BLACK POVERTY AND THE SEARCH FOR A HUMAN FACE; THE THESIS; ANTITHESIS AND SYNTHESIS: STEVE BIKO MEMORIAL LECTURE BY MOJANKU GUMBI: NELSON MANDELA METROPOLITAN UNIVERSITY; 10 SEPTEMBER 2015

The leadership of the Nelson Mandela Metropolitan University

The leadership of AZAPO

Members of Staff of the University

Members of the Community of the Eastern Cape

Students and scholars

Friends, comrades and compatriots

I would like to thank the Nelson Mandela Metropolitan University for giving me the honour to deliver the 2015 Steve Biko Memorial lecture, in particular in this region, which nurtured Biko and many of the heroes of our struggle.

Nelson Mandela, whose name you so proudly carry, told some of us the story of how he realised, while incarcerated on Robben Island, that he had missed an important era in the evolution of South Africa. He tells how, when the first group of Black Consciousness prisoners arrived on the Island, things were never the same! He says that whenever the warders said sit, these Black Consciousness prisoners would stand; and when the warders said stand, they would sit! Madiba says when he counselled these young ones, telling them that the warders would kill them, their answer would be: So what? These young people had conquered fear, completely.

This lecture is dedicated to Steve Biko and those fearless young Black Consciousness warriors. I hope not to betray their bravery.

Writing in the introduction to “We Write What We Like”, the late Chris van Wyk, referring to the old African proverb that says; ‘It takes a village to raise a child’, says: “But apartheid would call for more than a mere village. It needed a village plus Steve Biko” (page xi). That is the measure of the man whom we remember today, 38 years after he was murdered.

Many these days do not speak about the continuing challenges resulting from the past racial policies in South Africa, petrified of being labelled racist, race-obsessed, living in the past, caught in a time warp, and so forth. Steve Biko reminds us that: “Blacks have had enough experience as objects of racism to wish to reverse the tables”. (I write what I like)

In remembering Biko today, I chose to talk about black poverty.

With the convenience of the shield provided to many by seeming to embrace non-racialism, I chose the inconvenience of venturing out without a shield, in full realisation that talking about black poverty is tantamount to stepping into a minefield. I do so deliberately, confident that, because of my experience as an object of racism, I would not wish the reverse on anyone.

There have been many discussions and debates in the recent past about race and transformation in South Africa. I hope that tonight we can examine this matter in as honest and frank a manner as possible, considering that this is an emotional issue in the context of South Africa’s past and present. As we debate this emotional issue, let us keep in mind the admonishment from the Nigerian author Chimamanda Ngozi Adichie, who writes about a young Igbo boy who lives in America, does not speak Igbo and, according to his grandfather in the story; “did not understand why he was expected to say “Good afternoon” to strangers, because in his world one had to justify simple courtesies.” (The Thing Around Your Neck: Ghosts). In our debates, I hope we will be able to extend to one another the ‘simple courtesies’ that Chimamanda writes about.

In his often cited 1965 directive to his Party, the African Party for the Independence of Guinea and Cape Verde, the celebrated African scholar and leader Amilcar Cabral called upon his party members to:

“Always bear in mind that the people are not fighting for ideas, for the things in anyone’s head. They are fighting to win material benefits, to live better and in peace, to see their lives go forward, to guarantee the future of their children”

He ends this directive as follows:

“Hide nothing from the masses of our people. Tell no lies. Expose lies whenever they are told. Mask no difficulties, mistakes, failures. Claim no easy victories”.

I intend to do my best to tell no lies.

The size of the South African economy is almost R4 trillion (R3.8 trillion). The 2015 Statistics South Africa (StatsSA) mid-year population estimates put the population size at 54.9 million. The figures from Census 2011, which are the most complete and the ones I will use hereunder, puts the population at 51.7 million.

In 2006, 57.2% of the population was poor. In 2009 the figure was 56.8% and in 2011, using the best measure, 45.5%. Of the poor, 93.2% of them are black. That means, using the best figure, 23.6 million people were poor in 2011. (A UCT study published this week puts the figure of the poor at 63% of the population). Whatever the number, we have a serious problem on our hands.

Of the 23.6 million poor people, 94.2% are black, up from 92.9% in 2006 and 93.2% in 2009.

This did not happen by mistake. It is a result of a detailed policy that was implemented to sustain white privilege.

This is how it happened.

