



IRR warns the US about the implications of expropriation without compensation in SA

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The Institute of Race Relations (IRR) delivered a report on expropriation without compensation in the United States on Wednesday, claiming the move "is part of an incremental assault on property rights and the free market in South Africa, which the ANC has gradually been intensifying over many years".

In a statement, the IRR says the report is entitled "Empowering the State, Impoverishing the People" and that it warns that "the undermining of property rights in South Africa has serious implications both for American investors in South Africa and for the strategic interests of the United States".

"The release of the report coincides with a presentation to the prestigious Cato Institute in Washington by IRR chief executive Frans Cronje," reads the statement.

The Cato Institute was funded by Charles Koch, the sixth wealthiest man on earth, who along with his brothers, played an instrumental role in the creation of the Tea Party in America – a libertarian, conservative movement within the Republican Party which opposes social spending, such as public healthcare, and wants lower taxes.

The IRR said the report was aimed at "helping Americans understand the likely ramifications if expropriation without compensation is introduced," including strategic interests that go well beyond immediate economic ones.

Their report states that expropriation without compensation "will also betray the constitutional settlement that Nelson Mandela did so much to achieve" and that it will have devastating economic and political consequences for all South Africans.

The report notes that expropriation without compensation "will do nothing to address the inefficiencies, corruption, and other factors responsible for land reform failures to date, and, if anything, will exacerbate these problems".

The IRR follows in the footsteps of local lobby group AfriForum, which also went to the United States to complain about expropriation without compensation.

This, after the National Assembly adopted a motion in February for the review of Section 25 of the Constitution, which deals with property rights.

The motion read that Parliament must "undertake a process of consultation to determine the modalities of the governing party resolution".

The resolution it refers to was taken at the ANC's conference in Johannesburg in December, to allow expropriation of land without compensation, subject to a feasibility study, to ensure that food security and the economy were not threatened.

The deadline for submissions to the Constitutional Review Committee closed on Friday. the committee received more than 700 000 submissions, including those of the IRR.

The next step in the process is public hearings which will take place countrywide and begins next week.