

SPECIAL EDITION

ANC NATIONAL CONFERENCE 2017

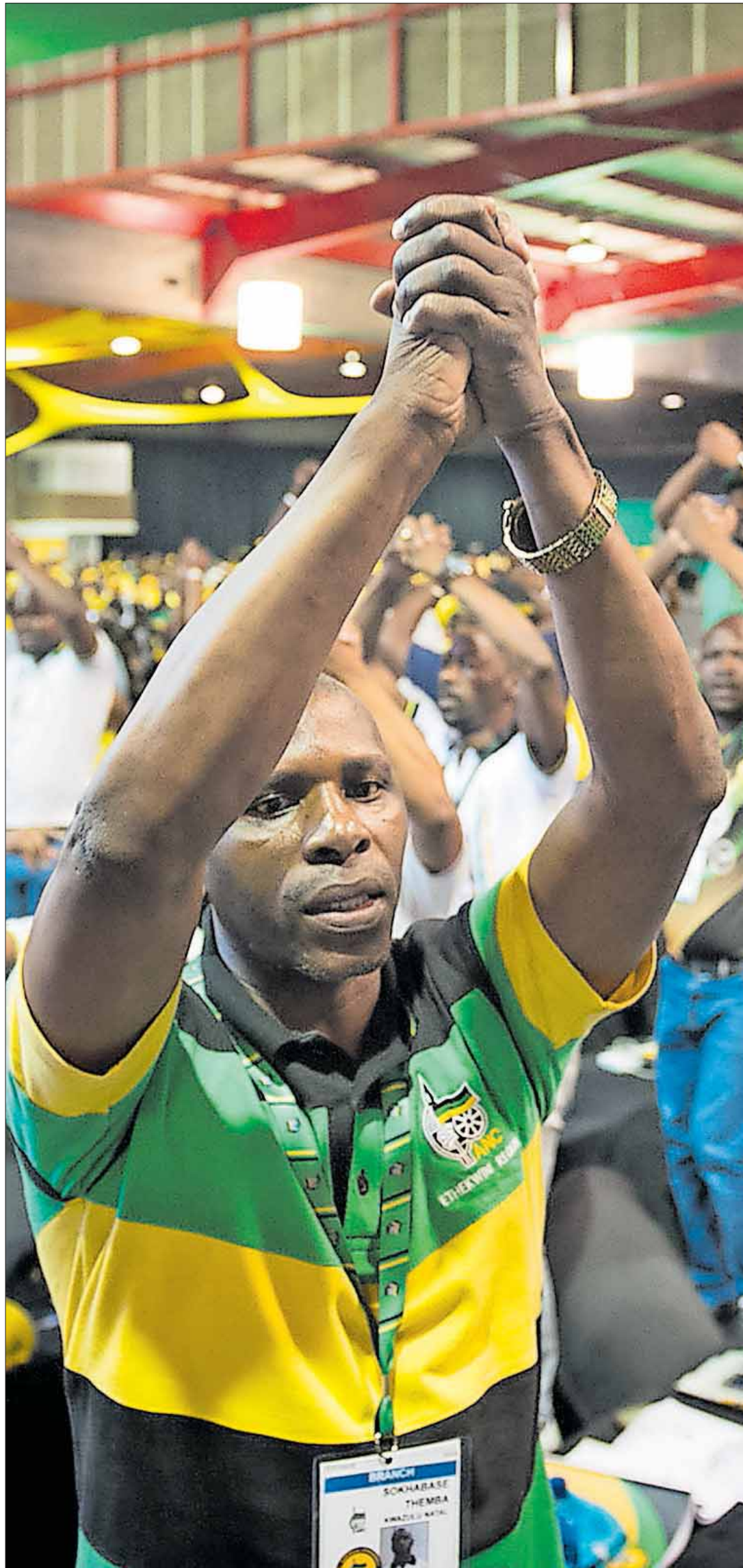


PHOTO: DELWYN VERASAMY

Unity? What unity? Slate politics rule

ANC National Conference

#SLICEOFLIFE

A break in poverty's circle

I sell ox livers and hearts at home in Dobsonville. I learned to cook from the streets. I went to the spice shop and asked for the best mix so I could sell more of my product.

Liver isn't like chops or any other meat; it's very sensitive. At first, I made some mistakes, but you improve with mistakes. There was a recipe I was using before but it wasn't good and my customers didn't like it. Then I changed the kinds of spices I was using. Now they love it.

When I was little, we used to go on Sundays and buy liver. My mother used to cook it, but my wife, she's the best cook, because she has a passion for it. My wife encouraged me to start this catering business.

We met at a birthday party; she was turning 21. Her charisma and her sense of humour stood out for me. I didn't ask her out. She just became my friend, and we started talking to one another. My wife is my treasure.

I have a son and two daughters. My son is in the art business. He wrote a book of poetry. I have a copy of it in the car. He's into poetry, music, rap, all sorts of things. My older daughter is going into grade 12 next year.

When I heard that Jacob Zuma had announced free education, I felt at least something is coming because my wife, she is the only one who is working. She does administration but it doesn't pay much money. Free education would go a long way for us. If my children can study further — that circle of poverty? — they'll break it. — *Xolani Mantshongo, as told to Laura Lopéz González*

Photo: Delwyn Verasamy



The best of Twitter from day two

Ranjeni Munusamy @RanjeniM
 My biggest fear is no longer being hit by a flying chair but that 1000 journalists in a confined space for a week will start mating to pass the time 🐼
 #ANC54
 9:03 AM - 17 Dec 2017
 67 Retweets 209 Likes

Benjamin Glyn Fogel @BenjaminFogel
 Zuma speaks of Marikana as if he was some sort of neutral commentator not the head of the government responsible for the massacre.
 1:17 PM - 16 Dec 2017
 202 Retweets 342 Likes

#PuppetGuy JHB&CT 2018 @chestermissing
 Jesse Duarte says there's nothing dodgy going on behind the scenes. That Jesse Duarte is too short to actually see what's behind the scenes never gets mentioned.
 7:57 AM - 17 Dec 2017
 57 Retweets 168 Likes

Dali Mpofo @AdvDali_Mpofo
 Dear Delegates,
 Please DON'T kill each other for nothing... NEITHER Ramaphosa nor Dlamini-Zuma will be voted President of RSA come 2019!
 7:58 AM - 17 Dec 2017
 322 Retweets 767 Likes

