

Press Release

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South African Institute of Race Relations

The power of ideas

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Parliament invites economic and political damage with EWC vote – IRR

The decision by a majority in South Africa's Parliament to adopt a report recommending that the Bill of Rights be amended to facilitate Expropriation without Compensation (EWC) is yet another self-imposed hindrance to the prosperity that the country so desperately seeks.

The IRR has consistently warned that the entire policy thrust of EWC is inimical to investment and to economic growth – as we have heard from business people, both from South Africa and abroad. It starkly contradicts the government's own nominal recognition of the importance of policy certainty. It will do nothing other than undermine South Africa's economic prospects.

All South Africans can expect to pay a price for this as investors hold off on sinking their money into the country, with opportunity costs measured above all in jobs and wealth forfeited.

In addition, EWC offers nothing to address the failings of land reform, since these failings have never been shown to be linked to compensatory requirements. As a land reform measure, EWC will be more of a distraction from addressing the real problems than a part of any solution to them.

Beyond the economic damage, this measure has implications for the country's constitutional order.

This is the first measure undertaken to degrade the Bill of Rights. South Africa has repeatedly been assured – by proponents of EWC, including no less a figure than President Cyril Ramaphosa – that the constitution as it currently stands would permit EWC. That being the case, meddling with the Bill of Rights for essentially political or ideological purposes sets a sinister precedent.

All told, South Africa will regret this decision.

The IRR has stood for personal, societal and economic freedom since 1929. We are committed to opposing this constitutional change, the introduction of EWC as a policy, and the false promises that they represent.

We urge the public to endorse our court challenge at [#stopEWC!](#)

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