



EFF STATEMENT ON THE PRIVATISATION OF SOUTH AFRICAN AIRWAYS

Thursday, 24 February 2022

The EFF notes and condemns the move to finalise partial privatisation of South African Airways. The government is selling a 51% stake in SAA to Takatso Consortium, a group owned and controlled by a firm chaired by former Deputy Minister of Finance Jabu Moleketi. The partial privatisation of SAA by giving away public strategic assets to comrades in the ruling party and their handlers is a deliberate and well-orchestrated manoeuvre to strip the state of its strategic assets.

The EFF is vindicated, as we have previously warned that Cyril Ramaphosa and Jammie Mordhan are deliberately collapsing strategic state-owned enterprises to sell them to their friends and families at a fraction of their worth. Like Eskom, Denel and Transnet, SAA are central to South Africa's industrialisation and were never meant to operate with a narrow objective of profiteering. On the contrary, state-owned enterprises are meant to be enablers and drivers of development, with a clear development mandate to benefit society.

Ramaphosa and Mordhan's parasitic leadership is driven by greed and uses a narrative that state-owned enterprises have collapsed beyond a point of rescue. The ruling party collective has deliberately failed to service debts, mismanage human resources at SAA, and allowed corruption to thrive unabated. SAA failed long before the COVID-19 pandemic halted the economy to its knees and was accelerated by Mordhan, who ignored the 2016 model to rescue state-owned entities. Instead, the so-called crusader of corruption is at the centre of mismanagement of state-owned entities, appointments of matriculants who lack experience, capacity and sophistication to manage complex entities, and non-payment of salaries and job cuts.

South Africans must wake up and ask themselves difficult questions of who stands to benefit from the collapse of strategic state-owned enterprises. Our people must also ask what the relationship between the collapse and destruction of state-owned capacity and Ramaphosa handlers who paraded him as a billionaire without legitimate business is? The intention is to leave future governments without any strategic assets at the mercy of the private sector. Future governments will not make policies that serve the interest of the majority of unemployed, forgotten and hated black Africans in fear of the private sector, who in future will control air travel, electricity generation and ports management.

There is no economic and political rationale behind the privatisation of strategic public assets in a society that has youth unemployed nearing 70%, close to half of the population dependent on social grants and debt to GDP almost 80%. Ramaphosa and Gordhan, with the incompetent cabinet, have no intention to build a capable state. The privatisation of SAA will not only leave the domestic aviation industry in the hands of capitalists but will make it impossible for emerging industrialists to compete globally as the movement of goods will be based only on profits.

The failure to remove the ANC from power sooner will only lead to further degeneration and decapitation of state-owned enterprises. South Africans will continue to suffer at the mercy of a few white minorities who will control every facet of our lives.

ISSUED BY THE ECONOMIC FREEDOM FIGHTERS

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