



Research Paper

Impact of Repetitive Protests on Economic Development: A Case of South Africa

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ABSTRACT: Protests come as a way to show disagreement on issues that concern the public or a group of people imposed on them by authorities in power. Government's purpose is to regulate the country, and this however should be done with balance. There is an increase in the number of protests in South Africa for the past decade, a nation that has topped the economic development ranks in Africa. The reasons for taking development lessons by other African nations from South Africa are slowly ceasing when protests continue to rise. Getting an analytical grip on this protest wave is essential for policymakers and political observers. Protests indicate instability. Protesting usually is a response to a bad policy or a bad act imposed on an individual representing a society or a group of people and/or businesses. The public or the affected group usually express dissatisfaction by protesting. Protests should be peaceful, but depending on the issue of concern may turn to be violent. Protests in South Africa are no longer increasing in frequency alone, but are increasingly turning violent. There are plenty of long term effects on economic development emanating from these protests. The effects will never be easy to recover. The paper recommends, the government to increase its engagement when making policies. The culture of protesting should be addressed to end violent and destructive protests. Genuine political reforms to ensure political stability is a necessity.

KEYWORDS: Demonstrations, Economic Development, Governance, Inequality, Infrastructure, Investment, Poverty, Public Protests, Political Instability, South Africa

JEL Codes: D22, D31, D61, D63, D84, E21, E22, E23, F21, F23, F52, F54, I31, J52, L51.

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I. INTRODUCTION

After mass civil protest, there is typically an immediate fall in output which is never recovered in the subsequent five years (Matta, Appleton and Bleaney; 2017). South Africa, one of the most developed nation in the continent Africa, has become more described by repetitive protests in recent times. South Africa is influential on the African continent due to its investment and trade relations and political engagement in the region, notably through its active role in the inter-governmental African Union (Cook, 2020). The causes of protests might be many and validity be checked, but the frequency of the protests indicates danger for economic progress. Protests are one of the most common expressions of modern political conflict (Liu, Modrek and Sieverding; 2019). Barro (1991) indicated that civil conflict and politically motivated violence such as assassinations and coups have been widely shown to depress growth. A negative impact of political instability on growth was found by Alesina and Perotti (1996).

The spike in global protests is becoming a major trend in international politics, but care is needed in ascertaining the precise nature and impact of the phenomenon (Carothers and Youngs, 2015). Apart from South Africa, the list of nations hit by major protests since 2010 is abnormally long and diverse. Notable protests have been recorded for countries like Brazil, Burundi, the Democratic Republic of the Congo, Iraq, Japan, Malaysia, and Venezuela. While some were erupting, some were just a continuation, with repetitive trend. Although the impact of the protests was not the same, the fundamental causes share a lot in common (Mahuni, Taru and Bonga; 2020).

Mass political movements have long demanded fundamental political rights, and strategic considerations have long been seen as crucial, with an individual's participation shaped by their beliefs about the participation of others (Cantoni, Yang, Yutchman and Zhang; 2019). As justification of some protests, Carothers and Youngs (2015) narrated that many of these protests have been profoundly important events in the countries where they have taken place. Protests are often large-scale assemblies of people who are firm to contest essential policies or structures of power. Alexander *et. al* (2018) defined a protest as a popular mobilisation in

support of a collective grievance. According to Carothers and Young (2015), those who protest are always prepared to confront harsh treatment by security forces and sometimes brutal repression.

The quantification of protests may have a misleading conclusion, as many protests may be small and having insignificant impact in the shorter term. However, with their repetitiveness, protesting may become a culture that may later be difficult to remove in citizens. A bad culture in citizens may eventually lead to people demanding more than what they should be getting, thus disturbing policy and country image to attract long lasting capital investment. It appears that a new era of political flux is emerging as citizens demand more from their governments and mobilize in pursuit of their demands (Carothers and Youngs, 2015).

Major protests, the ones that have potentially significant national-level implications for a country should be avoided. Such protests drag the economy into a crisis that may be difficult to recover. Individuals in areas where protests did not directly occur may even be indirectly affected as well (Liu et. al, 2019). Most such protests are relatively large, involving thousands of people, and usually may last for a number of days. Worth to note is that protests in many cases are not spontaneous or leaderless movements. Protests usually build on organizational work that present civic institutes have carried on for years. Social structures have the capacity to establish associations amongst positions, practices and roles (Witgren, 2005). Non-Governmental Organisations are always on the blame by authoritative governments when protests arise, same as opposition political parties. However, some arise when a society's virtue or a group intrinsic worth is violated by an act or policy. Protests may be drivers for change or may block change to happen. El Mallakh *et al.* (2018) argue that protest activity led to a reduction in the intra-household gender gap in labor force participation in areas with more fatalities due to increased income uncertainty among men.

