

## **An Analysis of Government's R500 Billion Stimulus Package Relief for Covid-19 Pandemic: Did The Small and Micro Enterprises Receive Sufficient Relief Package, or the Money was Squandered?**

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### **Abstract**

The purpose and the objectives of the paper is to critically dissect and critique the stimulus package relief fund which was meant to assist the Small and Micro Enterprises (SMEs) amongst others to cope with the COVID-19 pandemic under the nationwide lockdown in South Africa. In that, the argument of the paper is that during the COVID-19 pandemic, the SMEs did not get enough relief package to be competitive under the hardships of the nationwide lockdown due to corruption of the stimulus package relief fund. What has triggered an interest in this paper is insufficient relief package given to the SMEs and the continuous looting of the stimulus package by the officialdom. Additionally, the SMEs were overlooked and did not benefit much on getting the contracts from the government to deliver the Personal Protective Equipment (PPEs) and much attention and contracts were awarded to the big corporates for delivering the PPEs. Consequently, this has led to the closing down of some of the SMEs, people were starving and not permitted to operate their businesses unless if they were providing "essential services". However, the president of South Africa announced the R500 Billion stimulus relief package as an alternative and to be a safety net for the South Africans, businesses, and sports *inter alia* to find solace and continue their functions under the nationwide lockdown due to COVID-19 pandemic. COVID-19 is an unprecedented pandemic that has changed the livelihoods of the people and significantly affected the businesses. The funding of the SMEs is of a paramount importance because, they are part of a business segments that contribute significantly to employment creation and boosting the local economy. The paper uses a literature-based methodology, which heavily relies on literature to critique COVID-19 stimulus package. Therefore, the paper draws a conclusion that the SMEs did not receive sufficient funding from the government. Therefore, the paper recommends the vigorous role of the support organizations which would assist the SMEs during and post COVID-19.

**Keywords:** Business; Corruption; Economy; Government; Pandemic.

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