White settlers arrived in South Africa in the seventeenth century. They were supposed to just stop by to replenish their supplies, en route to the East. However, they stayed and waged ferocious battles against the indigenous populations. They fought against each other as well, over our land. The dispossession that followed was absolute, with, for example, settlers like Colonel John Graham, who has been given the honour of having both a beautiful city and an institution of higher learning named after him, introducing the scorched earth policy.

The policies of dispossession where refined over the years, resulting in the settlers organising themselves under the banner of the National Party in 1960.

I know it is very difficult in contemporary South Africa, to find a white person who supported apartheid, but let us look at the facts.

On 8 October 1961, apartheid South Africa held its first general election as a Republic. The National Party won those elections on the basis of the total exclusion of blacks from political participation. The Progressive Party won one seat which was occupied by Helen Suzman.

(All election information sourced from the Inter Parliamentary Union).

In 1970, 1 508 284 white voters came out to vote, a turnout of 74.4% of registered voters. A report of the Inter Parliamentary Union states that:

“On 30 September 1969, apartheid South Africa’s Prime Minister, John Vorster announced to a Congress of his party, the National Party, in Orange Free State, that a general election was to be held in order, as he said, to give proof of the stability of the South African Government. … The National Party built its campaign around the theme of “Separate Development”…. The more moderate United Party approved the policy of separate development but hoped it would be applied with greater consideration of humanitarian principles than it had been under the previous Government”.

The United Party campaigned on the basis of a ‘humanitarian’ form of apartheid; and they were called moderate! In these elections, the National Party won 117 seats out of 165 available (later 118 seats after a by-election). The United Party 47 and the Progressive Party 1. Both the National Party and the United Party campaigned on the basis of Separate Development and between them garnered 99.4% of the vote.

I do not intend to spend too much time on the election history of whites in South Africa. Suffice it to say that in each of the elections between 1961 and 1989, the National Party won a substantial majority. Allow me to refer to two more election results, because of their significance relative to our history as South Africans.

In 1977, the year in which the apartheid government murdered Steve Biko, elections were held on November 30, a mere two months after his brutal killing. Apartheid Prime Minister John Vorster had called an early election to test the strength of the National Party. These elections gave the National Party it highest parliamentary majority ever! The professional profiles of the members of parliament chosen makes for interesting reading; 43 Politicians, 40 Farmers, 35 Lawyers, 12 Company Directors, 12 Businessmen, 7 Doctors and a sprinkling of teachers, salaried clerks and even a journalist. Evidently, the National Party, in 1977, was supported by learned white people.

In 1989, after the mass mobilisation of our people by the liberation movements and other progressive forces, elections were held on 6 September. By this time three elections were held; for the whites, coloured and Asian separate houses. FW de Klerk fought the elections on the platform of “orderly reform and negotiation with Black leaders, while insisting that group rights be guaranteed in a future dispensation”. The National Party again won this election, this time with a reduced majority, having lost seats to both the right and the left-wing parties. Out of 3 120 104 registered voters, 2 167 929 came out to vote, a turnout of 69.5%. Of these voters, 78.3% supported the National Party and the Conservative Party, which was, during that period, to the right of the National Party.

Coming to our more recent history, having won the elections in 1989 on a platform of ‘orderly reform’ and the protection of group rights, the National Party went into negotiations for a new dispensation.

Speaking at the opening of the formal CODESA negotiations meeting on 20 December 1991, the leader of the Party and then apartheid State President FW De Klerk said:

“There is also distrust and suspicion about a variety of other things. Some of the participants in this Convention are suspected by other parties who have chosen not to be here, of having hidden agendas. And at this stage, there is even mutual distrust and suspicion among the parties and organizations present here today.

Therefore, the challenge we are facing is to address the basic causes of this distrust and suspicion. CODESA cannot succeed unless it generates confidence among the population. And it will be able to create confidence outside only if it is able, within a reasonable time, to reach convincing and workable agreements able to remove existing distrust, suspicions and fears; if it is able to succeed in converting the deep-seated policy differences among many of us into agreements.

In that we shall not succeed if we are bent on scoring victories over one another. If delegations work for a win or lose situation, then CODESA is doomed to failure. If everybody honestly seeks a win/win situation, then CODESA will succeed. That is why consensus is the basis of agreements reached in CODESA.

