# Political Economy

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## On Political Economy today......

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- Deteriorating situation in South Africa
- Constitutional Democracy
- Call on all South Africans



#### Introduction

- Indicated crossroads at the end of 2015: which way are we on?
- As predicted, 2016 has been an extremely challenging and tumultuous year for the agribusiness environment and farmers alike
- Prevailing drought of the previous years continued its devastation over much of the country in 2016 some relief, but many areas still dry
- Declining economic growth (GDP close to 0%) and resultant constrained consumer led to dampened demand and declining output.
- Given additional policy uncertainty and the country's deteriorating political economy, agribusiness confidence for the most part of the year were in significantly negative territory.
- But more on the political economy......



## Deteriorating situation in South Africa

- Reckless and dangerous statements by EFF leaders on 'land nationalisation without compensation', encouraging illegal land grabbing, as well as anti-white rhetoric in that he was 'not calling for the slaughtering of white people, at least for now'.
- Coffin case and farmer's alleged attack on farm worker in Lutzville (Cape Times front page two days ago).
- Wanton and reckless abuse of our state and democratic institutions for palpable self-interest and patronage, e.g. NPA and Hawks situation, SABC, Eskom, etc.
- Deteriorating and changing global situation
- Agbiz roundly and unequivocally condemns all such abuses.
- Fortunately Civil Society is increasingly making it voice heard
- All culminates in downgrade threat by rating agencies

## Constitutional Democracy

- South Africa is a Constitutional Democracy where the rule of law reigns supreme
- Has one of the most progressive Constitutions on the globe, with a sound Bill of Rights protecting the individual
- Fractured and violent past take responsibility for embracing the Constitution and living its values
- Deep and fundamental political divisions in government and the governing party currently – does not bode well for South Africa
- Undermining of Constitution a real threat.



#### Call on all South Africans

"Given increased evidence of unacceptable behaviour and polarisation, Agbiz calls on all South Africans to endeavour to embrace the Constitution, comply with the legislation emanating from it, and live the values it espouses to ensure sustainable and thriving individuals and communities. Where individuals transgress they must be investigated and prosecuted without fear or favour. This is especially true for public figures that are entrusted with leadership positions to uphold the Constitution and Bill of Rights"



# THANK YOU

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