

# we have to let go of the old ways and usher in the new

**RAVI PILLAY**

THE NARRATIVE on radical socio-economic transformation finds credible expression in the implementation of our Human Settlements mandate.

Our cues come from Outcome 8 of the National Development Plan, the resolutions of the ANC's 53rd conference and subsequent policy prescriptions.

We do not embrace radical socio-economic transformation simply for compliance. We embrace it based on a deep commitment to the vision and principles of the Freedom Charter. This is also informed by the sound advice from Karl Marx: "Practice without theory is blind. Theory without practice is sterile."

As the government, our work is consistently based on a keen reading of the domestic and global terrain and their rapidly changing dynamics.

We are not shocked into paralysis by those who wish to

morbid symptoms appear". The 21st century is radically different from the century before. Fresh challenges cannot be met with old solutions.

The old is dying and our historic responsibility must be to be midwives of the new - not as a rhetorical expression but as a serious, necessary step to take our country forward. Radical socio-economic transformation is therefore our duty.

We are not reckless or adventurist. We understand that the oil that will drive our transformation project is made up of many parts: strong political commitment, coherent policies, a capable state, available budgets and maximum value for budgets spent, among others.

We are acutely aware of the risk regarding the downgrade in our investment status and broader economic conditions, budgets may become stagnant or even reduced in the shorter term.

We are encouraged by Finance Minister Malusi Gigaba's astute grasp of these matters and attempts to mitigate the risk.

Our responsibility in everything we do is to help him build confidence in ourselves and our country.

The world economy is taking a shape that shifts it in several discernible directions - a rightward shift in political choices in the US, much of Europe and even a leading emerging economy like India.

Another pole is China which though avowedly socialist, has a strong capitalist orientation backed by strong human resource capacity and foreign exchange reserves.

Much of our African continent is booming with some of the world's highest growth rates. By contrast, our key challenges remain that of a low-skilled economy with economic growth projections of under 1%.

The finance minister has

also correctly sounded the alarm that a reduction in our investment status by rating agencies does have severe implications.

The effect is that there will need to be increased borrowings at higher rates to service the large debt burden. The pool of funds available for social services and infrastructure development will consequently be reduced. We should be under no illusions about this reality.

The balance of forces is an essential context for the understanding of the historic mission of our fifth democratic Parliament and the task of crafting an inclusive growth and shared prosperity budget.

Our infrastructure and human capacity investments in human settlements have strategic value in advancing radical socio-economic transformation as it demonstrates practical implementation in changing the quality of life of our people. It also has a value chain that

talks to critical aspects of our economic activity - it creates jobs and stimulates primary productive activity (the production of bricks, blocks, steel, glass, tiles and so on) and secondary demand for furniture, appliances and so on.

The course we chart is contested terrain - there are contesting ideological forces in our country. There are contesting ideological forces in the ANC which throughout its history has been a broad church. We must necessarily embrace that as the vibrancy of our young democracy.

Our young people must find inspiration and energy in the historic struggles of the young activists who preceded them. We must again build the spirit of cadetship reminiscent of an era where activists were recruited on the strength of their activism, commitment and discipline.

We salute the generation of 1976 whose boldness,

bravery and principled activism ensured a quantum leap in the progress of our liberation struggle.

We pay tribute to the pupils who came out on a nationwide boycott of classes on this day in 1980. This included Coloured and Indian pupils too who came out in great numbers - more than 70 schools boycotted class in a sustained expression of their rejection of apartheid and its divide-and-rule strategy.

In this year of the centenary of his birth, I would like to quote a giant of South Africa's liberation and constitutional democracy, Oliver Reginald Tambo, whose wise words will guide us in our continued efforts to restore dignity and pride: "The fight for freedom must go on until it is won; until our country is free and happy and peaceful as part of the community of man, we cannot rest."

● Pillay is the MEC for Human Settlements and Public Works in KwaZulu-Natal. This is an edited excerpt from his Human Settlements Budget Speech delivered in the legislature.



Finance Minister Malusi Gigaba

Picture: Reuters

characterise our conjuncture as an insurmountable crisis.

It was Antonio Gramsci who astutely observed: "The crisis consists precisely in the fact that the old is dying and the new cannot be born; in this interregnum a great variety of

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