To achieve a win/win result will require us to face reality. Apparently conflicting demands will have to be reconciled with one another sensibly - conflicting demands such as:

Protection of the established economic interests of investors, landowners, businessmen, professional people and salaried workers against the demand for better living conditions on the part of the less-privileged

Participation by, and protection of minorities from domination, against the demand of a majority - however constituted - for democratically obtained power.

Recognition and accommodation of our diversity of population against the necessity of a single nationhood with a common loyalty.

The need for education linked to language and culture against the necessity of a single educational system.”

The “conflicting demands” referred to by De Klerk reflect clearly the dividing line; the first part reflecting the demands of the white minority;

* Protection of established economic interests of investors, landowners, businessmen, professional people and salaried workers (not the unemployed)
* Participation by, and protection of minorities from domination
* Recognition and accommodation of our diversity of population
* The need for education linked to language and culture;

and the second part reflecting those of the majority;

* The demand for better living conditions on the part of the less privileged
* Democratically obtained power
* The necessity of a single nationhood with a common loyalty
* A single educational system.

How this second part of the demands would not have enjoyed universal support, I do not understand, except that the National Party did not change its mind-set going into the negotiations.

On their part, the white liberal groups, represented by the Democratic Party, did not present a workable alternative for this country either. Speaking at the same opening meeting of CODESA, on behalf of the Democratic Party, its leader, Dr Zac de Beer, after recognising the legacy that all parties carried into the negotiations, said:

“Our task is to write the constitution which will enable those who come after us to be proud citizens of a free South Africa commanding respect in the community of nations. We are deeply conscious that we have to approach this task not writing as it were on a clean slate, but dealing with a society which is the product of centuries of wrong”. Sentiments we can all agree on.

He then proceeded to propose a solution as follows:

“Ultimately, the efforts made have been made by individuals, each following his or her own path to a desired destiny. … We should all believe in the immense creative force of a free human person, and we should all fear the damaging potential of one frustrated in the exercise of personal freedom. … If the liberty of the people is a great good, then it is necessary to do all that can be done to limit and constrain the power of governments to interfere with that liberty”.

Liberalism, bordering on libertarianism at its best. Let everyone be free to vote and all else will follow.

These are the sentiments that the representatives of white privilege carried into the new dispensation in 1994. It came as no surprise then that the National Party withdrew from the Government of National Unity in June 1996, just two years into democratic rule. In the statement announcing the withdrawal, read by FW de Klerk, he said:

“The National Party has, since the inception of the negotiating process, attached the greatest importance to power-sharing. … Now that the ANC has opted for a simple form of majority rule – despite the complexities of our society – we have reached a natural watershed in the transformation of our society. … Although we reached broad agreement on the new constitution, it nonetheless failed to bridge the fundamental differences that exist between us and the ANC/SACP/Cosatu alliance on a number of important questions. These questions include the role of trade unions, abortion and the death penalty; and the unqualified protection of private property”. This was the position of the National Party, two years into our democracy; just over a month after the adoption of our Constitution.

As we know, the National Party went on to merge with the Democratic Party and that marriage produced the Democratic Alliance.

THE ECONOMY

Speaking last year at an event discussing the state of the economy after 20 years of democracy, Minister Rob Davies said:

(In 1994, the economy) “was characterised by an extended period of negative growth rates, falling per capita incomes, ballooning fiscal deficit, double digit inflation rates, negative rates of fixed investment, rising unemployment, low rates of firm-level R&D, declining gold production coupled with a low gold price, and adversarial labour relations at shop-floor level.

At the industrial level concentration was extremely high, with more than 80% of all the Johannesburg Stock Exchange-listed companies owned by just six diversified conglomerates. … Exports were highly concentrated around mining and mineral products, mainly exported to Europe and the United States”.

(Rob Davies : Twenty Year Review discussion; 23 April 2014, Constitution Hill)

A StatsSA report on Poverty trends in South Africa: 2002 to 2011, states:

“In 2006, two-thirds (66,8%) of black Africans were living under the upper-bound poverty line. This proportion remained relatively unchanged in 2009 (66,9%) before declining to 54,0% in 2011 – this reflects a 19% decrease in the level of poverty amongst black Africans from 2006 to 2011…, these levels of poverty were significantly higher than the levels amongst the other population groups. In 2006, two-fifths (41,6%) of coloureds were found to be poor, as were one in eight (13,0%) Indians/Asians and very few (0,6%) whites. Levels of poverty amongst coloureds have progressively decreased to 37,8% in 2009 and 27,6% in 2011, showing an overall decline of 34% during the period”.

