

**ANC NATIONAL CONFERENCE 2017**

**Zuma:  
It's not me,  
it's YOU**

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PHOTO: DELWYN VERASAMY

# ANC National Conference

## #SLICEOFLIFE

### Last time I was in Soweto I was shot

They took my car by the church in Rockville in 1995. In the morning, I was doing a feeding scheme for the poor and, when I finished, I went to the car. I put the key in the door, and the hijackers came.

They didn't even ask for the key. They just shot. Two bullets lodged in my body. One still remains in my spinal cord. I became crippled until, by the grace of God, I was healed.

I'm a Salvationist. You see the church does not go with this politics.

I was ordained in 1986 when I was called by God to serve the poor souls and to win souls for Christ.

The Salvation Army didn't want us in the ANC, so we joined the underground. As ministers, we conducted funeral services for our cadres who had been killed by police. We protected them.

At the church kwaLanga, the soldiers didn't want our members gathering, but I used to hide them. I sat there with the Bible on the table while they met. When the soldiers came in, I would stand and act as if I'm preaching. Then they would go.

I'm disappointed in things now. Some of us didn't manage to be delegates. I wanted to come as a non-voting delegate. I wrote letters to the SG's [secretary general's] office, but they were not answered. They should've told me, then I wouldn't have come. I came in a bus all the way from my home in Mpumalanga.

It's because we want a change that they don't want me there. I am leading the CR17 campaign in Mpumalanga. There's a lot of corruption, so we believe that it's only deputy president comrade Cyril Ramaphosa who can do much better.

When I came to this conference, it's the first time I came back since '95. — Reverend Timothy Maluleka as told to Ra'eesa Pather

Photo: Oupa Nkosi



# The best of Twitter from day one

**#PuppetGuy JHB&CT 2018**  
@chestermissing

Delegates are worried that the counting won't be done in a credible way. This is not a Jacob Zuma joke.

1:17 PM - 16 Dec 2017

27 Retweets 31 Likes

**Ranjeni Munusamy**  
@RanjeniM

"President's keeper" Roy Moodley amongst guests at #ANC54

2:18 PM - 16 Dec 2017

16 Retweets 4 Likes

**BeingBlaq**  
@EsethuHasana

Education 10 years of Zuma in the ANC

750 Newly Built Schools  
3 New universities

Fee Free education from pre-school to matric

Now Fee Free education for Undergraduates

6:08 PM - 16 Dec 2017

22 Retweets 15 Likes

**AFRICA IS A COUNTRY**  
@africasscountry

Asking for a South African friend: Did a combination of #ANN7 'political analysts' and #BLF activists together write the section of Zuma's speech at #ANC54 on South Africa's Parliament as "a zone of entrenchment of colonial privilege"?

5:24 PM - 16 Dec 2017

2 Retweets 1 Like

**Bulelani Phillip**  
@BulelaniPhillip

Lets bet. Baba will not mention the word #Gupta in his speech. #ANC54

4:58 PM - 16 Dec 2017

15 Retweets 11 Likes

**Carol Paton**  
@politicsblabla

I'm quite impressed with the #ANC54 ability so far to negotiate the obstacles including barring the disputes delegates. It's a positive sign that conference will conclude

2:36 PM - 16 Dec 2017

3 Retweets 7 Likes

**#PuppetGuy JHB&CT 2018**  
@chestermissing

ANC conference is due to start at 2pm but word on the ground is Comrade Lunch Buffet is going to appeal.

1:42 PM - 16 Dec 2017

13 Retweets 23 Likes

## ANC National Conference

## JZ's swan song: You're all to blame

In his last speech, President Jacob Zuma denounced everyone but himself for South Africa's fractured state

NEWS ANALYSIS

Paddy Harper &amp; Govan Whittles

**P**resident Jacob Zuma's final address as ANC president was more an exercise in deflection of blame than an honest assessment of the party's performance under his leadership.

And yet, to nearly everyone else there has been no greater divider of the ANC than Zuma himself.

The conference was delayed on Saturday following a special national executive committee (NEC) meeting to deliberate on a trio of court rulings that barred regions from KwaZulu-Natal, Free State and the North West from voting at the conference. The court rulings ought to have been a ringing criticism of Zuma's inability to effectively lead the party, or the state.

The president — who appeared relaxed and confident during his address — doesn't quite see it that way.

Zuma used the political report to the ANC's national elective conference in Nasrec to lash out at his enemies, and to call on the ANC's membership to close ranks. There was plenty of blame going round: according to Zuma, the ANC's alliance partners, the courts, the media and even some of the party's own members must take responsibility for the malaise in which the organisation now finds itself. None of the blame was directed towards himself.

While acknowledging that the ANC was battling with "negative tendencies" that had developed since it took power in 1994, Zuma said these issues needed to be dealt with internally.

Likewise, ANC members who took the party to court, as has recently happened in the run-up to the elective conference, needed to be disciplined in line with the earlier decision that anyone who did so would be expelled.

Zuma also gave his former wife and NEC member Nkosazana Dlamini-Zuma another backhand endorsement in her bid to become ANC president, saying it was "historic" and "progressive" that the ANC had three female candidates for president for the first time. This, he said, was a "milestone" for the ANC.