Nonceba Mhlauli @NoncebaMhlauli - 4h
 Cde Maharaj said I should caption this picture "The Has-Beens"


Sixo @SixoGcilshe
 White monopoly capital wants Ramaphosa to win. The Black and corrupt wish for NDZ to win. For the poor... Well, it won't make a difference anyway. CR killed them in Marikana and NDZ people abandoned them for the Gupta's and a chosen few.#ANC54
 4:16 AM - 17 Dec 2017
 288 Retweets 350 Likes

vuyo mvoko @vuyo_mvoko
 Zehlisele i stress Thangane uzibukelele u ANN7. Uzoyifumana yonke i "content" ke pha & zero "negativity". Yeva ke boy boy (as yo father wud say)
 Mayihlome @MTshwete
 Vuyo Mvoko is passionate on negativity and shy on content in his Zuma analysis ...everywhere else he is great
 8:54 AM - 17 Dec 2017
 288 Retweets 411 Likes

Lester Kiewit @lesterk
 ANC 54 has infiltrated my subconscious. I dreamt Jesse Duarte bought me a Creme Soda.
 Day 2: touch, let's go.
 1:41 AM - 17 Dec 2017
 22 Retweets 183 Likes

Ryan Cummings @Pal_Sec_Analyst
 Sobering thought: in the next few hours, 4776 people (or 0.00008% of the population) will decide the future of 55 million South Africans. Lets hope they choose wisely....
 7:26 AM - 17 Dec 2017
 122 Retweets 156 Likes

ANC National Conference

Unity? No, its divisive slate politics

Zweli Mkhize said he declined nomination for the sake of unity, but he has apparently made deals with both presidential candidates

Paddy Harper, Govan Whittles,
Niren Tolsi & Matuma Letsoalo

ANC treasurer general Zweli Mkhize's shock withdrawal from the party's leadership race on Sunday is seen to be a calculated move to boost the hopes of the slate headed by Nkosazana Dlamini-Zuma to take control of the party.

It is expected that some of Mkhize's supporters, specifically those from KwaZulu-Natal, will now throw their weight behind her campaign.

As Dlamini-Zuma and Cyril Ramaphosa officially confirmed their acceptance of nomination as president of the party, Mkhize took to the stage to announce his withdrawal from the three-way race for the position of deputy president.

Mpumalanga chairperson David Mabuza and national executive committee (NEC) member Lindiwe Sisulu are left to contest the post.

NEC member Naledi Pandor had earlier declined nomination for deputy president in a move seen to strengthen Sisulu's bid.

The *Mail & Guardian* has established that Mkhize — who has been insisting on unity in the party — recently met the KwaZulu-Natal provincial executive committee (declared null and void by the court) and President Jacob Zuma after he came under fire from Dlamini-Zuma's supporters at the province's general council meeting last month.

Mkhize, who at that stage was still contesting the presidency, was called an opportunist by ousted KwaZulu-Natal chairperson Sihle Zikalala and heckled by delegates. Mkhize apparently approached Zuma to complain about the treatment he received and at a subsequent meeting an agreement was secured for him to back Dlamini-Zuma.

It is understood that the initial agreement was that he would stand as national chairperson on the Dlamini-Zuma slate, but he was then dropped in favour of Nathi Mthethwa. It is unclear whether Mkhize had agreed to be dropped.

Mkhize has been offered a position



U-turn: Outgoing ANC treasurer Zweli Mkhize (below) was heckled by delegates when he told the ANC national conference that he was withdrawing from the leadership race. Photos: Oupa Nkosi & Delwyn Verasamy



on the Dlamini-Zuma slate for the additional 80 NEC seats.

Mkhize's campaigners declined to comment but a source close to him denied that he had reached an agreement with the Dlamini-Zuma faction.

In earlier protracted negotiations

with the Ramaphosa camp, Mkhize had been offered the position of finance minister.

NEC member Nomvula Mokonyane declined nomination as treasurer, clearing the way for International Relations Minister Maite Nkoana-Mashabane, who will

stand on the Dlamini-Zuma slate against ANC Gauteng chairperson Paul Mashatile.

Two candidates, Febe Potgieter-Gqubule and Vuyiswa Tulelo, declined nomination as deputy secretary general. The post will be contested by the incumbent, Jesse Duarte, who is on the Dlamini-Zuma slate, and labour federation Cosatu second deputy president Zingisa Losi.

The secretary general's post will be contested by ousted Free State chairperson Ace Magashule and former KwaZulu-Natal chairperson Senzo Mchunu, who is part of the Ramaphosa slate.

Addressing the conference plenary session at which the nominations were made, Mkhize said he had decided to withdraw in a bid to prevent further tensions in the party.

"I have engaged with a number of comrades who want to contribute towards unity of the ANC. I withdraw nomination as deputy president," he said.

The 4776 voting delegates cast their votes for the top six officials on Sunday night, with a result expected by Monday morning. Voting for the additional 80 NEC members will take place later on Monday.

Voting procedure was hotly debated by delegates in the main plenary, with disagreements over the electoral commission's refusal to allow them to enter the voting booth with a list of their preferred candidates.

The KwaZulu-Natal delegation vociferously made their presence felt on the nomination floor by shouting down the ANC's electoral commission on voting regulations that they disagreed with or when things were not going their way — as did delegates for Ramaphosa and Dlamini-Zuma.

The electoral commission is appointed by the ANC from among its veterans. The commission's chairperson, Sindiso Mfenyana, said their decision on how to conduct voting was inspired by the ANC's commitment to do away with slates and strengthen the organisation at branch level.

The proposal was rejected by branches from KwaZulu-Natal, North West and Mpumalanga, which said it would be impossible to remember the names of 80 additional members of the NEC, thus a list of names was required.

It was clear that provinces were doggedly fighting for anything that would help their factions get ahead in the battles for delegates' opinions and perceptions. The conference hall in Nasrec was a cauldron of sweat and heated emotions. People were shouted down, others rose in song.

At some point the electoral commission's Mfenyana was heckled by a KwaZulu-Natal delegate: "Can you remove that man? That man must go! That man must go!"