Poverty in South Africa has a black face.

One Gugulethu Mhlungu, quoted in the City Press about proceedings at the 2015 Ruth First Memorial lecture held at the University of the Witwatersrand, writes;

“South Africa is fast falling into the trap of only accepting certain forms of black anger as legitimate. Panels, discussions, debates (as if there is a thing to debate about the violence of white supremacy), negotiations with university officials, columns and opinion pieces such as this, round tables, endless talking, endless engagement on master’s terms…”

(City Press online: 23 August 2015)

Later in the same article she says: “And I realise fully that this is harsh, but living one’s politics is not meant to be easy”.

Tonight, being at a University, where, to corrupt Mao Zedong’s saying, a hundred thoughts are allowed to bloom, and celebrating the life of Steve Biko, it is not my wish to ‘fall into the trap of endless debate, talking’ that Gugulethu Mhlungu was referring to.

I am certain that we can have an objective discussion about this very emotional issue. Let it be clear that I do not hate white people. I have very many white friends who will attest to that.

To go back to the admonishment of Cabral, tell no lies. Expose lies whenever they are told.

Black poverty did not just happen. We have related how representatives of white interests went into political negotiations with a view to participating in a power sharing arrangement, not a transfer of power to a black majority.

On assumption of office, the democratic government threw everything it had towards the realisation of “a better life for all”. First off the block was the ruling party’s Reconstruction and Development Programme (RDP). This programme was developed as “an integrated, coherent socio-economic policy framework”. Its five major policy programmes were;

* Meeting basic needs;
* Developing our human resources;
* Building the economy;
* Democratising the state and society; and
* Implementing the RDP.

Next came the Growth, Employment and Redistribution framework (GEAR), which, building on the RDP, was a strategy for rebuilding and restructuring the economy. Some of its core programmes included:

* Tax incentives to stimulate new investment in competitive and labour absorbing projects
* A strengthened levy system to fund training on a scale commensurate with needs
* An appropriately structured flexibility within the collective bargaining system.

Everything that business wanted.

Along the way came the Accelerated and Shared Growth Initiative for South Africa (ASGISA) and the Joint Initiative on Priority Skills Acquisition (JIPSA) meant to remove the binding constraints on growth, again largely in response to business demands.

At the end of all this effort, we still have 94.2% of the poor being black.

WHAT ARE WE MISSING?

First I must acknowledge the fact that some government policies have clearly had a positive impact on the levels of absolute poverty.

However, there have been and continues to be many reasons given for why poverty remains at such high levels. The most referred to by the private sector can be summed up in the words of Peter Bruce, who said;

“But, for crying out loud, an economy is not the sum of every “linkage” our communists friends at the Department of Trade and Industry can count and put in a thick document. An economy is the “sum” of the confidence of the investor in it. No more, no less”. Business Day: (4 September 2015).

The South African Chamber of Commerce and Industry (SACCI) publishes a monthly Business Confidence Index as a measure of the level of business confidence within the South African economy. There are other organisations that also issue reports on business confidence. In August this year, SAACI says the business confidence was at its lowest in 16 years. Among other indicators, these business confidence indices cite factors such as poor economic growth, power outages, high labour costs, public sector corruption, poor state governance, uncertain policy climate, low commodity prices, unpredictable global financial markets, China sneezing, as contributing to the current low business confidence.

We do not have the time to examine these factors in full at this sitting. Allow me to say a few things about some of them.

Commodity prices were not always this low. Did we see a significant dent in poverty levels at the time of the resource boom, when the Chinese economy was growing at double digit figures? Since 1994, power outages happened first periodically in 2008 and have become a bit more regular in the last 3 years or so. This country has been free for 21 years. Again, did we see a significant dent in poverty levels in the first 14/15 years? The same companies invest all over the world. Many parts of the world where these companies have invested have far worse power shortages.

Have the unpredictable global financial markets been any more/less predictable in the last 21 years, with the ebbs and lows that are a constant in these markets, including a few real financial crises in between?

When it comes to the public sector, let me state unequivocally that stealing public finances cannot be justified under any circumstances. To steal from the public purse is to steal from the poor. It is immoral, unethical, inexcusable and a painful insult to the long struggle of our people.