Zuma also praised the ANC Women's League, which was the first structure to nominate Dlamini-Zuma, for its work in preparing the ground for a woman ANC president.

Addressing the veterans of the party, who have repeatedly called on him to stand down as president, Zuma said it was wrong that they had become "part of the problems of the movement".

He argued they weren't even exactly living up to their mandate, and promised to show them how exactly to be veterans when he retires and joins their ranks.

Describing factionalism as "the biggest threat to the organisation", Zuma said this had caused the emergence of splinter groups which had then become an opposition within the party. This had affected the ANC qualitatively and quantita-



**Guilt-free: President Jacob Zuma blamed slate politics, the judiciary and the media for the difficulties faced by his party and the country generally, but he also managed to endorse NDZ while patting himself on the back for manning a 'progressive' ANC.** Photo: Delwyn Verasamy

tively, and slate politics had "cost us many good and capable comrades in whom our movement has invested significantly".

This could be seen as a jibe at his deputy, Cyril Ramaphosa, who is challenging Dlamini-Zuma for the ANC presidency.

Ahead of the conference, Ramaphosa announced a "slate" of those who were part of his bid for the presidency, including Science and Technology Minister Naledi Pandor as his deputy. The announcement of Ramaphosa's slate drew criticism from party central, in the form of secretary general Gwede Mantashe, as well as from fellow candidate NEC member Lindiwe Sisulu.

Zuma said "ill-discipline" has caused ANC members to take the party to court or to side openly with the opposition. This has also happened in Parliament, and the party needed to look at how to clamp down on this.

He may have been referring to the vote of no confidence against him, taken in Parliament in August, in which about 30 ANC MPs must have voted against him. They had been urged by Zuma opponents to vote with their consciences and not their party loyalty.

"We need to affirm the authority of the organisation over its individual members. There should be consequences for any member who acts

and speaks contrary to the values, principles and political programme of the ANC," Zuma said.

Zuma was also critical of the judiciary, saying that the relationship between the three arms of state "needs scrutiny". Zuma has suffered at the hands of the judiciary, especially recently, when cases he lost or withdrew left him likely to have to pay the costs of the cases personally.

Zuma has been involved in "lawfare", mostly to defend himself against charges of corruption, since the very beginning of his presidency.

Zuma said recent judgments created the impression that the ANC had disregarded the Constitution for "political expediency", and would make it difficult for the ANC to govern in future.

This is a twist on the idea that various judgments essentially accused him of political expediency, especially in the appointment of key figures in government agencies such as the public protector, and one of Zuma's political tricks — turning accusations against him into claims against others.

"We also frown upon the subjection of our internal organisational matters to court processes. ANC members should use internal dispute resolution processes. Judges should not be asked to dictate organisational processes and the direction of the movement," he said.

Various groups in the ANC, especially in the run-up to the conference, have challenged the legality of branch processes and other legal matters.

Zuma also highlighted other challenges the ANC had faced — from the Marikana massacre to the Life Esidimeni tragedy — saying they needed to be prevented from happening again.

Parliamentary oversight, by which Cabinet was held to account, he said, was now being abused by the opposition, aided in some cases by ANC members, who must guard against Parliament being used to entrench colonial and apartheid privilege.

Zuma also defended the performance of the ANC and government under his watch, outlining the party's — and government's — successes over the past 10 years.

The ANC remained in control of eight provinces and several metropolitan councils, he said, but the voting patterns in the 2016 local-government elections were a "stark reminder that our people are not happy with the state of the ANC".

**M**any analysts have seen the ANC's electoral decline as a direct result of Zuma's hold on power. During his tenure as president the economy has stumbled badly, with downgrades given by ratings agencies and a vast fall in investment and the value of the currency.

His firing of the then finance minister Pravin Gordhan in March was seen to have given the struggling economy a further blow. Gordhan's replacement as finance minister, Malusi Gigaba, is not regarded with much respect by business or potential international investors.

Zuma also attacked the media, saying it was an "active participant with vested interests rather than an impartial and fair observer". The media was being mobilised against the ANC at home and internationally and this had intensified in recent months. ANC members were being used by this agenda, he said.

The ANC has taken considerable flak over the past few years for its support of Zuma's presidency in the

wake of various scandals, as well as a judgment that he had violated his constitutional duties.

The attack on the media, too, goes back to his taking of the ANC presidency at Polokwane in 2007, when his supporters argued for a media tribunal to discipline the national media. A "secrecy Bill" pushed by the Zuma administration would also have had a chilling effect on investigative journalism, but it is now in limbo, having been seen by civil society and the opposition as a subversion of constitutional freedoms.

Recently Zuma mocked Democratic Alliance leader Mmusi Maimane for waving Jacques Pauw's book *The President's Keepers: Those Keeping Zuma in Power and out of Prison* in Parliament. Maimane was making the point that Zuma had a well-documented series of cases of corruption to answer for.

The charges relating to the arms deal and Zuma's relationship with Schabir Shaik — who was convicted of corruption — have recently been reinstated after a Constitutional Court judgment.

Zuma concluded with a resounding call for the conference to succeed. "We should emerge from the conference united, as unity is the rock upon which the ANC was founded and unity is what will make the ANC and South Africa succeed."