Whenever provinces supporting Dlamini-Zuma's slate won a point, they would celebrate by rising, pointing to their watches and pointing their palms up in the air with the song: "Phakama Nkosazana, ixesha lisondele! Unity! Unity Maqabana [Stand up Nkosazana, your time has come! Unity! Unity Comrades]".

A decision on carrying a list of candidate names into the voting booth was deferred until after the election of the ANC's top six officials, following an intervention by Pandor.

But outgoing secretary general Gwede Mantashe told the conference that the ANC constitution empowered the electoral commission to determine the rules of voting and what is allowed in the voting booth.

Pointing to section 14.1.1 of the ANC Constitution, and perhaps the intellectualism of some ANC members, Mantashe chided: "This, I think, is where we are refusing to read."

His remarks were quickly countered by NEC member Tony Yengeni, who said the conference was the highest decision-making body of the ANC and could ignore the electoral commission's proposals.

"There is no election commission or anyone for that matter that can make us follow a rule. If conference does not like it, we don't have to follow the rule," Yengeni said.

The other battle is over whether delegates will be required to provide an identity document and their delegate tag before voting, to ensure bogus delegates do not corrupt the outcome.

By the end of the nominations process, most delegates had agreed that identity documents were necessary during voting.

No changes to the party's top structure

Delegates did not want to elevate individuals instead of strengthening the organisation — that is why they voted against a proposal to create two ANC deputy president positions, said the ANC's Northern Cape chairperson Zamani Saul.

The conference decided that the party's national leadership structure should remain the same, following a debate on proposed constitutional amendments on Sunday.

"The argument was that the current structure is correct. The issue is not about the structure but the personalities — the people who get selected into those positions. The argument was [that] you need to expand the position to strengthen

the management of the ANC. The counterargument was that it is not necessary and we should find other ways of strengthening the organisation," Saul told the *Mail & Guardian*.

Three independent sources confirmed that the amendments were rejected, and that the conference decided to keep the national executive committee at 80 members.

The proposal to include two deputies in the presidency was meant to accommodate opposing slates in the succession race, while another proposal to create two deputy secretary general positions was meant to improve oversight and election planning at the ANC's Luthuli House headquarters.

Nearly 5000 ANC members have gathered in Nasrec for the party's 54th conference, where it will elect new leaders and attempt to heal divisions in its top structures and among the rank and file.

The proposal to create two deputy party president positions came from President Jacob Zuma at the ANC policy conference earlier this year. The president argued that the extra portfolio was needed to accommodate the loser in the presidential election contest.

But he faced resistance from senior ANC leaders such as Human Settlements Minister Lindiwe Sisulu, who said the proposal was not adequately discussed among branches. — *Govan Whittles*

ANC National Conference



Weekenders: Jafta Dlamini (centre) relaxing with his friends in Soweto, as 15km away at the Nasrec expo centre ANC delegates gather to make crucial political decisions



Loyalty: Staunch ANC supporter Mapula Selepe is confident that the party will continue to deliver for the people in the same way it did in bringing an end to apartheid

In the shadow of #ANC54

As Nasrec heats up, residents of nearby Soweto hope for an ANC that will do better

Lucas Ledwaba

David Philip Majatladi, 57, wishes the ANC's 54th national conference could come up with a plan to tackle the high unemployment rate plaguing the youth — particularly in his home, Soweto.

On June 16 1976 he was among the thousands of pupils who took to the streets to protest against the apartheid government's decision to introduce Afrikaans as a medium of instruction.

But as the party's conference got under way on Saturday — the country's Day of Reconciliation — he was trapped in the township with only R20 in his pocket, far away from the Nasrec expo centre, the venue of the ANC's conference 15km away.

Like many of the township's residents, it was business as usual for Majatladi.

Although some of the party's conference delegates were accommodated at the University of Johannesburg's Soweto campus in Pimville, it appeared the vibe of the conference didn't rub off on many of the township's residents.

Instead, youths got into the festive season groove, converging at parks, street corners, shisa nyama outlets and watering holes to party and drink hard.

Those interviewed by the *Mail & Guardian*, however, identified unemployment, nyaope (a cheap and nasty drug plaguing the townships), the presence of foreigners in the townships, public transport and the state of schools as some of the key issues they hoped the ANC conference would deliberate on.

Others like Siyabulela Ronati, 31, expressed strong views on the state of the ANC and the party's leadership succession battle.

Ronati was having drinks with friends on a street corner in Pimville

after burying a neighbour early that morning.

"The Zuma surname must be erased from the ballot paper," he said. "We would rather have [FW] De Klerk. Why is there a second Zuma [in line for ANC presidency]? Why should Zuma's wife succeed her husband? The ANC is for the people, not a family."

Jafta Dlamini, 44, also of Pimville, hailed the Rea Vaya rapid transport system introduced to the township as one of the ruling party's successes and said he hoped the ANC conference would come up with new ideas to improve the lives of locals.

Majatladi is unemployed and broke. He wishes that one of the outcomes of the conference would be the creation of jobs. The expression on his face is solemn and grim as he looks at one of the gigantic photographs on display outside the June 16 Memorial Acre in Central Western Jabavu.

He had walked from his home in White City to Central Western Jabavu to chill with friends earlier. On his way back, he stopped at the memorial to chat to the *M&G*.

"That's me there. One, two, three. Can you see that? That's me right there," he points at a youthful man in the middle of a mass of chanting students in the large photograph.

Except for a sprinkling of grey hair, he hasn't changed much.

"It hurts me. It hurts me a lot. We were looking for freedom, not democracy," he said of the student uprising when police opened fire on the marching pupils.

"I wish good things must come out of the conference. They must elect good leaders who must stand for the nation. We must get another president who will think about the people of this country and not



Bitter memories: David Majatladi (above) poses at the Hector Pieterse Museum in front of a photo taken on June 16 1976 in which he is among the crowd of protesters. For the residents of Soweto (left) it was business as usual, as they went about their daily chores and enjoyed the sun. Photos: Oupa Nkosi



think only about his family," said Majatladi.

After June 16, Majatladi fled from his home and even considered going into political exile.

Like many of the 1976 generation, his life took a turn for the worse after the events of that day. Fortunately, he has managed to educate his four children, but two are unemployed.