Having said that, white capital must know and accept that there is going to be a majority black government for a long long time in this country. I cannot overemphasise the importance of this. White capital has to come to terms with the fact of a Black government. Building nations is a long term project. Presidents can only be in office for a maximum period of ten years. We expect business to come up with initiatives that go beyond the term of a President.

I fully assume the risk of being labelled an apologist for the government; or of what one Shawn Hagedon, writing in the Business Day newspaper of 04 September this year calls;

“the dominant political party which mixes liberation-era grudges, Marxist-Leninist ideologies, anti(-)western biases and patronage-based loyalties”.

I bear no liberation-era grudges. I have never been a member of the ruling party and have not benefitted from patronage-based loyalties. I am not an economist. I am a village girl who knows that if the rains do not come we will not eat!

Having listened to all the explanations for the poverty that continues to haunt black people, and having noted the mind-set of representatives of white people, I am of the firm view that the main reason we are in this position in South Africa, is that white capital, as young people would say, never came to the party!

Some will ask why I keep referring to white capital. Capital is capital, they will say.

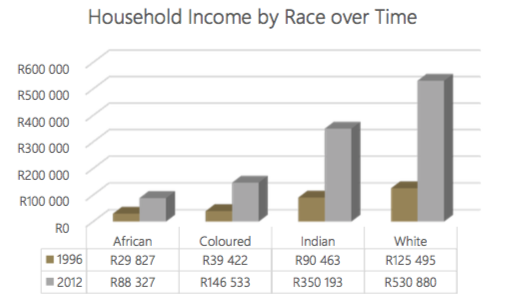
At a meeting in July this year at the University of South Africa, academic and author Kwesi Prah said that when he read the well-known ‘I am an African’ speech by President Thabo Mbeki, he asked himself, ‘what is that Mbeki going on about? Of course he is African!’. He says he then had to remind himself that in the context of South Africa, that speech would be relevant. Kwesi Prah’s words reminded me that while as Africans we have common histories of slavery, colonialism and racism, we should not lose sight of the challenges that we face as South Africans.

The reasons I am talking of white capital are that first, I am talking about South Africa, where the income of white households is about six times that of black households and, according to the National Empowerment Fund, direct black ownership and control of the top 100 companies listed on the Johannesburg Stock Exchange (JSE) stood at 3% as at June 30, 2014. The Black Management Forum, in its 2015 Transformation Barometer, puts black investment, not control, in the top 100 listed companies at 9%. The JSE itself says that as at end 2013, black investors held 10% shares directly, and 13% through mandated investment, such as contributions to pension funds, unit trusts and life policies.

So, we have 3% black ownership and control, 9% black investment, or 10% direct black share investment. On any of those numbers,is capital not in white hands?

The Black Management Forum Transformation Barometer, published on January 5 this year, states the following:

“In the period from 1996 to 2012 the number of South Africans living under the poverty line increased by 1, 6 million people. It is therefore fair to say that whilst political transformation has been won in the country, economic transformation is not progressing as expeditiously.



Source: South Africa Survey, 2013

It is again of great concern that the number of Black, Coloured and Indian people living under the poverty line has increased since 1996 quite significantly, whilst the number of Whites has decreased substantially”.

To come back to the figures I referred to earlier, the size of the economy is almost R4 trillion. Of that R4 trillion, in the financial year ending March 2015 government took R1.09 trillion in revenue. (Total government expenditure was R1.24 trillion, with the balance financed mostly by debt). That leaves just under R3 trillion available for private economic activities, such as building new factories, ramping up production, upskilling employees, paying fair wages. Before I get accused of being a bush economist, I accept that the cost of doing business must also be deducted from that amount,ie production costs, wages, reinvestments, dividends etc. I am positive though, that with the correct mindset, there is much more that we can do.

What are we to do?

The first thing, I believe, is to acknowledge that our future is tied together.

Professor Sampie Terreblanche, addressing the Truth and Reconciliation sitting held in Johannesburg on November 13, 1997 said;

“Mr Chairman … My proposal for a wealth tax has caused quite a roar. … Let us picture for ourselves two groups of South Africans. … On the one hand the … million richest people, mainly White South Africans with their learned tax advisors. On the other hand the poorest 20 million South Africans, mainly Africans, people living in poverty and deprivation. Although the two groups are standing in many ways miles apart their past, their present and especially their future, are structurally closer linked than many business people were prepared to acknowledge this week”.

