

A CLARION CALL TO ECONOMIC FREEDOM FIGHTERS: PROGRAMME OF ACTION FOR ECONOMIC FREEDOM IN OUR LIFETIME

April 2011

1. The African National Congress is celebrating and commemorating 100 years of its existence in 2012, effectively less than 12 months from the time this programme of action is developed. The 100 years celebrations should amongst other things entail the intensification of the ANC's political programme of uniting the people of South Africa building sustainable livelihoods for them through social and economic emancipation of the black majority and Africans in particular. The ANC is a leader of the National Liberation Movement and government in South Africa and inspires hope not only for the people of South Africa, but of the entire African continent and peoples of the oppressed world. Because of its profound historical significance and political character, the ANC Youth League, which is a critical body of opinion in the ANC, carries a responsibility to clearly define the conjecture we are in and set immediate and long term objectives on what should be the political programme of the National Liberation Movement 100 years after the formation of the ANC.
2. Consistent with and considerate of this massive responsibility, this perspective will in a succinct and cogent fashion, define and characterise the economic and ideological conjecture South Africa is in 17 years since the first democratic elections and ascendance of the ANC into political office. Such will be done with the intention of re-identifying **the immediate strategic mission and tasks** which the national liberation movement should engage in towards realisation of a better life for all the people of SA. This happens within a political programme aimed at realising **real economic freedom and power in our lifetime**. Economic freedom in our lifetime is not sloganeering, but acknowledgment of the burning urgency that presently, the ANC as a liberation movement needs to move with the necessary speed towards consolidation of economic freedom in our lifetime, which fundamentally entails the total realisation of the Freedom Charter objectives.

WHERE ARE WE?

3. The ANC has for close to 100 years been at the forefront of battles in the war for political, social and economic emancipation for the people of South Africa, in particular the black majority and Africans in particular. This is done through decisive leadership of society and organised formations comprising of workers, civil society, religious and ideologically based formations. The ANC is from 1994 democratic breakthrough, a governing political party in a capitalist South Africa with profound leverage to influence society towards creation of a non-racial, non-sexist, democratic, united and prosperous nation, wherein all people will live together in harmony with equal access to social and economic opportunities. The ANC became the governing political party in 1994 because it led a successful struggle against the repressive semi-colonial-cum-apartheid regime and domination. There however should begin to be appreciation that the ANC led National Liberation Struggle was won by the progressive forces and that the space has now opened for thoroughgoing transformation of society in line with the ANC strategic mission and objectives as contained in the freedom charter.
4. The point that the ANC led liberation forces won the liberation struggle in South Africa against the white supremacist semi-colonial regime should be emphasised, because majority of the political decisions taken in the past 17 years by the ANC government somewhat suggests that the ANC lost the liberation struggle to the semi-colonial/apartheid forces and

their imperialist masters. It is quite apparent that the approach of the ANC government to strategic economic transformation issues somewhat suggests that the ANC lost the liberation struggle for political social and economic emancipation of the black majority and Africans in particular or there was a draw of some sort because of negotiations. This is despite the ANC Strategy and Tactics' acknowledgment that, "overall, since 1994, the balance of forces has shifted in favour of the forces of change. It provides the basis for speedier implementation of programmes to build a truly democratic and prosperous society. The legal and policy scaffolding for this is essentially in place. Most of society wants this to happen¹".

5. A correct interpretation of negotiations that led to the first democratic elections in 1994 is that the colonial/apartheid forces were capitulating to the ANC led liberation struggles and handing over power through talks, with the intention of retaining the economic privileges they had attained under the illegitimate and illegal apartheid regime. Negotiations did not entail that the liberation forces were defeated, but meant that the racist minority regime noticed that it was left with no option, except to surrender political power to the liberation forces. Nevertheless, South Africa's 17 years of freedom somewhat demonstrates that the oppressor (semi-colonial, apartheid and imperialist forces) did not only retain economic privileges they gained under the repressive system, but are with intransigence opposed to the necessary economic transformation which should be intensified by the democratic government.
6. The ANC is the legitimate and legal political leader not only of government and the State, but of the South African society, Southern Africa Region and the African continent. Various other nations in the world look up to South Africa for leadership, innovation and readiness to break new ground. Despite the minor and insignificant but necessary components of healthy political opposition, an absolute majority of South Africans accepts and appreciates the ANC's leadership of the State, government and society. Consequently, the people of South Africa have legitimate expectations on what the ANC can and should do to better their lives. Despite the ANC's political leadership of society, the State and government, there is currently little or no effort on the ANC to provide progressive and consistent leadership to the economy. **Vestiges of apartheid and colonial economic patterns, ownership and control remain intact despite the attainment of political freedom by the ANC led liberation movement. Political freedom without economic emancipation is meaningless.**
7. It is important to highlight the fact that global markets have also penetrated the strategic sectors of the South African economy. The move to attain economic freedom through restoration and transfer of wealth and other strategic sectors of the economy to the ownership of the people as a whole might elicit some imperialist backlash, which is gaining footing in strategic sectors of the South African economy. This calls upon the democratic movement to galvanise the majority of our people to stand ready to defend the revolutionary path that the revolutionary movement will take towards realisation of economic freedom in our lifetime. This is not just a matter of debits and credits in the capital account; it is more a matter of politics and the balance of forces in the struggle. It is a question of giving coherent economic meaning to the concept of national emancipation.
8. Despite consolidation of political power, and improved rate in the provision of basic services to majority of the people, the post democratic government has not done well in the transformation of the economy. The ANC did not use the political power at its disposal to transfer the economy from the minority to the people as a whole, a clarion call made by the

¹ ANC 2007 Strategy & Tactics, adopted by the ANC 52ND National Conference.

Freedom Charter. All credible research outcomes in both Right and Left political spectra agree that South Africa's unemployment levels are at a crisis level, poverty massive and that the country is the most unequal society in the whole world. Everyone agrees that the massive inequalities levels continue to be defined alongside apartheid racial lines which deliberately empowered whites and underdeveloped the black majority and Africans in particular. These painful realities define South Africa, despite relentless efforts by the democratic government to provide services to the poor. The story of South Africa is telling that whilst plausible, the State's narrow and only focus on service delivery without real transformation of the economy altogether missed the point in the struggle to address massive inequalities and poverty.