Yet the fruits of the freedom he fought for 41 years ago have not been as sweet as they have been for some at the Nasrec expo centre.

"I'm nothing. I'm nothing," he said four more times as he stared solemnly at the imposing photograph.

He is still haunted by memories of two of the youths in the photograph who died before his eyes after being

shot. "This one, Jerry, turned to me and said, 'They've hit me, they've hit me.' Jerry died before my eyes. I still have a bullet in my leg, those iron balls they were using to shoot at us, are still in my leg. June 16 changed my life. I nearly went mad," Majatladi said.

He said he wished leaders such as Lindiwe Sisulu, Tokyo Sexwale and Cyril Ramaphosa would reclaim the ANC.

"We suffered with those people in the township. They understand the ANC," he said.

In Moletsane, 61-year-old Mapula Selepe — a staunch ANC supporter clad in a party T-shirt bearing the face of President Jacob Zuma — was hosting relatives.

She said she wanted the party to continue looking after the elderly like her pensioner mother. She is also concerned about the high levels of unemployment, especially among the youth and wishes this would change after the conference.

"To me it doesn't matter who becomes president so long as the ANC can change the lives of people," she said.

"People make mistakes," she said about Zuma's turbulent presidency. "I will never leave the ANC because even people who don't vote for the ANC know what it has done for them." — Mukurukuru Media

ANC National Conference

#ANC54 to turn up the heat up on radical economic change plans

Lisa Steyn

The ANC national conference is over the hurdle of vetting credentials, and will also soon have appointed new party leadership. But still ahead is a heated debate over divisive policies proposed in the name of radical economic transformation.

Most of the fire and fury is likely to play out in the economic transformation sectoral commission, which, like the eight other commissions, will convene shortly after the party announces its new top six.

The most contentious proposals put on the economic transformation table at the policy conference in July included: expropriation of land

without compensation, nationalising the Reserve Bank and introducing prescribed assets — a policy which would force pension fund managers to lend money to dysfunctional state-owned entities.

Regardless of who wins the party's leadership race, according to one NEC member, debate about land reform, notably expropriation without compensation, prescribed assets, nationalising the Reserve Bank and ownership and transformation of the mining sector are going to be hot-button issues.

The debate over whether to nationalise the Reserve Bank will have to confront how to buy out the private shareholders without compensat-

ing speculators, and how this can be done in a way that the state and economy can afford.

In the health and education sub-committee, the question of free higher education will probably present a conundrum. A resolution to implement free higher education for the poor and missing-middle students was to be voted on at the conference, but on Saturday President Jacob Zuma announced that it would be implemented from next year.

The *Mail & Guardian* reported that, in doing so, Zuma appeared to have gone against advice from treasury and did not consult the party's national executive committee.

The addition of prescribed assets into ANC policy discussions coincided with the growing reluctance of the private sector to lend to state-owned entities, or buy their bonds — particularly as revelations of governance failures and allegations of state capture emerged at entities such as Eskom, Denel and SAA.

But it was important to diagnose the actual problem when it came to the debate around prescribed assets, the source said. The challenges at the state-owned enterprises are governance-related.

"You have to ask which asset classes is the financial sector not investing in and why, so you can identify the correct prescription,"

the source said, adding that it was important to determine whether to introduce prescription or create a regulatory framework that attracted investment.

The debate on land reform, another focal point, would also have to confront the administration's performance on the matter.

Academics Ruth Hall and Themebela Kepe have pointed out that in recent years there is evidence of elite capture and state collusion with agribusiness in the land reform process.

Land beneficiaries do not have documented land rights, which in turn affects their ability to access capital and production financing.

ANC's running costs rising sharply

The ruling party's financial report reveals that the fractured state of the ANC — and the country — is threatening the party's money flow

Lynley Donnelly & Lisa Steyn

The internal battles of the ANC are a risk to the ruling party's struggling financial state, according to a copy of the party's financial report — which the *Mail & Guardian* obtained prior to its presentation to the ANC 54th national conference.

The weak financial state of the economy — which critics have blamed in part on President Jacob Zuma's administration — has also "heavily impacted" donor flows, which account for 65% of the party's revenues, said the report.

The report, which was to be presented by outgoing treasurer general Zweli Mkhize on Sunday, warned that the party's finances were being undermined by its own internal battles.

"Fundraising for the ANC is a political programme dependent on the public appeal of the 'BRAND ANC'," the party's financial report said. "As such challenges of infighting, factionalism, misconduct and ill-discipline, perceptions of corruption, arrogance and various other ills have a negative effect on the support the ANC receives. We need to urgently address these challenges and remain vigilant to avoid the erosion of the support that the ANC enjoys."

