



## Food in the time of the coronavirus: Why we should be very concerned

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The social legitimacy of the 'COVID-19 lockdown', government's regulations imposed to contain the spread of the virus, is most likely to run aground unless an urgent plan can be made to ensure that everyone in the country has access to sufficient food.

Based on interviews, statements by various organisations and our own experience, here is our summary of the already-evident impacts of the lockdown on poor people's access to food, and on the informal food economy – from small farmers to street vendors and spaza shops – that is so important in meeting people's daily food needs.

### **What's happened already and what's coming soon**

What are the immediate impacts of the COVID-19 outbreak, and the lockdown imposed from 27 March 2020? How is the lockdown being interpreted and enforced, and which parts of the food system are being closed down while others are able to continue operations? Here we discuss the immediate scenario of shortages and surpluses – where poor people as producers and traders are unable to continue to produce and sell, while at the same time poor people are unable to access sufficient nutritious food. We see crises on both sides.

**Income losses:** While the formal food system is for now relatively protected against supply shocks, enormous numbers of people (the working poor, those in the informal economy, and those in precarious employment) will have suffered a sudden and long-term loss of income. The people who are losing their jobs are already some of the most precarious. Even if there is food on the shelves, they will not have access to it.

**Social grants** insufficient: For part of the population, social grants will therefore be even more important – it is heartening that these are being prioritised, and an immediate increase would be welcome. Social grants were already insufficient; often shared and redirected in households where there were other adults without income. People will be unable to buy very soon from formal retailers – a cash crisis for enormous numbers of people. These strains will increase, putting enormous strains on households, and likely leading to increases in gender-based violence.

**Physical distance:** Even those in the working class and in the township economy with some income will still be at significant disadvantage. Often far away from shopping malls and supermarkets, lacking transport, and lacking the middle class ability to stockpile and store, they are much less able to 'socially distance'. Unnecessarily harsh restrictions on public transport and taxi operators exacerbate this situation.

**Risks:** If people cannot get food, there is every likelihood of extreme hunger which is also exacerbated by job losses and unemployment. The Police and the army need to manage and enforce, social distancing and lockdown in a more humane manner, failure to do, poses a risk that the legitimacy of the lockdown as such could come in question, with disastrous public health consequences.

### **So what is happening with poor people's access to food, and the livelihoods of those who supply their food?**

#### **Street traders are locked down**

If there's one thing to understand, it's this: street food traders have been locked down and lost their markets. This is devastating to the livelihoods of the vast number of people involved in this economic activity: the sector supports an estimated 500,000 livelihoods nationally, and accounts for 40% of the informal township economy. It is also having an immediate and dramatic impact on what people buy

and eat, with evidence from the past week suggesting a dramatic decline in fresh vegetables and fruit. A large proportion of food sold and consumed in townships is from street traders, surveys suggest that up to 70% of households usually source food from informal outlets. Surveys over the past week already show a change in food buying patterns, with women opting to reduce or entirely exclude meat, dairy, fruit and vegetables from their shopping in favour of staple foods and non-perishables – partly this is a cutting back to essential calorie-providing carbohydrates, but it is also because they can only get to one shop, rather than shopping around on the street and at various butcheries, to get the best deals and the greatest range of foods. Now it is a reduced food basket reduced in diversity and nutrition, typically from just one source.

### **Spaza shop confusion and crackdown**

Spaza shops are being closed down, with national regulations being unevenly interpreted by SAPS and the army. In some places, the police and army have ordered spaza shops owners to close while in others they have told them only to operate during certain times. Authorities have insisted that spaza shops may operate, as long as they do not sell alcohol or cigarettes – two of the primary reasons for people breaking lockdown regulations. But this is not how regulations are being enforced. The distinction drawn between registered and unregistered spaza shops is translating into xenophobic attempts to close down all foreign-owned spaza shops. Other shops owned by foreign nationals (eg. those selling imported and specialised food from other African countries) have also been forced to close down as part of the lockdown. Together with street traders being unable to operate, this means that the main ways in which poor people access food from small and informal enterprises – therefore supporting the township economy – are being closed down.

### **Supermarket bottlenecks**

Attempts to enforce social distancing in and around supermarkets (limiting numbers of people in the shop, policing long queues) are not working, with people waiting for hours, only to have to return the next day. People cannot or will not comply with the rules and regulations, and this is already evident in clashes centering on township malls and supermarkets, as the remaining sources of food. This will only be aggravated as social grant pay-outs come around, and there's no option but to spend them here.

