Global finance capital presses China to abandon Zero-COVID

Benjamin Mateus
19 April 2022

The United States and European Union are growing more hostile to China's Zero-COVID policy, demanding all obstacles to global production be lifted immediately, including all measures that impact social mobility. Lockdowns and any other mitigation strategies cannot be tolerated anymore.

These sentiments are based on the logic of the ruling class that places profits above all else. When the news that the US mask mandates were repealed on public transit systems, passengers on board a jetliner broke out with glee and laughter, a thoroughly backward reaction. This ignorant response reflects the vicious hostility of the capitalist ruling class towards any infringement on its economic pursuits.

As *Forbes* wrote yesterday, the ministers representing China at the G20 would "have some serious explaining about 'Zero-COVID' policy threatening the global economy." Adding later, "Most of the downshift reflects fallout from the war in Ukraine. But some of it will bear Beijing's fingerprints, too."

On Monday, the president of the World Bank Group, David Malpass announced that it had cut its annual global growth forecast for 2022 by nearly an entire percentage point from 4.1 percent to 3.2 percent. He cited the US-led NATO proxy war in Ukraine against Russia as the primary factor impacting global financial prospects. The impact of the conflict has exacerbated ongoing inflationary pressures that have seen consumer prices increase by 8.5 percent from last March.

These economic pressures are having a catastrophic impact on the poorest countries across the globe leading to social crises and unrest. The pandemic has already pushed more than a quarter billion people into extreme poverty. Almost half the world's population barely survives on $5.50 per day while the capitalist class is gorging itself on soaring energy and food prices. Malpass noted, "This increasing divergence of fortunes is especially troubling given the possibility of social discontent in developing countries."

He then notes in no uncertain terms, "The emergence of the Omicron variant is a stark reminder that the COVID-19 pandemic is not over. New variants of the virus can put even highly vaccinated countries under pressure and threaten to wreak havoc in those with low vaccination rates, which are the poorest and most vulnerable."

Indeed, despite attempts by government officials to present the pandemic in the past tense or claim it has become seasonal and endemic, the threat posed by the ongoing pandemic has not been missed by the World Bank. However, these concerns are couched in the urgent need to make progress in vaccinating populations to restore global mobility and resolve supply chain disruptions. Yet, the rabid vaccine nationalism along with pandemic and war profiteering have contributed to the rapidly growing economic impasse.

Economists and political pundits have repeatedly attempted to characterize China's pandemic prevention strategy against Omicron as imprudent and irresponsible. As *Forbes* put it, "Fresh lockdowns in Shenzhen, Shanghai, and elsewhere are reaching a critical mass. They mean that roughly 400 million people across 45 mainland cities are under full or partial lockdown, noted economist Lu Ting at Nomura Holdings. Lu says we're talking about roughly 40 percent of Chinese gross domestic product, or about $7.2 trillion."

In a recent opinion piece in China's *Global Times*, these perceptions were challenged. On April 16, they wrote, "It is supposed to be a matter of the whole world, but some Western media attributed the hindered economic recovery and the bottlenecks in the global supply chains to the insistence on 'dynamic zero' policy by several industrial centers in China, brushing the political manipulation that has carried out since the outbreaks of the pandemic with

© World Socialist Web Site

new paint."

For the better part of the more than two years between Wuhan's reopening and the current Omicron wave that has beleaguered China's population, not only have COVID-19 deaths been among the lowest in all countries, but the return to social normalcy has also been repeatedly acknowledged by Chinese and Western media alike.

And as the World Bank's global economic forecast was being mulled over, China's economy grew faster in the first quarter than expected, with a 4.8 percent annual gross domestic product growth. According to the *Financial Times*, though consumer spending has declined, industrial production added 5 percent year on year in March.

Additionally, total trade expanded more than 10 percent in the first quarter, and "foreign trade posted positive year-on-year growth for seven consecutive quarters," according to the *Global Times*.

The *Global Times* editorial board then added, "China has contributed a lot to the stable recovery of the global economy but is being accused of hitting global trade simply because several cities' economies are temporarily affected by the epidemic. This is unjustifiable." The report explains that the efforts to ensure the economy remains viable must be measured by the more important ability to protect the population.

While almost every government has allowed the Omicron variant to explode, needlessly killing thousands of people across the globe every day, even despite high vaccination rates, the pandemic prevention measures in Shanghai have, in just three weeks, proved that even the more contagious BA.2 subvariant of the Omicron can be contained.

Since April 16, the seven-day average of new cases has turned downward. Since the high of over 27,000 new cases in Shanghai on April 14, new cases barely topped 20,000 yesterday, a more than 30 percent decline from the highs in less than a week.

China brought all resources to bear on these efforts despite the logistical setbacks that plague such massive efforts. This has included several rounds of mass testing of 26 million people and building isolation centers and hospitals to care for tens of thousands of asymptomatic and symptomatic patients. Yet, the bourgeois media has repeatedly chosen not to commend these efforts and ask why these could not be achieved in every other country. Instead, they resort to efforts to disparage these efforts and insist the low infection and mortality numbers in China have been fabricated.

How the Chinese health authorities have counted cases and deaths has not changed since the beginning of the pandemic. The consistency has been confirmed. The current course of the Omicron wave in Shanghai is relatively recent, and symptomatic cases have been climbing for the last few weeks. Authorities have confirmed 10 fatalities this week, indicating that the development of more severe characteristics is a lagging factor.

Professor Jin Dong-yan, a virologist at Hong Kong University, explained to the *Guardian* that the Chinese health authorities do not usually count deaths from infections if there are underlying conditions. "I don't think they deliberately covered this up or want to play down this. It's not true. They are just doing what they did in past years."

However, not once have the Western press and political pundits raised their hackles about the massive cover-up instigated by the White House and Centers for Disease Control and Prevention in changing how COVID-19 cases, hospitalizations and deaths are counted or what constitutes a high-risk zone. In fact, they have encouraged the complete abandonment of all tracking measures by implying hospital and ICU capacity was more important. Evidence is growing that not only is the BA.2 sweeping across the US, but hospital numbers are also climbing, all the while flying blind through another storm of infections.

Despite their successes, Chinese authorities have indicated that they are in the process of beginning to ease restrictions in Shanghai. Factories are resuming operations, albeit within the closed-loop system they have utilized during the Olympics. However, China's economy is intimately tied to the global financial systems. As Jean-Charles Sambor at BNP Paribas Asset Management noted, "We definitely think that Chinese policymakers are willing to make sure they reach their growth targets." Even China's leading scientist, Zhong Nanshan, wrote in a recent editorial, "China needs to reopen so as to normalize socioeconomic development and adapt to global reopening. Prolonged dynamic zeroing cannot be pursued in the long run."

To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact

© World Socialist Web Site