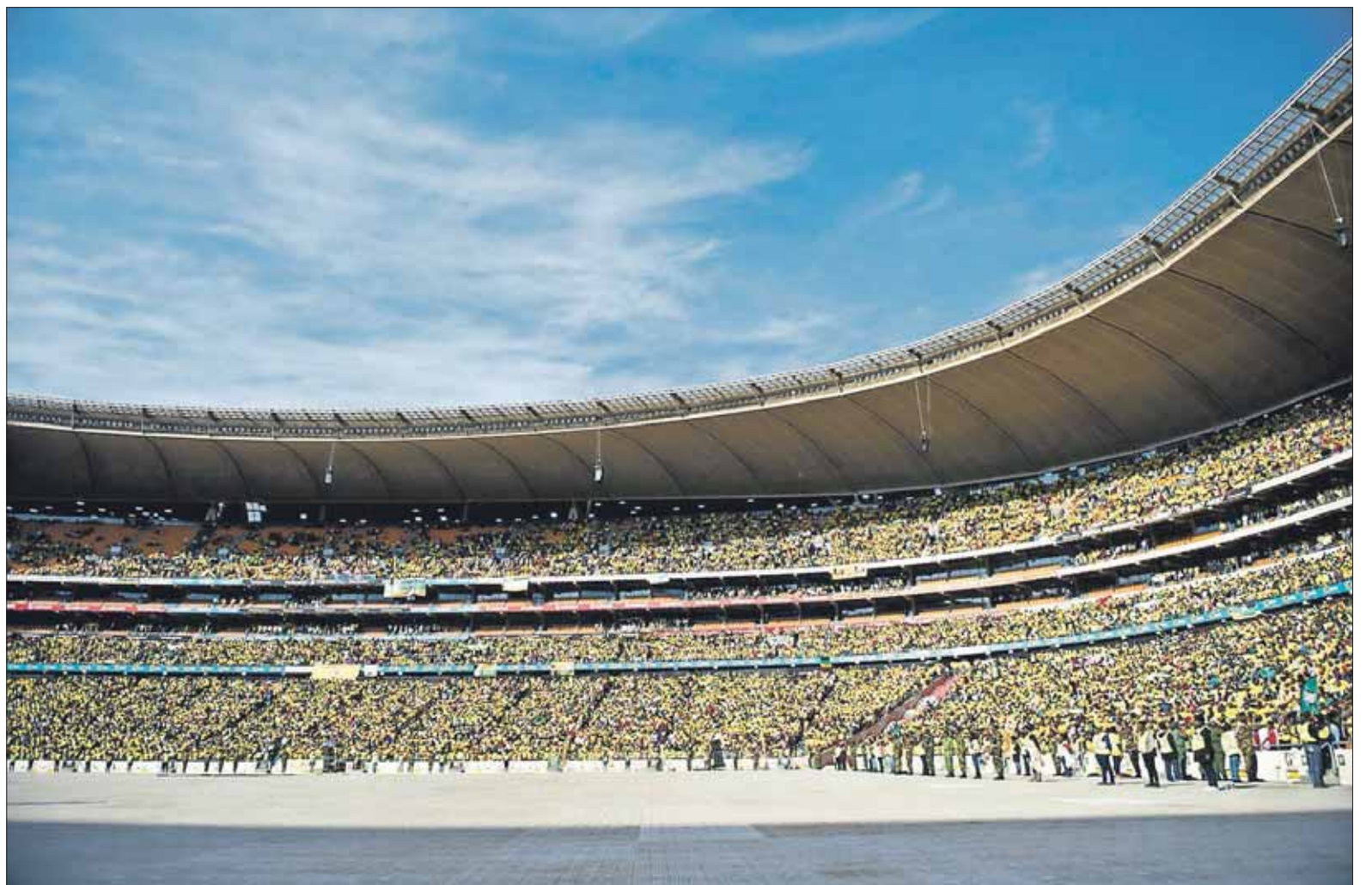
Despite the risks to the funding outlook, the party in fact reported higher revenues than ever before.

Some R521-million was raised in the year ended March 2017, compared with R395.6-million for the year before. Nevertheless the party was R47-million in the red as a result of rising expenses.

Operational costs of running the movement are stubbornly high, increasing by R407-million since 2008.

The report shows the largest cost driver since 2013 was salaries and wages, which grew 34% between January 2013 and October this year. The salary cost constitutes 31% of the party's expenses.

The second-fastest growing expense over that period were advertising and promotions, which had increased 23%. Events and travel expenses had each grown by 10%.



Runaway: The party's largest operational cost is salaries followed by advertising, but operating costs have risen too, as a result of local government elections and hiring venues for party events such as the elections manifesto launch (above) in 2016. Photo: Delwyn Verasamy

Operating costs rose sharply in the current financial year, too; R103-million was spent in relation to local government elections, which took place in August last year.

The party report said the ANC had been unable to save any of the funds raised. "This has been a result of the high operational costs associated with running the organisation as well as the paying off of the old debts and legal settlements," it said.

The financial report also shows that the party has settled R68-million out of R80-million in lawsuit demands.

Outstanding debts can be hefty. For example, the report says one travel agency is demanding R5.2-

million from the ANC Women's League. Party lawyers have advised that the league enter into a payment agreement with the agency.

The party has been working hard to manage its debt, including through discussions with creditors and paying monthly instalments on money owed.

Legacy debt had built to almost R250-million but the party has managed to reduce this by more than R175-million, to current levels of just over R73-million. Of this outstanding debt, R30-million is a revolving credit facility for the payment of salaries.

Nevertheless the ANC still has outstanding liabilities of about R255-million, including money owed to creditors for the 2014 national elections and the 2016 local government elections.

About R43-million is a result of long-term outstanding debt. Creditors from the 2014 election are owed about R7.8-million, creditors from the 2016 election are owed almost R59-million, operational creditors are owed roughly R42-million and statutory creditors are

owed almost R63-million.

The party is also battling a slowing economic climate.

"The effects of the subdued economic growth have had a huge impact on South African companies' earnings and profitability. This in turn has had an impact on the ANC's fundraising initiatives," the financial report said. "This does not bode well for future fundraising initiatives and presents a major risk to the ANC's financial stability and cash flow that must always be mitigated."

After donor funding, Independent Electoral Commission grants make up 17% of ANC revenues, membership fees and levies each bring in 5%, while smaller sources, such as the Progressive Business Forum, bring in the rest.

Only about one third of membership fees collected have been repatriated to the provinces, which in return repatriate funds to their branches, the report noted. But not all money owed to branches has been repatriated because of the "financial constraints" the party has found itself in during the period.

"A lot of funds had to be utilised to pay off old debts, attend to statutory unpaid debt with Sars [the South African Revenue Service] and the Provident Fund, as well settle a lot of litigation cases for both the ANCYL [ANC Youth League] and the ANC," the report said.

The report highlighted the importance of expanded public funding for political parties "to promote and support democracy. Such funding will be accompanied by full financial accountability and transparency by political parties, including regulation of private financing of political parties."

Last month the political party funding Bill was approved by Parliament's ad-hoc committee on political party funding.

The Bill is aimed at regulating the public and private funding of political parties, including through prohibiting certain donations made directly to political parties, as well as prohibiting donations from organs of state, state-owned enterprises and foreign governments and agencies.

"Fundraising for the ANC is a political programme dependent on the public appeal of the 'BRAND ANC'"

Mbete looks for greener pastures

The once-avid Zuma supporter is placing her bets with Ramaphosa, but she's unlikely to succeed

Dineo Bendile

The sun appears to be setting on outgoing ANC chairperson Baleka Mbete's working relationship with President Jacob Zuma — a relationship that has been characterised by self-sacrifice, empty promises and betrayal.

On Saturday, Mbete announced that she will back deputy president Cyril Ramaphosa to become the next president at the party's 54th national executive conference.