But the ANC is not united, as the reception to Zuma's speech made clear. His speech received applause from the sections of the hall where the provinces backing Dlamini-Zuma were seated. Those who back Ramaphosa remained silent, only joining in singing with him when he ended his speech with a rendition of his trademark *Inde Lendlela* — sung for the last time as president of the ANC.

**"We also frown upon the subjection of our internal organisational matters to court processes"**

## ANC National Conference

## Zuma ignored treasury, NEC on

Despite guidance from important parties, the president made his own decision on fee-free higher education

Lynley Donnelly, Matuma Letsoalo, Bongekile Macupe & Tebogo Tshwane

**P**resident Jacob Zuma's announcement on fee-free education appears to have gone against the advice of the treasury and without consulting the ruling party's national executive committee (NEC).

Treasury had warned against making an announcement and efforts by Finance Minister Malusi Gigaba to get the president to respect the budgetary process and examine sustainable funding options for higher education came to naught, according to well-placed sources in government.

The presidency released a statement on Saturday detailing a plan to provide free education for poor and working-class first-year students in 2018. The announcement took place on the first morning of the much-anticipated 54th national conference of the ANC currently taking place at Nasrec, Johannesburg.

The announcement has been met with mixed reactions.

The plan is in contrast to the position taken by the Heher Commission of Inquiry into Higher Education, which recommended an income-contingent loan model to fund higher education students, in which loans



**Thanks but no thanks: President Jacob Zuma made a public announcement about funding higher education but did not discuss his decision with the national executive committee.** Photo: The Times/Esa Alexander

would be sourced from commercial banks.

The president and the interministerial committee responsible for the funding of higher education, which included the finance and higher education and training ministers, decided on Wednesday that the best option out of seven would be free higher education for poor and working-class students.

Higher education and training director general Gwebinkundla Qonde told the *Mail & Guardian* that the interministerial task team

had worked out seven scenarios and proposals.

"The president said we need to work out a number of scenarios looking at the question of affordability. We worked and reported to him [the president] that this was too much ... On Wednesday at one o'clock we met the president with our recommendations. The ministers were there [Gigaba and the higher education and training minister, Hlengiwe Mkhize]."

The treasury's position was that it was too premature to make an

announcement, said one of the sources, and despite the concerns that it raised, notably on issues such as affordability, the president went ahead. An NEC member, who spoke to the *M&G* anonymously, said the NEC was also not informed about the president's decision.

"He never said anything during the NEC meeting this week and the special NEC meeting this morning [Saturday]," the member said.

The presidential fiscal committee, which was set up to find ways to return the state's finances to sus-

tainability and which has been at the heart of devising plans to fund free higher education, is also believed to have not been consulted.

Zuma's announcement that, from 2018 poor students would be fully subsidised through government grants rather than loans, came as the ANC's elective conference got underway at Nasrec on Saturday.

The ANC and the presidency did not immediately respond to requests for comment on these issues.

During his political report to the ANC conference, however, Zuma said that the plan would be implemented in a fiscally sustainable manner. He stressed that the introduction of free higher education was policy of the ANC.

"We have to invest in education and we have responded therefore to the Heher Commission this morning, partly because this organisation, in its conferences, had taken a serious decision which needed implementation," Zuma said.

The treasury did not respond to specific questions from the *M&G*. But in a statement it said: "National Treasury notes the announcement by the presidency this morning and is in the process of reviewing the details of the higher education proposals, as well as possible financing options. The proposal will also be considered by the ministers' committee on the budget and the presidential fiscal committee. Any amendments to existing spending and tax proposals will be announced at the time of the 2018 budget."

**M**eanwhile, Universities South Africa (USAf) — the body representing the country's 26 universities — was still waiting for Mkhize to make the formal announcement of the 8% fee increase that they had agreed on in a meeting last week.

On Thursday, USAf released a statement on its meeting with Mkhize and the increase saying they could no longer delay it because institutions had to have made "realistic budgets" by January.

No indication was given by Mkhize of a change in plan.

Qonde told the *M&G* that the announcement by Zuma was a major intervention by government and that it would have a huge impact on the lives of students who come from poor and working-class families.

But universities had not been consulted before Zuma made the announcement, Qonde said.

The director general said the intervention was going to have a huge impact on 90% of South African households.

Mkhize will come up with a "roadmap" on how the intervention will be implemented, Qonde said. He was confident that come January it would be all systems go.

Speaking on the sidelines of a business breakfast shortly after the announcement was made, Gigaba said the country would have to wait for the 2018 budget in February for details on how the plan would be funded.

"We had indicated that we are going to complete our fiscal consolidation programme, the details of which will be announced at the budget, including outlining the ways of funding fee-free higher education in a fiscally sustainable manner," he said. "So we will provide the details at the budget in 2018, we can't provide any details at the moment."

## 'A cheap gimmick, lacking in substance and badly timed'

Most organisations involved in education, professional bodies and political parties are critical of President Jacob Zuma's announcement on fee-free education for certain categories of students.

### #FeesMustFall

#FeesMustFall student leader Fasiha Hassan has taken President Jacob Zuma's announcement with a hint of caution, calling it a "potential victory" for students. Hassan said the timing of the announcement was suspicious and could easily be read as a gimmick in the run-up to the elective conference.

"At this point it's definitely a step in the right direction but if it's a gimmick then it's quite unfortunate, because students will never forgive government for that," said Hassan.

