Ghana, which includes many representatives from religious organisations was also influential; and the government also worked with allies to maintain order. In the informal sector, the tomato farmers' and traders' associations have been quite powerful. Meanwhile, crony capitalism has leveraged government structures to stage a come-back under Covid-19 and even captured some new opportunities. For example, small cocoa traders who were advised to move off congested land in the interests of public safety found themselves unable to return to their former trading sites as the land had been sold for property development.

In Tanzania, the government, and specifically former president Magufuli, dominated the response to the pandemic, although academics and the private sector continued to seek to exert influence, and churches spoke with a powerful voice on the need for measures to control the spread of the virus. Magufuli's overweening power was the result of the pre-existing dispensation, in which a weak public sector and private sector had allowed one man to dominate. Under the pandemic, no court or parliament could stand against him, and academics became increasingly frightened to speak out.

In South Africa, the state made and shaped health regulations, although largely in line with WHO prescriptions and following the advice of a ministerial advisory committee comprised of medical experts. Parts of the private sector, such as the taxi industry, hospitality and tourism sector, alcohol industry and large commercial agricultural interests, lobbied for economic reopening at crucial moments. So, the response was shaped by an unequal economy in which the private sector already

wielded significant influence over government responses, although there was significant contestation between the corporate sector and civil society in this regard.

*Who has benefited?*

In Ghana, the beneficiaries included: elite traders who could go to the farm gate in Burkina Faso and bring back tomatoes; and the company given the tender for Covid-19 testing at the international airport in Accra. Those who lost out included: small traders; the hospitality industry; the owners of private schools which have gone bankrupt, leading to the closure of these institutions; and state schools, with the government still indebted to those running the school-feeding schemes. The government's indebtedness to school feeding caterers also had a knock-on effect, with these caterers now finding themselves indebted to market traders.

In Tanzania, the beneficiaries included: local manufacturers of masks and sanitisers; and producers of "immune-boosting" foods, such as ginger and onions. Those who lost out included: the tourism and hospitality industry, and also those sectors and businesses most dependent on economies in the Global North.

In South Africa, the beneficiaries included: large retailers such as Shoprite and large commercial farmers; the stores where people redeemed lockdown vouchers; home brewers using avocado; and black-market cigarette traders. Those who lost out included small businesses, kiosks and food vendors.

*How has power over decision-making shifted as a result?*

In Ghana, the participation of religious organisations has increased as the democratic space expanded within government as part of its efforts to consolidate its power. However, this space has also been curtailed – for example, when the government abruptly asked parliament to pass a number of recent tax bills.

In Tanzania, there was a significant shift in the government's position after Magufuli died and Hassan became president, as it engaged civil society and opened to more democratic and scientifically guided responses. The government started to address the pandemic from a health and economic perspective based on scientific recommendations provided by a newly established national expert committee under the president; Covid-19 data was made public; and a programme of mass vaccinations was initiated.

In South Africa, a lot of actors influenced the decisions being made although the process remained centralised. Cabinet secretariats have played an increasingly influential role, as has new scientific data and recommendations and both behind-the-scenes and public lobbying. For example, the government was recently planning to halt a number of special social grants but was forced to reverse its position under pressure from NPOs.

### **3.2 Public mitigation**

*Who shaped decisions around public responses to Covid-19?*

In Ghana, the decision-making was shaped by: WHO and international medical associations' response to rising infection rates; religious organisations which had occupied the moral high ground by distributing food and were thus well-placed to force the government to respond by also providing

food to vulnerable people; and union agitation and pressure on the government which led to a reduction in work hours.

In Tanzania, the decision-making was primarily shaped by former president Magufuli, who refused to respond to global and other pressures to regulate Covid-19. Given that there was enough food in the market, most traders, fishers and farmers appreciated this (lack of an) official response, although the government did make some efforts, such as, for example, by urging some precautions in relation to weddings and other ceremonies. Meanwhile, although civil-society activists adopted the position of seeking to speak on behalf of food actors, their position was somewhat hamstrung by their support for lockdown given that many of the food actors themselves appreciated the state's (lack of) response. At present, given the major shift in the government's stance on the pandemic an outstanding question is: To what extent will the regulations that supported food-system actors be sustained?

In South Africa, there has been differentiation between the relief offered fisheries and agriculture, with many small-scale fishers being left dependent on food parcels provided by the government with the funds for these being donated by large commercial fishing companies. By contrast, the relief offered the agricultural sector has been greater and more supportive of livelihoods.