### **Small-scale farmers curtailed**

The effects of the lockdown are felt further away, in fresh produce markets and among the often smaller farmers who supply them, and who are locked out of supply chains with supermarkets (An estimated 60% of the goods traded in the Johannesburg Fresh Produce Market sell into the informal township market.) So small-scale farmers are directly affected by the closure of street trading among the poor, as well as the loss of outlets to the rich – a double whammy for the most vulnerable producers. And while most food is produced by a relatively small number of commercial farms (about 20% of the 30,000 commercial farms produce about 80% of our food), there are far more black farmers than white. About 180,000 black farmers in South Africa are commercially-oriented. Reports from communal areas where many are located are that they cannot tend to their animals, and police have been imposing fines of up to R5, 000 on farmers for grazing their animals. Those farmers growing vegetables in communal gardens are unable to access these to harvest their crops; anticipate that they will not be able to sell at SASSA pay points when grants are distributed; and therefore be unable to replant both because of losing their incomes and because nurseries where they could get seedlings are closed. Among urban and peri-urban or 'township farmers', many are involved in 'niche' supply chain arrangements with restaurants and hotels but many of the clients they usually sell to are closed for the time being. These

farmers have lost their markets and are sitting with vegetables in the ground which they will not harvest without some chance to sell. They are afraid to continue to farm, cannot see how they can legally and safely transport their food to a market, and urgently need assurance that they will be allowed to continue to operate, and assistance to do so safely.

### **Small-scale fishers are also stopping**

Small-scale fishers in coastal communities are prohibited from selling and transporting their fish to locals directly, which is the established informal system that gets much-needed protein to poor and lower income communities. Thriving informal value chains – from poor coastal communities, male fishers, to women traders, to bakkie traders – have been broken. Confirming the right to fish is not enough; those involved in this extensive informal economy need to be able to transport and sell without constraint or harassment, and with appropriate social distancing measures. Without this, small-scale fishing on which so many coastal communities depend has been closed down.

### **Farm workers at risk**

Commercial farms are meant to be continuing production as normally as possible, workers and their families have in some places reported that they are no longer allowed to go to town to buy food, and instead have no option but to buy food from farm owners. A spike in urban hunger may well take the form of mass protest, and demand political attention. Less visible is the crisis of hunger in rural areas, where among those most at risk are people producing most of the country's food: the approximately 700,000 farm workers and their families (towards 2.5 million people). Even before the virus, the research evidence has been alarming. Among seasonal farm workers in the Northern Cape, for instance, more than 80% experienced severe hunger for the off-season months April to August. While some will retain regular employment, the rise over the past 20 years of casual and off-farm employment means those whose labour is not needed right now are not on farms. Most concerning are questions about physical access to food, including in small towns where large numbers of evicted farm workers now live, where often even getting to a shop to buy food requires public transport that is no longer available. How are people to survive?

### **Food aid via supermarkets will reinforce exclusion**

We face a situation in which the informal economy is closed down – small-scale farmers and fishers, street vendors and many spaza shops. Unless this is reversed, government's food aid interventions may serve only to concentrate the food system around a few corporate-dominated supply chains dominated by a handful of vertically-integrated agribusinesses and supermarkets. For instance, pushing public funds into a food voucher system redeemable only at supermarkets would only aggravate economic exclusion, further pushing poor people out of economic activity, and forcing people to congregate at supermarkets. This is dangerous from a public health perspective, but will also aggravate economic exclusion in a time of crisis.

Already, supermarkets are expected to experience a surge in profits from the poor and the rich as a result of the lockdown. The wealthy and those with disposable who might otherwise support restaurants and fast food outlets are buying directly from supermarkets instead. Plus, with the disappearance of the informal, the poor have no alternative but to buy from formal outlets and, unless changes are urgently made, the proposed top-up in the child support grant (which would be a massive step forward) will go directly into supermarket profit margins.