9. As a semi-colony and like all colonies across the world, South Africa's economy in the repressive years of white supremacist domination was positioned by the coloniser and imperialist forces as supplier of raw materials and consumer of imported finished goods and services. This colonial feature of the South African economy remains intact 17 years after the democratic breakthrough. The South African economy, its transport and logistics infrastructure is designed in a such a way that anchors the exportation of natural and raw materials through the ocean, as opposed to regional and continental integration and potential trade. All strategic railway from South Africa's inland Mines and natural resources reservoirs leads to the ocean. Whilst politically liberated, South Africa remains economically semi-colonised concerning the control, ownership and orientation of the economy.
10. In 2011, 4.2 of the 17 million people who are capable of working and in need of jobs in South Africa do not have jobs. This figure, however, does not include 1.7 million people who are not counted as unemployed since they have been pushed permanently out of the labour force as discouraged work seekers. So unofficially, 5.9 million workers, which is 31.1% of the working age population is unemployed. Among the youth, the unemployment rate exceeds 50% percent as young people exceed 70% of the unemployed population. The unemployment crisis is also defined along racial lines due to the fact that in the third quarter of 2010, 29.80% of blacks were officially unemployed, compared with 22.30% of coloureds, 8.60% of Asians and only 5.10% of whites. About 12 million of the population lives on less than R2.50 per day, whilst 16 million South Africans receive social grants.
11. Concerning real economic transformation, the post 1994 democratic State has not achieved anything substantial due to the fact that the economic policy direction taken in the dawn years was not about fundamental transformation, but empowerment/enrichment meant to empower what could inherently be few black aspirant capitalists, without real transfer of wealth to the people as a whole. The empowerment legislations, particularly Black Economic Empowerment policies and various sector transformation charters adopted by the democratic government dismally failed to substantially and sustainably empower majority of the population, mainly targeted groups. It is important to note that even if all the objectives of empowerment charters were reached, South Africa would still be characterised by high levels of unemployment, poverty and inequality, therefore rendering the approach taken as wild goose chase.
12. The South African government had intended to redistribute 30% of the land by 2014, and in 2011, only 4% has been redistributed. According to government's objectives, 26% of Mines were supposed to be owned and controlled by historically disadvantaged individuals by 2014, and in 2011, less than 5% of Mines and mining are owned by historically disadvantaged individuals, most of whom are still indebted to the banks. Ownership of the financial sector and services is still a reservoir of white people and this applies to other

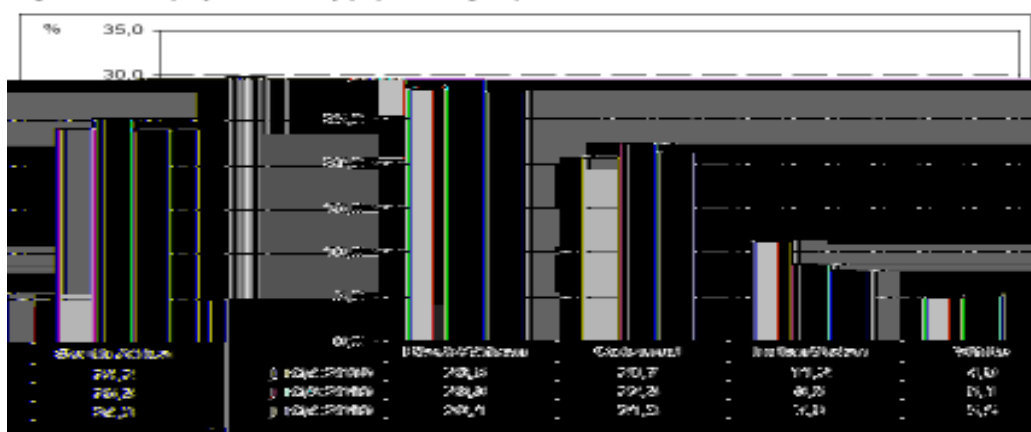
strategic sectors of the economy such as agriculture, retail and manufacturing. The economy of South Africa continues to be controlled by those empowered by colonial-cum-apartheid circumstances and policies. The approach adopted by the democratic government in the first 17 years will never change these realities.

13. South Africa confronts three major socio-economic challenges. These are the inter-related phenomena of poverty, inequality and unemployment. The ANC YL has argued in the past that the neo-liberal development trajectory in our country did very little to deliver a thoroughgoing social and economic transformation. The deepening social inequality, poverty and worsening unemployment situation shows that many of our people have not enjoyed the economic benefits of our hard-won political freedom. The socio-economic reality in South Africa bears testimony to the existence of a deeply divided and unequal society: society in which opulence and poverty exists side-by-side. These socio-economic disparities have partitioned our country into two parts: the South Africa that shines with its predominantly white gated leafy suburbs, glittering shopping malls, conspicuous consumption, opulent restaurants, private schools etc. And there is another South Africa profiled by black squatter camps, homelessness, poverty, unemployment, casualised labour.

14. Inequality, poverty and unemployment in South Africa remain largely racialised and gendered. The high level of inequalities in our country bears a persistent racial and gender undertone, with the majority African population dominating poverty and unemployment. South Africa's unemployment rose from 22.90 percent in 2009 to 24 percent in 2010. There is a huge disparity in the incidence of unemployment by gender, race and age. What is evident is that unemployment is much more prevalent amongst black Africans whilst whites continue to enjoy higher levels of employment and social privilege. This can be shown by disaggregating employment/unemployment by race and sex. According to the recent SA Statistics Labour Force Survey, released in February 2011, Africans faced unemployment rates of 28.1 percent with whites constituting only 5.5 percent of the unemployed (Statistics South Africa, 2010 check Table 1). It is important to note that the female labour force participation has increased by some 38 percent between 1994 and 2009.

Table 1: Unemployment rate by population

Figure 6: Unemployment rate by population group



Source: Statistics South Africa, Quarterly Labour Force Survey, 8 Feb 2011.

15. Youth unemployment has emerged as a critical socio-economic challenge. In the main, the problem of unemployment in South Africa is essentially the problem of youth unemployment. The largest share of the unemployment crisis lies mainly with black African youth. In September last year (2010) 72 percent of the total unemployed population was young people. The rate of absorption in the labour market for young people stood at 30.5

per cent whereas the rate for the adults (35 years+) was at 55.7 percent. Young people accounted for 71 percent of all discouraged workers and 40 per cent (about 2.4 million) for those who have never worked. Some of the common social costs associated with youth unemployment include crime, violence, drug and substance abuse, organized political revolts against government, social degradation and exclusion. Youth unemployment should be seen as a 'ticking time bomb' that had to be addressed urgently.

16. Lack of unemployment has direct implications for the distribution of income and the incidence of poverty. Simply put, unemployment is a major contributor to poverty and inequality. The gap between the rich and the poor has widened substantially. Credible research recurrently illustrate that **South Africa is in 2011, the most unequal society in the entire world.** The persistent racialised and gendered social inequality in our country calls upon the ANC to seriously rethink the development trajectory travelled since the democratic breakthrough in 1994. We need to talk about the forever widening social inequalities and growing sense of hopelessness in our society. It remains a serious cause of concern to us that our country has overtaken Brazil as the most unequal society in the world.
17. The sad reality is that many black and African households in particular bear the burden of poverty (see table 2). Poverty in South Africa is largely concentrated among blacks and black Africans in particular. The apartheid legacy of high black poverty remains firmly entrenched. 45 percent of all female-headed households lived below R322 per capita per month in 2000 prices—meaning that they are not able to provide for essential food and non-foods consumption.

