

Groundwork Statement on the Current Political Situation

By Bobby Peek

We, at groundWork, support the growing call for President Jacob Zuma to stand down but recognise that he will not do so unless forced.

Zuma's sacking of finance ministers Pravin Gordhan and Mcebisi Jonas leaves the national Treasury open for looting. His proclamation of 'radical socio-economic transformation' is akin to an old conjuror attempting to revive a failed illusion.

We also recognise and applaud the bravery with which Gordhan and Jonas resisted the demands to open up the state coffers to Zuma's cronies. In particular, they resisted demands for a Treasury blank cheque on the nuclear procurement deal.

If a nuclear power deal is pushed through now it will certainly bankrupt the country. Indeed, the country has already been taken to the edge of bankruptcy with the construction of Medupi and Kusile, the new coal fired stations. These mega-projects, mired in controversy and allegations of corruption, have been delayed well past its targeted construction date. Consequently, the cost has escalated from an estimated R150 billion in 2007 to over R350 billion today. This will rise further as borrowing becomes expensive as a result of the ratings downgrade.

However, while we recognise that Gordhan and Jonas have shown great courage in the face of brutal political bullying, we oppose what they have stood for. They have perpetuated the goals of the misnamed Growth, Employment and Redistribution (GEAR) policy, introduced by Trevor Manuel in 1996, in securing the interests of global capital and facilitating the flight of white South African corporate capital to the global centres. Economic transformation was then restricted to the project of creating a black capitalist class even as jobs and social spending were slashed.

We note the irony that the rank corruption which Gordhan and Jonas now resist has its roots in GEAR and the consequences thereof. Conspicuous consumption as reward of office has become the norm and fabulous wealth has been conferred on business cronies who have taken their place alongside an already corrupt white business class.

And the ANC itself is party to corruption. In 2001, the party handed oil contracts to businessman Sandi Majali who later diverted R11 million from PetroSA to the party coffers. Then, its investment company, Chancellor House, benefitted to the tune of US\$12 million from the deal with Hitachi Africa to provide boilers for Medupi and Kusile. Furthermore, the coal economy has been used to distribute

patronage to business allies, most recently to the benefit of Zuma's family and the Guptas while environmental destruction has intensified.

The environmental justice movement opposed the post-apartheid economic policies from the start. It saw the imposition of GEAR as an assault on poor people, on workers and on the environment. GEAR did not yield growth, employment or redistribution but it tightened funding for education, health, social welfare and environmental protection. And it squeezed municipalities which were, nonetheless, required to extend services beyond the white enclave to the majority of the people. The consequent failure of 'delivery', and the spread of corruption through the capillaries of government, has provoked local rebellions across the country.

We support the call for Zuma to stand down. We believe that honest government, even with dismal policies, is preferable to dishonest government. But unfortunately there are no clear alternative candidates to deliver it.

Zuma's presidency marks a terminal decline. The ANC alliance is tearing itself apart while the factions fight for the spoils of incumbency. It will either end with it being voted out of office or with it instituting an overt police state.

We put our faith in people mobilising for democracy.

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