He said further, in the same sitting:

“The popular opinion that South Africa can grow out of its ugly legacy of Apartheid while the concentration of wealth and economic power mainly in White hands remain more or less unaffected, is nothing but a pipe dream and a dangerous one”.

The day before at the TRC sitting of November12, 1997 in Johannesburg, Johan Rupert, representing the Rembrant Group, said:

“Now, within the private sector, whites were absolutely advantaged at the cost of blacks. … They (Blacks) were not allowed the most basic, which is private land ownership, home ownership. How do you build capital, sir, without having a(n) immovable asset in an area where people will lend against…”

He said also, after giving his views on why the Rembrant Group did not benefit from apartheid:

“Now despite all of the above, did we do enough to fight apartheid? Did we do enough as the BMF have correctly said, to advance black management? No. .. I was fortunate enough to have met the late Steve Biko in the early 1970’s when he was the head of SASO. As an Afrikaner, the immorality of his and other murders, will forever live with me as a permanent reminder, of the cruelty of man to man, has perpetrated during the evil years of apartheid. And I hope and pray that our fellow citizens will forgive us”.

I have certainly forgiven Mr Rupert, but would like to know if he thinks white capital has done enough to reduce the levels of poverty in this country. Does the cruelty that was perpetrated against Steve Biko still live with him?

My attention was drawn recently to an apology by Naspers, made on the occasion of the centenary celebration of the existence of that company. I am using Naspers as an example first because I was intrigued as to why they decided to tender this apology, 21 years into our democracy and after declining the opportunity to come clean before the Truth and Reconciliation Commission, forcing individual journalists to approach the TRC!

I refer to Naspers also because I have been informed that Mr Koos Bekker, who is the Chairman of Naspers, is a very good person. Good people are called that because they have an open mind, are rational and would always seek to do good deeds. I am certain he will appreciate why I used his company as an example.

Naspers was founded in 1915, when JBM Hertzog formed the Nasionale Pers in Stellenbosch, soon after founding the National Party. Mr Koos Bekker started M-Net in 1985, at the height of the mass mobilization campaign against the apartheid regime and took over the reins at Naspers in 1997. He is reported to have declined to take a salary from M-Net. He apparently chose to benefit only from his share options; a laudable decision. As of July 2015, Forbes magazine put his net worth at US$1.97 billion and counting (about R27.5 billion at this week’s average exchange rate). Evidently he took more than just a salary!

The apology says, among others, that:

“We acknowledge complicity in a morally indefensible political regime and the hurtful way in which this played out in our newsrooms and boardrooms,”

“Tonight, we celebrate our successes with pride, and acknowledge our failures with humility”.

It recalls how Conrad Sidego, the first reporter of colour at Die Burger, had to walk a distance to relieve himself because he was not allowed to use the company’s bathrooms. “In that story is recorded decades of suffering and humiliation. And for this reason tonight we offer a formal apology.”

Naspers did not participate in the media hearings of the Truth and Reconciliation Commission in 1997; they only submitted an official document setting out the ‘history’ of Naspers. Perhaps it is a case of better late than never! This year, of the 14 directors of this company, 10 are white males. The lowest paid worker in one of the Naspers companies earns R4332.00 per month, and this is cost to company, not take home pay. I have nothing against entrepreneurship. All I am saying is that if you are a company that was built on the back of an evil system, a system that was dubbed a crime against humanity, when you live in a country where 94.2% of the poor are black, please come to the party.

Also, with the greatest of respect to Naspers, the suggestion that our struggle was about using the same toilets as whites is quite offensive! Our struggle was about the transfer of power from a white minority to a black majority. I am referring here to both political and economic power.

The question remains as to how we are going to ensure that transfer of economic power to the majority?

Leaving it to the ‘trickle down’ approach, preferred by many in the past, is not working. Government policies do not seem to be adequate to lift the majority of our people out of poverty.

On the public sector side, recent initiatives have been introduced, such as the National Development Plan, which, while being a step in the right direction, falls a little short on the actual plan side and its implementation matrix.

A couple of weeks ago, the global consulting firm McKinsey released a report entitled: ‘South Africa’s bold priorities for inclusive growth’. The report, McKinsey says, is aimed at “reigniting the country’s economic progress”, ostensibly because there is a growing pessimism in the business sector because “many worry that the economy is stuck in a low growth trap”. They say the big five opportunities are;

* Advanced manufacturing
* Infrastructure productivity
* Natural gas
* Service exports
* Raw and processed agricultural exports.

