

Finance capital demands an end to Shanghai's lockdown and China's Zero-COVID policy

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Wednesday marked the third day of COVID-19 lockdowns in the eastern half of Shanghai, the most populous urban area in China that is home to over 26 million people. On Friday, all residents west of the Huangpu River, which bisects Shanghai, will go into a four-day lockdown, while those east of the river will largely resume normal activities. Certain neighborhoods in both parts of the city where infections remain high will stay under more extended lockdowns.

During the four-day lockdowns for each half of Shanghai, every resident is given two nucleic acid tests, in addition to at-home rapid antigen tests. Since Monday, 9.1 million residents in eastern Shanghai received nucleic acid tests, with the second round of mass testing beginning Wednesday.

In total, a network of roughly 6,300 temporary COVID-19 testing sites have been built throughout the vast metropolis, staffed by roughly 17,000 medical personnel. All those who test positive for the virus are provided with medical care and safely isolated from others to prevent further viral transmission.

On Wednesday, Shanghai officials announced the results from the initial round of mass testing. A total of 5,982 COVID-19 infections were detected, of which 5,656 were asymptomatic, while China overall reported a record 8,655 new cases Wednesday. Outside of Shanghai, cases have remained relatively low and stable, although the geographic scope of the ongoing outbreak remains widespread, with over 30 cities reporting infections.

The highly infectious and immune-resistant Omicron BA.2 subvariant has proven to be the greatest challenge so far to China's "dynamic zero" strategy that has repeatedly eliminated COVID-19 from the country.

There are growing divisions in the Chinese ruling class over whether or not to maintain the elimination strategy, with sections of the bourgeoisie and affluent middle class pressuring the Chinese Communist Party (CCP) regime to adopt a "mitigationist" approach that would limit broad-based lockdowns. Shanghai and Shenzhen, two industrial and financial centers of world capitalism, have now both experimented with temporary and more limited lockdowns than those implemented in other cities.

Following the lead of Shenzhen, which emerged from a week-long citywide lockdown on March 21, Shanghai officials have allowed certain factories to remain operational during this week's lockdowns, provided that they keep workers housed on-site and maintain regular COVID-19 testing.

Shanghai is home to the largest port in the world and has long been China's financial center and a nexus for global finance capital. Despite the lockdowns' bifurcated and temporary character, and the maintenance of production at key workplaces, there is growing opposition to China's Zero-COVID policy in the Western media and financial circles.

Throughout March, the corporate media devoted all attention to the war in Ukraine and was relatively restrained in its criticisms of China's COVID-19 policies. However, a shift is now underway that will likely intensify in the coming days and weeks as the economic consequences of lockdowns continue to mount.

The most vociferous yet is an editorial board statement from the *Financial Times* (FT), the leading international business newspaper, titled "China's zero-Covid goal is no longer sustainable."

Speaking for the City of London, Wall Street and the global financial oligarchy that once controlled Shanghai and aims to establish neocolonial domination over all of China, the FT statement denounces lockdowns and all other public health measures that impinge on the production of profits but have saved millions of lives in China.

The statement notes, "Shanghai is China's most populous city and its financial capital. Offices and factories are moving their staff into on-site 'bubbles,' isolated from the outside world, so they can keep working. The economy will suffer nonetheless. Succeed or fail, therefore, the Shanghai lockdowns show the utility of China's zero-Covid strategy is coming to an end. It is time to prepare for an exit."

In justifying this policy, FT makes a series of false and unscientific claims.

First, it asserts that COVID-19 is "now endemic across most of the world." In fact, the term "endemic" refers to a disease that is spreading predictably and stably, the exact opposite of

COVID-19. Less than two months after the devastating global surge of the Omicron BA.1 subvariant, which infected an estimated over 2 billion people worldwide, the Omicron BA.2 subvariant has already caused another major surge throughout Europe, Australia and other parts of the world.