The situation is, in other words, one in which neither the market nor existing state provision is adequate. There is a need for enormous social provision outside and in addition to the market and the formal social protection system. Large-scale producers, processors and players are of course well placed to contribute here, in a situation where economies of scale and logistical capacity are of the utmost importance. There needs to be urgent intervention to ensure that supermarkets, food manufacturers and others in the large-scale formal sector play their role in ensuring accessible food supply. But this has to be balanced against the need to preserve livelihoods and employment of the most economically vulnerable sections of our population.

### **Priority short-term interventions needed to mitigate impact**

Smaller producers and farmers, and artisanal and small-scale fishers must be enabled to continue with production, transportation. Food hawkers and spaza shops which provide a vast proportion of the food consumed by poor people must similarly be allowed to continue to trade, and to do so safely. All this requires appropriate regulation to allow those small-scale operators in the production, transportation, and sale of food to operate, with provision of protective gear and where required, and where existing supply chains have been broken by the lockdown, with some logistical and transport assistance.

The goal of the proposals below is to mitigate against both economic and physical concentration in the food system, especially in the large urban centres. At least two priorities need to be combined in the current crisis: (1) ensure that poor and food-insecure populations have sufficient access to food during the COVID-19 lockdown and beyond, while (2) ensuring that small-scale township farmers and small-scale fishers are able to continue to produce and to sell their produce in a secure and predictable way, including via the informal system of street vendors, so as to avoid a food system collapse.

Amend the lockdown regulations to allow any supplier of food items to operate. These measures would legalise certain exemptions to the lockdown for poor people – as small-scale farmers, fishers, street traders and spazas – to produce, transport and sell food. This must include spaza shops (not only those that are registered) plus a public clarification that no distinction is drawn between spazas operated by foreigners and citizens. Informal street vendors must be allowed to sell food and also to transport their produce. Small-scale farmers and small-scale fishers must be able to move to and from their farms and fishing sites and to transport their produce, and systems set up especially by large corporate players within their sector to make available the infrastructure that can help them to do so safely.

**Opt for cash instead of vouchers:** Proposals for food vouchers should be replaced with straight cash transfers, to put decision making into people's hands. The attempt to control what poor people buy is patronising and ineffectual, and there is evidence from elsewhere and in the past that food vouchers get sold for cash, at a discount. It is far better to protect and build up the buying power of poor people to survive.

**De-concentrate the food system spatially:** How can informal street traders buy and sell their produce safely, and without aggravating the physical concentration of people in shopping malls and supermarkets? Here are some ideas. Since traditional selling areas have been transport hubs like taxi ranks and bus and railway stations that now lie still, new sites can be quickly set up using existing public infrastructure: school premises that have been closed, where there is shelter and water available, and sufficient space for social distancing to be safely practiced. Government should immediately make such spaces available for food vendors to trade from. Parking lots at shopping malls where all shops save a few are now closed could also be used, though this will not reduce foot traffic.

**Urgent help for small-scale food producers:** The Solidarity Fund should provide cash injections to keep farm and fishing enterprises and other small-scale food enterprises going, and to provide appropriate protective equipment to enable them to continue with production.

**Aggregation of small-scale producers' output:** Small-scale farmers could establish depots where small-scale farmers can bring and aggregate their produce, for onward sale (for Cape Town, provisionally in Philippi and Khayelitsha), using existing WhatsApp groups to compile spreadsheets indicating the types and volumes of vegetables available for sale. Already the Philippi Economic Development Initiative (PEDI) and Food Flow are organising this. Similarly, small-scale fishers need centralised market points with cold storage facilities reasonably close to their main landing sites, for onward sale. Fishing companies can make available refrigerated vehicles to transport small-scale fishers' catch, and make available protective gear for fish handling. Transportation of food – vegetables, fish, etc – by small-scale farmers must be allowed uninterrupted, including to fresh produce markets. Transport assistance including via out-of-work taxi drivers can be commandeered.

**Get supermarkets to adjust their procurement systems:** Negotiate with supermarkets to buy from small-scale farmers, waiving their normal requirements of Global or even Local GAP certification (and advertise this produce separately within supermarkets) and carrying the cost of transportation to collect produce from small-scale farmers. Use government's leverage with large formal retailers to require them to procure, stock and sell the vegetables of small-scale farmers, providing a back-up market for surpluses.

**Get the corporate sector to repurpose its infrastructure:** For delivery of food to the poor, whether for sale or food parcels, there will also be a need to access the logistics chains of supermarkets, or other major companies with massive distribution networks that reach every corner of the country (think: SAB Miller trucks and their clients distributing food supplies).