Table 2: Poverty rate, population share and poverty share by population

Poverty rate, population share and poverty share by population group

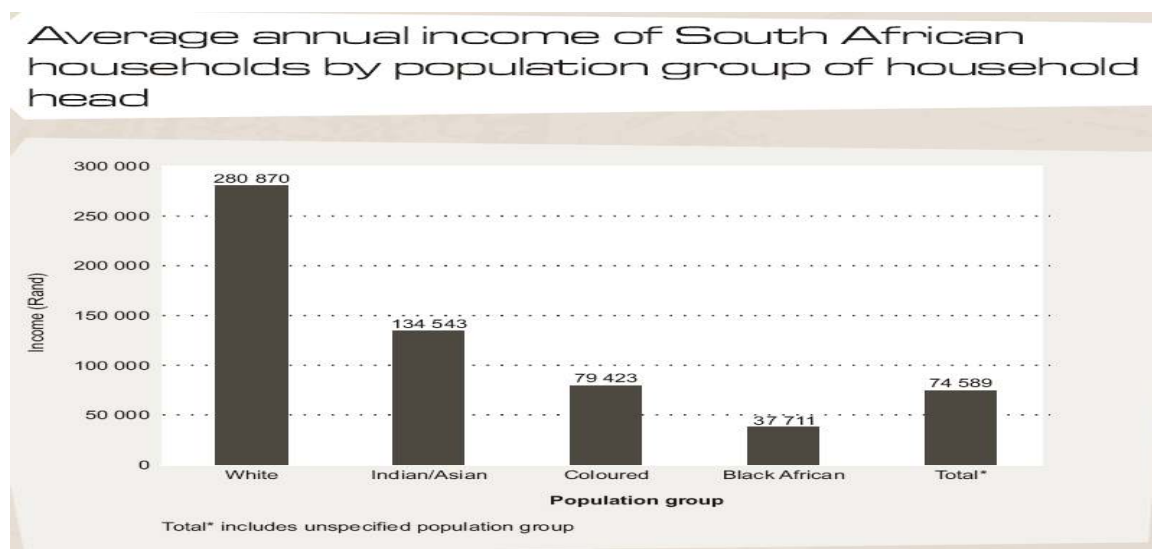
Group	Poverty rate of individuals (%)	Percentage shares of	
		population	poor individuals
Blacks	54.8	80.1	93.3
Coloureds	34.2	8.7	6.3
Indians	7.1	2.5	0.4
Whites	0.4	8.6	0.1
All	47.1	100.0	100.0

Source: Statistics South Africa (2008a)

18. Statistics South Africa's Income and Expenditure Survey further reveals that income inequality has shockingly deteriorated. Gini coefficient is a statistical method used to measure inequality in income distribution. The logic is that a Gini coefficient close to 0 implies equality in income or wealth distribution, and the more it moves closer to 1 it means unequal income distribution. Put simply, a 0 Gini coefficient represent perfect equality whereas, on the other hand, 1 represents perfect inequality. As a sign of deepening income inequality, South Africa's Gini coefficient rose from 0.57 in 2000 to 0.72 in 2006. With the current 0.72 Gini coefficient, it may be true that our country is drifting towards perfect inequality.
19. What is even disturbing and worrying is that the white population, which makes up about 9 percent of South Africa's population, account for 45 percent of the income. On the other hand the black majority—who constitute 80 percent of the population—account only for a

mere 41 percent of the income. Various research outcomes illustrates that in 2007 whites earned 8 times more than Africans. The reality is the wealth of this country remains in the hands of the white minorities—most of whom benefited under the apartheid regime. The huge disparity in income between blacks and whites tells it all. The Stats SA Income and Expenditure survey highlight that in 2006, the average estimated annual household income for a white household was R280 870 whereas the annual household income for black African household was estimated to be R37 711 (see Table 3).

Table 3: Average annual income of South African households by population



Source: Statistics South Africa, Income and Expenditure Survey, 2005/06

20. The focus therefore should be on decisive transformation of the economy into an economy which will be inclusive and benefit all South Africans in a sustainable manner, whilst opening space for the upliftment of the African continent. This can only happen through transfer of wealth from those who currently own to the majority with concurrent efforts to create more wealth for all South Africans to benefit. Transfer of wealth to the people as a whole has never meant and will never mean enrichment of few historically disadvantaged individuals. Whilst economic empowerment (enrichment) of historically disadvantaged individuals is a necessary by-product of equitable economic growth, it cannot and should never be the strategic objective of the State.
21. Majority of the historically disadvantaged individuals who substantially and durably benefited in the past 17 years did so either because they held senior government or corporate sector positions (through employment), did contract work with the State (tendering), got co-opted into established corporations as share-holder capitalists, or redirected funds meant for other purposes into their own pockets (corruption). There have been very few or no historically disadvantaged individuals who in the past 17 years engaged in real industrial and manufacturing entrepreneurship and economic development, which could have rightfully empowered them and created job opportunities for majority of the people of South Africa. The creation of the national industrial bourgeoisie (industrial and manufacturing entrepreneurs) has been the hallmark of the massive economic development in Malaysia, Japan, Taiwan, Singapore and other countries. Elementary to this success however is the fact that the national entrepreneurs were not patristic, heavily reliant on the State for capital accumulation. They instead created wealth through development of new

industries, employment of many people, development and transfer of valuable skills and sustainable trade.

WHAT IS THE STRATEGIC MISSION?

22. The Freedom Charter is the strategic mission. The meaning of economic freedom in our lifetime means the attainment of all freedom charter objectives as urgent as possible. This is vital because the Freedom Charter is historically and currently the common programme of the entire National Liberation Movement and mobiliser of the people of South Africa on what should be the future. The vitality of the Freedom Charter in the Congress Movement cannot be overemphasised because it occupies a special space in the political development of South Africa. The Freedom Charter is the lifeblood of the Congress Movement and any attempt to replace it as a strategic vision has potential to turn the Congress alliance into a myopic formation. It is not only the replacement of the Freedom Charter which will impact on the ideological character of the Congress movement, but also attempts and actions that seek to give it a liberal interpretation.
23. The Freedom Charter is the foundation of South Africa's Constitution. The non-racial values espoused in South Africa's Constitution are rooted in the Freedom Charter's clarion call that South Africa belongs to all who live in it, black and white. The bill of rights echoes the values espoused in the freedom charter and all Constitution's commitment to build sustainable livelihoods and decent life for all the people is derived from the Freedom Charter. The Freedom Charter continues to be the beacon of hope for the people of South Africa and cannot be replaced for anything else.
24. The vitality and centrality of the Freedom Charter in the National Liberation Movement cannot be undermined, nor neglected for whatever reason. The freedom charter's clause on economic transformation begins with a clarion call that "the people shall share in the country's wealth". This notion is not vague and is properly explained in the clauses that follow, which categorically state;
"The national wealth of our country, the heritage of all South Africans, shall be restored to the people; the mineral wealth beneath the soil, the banks and monopoly industry shall be transferred to the ownership of the people as a whole; all other industry and trade shall be controlled to assist the well-being of the people; all people shall have equal rights to trade where they choose, to manufacture and to enter all trades, crafts and professions²."
25. The most correct interpretation of this clause is the one given by President Nelson Mandela in 1956, that, "It is true that in demanding the nationalisation of the banks, the gold mines and the land the Charter strikes a fatal blow at the financial and gold-mining monopolies and farming interests that have for centuries plundered the country and condemned its people to servitude. But such a step is absolutely imperative and necessary because the realisation of the Charter is inconceivable, in fact impossible, unless and until these monopolies are first smashed up and the national wealth of the country turned over to the people. The breaking up and democratisation of these monopolies will open up fresh fields for the development of a prosperous Non-European bourgeois class".
26. The interpretation of the Freedom Charter by President Nelson Mandela is correct because it illustrates that whilst the freedom charter calls for nationalisation, it does not call for holus

² Freedom Charter

bolus (generalised) nationalisation, where everything is under the control and ownership of the State. The Freedom Charter, as stated in many perspectives of the ANC and entire National Liberation Movement is a programme which should necessarily lead to nationalisation of the commanding heights of the economy, i.e. Mines, banks and monopoly industries. When these are under the control and ownership of the people as a whole, then all other private individuals shall have the rights to trade where they choose, to manufacture and to enter all trades, crafts and professions.

