

# Covid-19: A balance sheet of a year of neoliberal pandemic responses

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**On 11 March 2020, the World Health Organization (WHO) officially declared that Covid-19 was a global pandemic. A year since, there have been more than 116.5 million confirmed cases of Covid-19 globally, including an almost 2.6 million deaths [reported to the WHO](#). Here in the UK, government figures show that the virus has claimed [nearly 125,000](#) lives. The death toll continues to rise as the virus continues to be unchecked.**

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The pandemic has exposed massive and multiple weaknesses and failures of the corporate and finance capital-dominated, globalised world we live in. The failures in governance are at the national, regional and global levels. In addition to the obviously vastly difficult nature of the situation, these failings can be attributed to a mixture of incompetence, blind obedience to market-oriented approaches, lack of planning capacity, corruption, and [at times sheer negligence](#) and lack of political will.

The overwhelming impacts of the virus, not just on people's health, but also on the economy and social relations, are exposing heightened conflicts of interests behind the push for immediate responses and long-term plans. The key lesson of this dark period that anyone should see, understand and learn from is that the politics that created the economic system that only values the market exacerbated those impacts.

## Covid-19 and neoliberal economics

Although Covid-19 is such a potent virus, a health crisis is not uncharted territory for many countries. In fact, the [WHO has already had regulations](#) for managing pandemics since the SARS (severe acute respiratory syndrome) outbreak in 2004. The uncoordinated and poorly planned responses, especially in some of the wealthiest and most scientifically advanced countries like the United States and the UK, is unsettling and must not be brushed aside. A British Medical Journal [article](#) argued that there must be a redress for mishandling the pandemic and that sovereign governments should arguably be held accountable to the international community for their actions and omissions on Covid-19.

As Shalmali Guttal of Focus on the Global South said in GJN's [first webinar during the pandemic](#) the combination of market failures in the time of a pandemic is like "a chronicle of deaths foretold". Progressive groups which had been opposing neoliberal policies saw it coming. Decades of underfunding of public health services result in a weakening of otherwise effective state capacities

to address health crises. Underfunding also puts pressure on public health-care systems to privatise. This was also emphasised by progressive civil society leaders that we interviewed in our [Southern Perspectives interview series](#).

Most governments globally cling to the myth that markets are the best way to provide goods and services. In the UK, the response is still largely state-driven as the National Health Service (NHS) is still the key actor. However, the NHS has been pushed for several decades now by austerity measures towards marketisation and privatisation as part of a general trend of shrinking of the state here in the UK. Together with social justice movements and campaign organisations in the UK and Europe, Global Justice Now (then World Development Movement) repeatedly [warned about the dangers of austerity](#) after the 2008/9 economic crisis.

The lessons of that last crisis seem to be lost. Just last month, February 2021, Centene Corporation, a US health insurance group, took over AT Medics, one of the UK's biggest GP practice operators. This [merger](#) prompted campaign groups Keep Our NHS Public, Doctors Unite and others to call for an official investigation into what they are claiming as "privatisation of the NHS by stealth". Global Justice Now warned about the [dangers of the NHS getting privatised in the US-UK trade negotiations](#) in the run-up to the 2019 elections.

### **Conflicts of interests when neoliberals are in charge**

Neoliberals uphold that the sole motivating force in the provision of services is the generation of monetary or exchange value. On one hand, health and the commons are perceived as not economically relevant because they are not governed by private property rights and monetary exchanges. However, the contradiction is that businesses also need a healthy workforce to keep things going.

The Covid-19 pandemic showed us the social conflicts at play: frontline health workers were made to do their jobs without adequate PPEs; track and trace franchise were given to private companies with little experience in such preventive health services, etc. The push from labour unions and health workers to make the protection of life a social priority challenged the belief in the dominance of the market.

Covid-19 lockdowns are key policies that prioritise health over the pressures of the markets. A key element of lockdowns is workplace closures. The provincial government of Wuhan, China, imposed a very strict lockdown in mid-January 2020 to control transmission of the virus. The idea of such lockdowns spread and by April 2020, an estimated 165 countries had adopted various levels of workplace closure. The UK's lockdown measures are however criticised by many for being [too little, too late and too flawed](#). They are being blamed for repeated surges of the virus.

Unfortunately, this kind of health emergency will not be the last, and this danger needs to be faced with a new approach to public and planetary health.

### **Vaccine apartheid**

Vaccines normally take several years to be developed and approved due to clinical trials and related checks. The UK, the US and other wealthy countries poured public funds into development and innovations to produce Covid-19 vaccines to address the pandemic. That was the good part. The bad part, however, is that they also gave the [protection of exclusive rights and monopolies to transnational pharmaceutical corporations](#) thereby causing artificial scarcity of vaccines. The plain

fact is that much of the world's population is completely dependent on multinational companies to develop, manufacture and distribute these lifesaving vaccines that are so essential for protecting public health.

Wealthy countries also poured public funds into large procurements of vaccine supplies, more than enough for their entire populations. This left poorer countries without access to vaccines. At the same time these same governments are preventing wider production of vaccines by blocking the request of developing countries like India and South Africa to waive certain patent rights. Vaccine politics and current policies on production and distribution of Covid-19 vaccines have exposed and intensified global inequality.

Vaccine nationalism increases the danger from the virus. Even if the UK and other wealthy countries are able to vaccinate large segments of the population by the end of 2021, as they almost certainly will be, the continued circulation of the virus elsewhere will produce mutations, which could eventually render vaccines less effective. New variants can also come back to cause new outbreaks in vaccinated countries. Patent rights allow drug companies to charge runaway prices because new drugs are protected by legal monopolies. We explained why big pharma should not be in the driving seat for Covid-19 response in our [report](#).

Vaccine apartheid, although undoubtedly having a certain short-sighted rationale, is therefore irrational and even counterproductive when the bigger picture is considered. We are still in a global pandemic and it may yet take a while to get out of it. How we get out, how fast and with how much that needs doing for the long recovery ahead will depend on the continuing battle of interests.

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**P.S.**

- Global Justice. 11 March 2021:  
<https://www.globaljustice.org.uk/2021/03/a-balance-sheet-of-a-year-of-neo-liberal-pandemic-response/>