However, the kind of relief offered in the agricultural sector has been influenced by civil society after widespread criticism of its initial focus on established commercialising farmers. The criteria were subsequently revised to include small and subsistence farmers, which influenced who became beneficiaries of the subsequent funding provided by the Solidarity Fund (with the private sector) and a PESI (Presidential economic stimulus incentive).

In all three countries, CSOs were generally influential in directing the kind of government support on offer and in keeping the governments on their toes. International health agencies played a key role in shaping the official mitigation responses in South Africa and Ghana, although not so much in Tanzania under Magufuli. In terms of social relief, farmers and fishers represent an important political constituency in Ghana and Tanzania, which led to the active implementation of mitigation measure in support of these groups; while in South Africa, presidential power acted in the interests of farmers and fishers, particularly insofar as they had the freedom to produce as they wished, although they were not important members of Ramaphosa's political constituency.

#### *Evidence of influence?*

In Ghana, the churches, which met with government, had a clear impact in pushing for the implementation of a national mitigation plan and also influenced the government to ease lockdown measures so that congregants could return to worship. In South Africa, churches and CSOs also helped to shape the direction of government mitigation policies. For example, local churches made themselves available to be used as isolation centres and treatment sites at key moments, which equipped them with moral authority and a certain clout. In other words, the government couldn't refuse them.

In South Africa, large farmers and agribusiness representatives who have had the ear of the minister have indicated their satisfaction with the responsiveness of state to issues such as opening ports for international trade; while small-scale black farmers who are not part of influential unions and have little political voice appear to have lost out. Similarly, small fishers and CSOs supporting them were less successful in persuading the government despite clear negative impacts on local and export markets under the pandemic, whereas large fishers *did* have a say.

Meanwhile, the private sector in South Africa also clearly helped shape government resource allocations to mitigate the effects of job losses, although it is important to note that it has been difficult to obtain hard data from the private sector on lay-offs and the costs of managing the impacts of Covid-19 more broadly. Firms tend to sanitise such information as is released on this. From the other side, the government intervened to prevent private schools from withholding teachers' wages at the same time as it continued to pay school teachers in the state system.

In assessing the evidence of influence on decision-making in the South African government, it is important to distinguish between the various entities and factions with the state. Thus, a key question is: Which parts of government were listening to whom? In this regard, for example, the Department of Agriculture was relatively receptive to CSOs compared with other government departments which sought to stop special Covid-19 grants and funding.

*What are we missing in this picture?*

It is important to track how power over decision-making has shifted over time. For example, in Ghana, the government assimilated initiatives produced by civil society and other sectors; and absorbed other interventions, such as food distribution, even if it was unable to run them effectively. This indicated a shift in power over the responses being adopted from the private to the public spheres and back again. In addition, the influence of the World Bank and international health institutions, which may perhaps be more contradictory than is generally credited, should be tracked. Meanwhile, in South Africa the silence of organised labour has been striking, especially given the impacts of the pandemic and the responses to it on jobs and employment conditions.

### **3.3 Private regulation and mitigation**

In considering the issue of the private-sector's engagement in regulation and mitigation efforts, it may be necessary to redefine the focus of the research somewhat, so that it analyses not only the role of large corporate interests and formal regulations, but also that of the informal sector and smaller businesses. In general, two key questions should be asked: What new rules have the private sector adopted in relation to food systems? What forms of mitigation, from corporate social investment to NPO engagement, have been provided?

In Ghana, the private sector, which is quite informal and not that structured to influence the government, has not been responsible for producing many new regulations. However, the sector has become more hygiene-conscious, for example, at fish landing sites; and has also supported a drive to register fisherfolk for taxation so that they can sign up for state support under Covid-19. In addition, private money was used to build the new, 100-bed Ghana Infectious Disease Centre and to fund the distribution of food parcels. Meanwhile, a number of agricultural firms have educated farmers and sought to provide them with subsidised inputs.

In Tanzania, big firms such as supermarkets and large financial companies enforced Covid-19 regulations more effectively and for longer than small and informal businesses. These bigger companies observed rules beyond the period of the initial official lockdown, while, for example, enforcement of the rules at markets was short-lived. There have been a number of corporate social responsibility (CSR)-driven initiatives across the country, including in relation to providing PPE to

hospitals. In addition, there has been a significant increase in ordering and delivering online involving both large firms and small traders.

