

NEWS ANALYSIS: Lockdown decision is fraught with danger

The chances of extending the lockdown appear high, and a return to normal economic activity will be difficult to achieve

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President Cyril Ramaphosa addresses the nation from the Union Buildings in Tshwane on the government's response to contain and combat the rapid spread of the Covid-19 outbreak. Picture: GCIS

As SA waits for news of whether the lockdown will be extended, government decisionmakers sit with a problem: not enough testing has been done to make an informed decision.

SA began its lockdown earlier than most countries. Not even 10 people had died when the lockdown began on March 26. The result was that the imported epidemic was effectively shut down and the rate at which transmission was happening slowed markedly.

While in the first weeks of the epidemic, infections doubled every two and a half days, since the lockdown began the rate doubled somewhere between six and seven days.

Modellers say this was more or less the expected effect of the lockdown. But without extensive testing it is impossible to know how deep the virus is embedded in the local population. And without that it is impossible to know how rapidly the infection rate could take off with the lockdown even partially lifted.

There are also other unknown questions such as whether the BCG vaccination given universally to babies in SA will provide some level of protection as it seems to have

done elsewhere and whether the widespread use of antiretroviral drugs could help as well.

While temperature screening, rather than testing, has begun on a large scale in some communities, the international evidence shows that as many as half of those infected will be asymptomatic but infectious. It is random testing on a large scale that will provide what President Cyril Ramaphosa has called “the scientific evidence” on whether to lift the lockdown.

At the same time, the lockdown is causing unprecedented damage to the economy. While some businesses will shut only temporarily and could restart, it is anticipated that not all will be able to do this and a large number of failures are expected.

In the wake of the 2008/09 global financial crisis, SA lost 1-million jobs in a short space of time. It took years to bring employment back to pre-crisis levels and SA has never returned to the 21% unemployment rate (on the narrow definition) that prevailed before the crisis.

With this in mind, economists are looking at scenarios under which the lockdown could be lifted.

A controversial scenario model, produced by the Boston Consulting Group – controversial because it wasn’t officially released by the company – estimated that based on international experiences SA’s epidemic would only peak in June and the lockdown would therefore need to be in place until August.

A group of economists, convened by University of Johannesburg professor of practice and National Planning Commission member Miriam Altman, is developing Covid-19 economic strategies including a view on how to approach a second possible lockdown.

“The critical issue is that even if Covid peaks in, say, June, we will still have to contain economic activity and manage possible outbreaks, potentially through to December,” Altman says.

“We therefore have to find a way to sustain that effort while not completely destroying livelihoods. At the same time we also need to get SA on to an economic development path. It does not help the health response to fight Covid if the population is even poorer, more unemployed, and if other areas of health and education are compromised,” she says.

Altman sketches three scenarios after April 16: the first involves a second full lockdown followed by risk-mitigation strategies; at the other extreme, the second scenario would see the lifting of the lockdown with light touch controls, including widespread testing and the opening of borders to movements of people; a middle ground would involve a partial lifting of the lockdown with risk adaptation strategies such as ubiquitous testing, careful rules about the return to work and closely managed borders in relation to the movement of people. This could include isolated lockdowns of hotspots and high-risk areas.

As appealing as the second option may be, Altman notes that it “will likely enable a re-emergence that is greater than the initial period and could be followed by a second full lockdown, and even greater damage to the economic welfare”.

The first option is generally used in cases where the pandemic has spun out of control. This does not appear to be the case, but will be confirmed when the results of widespread testing are known. If this testing shows that the pandemic is under control, then the third option becomes possible.

Tips economist Neva Makgetla says until the result of mass testing are in hand, any

lifting of the lockdown would have to be slow and the risks carefully managed. Communities and workforces would have to be constantly monitored and at the first sign of infection, locked down again.

Makgetla suggests a sectoral approach to reopening concentrating on capital intensive industry and those where social distancing and protective practices can be readily applied. Large employers – like mines – should in time be given the option to reopen on the basis of risk mitigation plans they present to government. A growing number of mines have already done this, though most are still operating well below capacity.

It is also important for the economy to get exports moving again, particularly of gold where prices and demand remain high, she says.

An academic research paper across a range of disciplines, produced by Germany's Ifo Institute, advocates "a gradual transition to a risk-based strategy", recommending measures that include binding specifications for the use of protective equipment, co-ordinated large-scale testing and comprehensive and unrestricted medical care for the population.

The population should be warned, says the group, that "a return to normality can most likely only be achieved in the long term and with significant effort and cost".

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