### South African Students Congress

General secretary of the South African Students Congress Lwando Majiza said the sacrifices and struggles of students had finally paid off.

"We welcome this news with jubilation. We had students expelled and being shot at because of this cause. We believe it is the blood of those students that will now ensure the increase of access into higher education," said Majiza.

But he cautioned that the fight was not over — issues such as curriculum reform and student accommodation were still outstanding.

### EFF Student Command

The Economic Freedom Fighters' Student Command's secretary general, Rendani Nematswerani, said although the command welcomed the announcement, they rejected the idea that free education should apply only to the poor and the working class.

"There are a lot of people who are poor in South Africa but can't prove that. There are people who earn more than [R350 000] but support five families," he said.

Nematswerani added that he believed that free education was nothing but an "empty promise" and "rhetoric" by the ANC.

"There's no way they will give free education," he said.

### Democratic Alliance

Belinda Bozzoli, a DA member of Parliament who sits in the portfolio committee on higher education, said in a statement that although the announcement was welcomed, it was nothing but Zuma "playing politics" with the lives of young people.

"The statement is a combination of populist politicking, deceptive language, uncosted proposals and one positively dangerous assertion," said Bozzoli.

"The president waited until the very end of the year so that he could make a splash at the ANC conference ... Such cheap politicking is appalling.

"Unsurprisingly, his statement is full of promises, but lacking actual

implementation details."

### Banking Association of SA

The managing director of the Banking Association of South Africa, Cas Coovadia, criticised the plan as lacking substance and being deliberately vague.

He said that the president clearly lacked any understanding of South Africa's economic predicament.

"Given the lack of economic growth, a growing fiscal deficit, ongoing falls in tax revenues and increasing demands on the fiscus from other pressing social needs, it is not clear how [these] promises will turn into action," he said.

### Universities South Africa (representing 26 universities)

The chairperson of USAf, Professor Ahmed Bawa, told the *Mail & Guardian* that the body welcomed the announcement.

He said a "positive element" was that there was a "clear recognition" that the system is underfunded, adding that the subsidy increase from 0.68% to 1% over five years is a very important move in the direction of a more sustainable higher education system.

Bawa also applauded the announcement that students would receive a fully subsidised package, and not just tuition fees.

But he was concerned that the intervention was directed only at first-year students, and that second- and third-year students might fight to be included in the new system.

Bawa said an 8% increase would remain in place for students who come from families that earn more than R600 000 a year.

### Lesedi Foundation

Khaya Sithole, an accountant and founder of the educational organisation Lesedi Foundation, said the president's plan was incomplete because it addressed only the issue of access and did not detail how this would be sustainable in the long run.

"It means that every single year we are going to have to spend more money to keep these students in the system and retain them.

"The infrastructure question also needs to be addressed because institutions don't have the capacity to absorb these students. And once students access the system, how do we make sure they get out within record time, so that the system doesn't cripple itself?" Sithole asked.

He said the president's grand announcement was opportunistic and unfair to the people who must implement it because there was a sense that there was no consultation.

"The finance minister was busy delivering another speech altogether when the president pressed the send button and released it to the media. You get the sense that he is doing it for his own political gamble." — *Bongekile Macupe, Tebogo Tshwane, Lynley Donnelly & Lisa Steyn*

# higher education



**Higher hopes:** Director general Gwebinkundla Qonde says universities were not consulted before President Jacob Zuma made his decision regarding the plan for higher education in 2018. Photo: Madelene Cronjé

When asked if this will mean a higher budget deficit, Gigaba again said that he could not provide any further details on the announcement, because the budget process is still in motion.

With a R50-billion revenue shortfall expected this year, it is unknown how the uncostered proposal will be paid for.

The treasury has already warned of the extensive cuts that would be required to fund the president's plan, which is estimated to cost in the region of an additional R40-billion. It is unclear how much the move to immediately convert all existing National Student Financial Aid Scheme loans to subsidies will add to the potential costs of the plan.

Last month the *M&G* reported that the treasury had warned in a report

to the presidential fiscal committee, that substantial cuts to the budget would be needed if the plan were to go ahead.

These included cuts to grants and housing, halving the armed forces budget, curbing infrastructure spending and freezing civil servant wage increases. An increase in the value added tax rate is also a possibility, as is the sale of state assets and reducing the number of departments.

The controversy led to the resignation last month of Michael Sachs, the respected head of the department's budget office.

Zuma's higher education plan appears to ignore the recommendations of the Heher commission of inquiry into higher education. It found that free higher education for

all students would be unaffordable and proposed an income-contingent loan programme, hinged on the involvement of the private banking sector.

Zuma's announcement did not outline any funding plans for how government would pay for this proposal.

It also appears to ignore the stern warnings Gigaba made about the state of government's finances in his recent medium-term budget speech. He warned that the revenue shortfall will be R50.8-billion this financial year, rising to R69.3-billion in 2018-2019 and R89.4-billion in 2019-2020. He also warned that servicing debt would swallow an ever-growing portion of government income, rising to 15% in the coming three years. — *additional reporting by Lisa Steyn*

## Zuma's great fees plan is silent on budget

### NSFAS goes from loan to grant

The National Student Financial Aid Scheme (NSFAS) loan system will be converted to a "100% grants effective immediately", President Jacob Zuma announced on Saturday. Students on the NSFAS system are usually required to pay back their loans when they leave university and begin earning an income. But now, in their further years of study, they will instead receive a grant that will be administered by NSFAS.