27. In essence, this entails that under the Freedom Charter envisaged society, the State, which justly claims authority because it is based on the will of the people, should be in ownership and control of Strategic sectors of the economy and allow its citizens to enter into other trades and professions. The State should own the Mines, Banks and Monopoly Industries and allow for the development of industrial and manufacturing entrepreneurs who will create job opportunities for majority of the people. Because it will be in control of these strategic sectors of the economy, the State will also carry a responsibility of providing industrial and manufacturing entrepreneurs with easier access to raw materials; provide industrial development finance and other additional services such as efficient and durable transport, communications and energy infrastructure and systems, whilst maintaining and protecting the rule of law.

WHAT IS TO BE DONE TOWARDS THE STRATEGIC MISSION?

28. As a decisive manner to fundamentally transform the South African economy for sustainable development, **7 cardinal pillars of economic freedom in our lifetime** are identified as the most vital components of the immediate tasks and functions to be pursued in the consolidation of real and sustainable economic transformation. These pillars should inspire the ANC led National Liberation Movement and government towards realisation and consolidation of economic freedom in our lifetime.

A. Expropriation without compensation for equitable redistribution

29. Currently, South Africa's approach and response to expropriation is guided by Expropriation Act of 1975, which is not aligned to the democratic government's Constitution of 1975. This altogether impedes on the State's capacity to transform the economy, redistribute land and/or utilise vital property for developmental purposes. It can never be correct for a South Africa with a history of brutal dispossession of vital property, particularly land by the illegitimate and illegal minorities' racist government not to have a proper, constitutionally aligned legislative framework on how to deal with development. Central to the democratic government primary responsibilities post 1994 is to ensure that injustices of the past are redressed and all South Africans are given equal opportunities for development and growth.
30. For sustainable economic development and transformation, the ANC should appreciate that equitable transformation of society should include transfer of wealth to the ownership of the people as whole to attain the Freedom Charter's clarion call that "the people shall share in the country's wealth". Understandably, the transitional government and ANC led state could not transfer wealth to the ownership of the people as a whole because the balance of forces domestically and globally was not in favour of the forces of change. In 2011, like we said in the 2007 adopted Strategy & Tactics of the ANC, **"the balance of forces has shifted in favour of the forces of change. It provides the basis for speedier implementation of**

programmes to build a truly democratic and prosperous society. The legal and policy scaffolding for this is essentially in place. Most of society wants this to happen³”.

31. With balance of forces having shifted in favour of the forces of change, the ANC carries a responsibility and an obligation to move more decisively towards attainment of all Freedom Charter objectives. This can only happen through enabling the State to expropriate private property, particularly land and Mines without compensation for redistribution purposes. This arises out of the reality that for sustainable equitable economic development and growth that will benefit all people, the State has no other option but to decisively transfer wealth, particularly natural resources from those who currently own for public purposes and in the public interest.
32. Section 25 of the Republic of South Africa Constitution (known as the Property Clause) protects private property, but also calls on the State to “take reasonable legislative and other measures, within its available resources, to foster conditions which enable citizens to gain access to land on an equitable basis”. This is within the basis of a subsection that says, “Property may be expropriated only in terms of law of general application... for a public purpose or in the public interest”. Furthermore, the Property Clause says that “no provision of this section (Property Clause) may impede the state from taking legislative and other measures to achieve land, water and related reform, in order to redress the results of past racial discrimination, provided that any departure from the provisions of this section is in accordance with the provisions of section 36(1)”.
33. Expropriation can be utilised by Government as an important tool to achieve Government broader Constitutional imperatives in the following broad categories for public purposes and in the public interests, which includes but not limited to the following:
 - a. For municipal purposes (cemeteries);
 - b. For establishment of roads;
 - c. For establishment of dams;
 - d. For establishment of cultural heritage sites, including museums;
 - e. For facilitation of township development;
 - f. For building of schools;
 - g. For establishment of nature reserves;
 - h. For educational purposes;
 - i. For the provision of utility services—(telephone, water and electricity);
 - j. For land settlement (restitution);
 - k. For land reform; and
 - l. For security of land tenure.
34. The Constitution says that public interest includes the nations commitment to land reform and to reform is to bring about equitable access to all South Africa’s natural resources⁴, and property refers to all South Africa’s natural resources. These, the State should expropriate strategic sectors of the economy without compensation because paying all the key and strategic resources stolen from the black majority and Africans in particular will take more than a lifetime to realise. The State is already functioning on a slim budget, with profound limitations to meet its developmental targets, in particular provision of decent housing, free education, decent salaries for public servants, infrastructure development and maintenance on a mass sustainable scale. This is due to limited resources, and to expect the State to

³ ANC 2007 Strategy & Tactics, adopted by the ANC 52ND National Conference.

⁴ Section 25(4) (a) of the Constitution of the Republic of South Africa, 1996.

utilise the same resources for economic redress purposes is to overstretch its capacity and altogether undermine the other responsibilities it carries.

35. Amendment of the **property clause** to empower the State to expropriate for public purpose and in the public interest is therefore vital for this particular purpose. Expropriation is vital in the realisation of economic freedom in our lifetime because fundamentally, this should include transfer of wealth from the minority to the ownership of the people as a whole. Constitutional limitations to this noble obligation of the democratic government should therefore be aligned to the values of equality, redress and the need to bring dignity to the lives of many South Africans.
36. All Bilateral Trade Agreements should then be aligned to the reality that the State will whenever necessary expropriate private property without compensation for developmental purposes. The myth that such a policy framework will scare foreign direct investments should be dismissed because investors are never discouraged by definitive concrete policy and legislative provisions. Investors are mainly discouraged by uncertainty and unpredictability of the laws and regulations that relate to business in a country. China is currently the biggest and fastest growing destination for investments in the world, and the State plays a central role in the economy, including through expropriation of private corporations at certain intervals.
37. A perspective document on *Expropriation Laws and Practices: the People's Republic of China* states that "unlike developed countries where private land ownership is the main form of land ownership, the PRC adopts public ownership of land in the form of state ownership and collective ownership. Generally, urban land is owned by the state, and rural land, except for what is legally defined as state owned, is owned by collectives⁵. It is important to note though that "such public ownership of land has undergone a series of reforms since the late 1970s when the PRC started to move toward a market economy, resulting in a separation of land use rights from land ownership where land is still publicly owned while use rights to such land are allocated to private individuals⁶".
38. Despite this model of land ownership in one of the world's biggest economy (PRC), which will be the biggest economy in the world in less than 10 years from 2011, investors continue to value and rate China as the most lucrative investment destination. This means that investments are not only guaranteed by security of tenure on land, but by many other factors, including the country's natural resources' endowments, which are strategically found in South Africa. This should be a perspective expressed and spread by South Africa in the global economy, that if corporations intend to benefit from the country's natural resources, they should in return benefit the country through employment creation, development and growth of the economy.