The report refers to the need for “forging a true partnersip” between the public and private sectors and uses phrases like ‘changing the dialogue’, and ‘taking bold steps’. It states: “But first, the country will need to embrace some fundamental changes to become more globally competitive”. They say critical among these steps are the need to upskill the workers. But is this not something that the government asked for a long time ago, including through initiatives such as JIPSA and ASGISA, and the introduction of a skills levy fund, which companies pay and promptly ignore?

The report states, further, that: “Tackling such foundational issues will require business and government to come together in a new partnership characterised by shared vision, collaboration, and trust”.

I do not speak for the ruling party, but even with all its shortcomings, I have yet to find a more consistent broad economic policy position than that of the ruling party. If you dispense with the rhetoric, you will find that they have maintained a common thread in their economic policy; even after earning the label of the 96 class project, and even after the current leadership came in brimming fire about a ‘radical transformation’ and a ‘second phase’ of the transition, there has been no fundamental change in their economic policy. 21 years of consistency and certainty! We are told that that is what business needs to thrive? What more do they have to do to earn your trust?

As at the end of 2014, corporate cash balances stood at R1.3 trillion. Why companies would sit on R1.3 trillion I do not understand. The interest one earns on cash in the bank is next to nothing. Imagine the economic growth we can achieve if we could take up the McKinsey report challenge and put the R1.3 trillion into the economy. StatsSA states that, using their upper-bound poverty line, it will take only about R73.7 billion per annum to lift everyone out of poverty. If we just wanted to eliminate food poverty in the country, an estimated R12 billion per annum would be needed. We can do this!

My proposal is simple: white capital, please come to the party. That alone will solve half our problems! Make a genuine, serious, determined, effort to build this country.

In response to your charge that some of us want to blame apartheid forever, I say look around you, at Diepsloot, at Walmer, at Alexandra, at Marikana, to see that apartheid is still with us. As I said earlier, for the foreseeable future, we are going to have a government led by black people. Again as young people would say: Deal with that. And then move on to the serious work of meaningfully building this country.

I repeat, we have all heard the reasons advanced for your reluctance: the global financial markets, confusing government policies, inflexible labour laws, strikes, low commodity prices, and so forth. I can state with no fear of contradiction that some of you have invested in countries where those challenges manifest themselves in a manner worse than in South Africa.

Allow me to end this lecture with a story on how white privilege continues to advantage whites over blacks. A close family member, black, has a daughter who has had a white friend all her life. They both graduated from university, the black one in economics and the white one in the arts. The black one started working in the corporate sector straight after graduating. The white one did not go into any formal employment. Four years later, the white one decided to join the corporate sector to try it out. She was paid an entry salary almost twice the one that of the black friend, who had been working for four years! This black young woman was so outraged. She said to me: “I hate white people”. I said to her, “child, you should not hate white people, but the structures that continue to advantage them”. She asked me, “who is behind those structures?”. I could not respond to that. I went back to the sources, only to find that StatsSA says they assessed the employment levels of young adults in the middle classes over a nine year period, 1998 to 2006, both Black and White. They found that white young adults were almost always more than twice as likely to hold a managerial or professional job as an African.

Friends, comrades and compatriots

We cannot have a country where the majority of the people live below the poverty line, where an informal job reservation system continues, where the average household income of whites is R365 134 and of blacks R60 613; whites earn 6 times more than blacks!

Paradoxically, I am happy that the economy is going through a rough patch currently, because, with the resultant drop in profits, I have heard more calls lately from white capital for a step-change in thinking. I hope that change is not about re-packaging old proposals. Robert Kennedy is quoted as having said that; ‘Progress is a nice word. But change is its motivator. And change has its enemies’.

To go back what Cabral said: “Always bear in mind that the people are not fighting for ideas, for the things in anyone’s head. They are fighting to win material benefits, to live better and in peace…”.

On his part, Steve Biko said:

“We have set out on a quest for true humanity, and somewhere on the distant horizon we can see the glittering prize. Let us march forth with courage and determination, drawing strength from our common plight and our brotherhood. In time we shall be in a position to bestow upon South Africa the greatest gift possible – a more human face”.

38 years after his brutal murder, shall we start seeing the emergence of that more human face?

Revolution is the language of the angry. Let us not get there.

I thank you