

DAWIE'S NOTES

- Dawie Roodt

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WHO TO VOTE FOR, THE ANC?

Note 1

We are voting this week and many people are still undecided as to whom to award their precious vote to. I have had a look at a few political parties and their policies/manifestos.

My analysis of political parties is based on three criteria, track record (where applicable), quality of leadership, and (economic) policy as expressed in their manifestos.

In this note I will discuss the **ANC**.

The ANC is the only party with a very well-established track record and totally dominated politics since 1994. Pre-1994 the ANC was a typical liberation organisation with strong socialist convictions. The nineties were also a period after the collapse of communism worldwide. When the ANC came to power, it did not implement typical socialist policies but mostly followed centrist economic policies.

The socialist liberation organisation converted itself into a neo-liberalist political party. However, it also entered an uneasy alliance with COSATO (which represented the worker at the time) and the SACP (of the Leninist variety).

The ANC inherited a set of fiscal accounts that were heading for collapse. State debt was rising at an unsustainable rate and it was only through policies like privatisation and the liberalisation of markets that an economic collapse was averted. These policies eventually resulted in an acceleration of economic growth and a reduction in unemployment and poverty.

But the rot soon set in.

The moral collapse of the ANC probably started with the Arms Deal in the late nineties. Nevertheless, it was perhaps the process of (unskilled) cadre deployment that started the process that eventually resulted in the collapse of many state-owned enterprises (SOE's) and of state provided services generally.

Inevitably, several international economic crises, like the Asian and Financial crises, derailed the economic growth trajectory momentarily. Coupled with the gradual rise in corruption and mismanagement in SOE's (especially Eskom) and "the state" generally, economic growth gradually lost momentum. The result was an increase in unemployment and poverty.

As the rot spread, pressure started to build up within the alliance, especially from COSATU to employ more people at inflated salaries. Gradually the ANC started to revert to its liberation roots. And the neo-liberalist centrist party became a liberation organisation with strong socialist convictions again.

The process started long before the Zuma years, but the past ten years saw a dramatic deterioration in South Africa (SA)'s economic prospects. Most SOE's collapsed financially and the state's finances worsened to a point where a state debt trap now seems inevitable. And as the decay within the ANC continues, and as it starts to panic as unemployment and poverty goes up, its policies revert to what the ANC still is at heart, a socialist liberation organisation.

To "fight" unemployment many thousands of civil servants were "employed", and the process of cadre deployment was accelerated. From liberating SA's markets,



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the ANC became more interventionist and as state spending got out of hand, state debt rose to record-high levels.

Tension within the ANC leadership and the alliance became unbearable. Cadre deployment, the continuous centralisation of power, incompetence, and corruption, eventually set the table for what we today call state capture!

And that is the track record of the ANC. The most destructive force the SA economy as ever experienced!

Cyril Ramaphosa is certainly the best the ANC can offer. There are a few other competent and uncompromised leaders within the ANC. Tito Mboweni comes to mind. But an ideological tension is building up within the leadership of the ANC. For instance, judging by how Mboweni was reprimanded numerous times by his comrades, including the president, I suspect that the Tito-likes are likely to lose the ideological contest. And I will be surprised if Tito will be minister of finance for much longer.

The main point is that most of the current leadership was part of the previous cabal and as the looting turned into a feeding frenzy, they mostly sat idly by and watched the plundering. That is part of the reason why Ramaphosa is a weak president. The ANC is mostly the same ANC that created the mess in which we are in. Additionally, Ramaphosa was voted in as leader of the

ANC with a tiny majority.

I know that the current narrative tells us that the "good" guys (read Ramaphosa) will win the elections, consolidate their powers and then do good things. I am not convinced, however, that a vote for the ANC is a vote for Ramaphosa. A vote for the ANC is a vote for the ANC and everybody that is still part of this destructive organisation.

Policy wise, we know what the ANC stands for. All you need to do is see what policies have been followed since 1994. An expansionary fiscal policy to the point where the state's finances are nearing collapse is part of this policy. Then we have a host of other policies that limit economic activities and the capacity of the economy to create wealth and employ more people.

And judging from the ANC's manifesto, more of these actions can be expected. Confiscation of private property, the nationalisation of the SARB, prescribed assets for pension funds, and many more.

All the ANC can really offer is a president that we hope will do good things. That does not give me enough comfort.

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