### Government increases funding to institutions

The government subsidy to post-school education and training institutions will increase from 0.68% to 1% of gross domestic product in the next five years. This solution was also proposed by the fees commission.

### Poor TVET students to receive free education in 2018

"The provision of fully subsidised free education and training will be extended to all current and future poor and working-class

South African students at all public TVET [Technical and Vocational Education and Training] colleges, starting in 2018 and phased in over a period of five years," the president said.

These students will be funded through grants, and TVET colleges will also receive further support from government to hasten development and improve the quality of education.

### No fee increment for poor students at public universities

Public university students who live in households that earn less than R600 000 a year will be exempt from a fee increment in 2018.

"This policy intervention will enable government to extend fully subsidised free higher education to youth from well over 90% of South African households.

"Duly, from 2018 onwards, eligible South African children of the unemployed, social grant recipients, South Africans earning below a minimum wage, domestic workers, farmworkers, mineworkers and entry level civil servants ...

will now access public universities and TVET colleges for free through grants provided by their government," the president said.

### Historic debt to be discussed

The higher education minister will be responsible for dealing with debt accumulated through NSFAS loans after a due diligence report has been completed by the higher education ministry, planning, monitoring and evaluation department and treasury to work out the extent of funding needed.

### Student accommodation to be prioritised

Accommodation at historically disadvantaged universities will be addressed "urgently".

Zuma also said government would investigate the viability of online and blended learning in South Africa and work on ways to help post-school institutions transform.

But for all of this, the president has yet to say how government plans to produce an estimated R13-billion to fund this policy from the budget. — *Ra'eesa Pather*

## No fee varsities may cripple healthcare

Laura Lopez Gonzalez

President Jacob Zuma's decision to institute free tertiary education could leave South Africans with an uncomfortable choice: better education or better healthcare.

Those starting university in 2018 will be the first to benefit from free tertiary education.

The move is expected to cost the government at least R35-billion in currently unbudgeted-for expenditure, according to projections made by youth development organisation the Thusanani Foundation in a submission to the Heher Commission into the Feasibility of Fee-Free Higher Education and Training.

Although analysts have welcomed the move to increase access to further education, they warn that South Africans will face tough trade-offs to find the money to fund it. One of these trade-offs may be the quest for better and more equitable healthcare under the National Health Insurance (NHI).

Over the next three years, the country's health budget will grow a mere 1.7% when adjusted for inflation, revealed an analysis of the medium-term budget policy statement by the Rural Health Advocacy Project (RHAP). Already, only about 35% of provincial health budgets are dedicated to service delivery because two-thirds of budgets go to pay salaries, found a 2016 report by the non-governmental organisation.

"The bottom line is that we don't have the money to pay for our current spending with the budget that we have. That's why transforming the way we fund healthcare is necessary," warns RHAP health systems and policy manager Russell Rensburg.

Under the NHI, healthcare funding would change to allow the government to pool private and public funding to become the single largest buyer of healthcare services. By doing this, Health Minister Aaron Motsoaledi says the government will be able to more equitably distribute healthcare funding among citizens and, for instance, negotiate better deals through buying larger quantities of commodities such as medicine.

But South Africa will have to almost double public healthcare

spending by 2025 to bring the NHI to life, says a July white paper.

The introduction of free higher education may make it even more difficult to do this.

"There is a good chance that the NHI would be put on the back burner because of the lack of funds available," warns Daniel McLaren, budget analyst for public litigation organisation Section27.

"No one disagrees that this [free tertiary education] is a policy priority. The question is, is this being thought through and implemented in the right way?" he asked.

The National Education Health and Allied Workers Union has welcomed Zuma's announcement, which spokesperson Khaya Xaba described as "unexpected", but said it hoped the move would not compromise the government's commitment to the NHI.

If the move to free higher education does bode poorly for the NHI, it's the latest setback for the move to universal healthcare this year. In October, Finance Minister Malusi Gigaba hinted that R20-billion in cuts to medical aid tax benefits that were slated to fund the NHI were unlikely to materialise, after the treasury found that it would hurt low-income earners, according to the medium-term budget.

In place of the R20-billion in potential NHI funding, the treasury offered about R700-million, says RHAP's Rensburg. In its latest budget speech, the treasury also flagged the NHI as one of several government ambitions, alongside higher education reforms, that would have to "be revisited" because of their high cost and the country's poor economic growth.

The University of Johannesburg's senior lecturer in economics Sean Muller says that some of the easiest cuts to free up resources for higher education may remain unpalatable to some.

"They are going to have to make cuts to other expenditure, and there may be resistance to cutting some 'fat' — extra ministries, ministerial perks. [Government] may feel it's easier going to look at social grants or health or even infrastructure spending ... because you only see the effects of those cuts five years down the line."



**Elated:** ANC supporters welcome the news that higher education will be free for some but it may eat into the health budget. Photo: Oupa Nkosi

# 'False affidavit' spiked Phosa's case

After claiming that Mpumalanga branch general meetings were fixed, the presidential hopeful had to withdraw his court bid

Govan Whittles

**M**athews Phosa withdrew his court bid to nullify Mpumalanga branch general meetings (BGMs) that nominated "unity" because his campaign manager submitted a false affidavit to court, the *Mail & Guardian* has been told.