In South Africa, hotels and restaurants stopped buying fresh produce on a daily basis, reducing their purchases from farmers, keeping food for longer and serving poorer quality food to their customers. Babies were prevented from being taken to markets. Some farmers cut bakkie traders out of the supply chain, instead making the deliveries themselves. There was also a move to ordering and delivering online involving both large firms and small traders.

South African farmers not only received assistance, they provided it and were active in distributing food to poorer communities, including in Limpopo. Some of the food aid came in the form of produce that they could not sell; but the charity went beyond this, with some of it linked to local church initiatives. There was also some altruism in national CSR-driven efforts, such as by KFC, although these were also informed by brand-building motives. In this regard, amidst all the philanthropy, it is important to consider the politics of who has been offering what and how.

### **3.4 Networks, patronage and graft**

#### *Networks*

Different social entities both worked together and against each other, pursuing differentiated agendas and often diverging interests. For example, religious organisations worked with CSOs and progressive scientists to force governments to adopt different policies protecting the more vulnerable. At the same time, CSOs, faith-based organisations, political parties and business and professional associations sometimes worked against each other in pursuit of separate interests. For example, in Ghana religious organisations collaborated to put pressure on the government to ease the restrictions so that people could go back to their churches. In South Africa also, churches lobbied to ease the restrictions as did the corporate sector, working together although driven by different interests. Opposition political parties advocated easing in order to score political points. Public health interests were not necessarily a prime concern in these moves.

Meanwhile, diverging interests led to tensions among the various actors. For example, CSOs worried that interventions purportedly seeking to help the poor navigate the pandemic were being exploited to feather the nests and further the interests of particular groups in the private sector and the government. The networks forged in response to the pandemic need to be mapped to understand the underlying narratives, functions and operations, and why and how these networks were formed and which interests were being promoted.

#### *Patronage and graft*

There has been a broad lack of transparency in managing Covid-19-related initiatives, from testing for the virus at the international airport in Accra to the procurement of PPE in South Africa; and varying levels of accountability in relation to these initiatives. For example, although graft may take place with some impunity in Ghana, cases of corruption in South Africa have been and continue to be probed and have already led to the dismissal and resignation of some senior political figures, including former health minister Zweli Mkhize. However, greater interrogation of the terms of the implementation of mitigation initiatives is required – how these were managed, and who received what. A particular area of concern in this regard is the operation of the various relief funds and other

state interventions which were established to mitigate and manage the negative impacts among poorer people and small producers and businesses particularly in rural areas. For example, there are allegations of large firms in KwaZulu-Natal working with different levels of government to reap the benefits of these initiatives. The implications of all this are that there is a need to investigate closely the institutional arrangements between the state and the corporate sector to understand better who received what, for what purposes and under what circumstances.

#### **4. Discussion and concluding remarks**

##### *Contradictory role of the state*

In South Africa, the state under President Ramaphosa has sought to institute development policies which also serve the interests of capital. The previous dispensation under Zuma sought to establish a more parasitic state serving the interests of a bureaucratic bourgeoisie, that is an emerging class of civil servants who used their position to accumulate wealth and power. The contestation between these two visions of the state which persists under the present dispensation played out in the various official responses to the pandemic. On one hand, it worked to help protect the interests of capital, for example, in helping to create a structure – the Solidarity Fund – which legitimised the efforts of leading capitalists to protect their interests (and perhaps ward off a potential wealth tax) through the donation of billions of rand in response to the pandemic. On the other, the PPE corruption may be seen not as an anomaly, but as a continuation of the Zuma project.

The ban on cigarette and tobacco sales in 2020, which was sustained with far less empirical justification than contemporaneous and subsequent bans on the sale of alcohol, which were instituted primarily to reduce the pressure on hospital emergency rooms, also indicates the role played by political and personal interests in government Covid-19 measures. This ban, which was pushed hard by COGTA minister Nkosazana Dlamini-Zuma, directly benefited her family and her financial backers in the illegal tobacco industry as cigarette-spend was redirected towards the illicit economy.

##### *A more nuanced view of the state's role*

In Tanzania, under the approach adopted by Magufuli, street traders were easily able to acquire permits to keep on doing business and were thus allowed to carry on trading, with the president even intervening to permit continuation of a market operating on land which had previously been set aside for industrial development. In this regard, although large firms suffered under the pandemic as investment fell away under the policies adopted by Magufuli, who was no great friend of business, small farmers and traders have indicated that things would have been much worse if there had been tough regulation. At the same time, Magufuli allowed Covid-19 to rampage, causing deaths.