B. Nationalisation for Industrialisation

1. Due to the character of the South African economy and the aspirations of the Freedom Charter, State ownership and control of the strategic sectors of the economy should be the foundation for sustainable economic transformation in South Africa. **A supposition that the South African economy can be transformed to address the massive unemployment, poverty and inequality crisis without transfer of wealth from those who currently own to the people as a whole is illusory.** The transfer of wealth from the minority should

⁵ The People's Republic of China Constitution, Art. 10.

⁶ Same as above.

fundamentally focus on the freedom charter specified commanding heights of the economy. This should include minerals, metals, banks, energy production, and telecommunications and retain the ownership of central transport and logistics modes such as Transnet, SASOL, ESKOM, TELKOM and all Harbours and Airports.

2. The Ownership of mineral wealth should be considered through various means, prime being Constitutional expropriation of the current minerals production processes in South Africa, and commencement of extraction, processing and trade on new land. The ownership of minerals beneath the soil could effectively entail discontinuation of total private ownership of production means in the production of mineral wealth in South Africa. The route towards total transfer of mineral wealth to the ownership of the people as a whole should include creation of an efficient and impactful State Owned Mining Company. Efficient and impactful because a State Owned Mining Company should contribute to job creation, whilst efficiently managed and administered in a manner that will raise the levels of public confidence on the capacity of the State to do business and contribute to economic development.
3. The nationalised mineral wealth will effectively constitute a very firm basis for beneficiation of these products in both heavy and light industrial process in South Africa, which could be left to industrial and manufacturing entrepreneurs, co-operatives and Small and Medium enterprises, so as to develop productive forces of the South African economy, which is still reliant on production of primary commodities. Instead of relying on neo-liberal mechanisms to attract industrial and manufacturing investments to South Africa, such as a narrow fiscal stability, and decreased labour costs, the State in ownership of mineral wealth and metals could provide incentives to reduction of prices for the primary and raw commodities which will be industrialised and benefited in South Africa.
4. Minerals and Metals beneficiation will constitute a very firm, sustainable and labour absorptive industrial process, which will be both import-substituting and export-led industrialisation. Various other areas of an increased, sustainable and labour absorptive industrial process could be explored, yet within a situation where the production of Metals and Minerals should be nationalised for the benefit of all. Industrial and manufacturing entrepreneurs, co-operatives, and small and medium enterprises from outside and inside South Africa could then be allowed to industrialise the South African economy, with guaranteed rights, and regulated through transformation charters which will lead to skills transfer at all levels of the corporations' structures.
5. This process should conspicuously be coupled by an effective skills development, training and education strategy, which will directly feed into a growing industrial and manufacturing process. Importantly for this process to happen, the South African liberation movement and the State should mobilise massive support of the working class, some sections of the middle class and established industrial entrepreneurs and corporations behind a consolidated national economic developmental plan, which will address the social challenges characteristic of South African society. This is one revolution, which requires support from various sections of South African society and should be understood within such context.
6. Certainly, nationalisation of minerals and metals might ignite international condemnation by global imperialism, institutionalised in the World Bank, International Monetary Fund, and notably the WTO. A broader mass movement should be mobilised in South Africa in defence of these massive economic reforms, because constitute the core of the National Democratic Revolution. Mass campaigns on what the nationalisation (State ownership and control) of

minerals, metals and other strategic sectors of the economy entail should be conducted to gain and garner support from the people as whole.

7. The benefits of nationalisation of strategic sectors of the economy will include, but not limited to the following realities:
 - a. Increased fiscus and therefore more resources for education, housing, healthcare, infrastructure development, safety and security and sustainable livelihoods for our people.
 - b. More jobs for our people because State owned and controlled Mines will increase local beneficiation and industrialisation of Mineral resources. This will in turn reduce the high levels of poverty, which is consequent of joblessness.
 - c. More equitable spatial development because State owned and controlled Mines will invest in areas where Mining is happening.
 - d. Better salaries and working conditions in Mines because State owned Mines will increase the Mining wage and improve compliance to occupational health and safety standards.
 - e. Greater levels of economic and political sovereignty as the State will be in control and ownership of strategic sectors of the economy, which produces minerals resources needed across the world.
8. It is important to highlight that as part of this programme, transfer of wealth to the ownership of the people as a whole is not limited to Mines only, but should necessarily extend to banks and monopoly industries. As part of this programme, all banks should be transferred to the ownership of the people as whole. The creation of a State Bank and nationalisation of the Reserve Bank constitute the immediate tasks and elementary to the development of South African economy as it can be progressively positioned in collaboration and improved existence of State owned development finance institutions, to finance new industries. The State Bank will also provide mortgage and vehicle finance for all South Africans in a manner that promotes development, not narrow pursuit of profits.
9. Efforts to create a State Bank are already in place and this should be accompanied by transformation of the financial sector as a whole, particularly the banking and insurance industry practices and norms. The ANC should appreciate that post 100 years of its existence; finance capital dominates the world economy and carries with it the potential to undermine all efforts to build better life for all people. Vigilance and greater State participation in the financial sector is therefore a vital component of the struggles and all efforts to build sustainable and better life for all the people of South Africa. India and China were firmly insulated from the global financial crisis because their State owned and controlled financial sectors did not adventure into practices that led to the collapse of the world economy due to practices of private banks in the West.
10. The Industrialisation South Africa should adopt ought to be both export led, but also import substituting industrialisation. It is an open secret that South Africa continues to export natural resources and import virtually all finished goods and services. The New Growth Path recently illustrated that our 10 biggest exports to China are natural and raw materials whilst our imports from China are finished goods and services. This should change and internal capacity built in collaboration with established industrial and manufacturing corporations to locally manufacture the goods and services we import from the other economies. This will lead to industrial and manufacturing investments by the corporations that manufacture the goods and services we currently import and build internal skills capacity to expand on those areas.

11. Currently, China is South Africa’s biggest trading partner, and the below table illustrates the trade relationship between China and South Africa.

	SA exports to China	Form		SA imports from China	Form
1	Iron Ore	<i>Raw</i>	1	Cell phones and phone	<i>Finished</i>
2	Ferro-Alloys	<i>Raw</i>	2	Computers	<i>Finished</i>
3	Chromium Ores	<i>semi-processed</i>	3	Printing machines	<i>Finished</i>
4	Manganese Ore	<i>Raw</i>	4	Plastic and rubber boots	<i>Finished</i>
5	Platinum	<i>Raw</i>	5	Televisions and monitors	<i>Finished</i>
6	Flat-rolled steel	<i>semi-processed</i>	6	Kettles, microwave ovens and toasters	<i>Finished</i>
7	Wool	<i>Raw</i>	7	Dresses and women jackets	<i>Finished</i>
8	Copper waste and scrap	<i>semi-processed</i>	8	Suitcases and bags	<i>Finished</i>
9	Zirconium and vanadium ore	<i>Raw</i>	9	Sports shoes	<i>Finished</i>
10	Nickel plates, sheets and foil	<i>semi-processed</i>	10	Computer and register parts and accessories	<i>Finished</i>

Table 1: Top ten SA exports to and imports from China

12. Now this table illustrates that the colonial features of the South African economy have not been eradicated by the democratic government, they in turn seem to be gaining ground. South Africa trade relationship with China, i.e. exporter of raw materials and goods and importer of finished goods and services, does not only relate to China, but to other big trading partners, particularly the US and European Union. This should be fundamentally altered, not through neglecting trade with other economies, but through entering into more sensible trading deals with manufacturing and industrial economies, particularly China, Brazil, India and Russia. South Africa cannot and should not continue to be suppliers for finished goods and services.