"We publicly endorse comrade Cyril Ramaphosa. We have been talking and we have agreed on how to approach the issue of maximising unity in the organisation," she said.

Her comments were made in spite of the fact that she was running her own presidential campaign. Although she hadn't been nominated by any province, she still had a chance of receiving a nomination from the conference floor.

A year ago, one would have been hard-pressed to find Mbete making a declaration that went so starkly

against Zuma. Then, Mbete was still counted among his closest allies.

During Zuma's February State of the Nation address in Parliament, Economic Freedom Fighters (EFF) leader Julius Malema hurled a string of insults at Mbete who, in her capacity as National Assembly speaker, threatened to have the EFF removed from the chambers.

"We are not going to allow you to abuse us the whole night. You are scared of Zuma. He used you, he dumped you! He promised you that you were going to be president and you went home and slaughtered a cow," Malema ranted.

Though the rant appeared to be an example of Malema's usual conduct in Parliament, an ANC national executive committee member told the *Mail & Guardian* that the statements contained a kernel of truth. "The old man [Zuma] slaughtered Baleka twice. The time when he put Kgalema [Motlanthe] in [as deputy president] he had promised [the position] to her. And when Cyril came in he had promised her [the position] as well."



Wager: Baleka Mbete bet on the wrong horse when she ingratiated herself with Jacob Zuma. Photo: Paul Botes

A CR17 lobbyist said Mbete's endorsement was probably her attempt to be considered as Ramaphosa's deputy, which would be unlikely to happen because she "didn't bring the numbers".

"Her team sees our numbers because they have been trying to meet us. Her team met a couple of our guys to say, can she please be accommodated as deputy? But we had already firmed up Lindiwe [Sisulu]," the lobbyist said.

Mbete's endorsement of Ramaphosa could also be read as her realising that there is no longer room for her on Zuma's team. But how did she reach this point?

Last year, the Hlubi in the Eastern Cape held a traditional ceremony for Mbete. She told them that she had been approached by "many comrades" to make herself available for

the presidency. It was alleged that the ceremony was preceded by Zuma promising Mbete that she would become his successor. The ANC Women's League was also believed to be on board with the plan. But, in an interview with the *M&G* earlier this year, Mbete denied that Zuma had promised her any position.

By January 7 this year it had become clear that plans had changed, when the women's league openly endorsed Nkosazana Dlamini-Zuma as its preferred candidate. In the months following that, Zuma made a series of statements detailing Dlamini-Zuma's leadership strengths, an indication of his support for her.

Mbete was also not considered for a position on the Dlamini-Zuma slate. Unfortunately for Mbete, her realisation that there is no longer

any room for her on that team comes at a time when her capabilities as a leader have already been brought into question.

As speaker she fiercely protected Zuma from criticism in Parliament, behaviour that has been read as an effort to remain in his good books, with the promise of a leadership position as a reward.

Because of that she found herself implicated in the Constitutional Court's ruling on Nkandla, which found that she had failed to execute her duties of holding the executive to account.

In 2014 the Democratic Alliance also brought a motion of no confidence against her, for being biased.

Now, she is fighting for her political future — hence her sudden support for CR17. But it might yet again be a case of too little, too late.

Frenzy of misinformation at the Nasrec expo centre

Athandiwe Saba

As thousands of delegates and journalists squirrel away at the high-stakes arena that is the 54th ANC national conference, fake news has reared its ugly head with a barrage of misinformation.

The "news" ranges from "Nkosazana Dlamini-Zuma wins by a landslide" to "Cyril Ramaphosa heads to the courts to nullify the conference", and even that there will be all-out war.

But this is only the tip of the misinformation iceberg. WhatsApp groups have been flooded with messages, purportedly from the two main factions, which have been aggressively touting their preferred candidates to the point of creating fake stories about the other and their supposed plots to collapse the conference.

The delay in proceedings on the opening day fuelled the misinformation and speculation.

Messages on WhatsApp circulated saying that the Dlamini-Zuma "head count across all accredited voting delegates is eating at 3125. The NDZ victory and the RET [radical economic transformation] programme of action is unstoppable".

Another message said: "CR team's strategy is to delegitimise the democratic outcomes of the conference. Expect a flurry of court challenges and media onslaught, gleefully enabled by a shameless and reactionary mainstream media.

"They are already making all manner of absurd allegations. Their endgame is to fatally weaken and divide

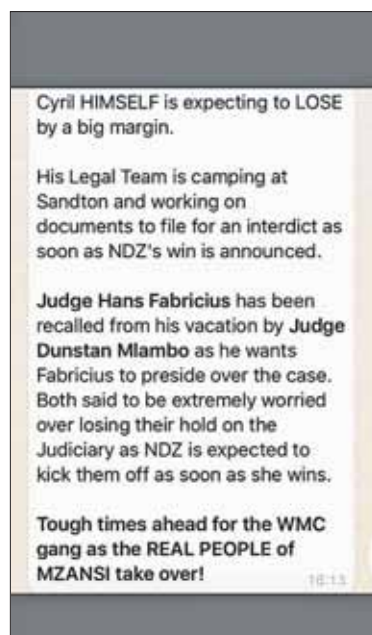


the ANC. White Monopoly Capital that controls CR and hates the revolutionary ANC is determined to make this conference the decisive stand against the movement and only hope of the African people."

Another message: "I suspect that these people will eventually form their own organisation when they realise that ANC members are not idiots and will not allow no white-owned media and untransformed factional judiciary to determine the outcome of our democratic processes."

Another message: "CR camp realised they don't have the numbers. Hence called for the chairperson's meeting to collapse the conference."

Reasons to be given to media:



"Bogus delegates in NDZ camp. Provinces to support: Gauteng/Western Cape/Eastern Cape/Northern Cape/ Trying for Limpopo which is not in agreement yet. You need five provinces' confirmation to collapse the conference."

The inherent danger of fake news has grown in recent times, especially when it plays out in political campaigns, most notably as it did in the United States' presidential elections, which saw the term "fake news" enter the lexicon.

On Sunday, one legitimate news publication wrote that the Ramaphosa faction is trying to collapse the ANC elective conference after seeing the "overwhelming



Liar, liar: On social media (above) supporters of each faction made wild claims about the other trying to collapse the conference, while even credible news sites (left) fell into the trap of the fake news web

show of support for Dr Nkosazana Dlamini-Zuma. The CR17 lobby is in a panic. It is trying to delay the conference as far as possible and collapse it. The writing is on the wall. The NDZ train has the numbers."