Drivers of protests may be short term or long term. In general, the triggers of protests are primarily political and chiefly socioeconomic. Also many protests are country-specific rather than transnational. In the longer term, the sweep of change in communication technologies facilitates protests and global economic trends. Technology nowadays make much more information available to people thereby giving them a greater awareness of what is happening elsewhere and compare. The social media transforms information with speed and allows informal gatherings to deal with matters affecting a group of people. Protests are easier to organize with social media. Global economic trends are now centred around the middle class. The middle classes as observed by Carothers and Youngs (2015) develop expectations beyond material goals and gain access to education, travel, communication technologies, and other resources that give them new perspectives and capabilities. The notable protests in countries like Azerbaijan, Hong Kong, Malaysia, Russia, Thailand, Turkey, and Ukraine in the past decade were concentrated around middle-income and upper income-groups.

II. NOTABLE PROTESTS IN SOUTH AFRICA

South Africa over the past two decades has been characterized by a number of protests. The protests were both major and minor, emanating from a number of reasons. Urban land and housing is the most cited reason for protest. However, there exist multiple reasons for protests in the country. Government corruption especially at local level, undemocratic structures at wards and development forums, top down selection for party positions and top down approach to governance with no consultation are the main political factors that led to protests. Corruption derails success and development, and its costs are borne by the citizens (Bonga, 2021). Some issues like rampant crime, police brutality, unemployment, low wages, evictions and forced removals have led to protests in the country. When it comes to crime, South Africa has a lot to do so as to bring issues such as gun violence, rape etc. to manageable levels, this makes the country an unsafe destination (Mahuni, Taru and Bonga; 2020). Labor strikes and unrest, notably in the mining and government sectors, also are common (Cook, 2020). Administrative issues like poor service delivery on water and sanitation, electricity disconnections due to increased prices and increase in transport fares occupy the list of triggers of protests. Deployment of the incompetent cadres to the municipal management positions (Ngcamu, 2019). Municipal and provincial border demarcation issues have been registered as one of the causes of protest. Many frequent and violent protests were caused by unmet expectations for transformation required by citizens. When the ANC took power following the collapse of the apartheid regime, it proclaimed that it would provide many services such as free housing, free water and sanitation, jobs, and most importantly, free education (Khambule, Nomdo and Siswana; 2019). Post-apartheid socioeconomic transformation efforts pursued by the ANC-led state have been substantial, but have fallen short of public expectations for more rapid change (Burger *et. al.*, 2017).

At the heart of the service delivery protests is growing dissatisfaction amongst the poor and marginalized due to their lack of access to services, growing corruption and unwillingness by local authorities to attend to communities' needs (Khambule, Nomdo and Siswana; 2019). Borrowing from Salih (2013), corruption, state repression, denial of political freedoms, the failure of the traditional powers to accommodate and recognize new youth movements, the development of gaps between the various regions inside one country, the domination of economic resources by the few through the alliance of state authority and the capital of powerful private individuals, and the spread of poverty and unemployment among massive swathes of the

population are major structural triggers of protests. Due to these factors and many others, a number of protests have been seen erupting in the country, with each registering economic and social costs to the nation. Protests are inherently disruptive of current social arrangements (Mavunga, 2019). Notable protests are presented in Table 1 below;

Table 1: Selected Historical Protests in South Africa

Protest Name and/or Place	Year(s) of Event	Protest Name and/or Place	Year(s) of Event
Harrismith protest	2004	Siyahlala shack settlement	2012
Kennedy Road road blockade	2005	Marikana miner strike	2012
Khutsong protests	2006 & 2007	Grape farms in the Western Cape	2012 & 2013
N2 Gateway occupations	2007 & 2008	Sasolburg [municipal demarcation]	2013
Symphony Way road occupation	2008	Protea South, Soweto	2013
Balfour protest	2009	Bekkersdal, Roodepoort and Bronkhorstspuit	2014
Macassar Village Land Occupation	2009	FeesMustFall student protests	2015 & 2016
Durban proletarian shopping protest	2009	Zandspruit	2016
Abahlali baseMjondolo march	2010 & 2013	Westbury, Johannesburg	2018
Shaka's Kraal in KwaZulu-Natal	2011	Service delivery protests	2019
Samora Machel squatter camp	2011	Jacob Zuma Protests	2021

Table 1 above shows selected historical protests that happened in South Africa. Each year is now characterized by several protests. South Africa is experiencing a rapid increase in violent and destructive service delivery protests since the advent of democracy (Khambule, Nomdo and Siswana; 2019).