13. Import substitution is not an alien economic practice in the world, particularly in developing economies. Import substitution has in the East Asian Tigers, India and Latin American countries significantly boosted industrialisation and creation of local employment. The persistent challenge with import substitution industrialisation (ISI) is that it has in certain instances stifled the growth of the protected industries. In South Africa, ISI should be done in a dynamic developmental model, which should include attracting stable industrial and manufacturing investors to manufacture goods and services in South Africa, whilst linked to the global competitive economy.

14. It is important to note that ISI has failed in some countries that attempted to introduce this model of industrial development. This was due to the fact that these countries adventured into areas they had no global economic advantage on, less skills and limited markets for import substituted industries to sell their goods and services. South Africa’s ISI should necessarily focus on areas where the country has global economic advantage and attract as many established industrial investors to establish their plants in South Africa. This will

present an opportunity for skills transfer and employment creation which the country needs in the present conjuncture.

C. Inclusive and Decentralised Economic Growth and Development

15. Growth through redistribution as hoisted by the RDP should constitute a central component of how economic growth is approached in South Africa. Redistribution could and should extend to the provision of basic services such as water, education, quality housing, water, sanitation, health, subsidised transport, since evidence always shows that labour participation rises when basic needs are met. A redistribution strategy should include decommodification of essential services, mainly health, education, water and housing. With a concurrent industrial process, labour participation can significantly rise to bring back and absolve the 1.7 million discouraged work-seekers into the economically active labour force and create sustainable and decent work opportunities for the more than 5 million unemployed citizens.
16. The reason why redistribution should be primary is because narrow focus on economic growth often results in bigger profits and lesser development. The fundamental problem with economic policies that are obsessed with growth first and the rest shall follow is that they sacrifice everything else on the altar of economic growth (increased profit). This is inconsistent with what the Reconstruction and Development Programme (RDP) propositioned. The RDP says, "Growth, the measurable increase in the output of the modern industrial economy - is commonly seen as the priority that must precede development. Development is portrayed as a marginal effort of redistribution to areas of urban and rural poverty. In this view development is a deduction from growth. The RDP breaks decisively with this approach". It is possible and in fact advisable to drive growth through developmental interventions, which should in South Africa's context, should be highly labour-absorptive.
17. The RDP took broke decisively from the growth first and the rest shall follow strategy because such has inherent weaknesses. Obsession with economic growth means that you should amongst other things dedicate your energy towards reducing the cost of doing big business through getting your macro economics right, shifting energy tariffs for big business to the people with the hollow hope that such will bear fruits. What distinguished the RDP from GEAR was conspicuously the fact that the RDP emphasised development and reconstruction as means to grow the economy and GEAR preached the neo-liberal gospel that growth first and the rest shall follow.
18. Economic growth is vital for any country, yet the manner in which the State should pursue economic growth in South Africa should necessarily be redistributive and directed towards job creation. An emphasis should be re-iterated on this approach to economic growth because it represents a decisive departure from the jobless growth strategies the South African government wittingly or unwittingly adopted over the past 17 years. Inclusive growth should therefore underpin the developmental ideology, approach and practices of the ANC government on all developmental interventions in the economy.
19. South Africa needs a country-wide Spatial Development Framework that should decentralise development. South Africa's population should be proportionately spread across the length and breadth of the country through maximisation of each region and province's areas of economic development potential. The National Spatial Development Perspective developed by government's Policy Coordination and Advisory Services (PCAS) makes correct

observations about South Africa's space economy, including the fact that "26 locations represent the engines of the South African economy, home to 77% of all people living under minimum living level in the country, 84% of the total population and generating 95% of the national Gross Value Added (GVA)" (NSDP, 2006).

20. With these observations, the NSDP envisions to focus growth and employment in areas where it is effective and sustainable. The NSDP principles aims, in localities with low development potential, to focus government spending on providing social transfers, human resource development and labour market intelligence which would enable people to make choices: become more mobile and migrate to localities that are more likely to provide sustainable employment or other economic opportunities, (NSDP, 2006). Whilst this might be a correct intervention, there should be consideration of creating incentivised Industrial Development Zones (IDZs) to spread out development and economic opportunities to localities that have high levels of poverty and unemployment.
21. For instance, Limpopo has poverty rate of 77% (HSRC, 2004), and unemployment rate (expanded definition) of 51,5% (StatsSA Labour Force Survey, 2006). Limpopo is home to reserves of various mineral wealth, and a deliberate developmental strategy could be enacted along these lines. With such rates of poverty and unemployment, it could not be wrong for government to provide incentives through cost reduction of labour absorptive production and beneficiation process of minerals. These are some considerations, which require a detailed assessment and consideration in altering the spatial economy. Agro-processing is one area that need specific attention and could lead to creation of quality sustainable employment.
22. Rural Development should not be confined to maintaining the rurality of rural areas. It should instead be destined towards abolishment of rural and town distinction. In actual fact, the department of land reform and rural development should be called the department of rural industrialisation and urbanisation and work closely with other government departments to uplift the economies of rural areas. As part of addressing the industrial development of rural areas, the State should identify and concurrently run industrial development zones in the following areas of economic potential over the next 5 (2014 to 2019) years and build State subsidized and incentivised cities alongside the IDZs for an additional 10 years, beginning in 2014:
 - a. Sekhukhune in Limpopo
 - b. Bojanala in the North West
 - c. Kuruman in the Northern Cape
 - d. Welkom in the Free State
 - e. Witbak in Mpumalanga
 - f. Overberg in the Western Cape
 - g. East London and Coega in the Eastern Cape
 - h. Far-Northern KwaZulu Natal—linked to Kosi Bay
23. These new industrial development zones will be linked to the industrial development zones in East London, Eastern Cape and Richards Bay in KwaZulu Natal concerning transport infrastructure. For instance, the Sekhukhune Industrial Development Zone should be anchored on minerals beneficiation and agro-processing from across the Limpopo Province. The immediate question will obviously be where the State should get resources and energy to run concurrent Industrial Development Zones. The taxes generated in these areas should be re-invested in those communities and substantial amount of resources held by the

country's development finance institutions spent in these IDZs. This will result in equitable spatial development and a sensible population distribution across provinces.

24. The Industrial Development Zones should also be accompanied by clear plans to turn these areas into cities, with the necessary amenities and services that define cities. The development of the Chinese economy has illustrated that cities can be consciously created, and South Africa should learn this noble lesson and begin to invest in the creation of cities in the identified areas. This will effectively lead to the abolishment of the apartheid instituted migrant labour system, eradication of slums in bigger cities because the population will be proportionately spread across the country. Instances of socio-economic migration will also be reduced because all people will be presented with the opportunities to work where they live.
25. The State should work purposely to ensure that the economic infrastructure of the over-populated centres of economic development are maintained and expanded, yet progressively introduce disincentives for completely new industries in these areas. This should in turn be accompanied by greater incentives in identified areas of economic development in order to drive industrial and broadly economic development to new centres of economic development. The over-population of Gauteng for instance is economically unsustainable due to the reality that the infrastructure that supports economic development and growth in Gauteng is already bloated and will eventually slow down economic activities, development and growth.