It goes on to quote sources inside the Ramaphosa faction, who claim knowledge of a three-pronged strategy to "rob NDZ of a victory".

There were also stories that lawyers have already finalised court papers and prominent judges have been asked to preside over the impending cases, which will be brought by the Dlamini-Zuma faction.

The story published claimed that "Johann Rupert and the Oppenheimer family are bankrolling the sabotage. Bidvest, in which Cyril Ramaphosa and Pravin Gordhan have business interests, is alleged to be the entity bribing delegates with money and accommodation at luxurious hotels."

On the other hand those support-

ing Ramaphosa were on social media claiming that Dlamini-Zuma's team was delaying the conference to pull tricks to subvert "the inevitable".

"Morning leadership, yesterday the NDZ camp delayed the credentials process deliberately, because they can see that CR has the numbers," read one of the posts.

Another post: "NDZ is running scared and needs more time to figure out how to steal the election, that's why no credentials will happen tonight."

Yet another: "Don't be misled, we are winning this thing. We have 2941 delegates and they have less than 2300 ... no compromise."

Even the reputable Times Online fell foul when they erroneously reported that Ramaphosa had won, before the voting had even begun. They corrected the mistake, explaining that they had misconstrued ANC chairperson Baleka Mbete's endorsement of Ramaphosa as being an ANC decision.

ANC National Conference

JZ's fees plan 'reckless, regressive'

The president's proposed policy for 2018 lacks the critical foresight to truly lay the groundwork to improve access to education

COMMENT
Seán Mfundza Muller

The presidency's announcement on Saturday of fee-free education for some students is bad practice and bad policy. The proposal will not help today's poor students. And its long-term cost to the economy has simply not been calculated. The announcement was released in response to the report and recommendations of the fees commission chaired by retired

Judge Jonathan Heher.

As a matter of good practice, and standard government procedure, large changes in planned public expenditure should not happen in the very short period between the medium-term budget policy statement — which outlines the framework for government finances over the next few years — and the budget in February.

In this context, and the fact that public finances are under significant pressure, the announcement is extremely irresponsible and comes

on the back of an equally dubious decision by the presidency to only release the commission's report after the medium-term budget policy statement.

The proposed policy adopted by the presidency further substantiates reports that President Jacob Zuma had preferred advice from a private individual linked to the State Security Agency and the president's daughter, over advice from numerous government officials — leading to the resignation of the head of the treasury's budget office, Michael Sachs.

It is even unclear whether the proposal was approved by Cabinet and therefore binding on treasury.

From a public finance perspective, there are three proposals critical to the 2018 budget:

- That fully free higher education be extended to all students from households earning less than R350 000 a year, starting with the new cohort of entrants in 2018;

- That higher education expenditure be increased from 0.68% to 1% of annual economic production (GDP) over the next five years; and

- That there will be no fee increase for student from households earning up to R600 000 a year.

The first and third proposals are the crucial ones in relation to equity and the demands of the #FeesMustFall campaign. Just as that campaign was criticised for not prioritising the poorest students, Zuma has engaged in rhetorical sleight of hand.

The statement redefines "poor and

working class students" to be those from households earning less than R350 000 and commits to providing free education to them, starting with the incoming cohort.

This does not reflect a primary concern for the welfare of the neediest students.

Under these proposals, in 2018 a second-year student from a household earning R130 000 may only get limited partial funding, while a first-year student from a household earning R320 000 will get full funding. No sophisticated public finance analysis is required to see that that is far from progressive. Limiting the increase in the funding threshold to first-year students may make the proposal more affordable in the short term, but it does not help most needy students.

Furthermore, the long-term funding implications remain severe and probably unaffordable without cuts to other critical expenditure areas.

Similarly, many analysts and experts have already shown and argued over the past two years that government funding used to exempt households earning up to R600 000 a year is regressive; in other words, it shifts public and private resources to better-off households in a way that increases inequality.

Finally, the proposal to increase higher education funding to 1% of GDP is wrongheaded and vacuous.

Although a number of other supposedly credible reports use percent of GDP as a measure — such as the national development plan and fees commission report — it only makes sense if it is the best use of the money in the South African context.

The amount of money that should be directed to higher education depends on country-specific factors such as:

- The quality of the basic education system;
- The percentage of the population that is of school-going age;
- The extent to which universities receive income from fees and other sources; and
- The proportion of students who can afford to pay fees.

More funds for basic education and early childhood development — along with initiatives to support poor youth who are neither employed nor in education — would arguably lead to greater reductions in poverty and inequality than allocating more money to universities.

It is also notable that there is no sense of how much the proposals would contribute to an increase in the percentage of GDP allocated to higher education. That would require modelling, which, by virtue of bypassing the treasury, has probably not been done. This reflects the broader lack of substance or analysis accompanying Zuma's statement.

Given all the above — and leaving aside the many political considerations that may well be behind this recent move — it should be clear that the president's announcement is irresponsible and regressive.

There are more equitable and affordable ways of improving access and outcomes in education in ways that do not undermine the national budgeting process.

Seán Mfundza Muller is a senior lecturer in economics and research associate at the Public and Environmental Economics Research Centre at the University of Johannesburg



Ill-considered: University of Johannesburg students march to demand #FeesMustFall. Sean Muller argues that spending more on basic education and early childhood development may lead to a greater reduction in poverty than allocating billions to tertiary education. Photo: Daylin Paul

NSFAS follows Zuma's new plan — but with caution

Bongekile Macupe

The National Student Financial Aid Scheme (NSFAS) will reopen applications for next year following the announcement by President Jacob Zuma on Saturday of free education for poor and working-class first-year students in 2018.

This comes after Zuma announced in a statement that the new definition for poor and working-class students is now a combined annual income of up to R350 000.

The current NSFAS threshold is R122 000 but this is expected to change as from next year.

The chief executive of NSFAS, Steven Zwane, told the *Mail & Guardian* yesterday that, following Zuma's announcement, those students who had missed the August deadline for applications will be allowed to apply for funding through their universities.

