

Press Release

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South African Institute of Race Relations
The power of ideas

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EWC could trigger crisis of catastrophic proportions - IRR

The manner in which the government and the African National Congress are handling the question of expropriation without compensation (EWC) is threatening South Africa's economic and political stability and could trigger a crisis of catastrophic proportions.

The country today faces risks greater than at any point since 1994.

These are the key points of a briefing by the Institute of Race Relations (IRR) last evening.

The Institute warned that the question of EWC was turning local and foreign investor perception alike against South Africa, and that deepening anxiety over EWC was alone sufficient to preclude the possibility of an economic recovery.

At the same time, social and political tensions were being heightened by promises and expectations that could not possibly be met. Already, the IRR has tracked a considerable increase in violent anti-government protest action. Significant destruction of infrastructure is taking place and the IRR anticipates further sabotage and obstruction, particularly of transport routes and infrastructure.

IRR CEO Dr Frans Cronje said: “Our assessment is that South Africa faces the serious prospect of widespread social and economic destabilization – and the risks are greater than at any point since 1994. We see little prospect of social and economic stability being achieved in a policy environment dominated by threats to expropriate assets without compensation.”

The IRR invites all South Africans to make their voices heard by endorsing our letter to President Cyril Ramaphosa on Expropriation without Compensation (EWC) [here](#).

Ends.