## Press Release For immediate release



## The power of ideas

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## Defend your property rights before D-Day: 15 June 2018

The Institute of Race Relations (IRR) today launches a campaign to give ordinary people the opportunity to oppose the government's threat to take away property rights.

The IRR has drawn up a forthright submission that spells out the grave dangers the country faces, the fallacies that underpin the government's argument in favour of Expropriation without Compensation (EWC), and the practical steps it should and could take to ensure successful land reform without having to undermine property rights.

It warns that, whether the Constitution is changed or not, the implications of adopting a policy that threatens property rights 'are severe and will stunt South Africa's economy and undermine its democracy'.

South Africans have less than two weeks to make their voices heard and say whether they would support a policy that would allow the state to take property without paying for it.

The IRR notes: 'Many organisations and political parties have mobilised to support the government's drive for expropriation without compensation (EWC). But we think there are millions of ordinary people who oppose this idea and whose voices are not going to be heard. If you are one of them, then get involved now before it is too late.'

To this end, the IRR has drafted a submission to the Joint Constitutional Review Committee setting out the issues and arguing why property rights should not be diluted. It argues that property rights are not the reason why land reform has failed, that there is little popular demand from poor people to go back to the land, that great economic and political damage would be caused if EWC is adopted, and that there are much better ways to help emerging farmers succeed.

The submission points out that while the ANC 'has repeatedly claimed that EWC will "return" the land to "the people", this is fundamentally misleading'.

It goes on: 'Land expropriated without compensation will be owned by the state, not by individual black South Africans. Nor will it be transferred to them thereafter, for the ANC's policy is to keep land in state ownership. Land acquired via EWC will be held by the state as

a patronage tool and used by it to deepen dependency on the ruling party. This is the fraud at the heart of the EWC idea.'

It also points out that landlessness is not the predominant cause of poverty and inequality.

'The ANC often also claims that skewed land ownership is the predominant cause of poverty and inequality. This diagnosis makes little sense.

'The agricultural sector contributes a mere 2.3% to GDP and provides only some 4% of all employment. Hence, it cannot possibly provide all the jobs and incomes required to lift some 30 million people out of poverty.

'In addition, the key causes of poverty and inequality lie rather in anaemic growth, poor schooling, high unemployment, state inefficiency, pervasive corruption, and a mistaken reliance on BEE, which benefits a small elite while bypassing and harming the poor.'

South Africans are urged to endorse the submission, <u>here</u>, and be sure that the Joint Constitutional Review Committee takes their opinions into account.

Ends.