"Our responsibility is to articulate to the universities what information we require for us to capture the information and make a decision. So universities and TVET [Technical, Vocational, Education and Training] colleges will be receiving the appli-

cations and communicating with us about the new applicants and we will process the information.

"The speed of processing might be impacted in terms of making a decision to award, but the pronouncement is there and we are saying universities must take students in terms of the capacity they have," said Zwane.

The presidency also announced that loans given to students funded by NSFAS in their further years of study would be converted to 100% grants "effective immediately".

Zwane said NSFAS was ready to implement this because it was an opportunity to fund more students.

This year, NSFAS funded more than 460 000 students.

"We knew from the [Judge Jonathan] Heher report ... that some action had to be taken around this. So we were able to write our perspective ... and shared with the minister [Hlengiwe Mkhize] through the board chair [Sizwe Nxasana] in terms of what we perceived as the implications.

"So when we got the pronouncement by the president we had already started working on a cou-

ple of scenarios in terms of what it means for NSFAS. I think for us the biggest thing out of this is that we move from providing loans and bursaries to purely providing bursaries in the form of grants," he said.

Zwane said the scheme would be busy over the festive season analysing, defining and finding ways to make sure that, whatever had been pronounced, "we can deliver on it".

"More importantly is the fact that we always believed that free education for the poor and working class was our mandate and we believe NSFAS has always played that part. If you look at the money that we are owed, we have been providing free education over the years," said Zwane.

The scheme is currently owed R29-billion as per its 2016-2017 annual report. He said the announcement by Zuma now means that, for everybody who is currently funded by NSFAS, their loan gets "wiped out".

Currently 40% of NSFAS loans are converted to grants if a university student passes their first and second year of study, and the loan in final year is converted into a grant if the student passes their final year.

Students currently pay back their loans when they earn R30 000 or more a year. The repayment is 3% of their annual salary increasing to a maximum of 8% when their salary reaches R59 300 or more a year.

Zwane said the scheme would seek clarity from the department of higher education and training on what is going to happen to those who are no longer students and whether their debt would be wiped clean or continue.

He said the NSFAS board, executives of the scheme and the department would meet on Monday, where the issue will be raised.

But even those who will be part of implementing Zuma's plans are not optimistic.

A senior executive at the department of higher education and training, who asked to remain anonymous, said the plans announced by Zuma where "populist" and would not work.

"What's going to happen is that all of this can work for 2018 but by 2019 it would have collapsed. It's populism, he does not care how the next person is going to do this," said the insider.

ANC National Conference

Phantsi, party poopers, phantsi

The *Mail & Guardian's* series of satirical first-hand accounts of the ANC's national conference through the eyes of insiders continues with another delegate update, this time from a KwaZulu-Natal branch member who has been bounced from conference, **Double-Cross Ndlozi**

The velvet rope can shred you like barbed wire. Not physically, as when the elders were scrambling around Angolan battlefields, but emotionally.

In these fragile times, when the battleground for the national democratic revolution has moved from Cuito Cuanavale to Cubaña, a single rejection can cause the ego to crumple like a "pick me" under ANC Youth League president Colleen Maine.

First I couldn't get into the VIP section at Cubaña after some CRI7 supporters commandeered the place. In homage to the revolutionary spirit of the French and Cubans, they quaffed vintage champagne and smoked Cohiba cigars.

I wonder if revolutionary comrades from those countries celebrate with similar nods to South Africa by inserting gold teeth into their mouths and diamonds on the soles of their shoes.

The girls at Cubaña seemed to be younger than the whisky being drunk, but I didn't get to chat to any of them. The bouncers spotted my amashoba on my upper arms and below the knee and figured me for a KwaZulu-Natal supporter of uMama, Nkosazana Dlamini-Zuma.

Judging by the invites, which had pictures of a leery Maine trying to get to grips with the strategy and tactics of "video vixen" Nicole Nyaba, I thought this was a 100% uMama jol. But then the league sent out a press release that "noted" the invitation and confirmed it had been booked in its name, before placing on record that it had "not organised an [sic] party on the eve of the ANC conference".

"The national leadership of the ANCYL can confirm it is not them but is not in a position to say that who has booked under the ANCYL [sic]," it concluded in typically decisive fashion.

Either they're still smarting from an earful from Uncle Gweezy about having respect for the conference or Maine and his cohort have been outflanked by some CRI7 youth leaguers.

That Oros is the only person I know who can make lemons from a fruit juice mix. Gauteng comrades are too soft to do war properly.

In KwaZulu-Natal, we know. We spill blood



as if it was tomato sauce and fire bullets more often than uBaba on a love mission behind enemy sheets.

uBaba's tokoloshe, ANC KwaZulu-Natal chairperson Sihle Zikalala, had told all us KZN delegates to wear amashoba so as to appear broader than we are to our enemies at the conference, while evoking the spirit of King Shaka and the Zulu impi.

All it evoked was a dry mouth and a trudge back from the club. Towards more rejection.

As a member of the ANC KwaZulu-Natal provincial executive committee this conference was supposed to be a holiday away from the beach: a spot of singing (down opponents), a bit of dancing (with decorum, and without bums exposed), a fair bit of Gupta-sponsored

drinking, waking up to brown envelopes delicately slipped under our hotel room doors and "blessings upon blessings" from the panty-preneurs wandering around the outskirts.

Instead, I'm bounced again. Seems these bloody counterrevolutionary judges don't want us to participate in the conference because we're good at shutting comrades up — and out of the ANC.

It's bitter medicine, I can tell you. uBaba's tokoloshe tried to win back some ground by raising obstructionist points of order during plenary about there not being consensus on the conference programme.

He faced down deputy secretary general Jessie Duarte and objected to the messages of support from our comrades from around the

world being read out. I was in full agreement because if you don't have credentials you don't know who your friends are, and if you don't know who your friends are should you be listening to them?

It was proper heated and I was a bit afraid for Comrade Jessie's safety — Zikalala is so short that if he tried head-butting the Bride of Chucky-sized Duarte, he'd probably knock the lunch-stuffing out her stomach.

Our KZN impi is getting desperate. Where once we sang songs of fire and looting we're now more silent than a concussed Eastern Cape delegate lying under a chair. I worry that, after the momentum of the "Zunami", times may be changing. The tide may be going out leaving just the detritus and dirt behind.

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