By contrast, in South Africa, the government clamped down on informality, with the lockdown also hitting big business, in particular tourism, hospitality and alcohol sectors. In this regard, simplistic categorisation of competing class interests can fail to describe how the political economy was shaped under Covid-19. For example, in South Africa there was an apparent contradiction between big business wanting to reopen the economy and civil society activists speaking on behalf of the poor wanting better protection and closure, although in reality such activism did not necessarily represent

the interests of many people within the food system and many poor people more generally. It was not only elites who wanted to keep the economy up and running.

#### *A more nuanced view of winners and losers*

Although many large firms may have lost out under Covid-19, it is also important to place this in the context of the overall economic damage wrought under the pandemic. The scale of the losses or benefits can be what is most significant – that is, for example, the extent to which big companies perhaps lost “less” than smaller companies or the informal sector. In other words, the extent to which inequality was aggravated in a system in which power and control shaped the distribution of risks and costs.

In this regard, it is important to consider the forms of accumulation and exploitation which took place, including through legitimised rent-seeking and the functioning of economic power in markets. Such an analysis may entail looking at changes in the return to capital versus the return to labour and comparing worker salaries with the salaries and rewards for senior managers. The analysis may also review important mergers and acquisitions and seek an answer to the question: Who has actually gained from the food price increases?

#### *Impacts on jobs and employment conditions*

Government and business interests in South Africa became quite closely aligned in the efforts to mitigate the job losses caused under the pandemic and lockdown measures. A big chunk of government funds was allocated to unemployment insurance fund (UIF) payouts and the subsidisation of corporate wage bills through the TERS scheme. At the same time, despite the clear negative impacts on jobs and the conditions of employment, there was little activism from the trade union movement, apart from among civil servants and the employees of state-owned enterprises seeking to protect and even enhance their privileged positions. Possible reasons for the apparent decline in union activism in the cause of social justice include that the labour movement has been largely co-opted in the service of a parasitical state; and that long-term de-industrialisation has weakened the base and led to a rise in less well-organised forms of worker representation.

#### *Unrest and social fragility*

In Ghana, security forces have cracked down on #Fixthecountry activists, killing a number of them. Meanwhile, in South Africa widespread looting and unrest broke out from the beginning of July, leading to tens of deaths and the intervention of the army. The rioting has been attributed to a political rearguard action by the supporters of former president Zuma, who was arrested at the beginning of the month, but also to continuing poverty, hunger and inequality across the society, which have been exacerbated by the impacts of the pandemic and the government’s response to it.

#### *Transnational implications*

It is important to consider the transnational dimensions of the regulatory responses to the pandemic in the present study. For example, in Tanzania, many of the impacts of the pandemic and the national responses to it arose from neighbouring countries closing borders, which placed it in isolation. Meanwhile, in South Africa, immigrants from other parts of the continent, who do not benefit from the relief offered by the government and are among the most vulnerable who have lost jobs, have been hit particularly hard under Covid-19. Indeed, the state’s response has been to step up its requirements of permanence before making available any support, such as UIF payments, for which some foreign workers whose employers have made the required contributions should be eligible.

The fear is that xenophobic policies are being introduced under cover of the state of disaster which has been in place since March 2020.

*Framing the research*

In applying the notion of public regulation in the study, a broad view should be adopted so that efforts which fall outside the category of formalised regulation can also be included. For example, political rhetoric in Tanzania promoting the use of domestic not imported masks was important although it did not necessarily constitute formal regulation.

In drawing a distinction between the public and the private domains, the private one is often framed as comprising solely the large-scale corporate sector, but there are many different forms of regulation within society including in informal economies, and emanating from a number of associations and alliances. Private regulation is not only the domain of corporate actors.

It may be worth considering adopting a more comparative approach which looks at examples of responses to the pandemic beyond the three countries under study in order to disentangle some of the logics informing these government efforts. In other words, although there are many context-specific national challenges, there are also problems that may be faced more generally in relation to the pandemic, particularly in relation to a number of common cross-cutting challenges that the governments in different countries may face. For example, governments facing budgetary constraints after long, hard lockdowns may share an interest in seeking to restart their economies as quickly as possible.

More broadly, perhaps a wider discourse analysis is required which examines how various ideas of “freedom” and “liberty” and “rights” have been and continue to be used in different ways, and the push of the private sector to be freed of the fetters of regulation versus the demand for social protection. Such an analysis may generate a set of comparators which may facilitate the production of a common view of the political economies of the food systems across the three countries under study.