Phosa's claims that the meetings were manipulated to prevent him from being nominated were based on claims by his campaign manager Ronnie Malomane.

The explosive revelation was made by the chairperson of the Mpumalanga branch dispute adjudication committee, Billy Masetlha, who met Malomane to discuss his allegations against the Mpumalanga branch leaders.

"In the vast majority of the wards within the province, members of the

ANC were not provided with adequate notice of an upcoming BGM, nor were some members invited to attend," Malomane argued in papers submitted to the high court in Johannesburg. "In many cases, notice was only provided to members [one] or [two] days prior to the BGM."

The affidavit with Malomane's claims was submitted to the court on December 8 in an urgent application to nullify the 223 branches that nominated "unity" as a candidate, and was withdrawn on December 10 by advocate Dali Mpofu, who said the matter was settled out of court.

Masetlha said that, when pressed to explain the manipulation of branch general meetings and the systematic exclusion of Phosa, Malomane was unable to provide evidence. And that, when confronted, Malomane changed his story.

"We have dealt with the disputes thoroughly. Mathews tried to come



**Snubbed:** Mathews Phosa was upstaged by ANC presidential frontrunners Nkosazana Dlamini-Zuma and Cyril Ramaphosa in Mpumalanga, after being confident of securing a major nomination. Photo: Delwyn Verasamy

with a huge story but they misled him. His story doesn't exist," Masetlha told the *Mail & Guardian*. "I asked the campaign manager and he said his own branch was fine, it was others that had a problem.

"The campaign manager is a liar. I told him, don't take chances. They faked one of the affidavits — we discovered it on Monday. In Mpumalanga, we adjudicated the disputes and some held BGMs again while others were disqualified," Masetlha said.

At the time of going to print, Malome had not responded to a request for comment.

Malomane was in charge of Phosa's campaign to be elected president of the party at its national conference at Nasrec this weekend.

Despite crisscrossing the country to meet branches and churches and address memorial services, Phosa failed to secure a majority nomination for the position of president from any of the provinces or leagues.

He also did not secure a majority nomination for any of the top six positions, and will now contest to be elected to the national executive committee.

Phosa also claimed that he would

secure a third of the support from the province's 800 delegates.

He was upstaged at the provincial general council in Mpumalanga, where ANC MP Nkosazana Dlamini-Zuma and ANC deputy president Cyril Ramaphosa were nominated to take over from ANC president Jacob Zuma.

Mpumalanga chairperson David Mabuza received the most nominations for the position of deputy president. But the most popular candidate in Mpumalanga appeared to be "unity".

It's not clear who these branches will back in the elective election.

## Media turnout at conference is biggest the party has ever seen

Dineo Bendile

The first media briefing of the ANC's 54th national conference saw secretary general Gwede Mantashe swallowed in a sea of cameras and reporters with notebooks and recording devices.

The media briefing room at the Nasrec expo centre in Johannesburg, where the conference is being held, was filled with journalists who came from various parts of the world to witness what has been dubbed the ANC's most contested elective conference ever.

Despite the two large speakers in the room, Mantashe's voice was barely audible over the heads of journalists who represented just a fraction of the 1200 attending the conference.

"This is the biggest turnout we've ever had, it's bigger than the [football] World Cup," said ANC communications manager Khusela Sangoni.

For journalists, just being on the Nasrec premises is a privilege, considering the tight accreditation process that preceded the event.

And among the 1200 who have been finally accredited, not all are equal.

Only 200 have been bestowed with the privilege of possessing the pink "plenary" tag that allows entry into the main hall where the official addresses will be delivered.

For some media personnel the journey to being accredited has involved rejection, bargaining, pleading, begging and the eventual acceptance of whatever decision was given.

According to Sangoni, the party received nearly 4000 media applications from journalists wanting to attend the conference.



**Jammed:** The number of journalists who attended the national elective conference threatened to rival that of the delegates. Photo Delwyn Verasamy

But, with the number of reporters threatening to equal the number of ANC delegates attending the conference, Sangoni and her team were forced to slash the list of applicants by more than half.

Sangoni said first preference was given to local media and, despite initial concerns from some com-

munity media outlets that they may be sidelined, smaller media houses were also represented.

"We tried as much as we could to have a balance. We operated on an 80-20 principle — 80% being our South African media and 20% being international media," Sangoni said.

"And within that 80% we tried our best to accommodate everyone. Unfortunately there were some people who applied who did not have any media house that they belonged to, but we really tried our best," she added.

Those who have survived the road to being accredited now have

a poorly-ventilated media lounge, slow wi-fi and access restricted by wire fences to look forward to for the next four days.

Still, these misgivings will be tolerated in the quest to witness the end of president Jacob Zuma's term and the election of a new ANC leader.

## ANC National Conference

## Dube barred from #ANC54

The man who got the KZN provincial executive committee disqualified has suffered the same fate

Paddy Harper

**T**he Vryheid ANC councillor behind the court case that unseated the KwaZulu-Natal provincial executive committee (PEC) has been barred from the party's national elective conference at Nasrec after his branch was disqualified.