African countries would not develop much given, alarming corruption levels, regional inequalities, poverty and unemployment despite exhibiting much potential (Mahuni, Taru and Bonga; 2020). Some studies have tried to quantify the number of protest for each year. According to the Civic Protest Barometer (CPB), the number of civic protests increased in 2009, with the number reaching 204, followed by a stable period in 2014 (with 176 recorded); and declined in 2015 (with 126 recorded) (Chigwata, Donovan and Powell; 2017). Table 2 below shows the media-reported community protests (MRCPs) for period 2005-2017.

Table 2: Media Reported Community Protests (2005-2017)

Year	MRCPs	Year	MRCPs
2005	106	2012	471
2006	50	2013	322
2007	169	2014	375
2008	164	2015	343
2009	314	2016	377
2010	252	2017	375
2011	208		

Source: Adapted from Alexander *et. al* (2018)

Table 2 above clearly shows that protests have become cultural in South Africa. Large number of protests are recorded every year across the country. Lodge and Mottiar (2015) indicated with concern that South Africa is experiencing record levels of protest. Protests are not only increasing in frequency, but are also far more likely to turn violent. Disruptive, and violent protest have been rising since 2009 (Alexander, Runciman, and Ngwane; 2013). MRCPs are usually compared with police reported community protests (PRCPs).

In protesting, protesters have various tools. The tactics associated with demonstrations can include the use of firearms, vehicle ramming, arson, improvised explosive devices, and other means to inflict harm or destroy property. For decades, protesters in South Africa use what is known as the toyi-toyi dance, borrowed from neighbouring Zimbabwe, vote strikes, road blockages, mass appropriation of food and land occupation. The 2019 national elections witnessed the lowest turnout in any of the six elections since 1994, suggesting that many South Africans are giving up on their democracy (Lancaster and Mulaudzi, 2020). More unpeaceful ways have now joined the list like burning of tyres, burning shops and vehicles, paving way to looting by some participants. Heavy protests end up being address by security forces, thereby causing severe damage to property, loss of life, disruption of economic activity among other effects. Protests are grouped as 'orderly', 'disruptive' or 'violent' protests (Alexander *et. al*, 2018). The Marikana Massacre in August 2012 is the worst protest that claimed human life; 34 striking miners were killed by police and 78 were injured.

III. A GLIMPSE ON EFFECTS OF PROTESTS ON THE ECONOMY

With now more than a decade of repetitive protests in the country, the happenings now describes South Africa. Violent and destructive protests are dominating among the protests. There now exist social unrest within the country. Disruption to the normal operating of businesses, making it a challenge for trade facilitation. Damage to goods and infrastructure has been witnessed. The conduciveness of investment is slowly diminishing, causing foreign and local investors to revisit their investment tactic. The climate is fast changing over the years due to the types of protests dominating the economy. Attracting new foreign direct investment into a host country is a development strategy. FDI is important as a source of export growth and it will help to narrow trade balance (Mahuni and Bonga, 2017). Demonstration effects might be declining for foreign firms in South Africa. Barry, Holger and Eric (2001) referred to demonstration effects as when existing firms send signals to new investors as to the reliability of the host country and newly entering firms follow previous firms. When existing firms suffer from looters during protests, repetitive disruptions of operations and damage to property, they cease to recommend investment to new business. The impact may seem insignificant in the shorter term but have long term implications, which may never be recovered but rather place the country in a different path of development. The main trade-related benefit of FDI for developing countries lies in its long-term contribution to integrating the host economy more closely into the world economy in a process likely to include higher imports as well as exports (OECD, 2002).

The recent Jacob Zuma protest (July 2021), has been done in the midst of a pandemic, thereby subjecting protesters and the public to public health risks of infectious disease contagion. Lancaster and Mulaudzi (2020) indicated that since the COVID-19 lockdowns, the number of demonstrations has increased dramatically and leaders need to pay attention. The government to combat COVID-19, designed as a strategy set of public health recommendations for social behavior within the population (Dave et. al; 2021). A protest is an activity that is very difficult to socially distance, as is recommended by World Health Organisation to reduce the spread of the deadly virus. All these were violated when the protest erupted, indicating an increased risk of the public to the infectious disease. Correctly measuring the public health costs due to the protests depends on understanding the behavior of these populations as well as their respective sizes and demographic (Dave et. al; 2021). That poses a challenge to the health sector.