**Procure from small-scale food producers:** Government must use the provisions of the Disaster Management Act to short-circuit the constraints of the Public Finance Management Act (PFMA) to procure from small-scale farmers and fishers, paying cash upfront, to buy vegetables, fish and other food for public distribution.

**Manage shopping expeditions:** Mitigate the likelihood of large numbers of people converging on food outlets at the same time – especially immediately after disbursement of social grants – by allocating shopping days/hours to specific areas (eg. block-by-block). Releasing the informal food traders from the lockdown will also do a great deal to reduce the intensity of peak times at supermarkets.

**Accept and work with the informal:** Don't try to get the informal sector to comply with registration requirements. It's informal. Recognise this as a reality and a crucial part of the food economy. But immediately allowing all spaza shops to operate is not enough. Spaza shops are not adequate for households to do their main shopping – people shop around and usually go to spazas for small additional items. The informal sector must be restored, and augmented with new outlets in a more dispersed system.

### **Not a temporary food disaster**

Access to food is obviously not only a matter of how much food is being produced, but about how and when it gets to people, and what it costs when it does. If just that one thing stays on the agenda, it will represent a huge shift in policy and programmes.

We need a new conversation about the obligations of the state to ensure that everyone has enough food. It's there in Section 27, and it is a right that everyone living in South Africa has – not only citizens. The state is ultimately responsible. And when the state removes the right to freedom of movement, this exposes the failures of 'the market' to deliver sufficient nutritious food to the majority in the world's most unequal society. The lockdown is exposing the already intolerable situation. Now the failures of our food system become evident in sharp relief. Action is needed now.

In the past weeks, the government has unquestioningly taken on the direct responsibility for ensuring that people have access to food, including oversight of how certain food prices are set. This is an enormous shift. The unspoken assumption is that the market will allocate food as it sees fit and that there is no direct role for the government. Under the lockdown regulations, however, it has simply been assumed that the state must take some of this responsibility in the interests of the greater common good. The next step is the need for political recognition that the everyday lives of the poor are a permanent food disaster.

Agricultural economists who ignore these realities yesterday argued that, because 'people have to eat... food demand should hold'. We find this utterly unconvincing. Whatever levels of commercial production of food, the capacity of a large proportion of our population to buy it is being decimated in front of our eyes. The demand for food is a political matter, and already we are hearing permutations of slogans that threaten 'no food, no lockdown'.

Around the world, images of empty supermarket shelves have galvanised panic that soon there may simply not be enough food available because COVID-19 lockdowns have disrupted commercial supply chains. This is not the primary danger in South Africa. The spectre we face is full supermarket shelves and people outside unable to access them.

There has within a week been a proliferation of efforts to provide food relief in various ways, sponsoring a family, buying a virtual bag of veggies, and so on. NGOs have stepped into this space with a plethora of soup kitchens and feeding plans to get food to children affected by the closure of feeding schemes at schools, Early Childhood Development facilities and creches. All these initiatives are good but none is sufficient. Over and above this outpouring of humanity and social solidarity is a need both to plan and deliver food at scale, and to recognise that the poor already produce, transport and sell a vast amount of food already. The very first thing that government can do to address the food crisis is to lift the lockdown on informal street traders who sell food and set up suitable places where they can operate.

### **Beyond lockdown, what are the implications?**

Long-range outcomes for the food system depend greatly on the development and course of the pandemic (which we believe is likely to be grim and long-lasting) and the longer-term economic impacts of the pandemic and control measures on the national and global economy (which are similarly likely to be dire). What happens to the food system will be merely one aspect of a much larger process of social change and restructuring, encompassing every aspect of South Africa's distributional regime, growth path, and political settlement.

We now face the prospect that the informal sector will suffer a massive setback, further pushing large numbers of people out of economic activity and into desperate poverty and lethal hunger, while further consolidating corporate domination in South Africa's food system. The prospects of people returning to economic activity afterwards may be slim.

One real and frightening possibility is that the stresses and strains of an out-of-control public health disaster stretch South Africa's already fragile social contract to breaking point.

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Note: This document is a work-in-progress by PLAAS researchers, as a contribution to various government and civil society conversations about what is happening with poor people's access to food in the context of the current pandemic and specifically the immediate context of the lockdown.

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