Second, without any scientific basis FT claims that the Zero-COVID strategy requires perpetual lockdowns. They write, “Since Omicron is highly infectious, only the strictest lockdowns will serve to eliminate it once cases occur, and unless such controls are maintained forever, they merely delay the moment when Covid will spread through the population.”

The experience of China and other Asia-Pacific countries has repeatedly proven that the combined use of lockdowns and all other public health measures can rapidly reduce cases to zero within weeks. The myth that lockdowns must be “maintained forever” is misinformation intended to prevent the public from understanding that COVID-19 can be eliminated very quickly when all public health measures are simultaneously deployed.

In fact, unlike the United States and other countries that refused to eliminate COVID-19 in 2020, the Chinese population largely returned to a state of pre-pandemic normalcy after eliminating the virus in early May 2020. The only reason temporary lockdowns have occasionally been used since then is because new variants have entered the country from abroad.

Third, the editorial concludes by stating, “As the world slowly returns to business as usual, the zero-Covid policy will come at a higher and higher cost to China. The Hong Kong and now Shanghai outbreaks of the Omicron variant have caused trauma and turmoil. But if they show once and for all that the only choice is to live with the virus, they can also mark the beginning of the end for the acute phase of the pandemic.”

In reality, were China to decide to “live with the virus,” this would cause an unprecedented wave of infection and death in the world’s largest country, which is home to 1.4 billion people. Rather than marking “the beginning of the end for the acute phase of the pandemic,” it would provide SARS-CoV-2 with a new lease on life and hundreds of millions of hosts in which the virus could mutate and evolve into an even more dangerous variant.

Conspicuously absent from the FT statement is any estimate of the public health impact that the abandonment of Zero-COVID would have for China. While they gloss over this, the fact is that the FT is advocating a policy to kill hundreds of thousands and possibly millions of people across China, while inflicting Long COVID on tens if not hundreds of millions more people.

China has 65 cities with a population above 1 million people, most of which are densely populated. Allowed to spread freely, in a matter of weeks the BA.2 subvariant would rip through every corner of the vast country, decimating communities and overflowing hospitals far beyond capacity.

A recent study by the Chinese Center for Disease Control and Prevention (CDC) modeled the impact that different pandemic

scenarios would have in Guangdong province. The most extreme “coexistence” scenario, what the FT refers to as “living with the virus,” would kill roughly 1.35 million people in China in the rest of 2022 alone.

The FT knows full well how catastrophic the ending of Zero-COVID would be and nevertheless seeks to pressure the CCP and Chinese ruling class to pursue this disastrous course. As with the Opium Wars of the 19th century, they demand that China fully reopen for business at any cost.

The continuous evolution of the virus and reintroduction of new and more dangerous variants proves that a national solution to the pandemic is unviable. “Capitalism with Chinese characteristics” does not work.

Notwithstanding all the measures that have been implemented within China, the problem lies in the global character of the pandemic and the need for a globally coordinated response. In order to resist the pressures of foreign capital and sections of the bourgeoisie, the Chinese working class—which still overwhelmingly supports the Zero-COVID strategy—must organize independently of the CCP and aim to unify with the international working class.

Above all, the working class in the imperialist centers must expand the fight for a Zero-COVID policy on a world scale. It is the duty of every class-conscious worker to study the experience in China and popularize the elimination strategy necessary to end the pandemic, through the building of independent organizations of struggle at every workplace and neighborhood.

The FT’s indifference to mass death in China expresses the reactionary and homicidal character of the financial oligarchy in the imperialist countries. After overseeing the death of an estimated 20 million people and mass debilitation from Long COVID throughout the world, they have goaded Russia into a war in Ukraine that threatens to metastasize into a nuclear World War III that could destroy human civilization.

Throughout the world, the capitalist system is mired in crisis and ever-deepening inequality, with inflation skyrocketing amid the combined weight of the pandemic and the outbreak of war. Only the revolutionary overthrow of capitalism and its replacement with a planned socialist economy controlled by the international working class can stop the drive to war, initiate a global fight against COVID-19 and rebuild society on the basis of social equality.



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