D. Land Restitution and agrarian reform

26. Lessons from many post colonial countries, mainly Zimbabwe bears testimony to what happens when Land reform and other vital economic reforms are not effectively restituted on time. 17 years into democracy, South Africa has not yet restituted land at levels necessary for sustainable livelihood and continued social stability. History of most post colonial countries perfectly shows and acknowledges that "if decisive action is not taken to deal with economic subjugation and exclusion, the essence of the apartheid system will remain, with a few black men and women incorporated into the courtyard of privilege. **The old fault lines will persist, and social stability will be threatened**".
27. Land restitution should be sped up and the willing buyer-willing seller principle reconsidered, actually altered. The current pace of land restitution in South Africa is terribly slow. Land restitution should be coupled with an effective and responsive agrarian reform strategy, which should extend to agro-processing. As illustrated above, only 4% of the land intended for restitution has been restituted thus far as compared to the 30% intended for restitution. The South African State should pass legislation that retains the Custodianship of all Land to the State, in a similar manner mineral and petroleum resources are under the custodianship of the State.
28. The State custodianship of Land will mean that those who currently occupy land should apply for licensing to continue using the land and should clearly state in the application what they want to use the land for over what period of time. Under this legislation, no one should be allowed to own land forever, because those who have money can overtime buy huge plots of land and utilise them for counter-developmental private purposes, such as using land as game farms. A maximum of 30 years land lease can then be placed on all land applied for by private corporations and individuals, with the State retaining the right of expropriation in instances where the land is not used for the purpose it was applied for.

29. In line with the Freedom Charter, the State should also provide implements to help those who work the land utilise it productively. Furthermore, the State's procurement of food should prioritise small scale farmers so that small scale farming becomes sustainable economic activity for majority of our people. The Brazilian government buys more than 40% of the food for hospitals, prisons, schools from small scale farmers and that has led to the development of small scale agriculture in Brazil. South Africa should learn this noble lesson and provide assistance to small scale agriculture through provision of implements and creation of a market to sell the produced agricultural products.

E. Building of a Strong Developmental State and Public Service

30. For a successful Developmental State, an inspired, skilled, and well compensated public service is required. The Public Service should be strengthened for a sustainable transformation of the economy and realisation of freedom charter objectives. The ethos of such a State should be developmental and very strong and consistent on anti-corruption measures. This is emphasised because the task of fundamental economic transformation requires a strong State with the ability to develop clear strategic vision, implement and monitor progress made.
31. This should essentially be a State that has the capacity to marshal all forces in society towards developmental objectives and outcomes. The State capacity is vital because it should carry a responsibility to perform certain developmental tasks such as construction and maintenance of public infrastructure. The State should build internal capacity to construct and maintain infrastructure such as roads, railway, dams, etc. and basic services such as schools, houses, hospitals and recreational facilities. The State's dependence on tenders has massive political implications and often reduces the quality of work provided because of corruption and corruptibility of the whole tendering system.
32. The state's capacity to marshal all forces in society towards a single development trajectory is dependent partly on its own internal coherence, with a clear chain of command within and between the three spheres of government and their respective state-owned entities. Internal coherence, with synergised planning/budgeting/monitoring instruments, will enhance the state's ability to analyse development trends, sequence and resource development interventions within its scope of operation maximally. It will also enable the state to develop a set of incentives and disincentives tailored to assist direct development and economic activity in a manner that lead to the attainment of cardinal pillars A-D. While the establishment of the National Planning Commission and the Performance Monitoring and Evaluation Ministry is a step in the right direction, the real challenge of coordination of government work is still undermined by the multiplicity of priority setting mechanisms, delinked planning instruments, uncoordinated funding instruments (to name but a few) that are reflective of the complexities characteristic of the current distribution of powers and functions between spheres of government. The rationalisation of planning/budgeting/monitoring instruments and processes across the three spheres will therefore be crucial.
33. The State's capacity to perform these functions will entail that the public service and servants are properly maintained, serviced and adequately remunerated at all levels. At the centre of a strong developmental State should be a motivated, inspired and well remunerated public service which shares in the developmental vision of the country. These interventions should be coupled by an increased capacity to aggressively fight corruption

and criminality within the State. The fight against corruption should not be a side issue, but an elementary component of the State apparatus in order to increase public confidence on the State.

34. A strong developmental State should necessarily carry adequate willingness and capacity to give developmental mandates to State Owned Enterprises and Private corporations. SOE and private sector's compliance to the State's poverty reduction and employment targets should not be voluntary, but a factor which the State should be able to use carrots and sticks to mobilise around and enforce. It can never be correct that the State operates only with the 'hope' that the private sector in particular will voluntarily join into the developmental agenda and pursue the agenda of job-creation, poverty reduction and sustainable development with the same vigour that should define government.

F. Massive investment in the development of the African economy

35. The South African state's capacity to do big business should be expanded to the African continent. State Owned Enterprises should heavily invest in infrastructure and industrial development of the African continent. This should be markedly distinct to the manner in which the Western Powers (US and European Union) and China do business in Africa. Investment by Transnet in the continent should leave massive footprints concerning skills transfer, development of the communities where investments happen, tax, re-investment, corporate social investment, safety standards, compliance to labour laws and regulations and fundamentally economic development of those countries.
36. South Africa's established State Owned Enterprises such as the South African Airways, Airports Company of South Africa, ESKOM, TELKOM, DENEL, SAFCOL and other public entities such as the SABC, Infranco, Sentech should begin to invest in the development of the African continent. Whilst avoiding adventurism, these investments should not be driven by narrow pursuit of profit maximisation, but the need to develop Africa's infrastructure, logistics, systems and communications in a manner that will transfer skills and create sustainable employment opportunities for many people in the continent and contribute to development.
37. The development of the African continent is inextricably linked to the development of South Africa. No amount of sustainable socio-economic development and stability will be realised in South Africa unless the State plays an active role in the economic development of the African continent. This obviously should include the development of trade corridors that link up the entire African continent and capacity to consume the goods and services produced in the continent.
38. In this role, South Africa's role in the economic development of the African continent should not be that of being a gateway to Africa's natural resources and raw materials by the bigger and developing economies. South Africa should inspire countries in the African continent to maximise socio-economic benefits from their natural resources and raw materials. This should not be a rhetorical role, but a concrete guided programme which should include South African State Owned Enterprises expanding to other parts of Africa with the sole aim of upliftment of the respective countries' economies.
39. Due to the excess surpluses and many sustainable developmental considerations which will be generated from the South African State's control and ownership of strategic sectors of the economy, **government should establish a Sovereign Wealth Fund**, which will prudently

invest in the development of the African economy. This Sovereign Wealth Fund will also assist in the insulation of the South African economy whenever there are volatilities of resources prices and when the non-renewable resources gradually become finite. Most countries, including China, the US, Saudi Arabia, Norway, Libya, Nigeria, Chile, France and many others, have Sovereign Wealth Funds for these purposes, and it will not be unconventional for a natural resources endowed South Africa to establish one.