Lawrence Dube, the Vryheid-based optometrist who led the court challenge to the 2015 election of the PEC, led by current chairperson Sihle Zikalala, was finally disqualified after the appeal against the nullification of his branch's general meeting last month failed on Saturday afternoon.

In addition to Dube's branch, Ward 8, Vryheid, the Ward 4, Ulundi, branch also failed in its appeal. ANC secretary general Gwede Mantashe met the delegation from the ANC's Abaqulusi region at the University of Johannesburg, where the branches were being registered and the last appeals heard.

The region, which is backing deputy president Cyril Ramaphosa for the ANC presidency, now has 38 delegates at the conference instead of 40.

Dube and other supporters of former ANC KwaZulu-Natal chairperson Senzo Mchunu went to the high court in Pietermaritzburg last year, claiming the conference had been rigged. They succeeded on the basis that the province had failed to



Persona non grata: ANC councillor Lawrence Dube could not get accreditation to attend the national elective conference. Photo: Rogan Ward

meet the criteria to hold the elective meeting and won a judgment setting aside the conference result and decision.

The PEC appealed but failed in a bid to stop Dube and his colleagues from securing an order enforcing the judgment.

As a result of the order, the 27 KwaZulu-Natal PEC members have been stripped of their voting powers at the conference. Only those PEC members who are branch delegates

— with Zikalala among them — are attending as voting delegates.

Dube said that, despite his branch holding a successful branch general meeting (BGM) and nominating him as its number one delegate, the result was nullified by the province.

"We have been kept out through a scheme concocted by the PEC and the REC [regional executive committee] deployee, who ensured that the BGM was nullified. Most of the branches in the province which sup-

port Cyril Ramaphosa are being destabilised in one way or another," he said.

"We met with the secretary general and, at this stage, it seems they have succeeded in keeping me out," Dube told the *Mail & Guardian*. "For now, it is water under the bridge. My comrades who are in there will articulate our position and do what we set out to do. There is nothing that can be done at this stage. I am not going to cry about it."

Dube said that after the conference ended, they would ensure that the order, which effectively evicts the PEC from the Pixley ka Seme House offices in Durban, is implemented.

"When we get back to Durban we will be making sure that the order is enforced and that they leave Pixley ka Seme," he said.

"They are not legitimate and will have to vacate the office while a provincial task team takes over."

## Gigaba: Eskom is still biggest risk to economy

Lisa Steyn

The threat posed by Eskom to the economy was the biggest concern for speakers at a breakfast meeting of the ANC's Progressive Business Forum on Saturday.

Speaking at the briefing, held on the sidelines of the ruling party's 54th national conference at Nasrec, Minister of Finance Malusi Gigaba said Eskom posed the largest risk to the fiscus. "If people are complaining about South African Airways [which has been in financial straits for years], Eskom is the biggest risk, and [a] potentially heavier risk and drain on the fiscus than SAA could ever be. One hundred fold."

Colin Coleman, managing partner and director at investment banking firm Goldman Sachs, told the audience that Eskom was clearly "the biggest issue in the state-owned entities realm to fix".

The finance minister said he anticipated further problems at Eskom following the tariff decision taken by the National Energy Regulator of South Africa. On Friday the regulator granted the utility a tariff increase of just 5.23%. Eskom had applied for an increase of 19.9%.

"I support the decision," said Gigaba. "There is no way we can give them a 20% increase in an environment of low demand and slow growth."

He said Eskom was not financially

sustainable at the moment and care needed to be given to this fact as well as to the governance of the entity.

But problems with governance appear likely to continue. The new board, recently announced by Public Enterprises Minister Lynne Brown, disappointed in that only two new appointments were made. And suspended executive Matshela Koko may soon be back in his job after the utility's disciplinary hearing failed to prove any wrongdoing against him.

Government can manage Eskom better than it has done, Gigaba admitted.

The finance minister also alluded to speculation that South Africa was close to seeking a bailout from the International Monetary Fund. He stressed that a sustainable fiscal framework is important for the country's autonomy so that it would not be dictated to by international lenders. "We must defend our fiscal sovereignty," he said.

Richard Wainwright, incoming Investec chief executive, warned: "If Eskom defaults, South African banks will not be able to bail it out."

Gigaba said: "We all know what we have to do at Eskom," noting it was imperative to restore confidence. The minister said treasury planned to introduce a new government guarantee framework next year so that guarantees could not be used as a "perverse incentive".

Coleman said by getting the



Resolution: Finance Minister Malusi Gigaba said governance at the power utility had to improve, and that a loan from the International Monetary Fund should be avoided. Photo: Delwyn Verasamy

basics right, with proper collaboration and performance, South Africa could achieve the 5% targeted in the national development plan. "Everyone will feel better over a growing cake than fighting over a pie that is shrinking," Coleman said.

At the briefing, Gigaba emphasised that radical economic transformation is relevant as a stepping stone toward inclusive growth. "Growth without transformation is unjust ... transformation without growth is self-defeating."

He noted that "business confidence

is the cheapest form of economic stimulus" and so there was a need to resolve policy uncertainty.

Gigaba said the state needs to fully investigate allegations of state capture and corruption so that citizens can trust government. Similarly, the Steinhoff saga must receive as much scrutiny as instances of public corruption and action must be decisive to restore confidence.