Furthermore, infrastructure has been destroyed which will cost a lot to re-erect. Generally areas that face huge infrastructure deficit struggle to attract skilled investment. Destroying existing infrastructure worsens the situation in the country. The connection between infrastructure and improved capabilities is testament to the need to increase investment in public infrastructure to provide more services in a bid to reduce vulnerabilities by enhancing human development (Khambule, Nomdo and Siswana; 2019).

Violent protests may cause increased unemployment in the economy. In 2016 a protest in the North Coast of KwaZulu-Natal province affected Mandeni, a manufacturing hub. The protests turned violent and led to the burning of manufacturing factories in the region, leaving more than 2,000 people out of work (Khambule, Nomdo and Siswana; 2019). More effects of the event transforms to household and communal levels of the Mandeni area, as those workers had families. The economy also suffers from reduced output for both export and local market.

The Vuwani protest in Limpopo province affected school infrastructure, hence a blow to the education sector. The protests in 2016 resulted in the torching of 24 public primary and high schools. A municipal board had demarcated a new jurisdiction that led to Vuwani falling under Vhembe District. This act created extreme dissatisfaction and led to the protest.

In the recent Jacob Zuma protest looting in shops was witnessed thereby huge losses to companies, as well as putting pressures on the insurance industry. As supported by Renn, Jovanovic and Schröter (2011) protest may legitimate other violent actions such a looting. For peaceful protests, there is no looting. As a record for a peaceful protest done in America, Osterweil (2014), indicated that there were as many protesters (if not more) in the streets of Ferguson working to prevent looting as there were people going about it. Such behavior ensures the only the agenda of the protest to be met. In violent protest leading to looting, the funds that will be used to re-erect and compensate damages, should have been used elsewhere for the betterment of the nation. Breakfast, Bradshaw and Nomarwayi (2019) suggested that the security cluster, which includes the Defence, Intelligence, Security and Police, needs to develop a 'national security strategy' in order to deal with violent service delivery as a security threat to the stability of the country. However, as indicated by Lancaster and Mulaudzi (2020) heavy-handed policing typically results in negative publicity for law enforcement and can lead to more disruptive or violent protests.

IV. CONCLUSION

Protests in South Africa have been observed not only as increasing but commonly becoming violent and disruptive. The objective of economic growth in the longer term is at risk of becoming excessively unattainable if protest growth is not addressed. There is increased distrust among stakeholders in the economy.

The triggers of protests have been identified as coming from various issues including politics and socioeconomic. The public is demanding what the government cannot provide in full. Evidence of corruption by authorities is also among the triggers of protests. A culture seems to have strongly developed for protesting. Cook (2020) indicated that despite often-large investments and concerted policy efforts to improve housing, public services, infrastructure, and state technical capacities, delivery of public goods and services remains inadequate and unequally distributed. As such, the public protest to authorities to have the issues addressed. Tertiary students have over the years engaged in massive protests as well. As a recommendation; to avert a recurrence of negative consequences of student protests, collaborative approaches to conflict resolution is required. No stakeholders should seek outright victory over other stakeholders.

Issues of corruption should be addressed with the help of efficient anti-corruption bodies. The ongoing inadequate service delivery, corruption and political challenges, amongst others, have led to the rapid emergence of violent and destructive protests in South Africa. The rule of law should be well respected. Power have to be taken out of the hands of the state and given to the people, where it belongs (Bonga, 2021a). Economic policies should not be biased towards certain group in societies. Policy consultation and engagement is highly emphasized to avoid conflicts. There exist strong negative association between conflict and economic development (Serneels and Verpoorten, 2012). Government, particularly at local level, must understand that the solution doesn't lie in tougher policing; rather, meaningful engagements with aggrieved communities are needed (Lancaster and Mulaudzi, 2020).

South Africa should take its rightful position of leading Africa in all facets of development. Rules are made and gazzetted by people for the regulation of the economy, hence should not be tailor made to benefit a group of people, thereby resulting in protests. Policymakers should do risk assessment before gazzetting a policy that have issues of public concern. The study recommendations may also be applied to other African nations and the world at large to avoid disruption of the development path of the respective nations. Fore future studies, quantification of damages brought about by protests is required in the analysis.

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