G. Provision of education, skills and expertise to the people.

40. For successful and sustainable economic development and growth, South Africa requires a thoroughgoing focus on the attainment of skills, education and expertise on various fields. The attainment of skills should necessarily respond to the massive skills shortages that define the existent industries, but also positioned to assist new industrial developments. The approach to realising this noble objective should include but not limited to **alignment of skills to industrial sectors, expansion of post secondary education and training, transformation of higher education and training and introduction of a new scholarship which will provide educational and training opportunities of South African youth outside the country.**
41. **Alignment skills to industrial sectors** should be in a similar manner done with developed economies, but in a more focused and properly resourced model which should necessarily include establishment of focus Universities. South Africa should establish and resource sector focusing institutions of Higher Learning, such as Information and Communications Technology University, Mining Engineering University/College, Finance and Accounting University/College. This allows the institutions to expand and deepen the qualitative focus on their respective sectors. Skills, education and expertise are an important feature of sustainable industrial and economic development for any economy. The South African government in collaboration with industrial and manufacturing investors and practitioners should put in place industry linked training authority, which will train particularly young people for various responsibilities in the new industries and factories. Various sectors, such as minerals beneficiation and industrialisation (e.g. diamond cutting and polishing) are highly labour absorptive sectors and a training agency should be established for this sector to supply labour to this particular sector.
42. The post secondary education and training capacity in South Africa presently does not respond to the quantities of the number of learners produced by the general education system. General education produces close to a million learners annually through senior certificates, drop-out at all Grades for varied reasons, exclusions and many other socio-economic reasons. These learners should be provided with opportunities for post secondary training, education and development through mechanisms which will include Higher Education Institutions, Further Education and Training Colleges, support of Small and Medium Enterprises varied other forms of vocational training.
43. As a matter of principle, the State should build capacity at post secondary education and training which will be in a position to absolve all learners who pass their senior certificates and/or leave school at Grades 10 and 11. This entails amongst other things that the State should heavily invest in the qualitative and quantitative expansion Higher Education Institutions, FET colleges, SMME Mentorship programmes and other vocational training programmes and institutions. This should necessarily be accompanied by a comprehensive strategy of insulating indigent learners from paying fees in all these institutions.

44. The success rates of historically disadvantaged individuals in institutions of higher learning in South Africa are very low. This is due to a variety of factors, but particularly for reasons identified in the Ministerial Report on Transformation and Social Cohesion in Public Higher Education Institutions released in 2008. The Ministerial Report observes in no specific sequence that:
- a) “It is clear from this overall assessment of the state of transformation in higher education, that discrimination, in particular with regard to racism and sexism, is pervasive in our institutions. The disjunction that is apparent between institutional policies and the real-life experiences of staff and students is discussed in more detail in the remainder of the report, which focuses on the real-life experiences of staff and students in relation to specific areas of institutional activity, namely learning, teaching, curriculum, language, residence-life and governance”.
 - b) “Socio-economic factors, particularly those pertaining to social class, were repeatedly raised by students as an inhibiting factor concerning their ability to not only access higher education opportunities but to take full advantage of the range of opportunities provided. The Committee recognises the progress that has been made in providing financial assistance to needy students via the National Student Financial Aid Scheme (NSFAS). However, this is clearly insufficient and it is imperative that the Ministry leverages additional resources to facilitate access to, and the success of, financially disadvantaged students at higher education facilities (Soudin, C; 2008)”.
 - c) “Despite the ongoing efforts to provide academic development and support programmes, the throughput and graduation rates of black students remain low. In addition, completion rates for white students are also low. Universities should devise approaches that will improve throughput rates of students, while government, as part of its human capital development initiatives, provides financial support to students who are studying in fields where skills are scarce. It is apparent that some students are failing to succeed because they are also doing other jobs in order to support their families. This applies largely to black students who cannot afford to study on a full-time basis”.
45. From these observations and observations of many other reports and individuals, it is evident that lack of transformation of higher education institutions impacts heavily on the need to produce as many graduates as possible. The State should play a leading role in the transformation of higher education, particularly in addressing the barriers to successful teaching and learning at higher education and training level. The State should ensure that all students who need as basic necessities such as residences, food and other learning and teaching support materials have guaranteed access. The success rates of particularly historically disadvantaged individuals in HEIs and FET colleges should be minimum 80% by 2017.
46. Concurrent to intensifying transformation of higher education and training, government should establish a scholarship which will send students to the best Universities outside South Africa to attain skills, education and expertise. South Africa, through the Department of International Relations and Cooperation has more than 100 Embassies/High Commissions in more than 100 countries, some of which have the best Universities and training institutions in the world. These foreign missions should in the process of addressing other international relations and cooperation issues, be positioned to contribute to young South Africans’ attainment of skills, knowledge and expertise within the best institutions in the world.

47. In this regard, a new scholarship funded by government, State Owned Enterprises and the private sector should be established to fund suitably qualified students accepted in the best Universities across the world. The South African government at various levels is already contributing to the education and training of medical doctors and other health professionals in Cuba. This should be radically expanded to a minimum of 5000 students annually sent to various countries to attain skills, education and expertise on different, but critical fields by 2015. The number of students sent to the best Universities across the world should be reflective of South Africa's demographics in terms of race, gender and class. Emphasis should be placed that the students sent to the best Universities should have shown capacity to make progress because they should make progress. These students would later contribute to the country's socio-economic development, economy and knowledge development.
48. The students sent outside of the country for attainment of skills should not only be first year University students, but other students with qualifications should be recruited and sent to the best Universities to specialise and attain exposure to more knowledge. Upon completion of their studies, all the students on the government scholarship should necessarily work in South Africa (government, private sector or State Owned enterprise) for a minimum of 5 years from the year of completion of their studies. This will go a long way in contributing to knowledge, skills, and expertise production, accumulation and attainment in South Africa, but will also expose South Africa to the experiences of other countries.

WHAT ARE THE ATTENDENT FEATURES?

49. **Monetary policies** should therefore be aligned to the objectives of building a labour absorptive industrial economy. The strength of the South African currency and inflation rates should be aligned to the 7 cardinal pillars of economic freedom in our lifetime, particularly the feature of local beneficiation and industrialisation of raw materials. This is important to highlight because the discussion about the strength of the currency and discussions about inflation targeting are somewhat linked to the dominant sectors of the South African economy.
50. **Stabilisation of energy sources**, in particular the supply of electricity is important for an economic development strategy which will include development of more industries. Whilst the South African State should intensify the efforts currently in place for sustainable, consistent energy provision, other means of energy generation should be explored. This includes further research on how energy derived from Uranium can be safely transferred into sustainable environmentally-friendly electricity for industrial development, public purpose, and households.

CONCLUSION

51. THESE FREEDOMS WE WILL FIGHT FOR, SIDE BY SIDE, THROUGHOUT OUR LIVES, UNTIL WE HAVE WON OUR (**ECONOMIC**) LIBERTY. It is through implementation of the **7 cardinal pillars** that the South African economy will be effectively transformed in a manner that will uplift the living conditions of majority of our people. The whole of society should be mobilised behind these pillars and be ascertained that victory is certain.