Also speaking at the breakfast briefing, ANC treasurer general Zweli Mkhize said the elections taking place at the ANC national conference were not the be-all and end-all.

"As those elected, the most important thing is what they will be doing." It was important, he said, to find ways to transform the economy and accelerate growth.

Gigaba said whoever is elected, he was confident the country and the movement would be in good hands.

"I would like to encourage the incoming leadership to speedily implement resolutions adopted at the conference," he said.

"Our people are hungry for change ... all eyes are on the ANC. The country is looking to us for leadership, we dare not disappoint them."

## ANC National Conference

# Sorting the saviours from the sheep

The Mail & Guardian continues its satirical guest writer series, where different ANC national conference delegates and visitors describe their experiences. In the first instalment, would-be tenderpreneur **Apollo Mabuza** gives us his first impressions

**O**nly the lonely," Roy Orbison warbled, "Know the heart-aches I've been through/ Only the lonely/ Know I cry and cry for you."

An apt soundtrack for the ANC presidential gala dinner on the eve of the party's national elective conference, where there appeared to be plenty of lonely souls — or, at least, people looking to snuggle up to a blessing and a pillow of cash for the night.

Middle-aged businessmen, several ANC veterans and, sadly, just a smattering of young ladies looking to be interviewed for a position to assist me personally.

Overall, very few successful pairings.

Nobody wanted to network with Basic Education Deputy Minister Enver Surty. Despite paying tens of thousands of rands for the flesh-pumping privilege, the businessmen at his table steered well clear, leaving empty chairs on either side of him.

Jacob Zuma's businessman bae Vivian Reddy, who was sitting at a half-empty table for 10 people when the starters were served, was down to a single dining companion by the time the steak main course arrived. Perhaps they thought they'd landed at the wrong table: Reddy's hands did have the white-gloved look of the swish waiters. Building malls on children's sports fields is about as revolting as farting in the voting booths at ANC conferences, apparently.

But I'm not sure; I don't know ANC precedent or protocol, because this is my first conference. I'm only here because my business colleagues assure me that President Jacob Zuma is the most accommodating leader the country has ever had. Even if you rock up at Nkandla with a banky of 20 cent coins, he'll sort you out with something, they say — and they don't mean rat poison from the presidential spaza shop in Nkandla.

This is reassuring, because I haven't had two R200 bills to start a fire with since that Eskom loan to provide the parastatal with below-grade coal went up in smoke.



**Reddy, steady, action: President Jacob Zuma's pal, Vivian Reddy, speaks his mind to an e.tv crew (top) and ANC deputy president Cyril Ramaphosa (above) meets with well-wishers at the ANC presidential gala dinner on Friday night.** Photos: Delwyn Verasamy

So I was emboldened when Zuma made it clear that the ANC was up for sale at any price: "I always joke that investing in the ANC is always rewarded with blessings upon blessings, because you do something wonderful to support this organisation. It is one of a few of its kind," he said.

Zuma is inspirational; he has made it clear that the days of principled leadership like Albert Luthuli and OR Tambo are well and truly over.

"The ANC as a living thing cannot be like an angel, because it is living," he emphasised.

But of course, any devilish behaviour, including looting the state and state-owned enterprises, is only done for the benefit of the country: "The ANC works and it loves our people," said Zuma. "It is those who do something who at times commit mistakes. If you do nothing then you commit no mistakes."

Apparently "it is worse if you are like the ANC, which is in a hurry to solve the problems of the country and therefore we might have a lot of shortcomings. But bear in mind that it's all done in the good spirit to try and quicken the process of solving our problems. So, if we do the wrong thing to you one day, bear with us, forgive us, because it was all in the good spirit to try to address the problems of this country," said Zuma.

None of the "mistakes" — including spending R250-million on his personal residence in Nkandla, breaking his oath of office or selling off state assets to vulture capitalist cronies such as the Guptas — is anything more than an attempt by the president to create a more equal and just society.

This is a bit concerning. I like my capitalism upfront and uncluttered by pseudo-revolutionary rhetoric. Even if it is just the president talking left and driving South Africa off its ever shorter runway from his Emirates First Class seat.

**M**y first impressions of the ANC national conference are suitably confusing. I thought ANC secretary general Gwede Mantashe was supposed to be as immovable as the Amathole mountains. Instead the ANC's "chief executive" scurried across the Nasrec floor faster than a Gupta crony packing for the desert when summoned by someone who may or not have been the Chinese ambassador.

But we all need friends, I suppose. Especially the president. Despite his best efforts to sound jocular he appeared a little bereft of someone to give him a cuddle. Perhaps it was because he was hanging out with Sdumo Dlamini, president of Cosatu, who must feel like an only child with halitosis in the trade union federation at the moment.

Zuma's other dinner guest was Patrice Motsepe, the moneybags owner of Sundowns who also happens to be the brother-in-law of Cyril Ramaphosa — Zuma's deputy president and most obvious threat to the familial succession plan Nxamalala has lined up.

He must have been feeling Orbison's *Only the Lonely*, described by the *New York Times* in 1960 as possessing "a clenched and driven urgency". The president, too, made a hurried mid-dinner dash for the loo, with a manservant tagging behind, black briefcase in hand. Exactly what kind of deposit was going to be made has yet to be confirmed.

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