

THE FREE MARKET FOUNDATION
of Southern Africa

progress through freedom

CHAIRMAN'S ADDRESS
TO THE
ANNUAL GENERAL MEETING

DIRECTORS' REPORT
TO THE
COUNCIL MEETING

AUGUST 2008

Johannesburg

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Chairman's Address to the Annual General Meeting

A message of hope for South Africa

South Africans are engulfed in a state of gloom. They need a message of hope – a signal that will lift their spirits and restore their faith in the future of their country.

Post-1994 there was a state of general euphoria. Everyone was proud that the country's politicians had at last decided to be sensible. Racism had been eliminated as a guiding factor in governance. Authoritarian government, which is its inescapable bedfellow, had been outlawed by a Constitution with a Bill of Rights. The economy started growing again after a long period of stagnation.

Golden years followed, when South Africa, after decades of extreme bitterness, appeared to be set for a time of calm, peaceful, vigorous progress – an era of high economic growth that would allow the nation's undoubted business genius to flourish and rapidly erase poverty. Even the voices of the collectivist ideologues, whose ideology feeds on poverty and misery, became muted and largely ignored. There was hope; South Africa was on a path to greatness. Our President had given us a glimpse of what wisdom and a sense of humour can do to heal the wounds of past stupidities.

Righting past wrongs

In the intervening years, "righting the wrongs of the past" on a voluntary basis has become little more than government-directed racial preferences that, contrary to the protections contained in the Bill of Rights, has been incorporated in legislation. Additional regulation has interfered increasingly in the ownership rights and management of businesses. Water and mineral rights were nationalised and a flood of ostensibly pro-consumer legislation has steadily eroded the rights of owners and managers of firms and imposed costly compliance burdens on the economy with little or no benefit for the consumer. The only beneficiaries have been armies of new bureaucrats created by this new legislation.

While the nation has been victim to one of the highest crime rates in the world, citizens have been given the impression that the government is not making adequate efforts to contain and reduce the scourge. Curtailing crimes against persons and their property, along with the maintenance of well-functioning courts of law that provide expeditious justice, are core functions of the state under any democratic government. A climate of fear has been allowed to develop, in which no one feels safe in their homes, businesses, or cars.

Attacks on the Constitution

More recently, nothing has had as detrimental effect on the country and its citizens as the utterances of members of the ruling party who have moved from extolling the virtues of the Constitution as "one of the best in the world" to attacking its very purpose which is to place limitations on government, not to facilitate it. The institutions and checks and balances that the party's own far-sighted constitutional experts helped put in place were intended to protect future generations of South Africans from power-hungry politicians who want no limits placed on their actions.

Zimbabwe has demonstrated the devastating consequences of the usurpation of power by a single individual or party; the destruction of a country's Constitution and its democratic institutions. South Africans of all races and persuasions have cause to be disturbed by attacks on their own Constitution by members of their own government.

What's to be done?

Fortunately, restoring the faith of South Africans in the future of the country should not be difficult. People respond rapidly to the *direction* of change. For instance, while Eskom's electricity blackouts engendered feelings of hopelessness and despair, the apparent permanent restoration of supply has quickly returned people to equilibrium. Similarly, vigorous and frequent defence of the

country's Constitution and democratic institutions by senior politicians, particularly of the ruling party, would quickly reverse the current unease felt by most South Africans. Such defence must include an insistence that government departments and officials closely follow the requirements of the Constitution, both in the formulation and application of legislation.

Restoring the Constitution to its rightful place in ordering the lives of the citizens of the country would make a positive contribution towards their perspective regarding their future and that of their children. Governments can come and go, but a sound Constitution and the institutions of state that it governs, is a beacon that guides those governments in the manner in which citizens should be treated. Whilst the Constitution rules over government, the people are safe. When government rules over the Constitution, the people are in danger. Constitutions keep people and their property safe, even when their worst enemies are in control of government. Had the current Constitution been in place in 1910, apartheid and all its attendant evils would not have been possible.

A high growth path for South Africa's economy

Placing South Africa's economy on a high growth path should also not be difficult. Whatever collectivist ideologues and development statisticians might have to say about the matter, the evidence shows clearly that countries with the greatest economic freedom, or more importantly those that are moving towards greater economic freedom have the highest growth rates.

If South Africa truly wants to have growth rates equivalent to the best in the world there is only one direction it can go, that is, towards greater economic freedom. Greater economic freedom provides not only higher economic growth rates but higher incomes for the poor; higher life expectancies; lower rates of infant mortality; improved water supplies; less corruption; a better environment; and greater civil liberties. The per capita incomes of the poorest 10 per cent in the most economically free countries is more than 8 times greater at \$7,334 (R56,800) than the per capita incomes at \$905 (R7,000) of the people in the least economically free countries.

Greater economic freedom for South Africa

South Africa will become more economically free if it chooses to:

- Improve the legal structure, policing, and security of property rights, respect the independence of the judiciary, and drastically reduce crime;
- Abolish exchange controls and increase the stability of the rand by improved control over the money supply, which will rapidly reduce inflation, encourage foreign investment, and facilitate trade;
- Increase the demand for labour by reducing compliance costs, restore the contractual rights of the unemployed, and lift the regulation of minimum wages to avoid pricing the unskilled out of the market;
- Reduce administrative requirements and bureaucratic costs to improve the "ease of doing business";
- Reduce the size of government by reducing government consumption expenditure as a percentage of total consumption, dispose of public enterprises, open up the respective areas of the economy to competition, and reduce top marginal and payroll taxes; and
- Channel all BBBEE through the budget, utilising the sale of state assets and taxes to take corrective action, and stop the current random and disruptive interference in the operation of businesses.

If our government takes this purposeful action to improve the political and economic environment in South Africa, the gloom and doom will disappear as rapidly as it did when the electricity came back on. People will once again look forward eagerly to a bright future.

Right now, South Africa needs to be given a powerful message of hope by its government – a government that has both the capacity and duty to do so

Directors' Report to the Council Meeting

The Sub-Prime Debacle – Government Failure

It was inevitable that sooner or later articles would appear declaring that the sub-prime debacle in America and the resultant global turmoil was the result of “excessive freedom” or an “over-reliance on free market forces”. Very strange statements, indeed, when we consider that everywhere, money, its creation and management, is firmly under the control of governments and their appointees. Central banks are given various tasks when they should have only one; to provide money that maintains its purchasing power.

Examples of stated objectives of central banks:

The Bank of England –

According to its website the Bank of England, founded in 1694, nationalised in 1946, and gaining independence in 1997, exists to ensure monetary stability and to contribute to financial stability. The core purposes are described as:

Core Purpose 1 - Monetary Stability

Monetary stability means stable prices and confidence in the currency. Stable prices are defined by the Government's inflation target, which the Bank seeks to meet through the decisions on interest rates taken by the Monetary Policy Committee, explaining those decisions transparently and implementing them effectively in the money markets.

Core Purpose 2 - Financial Stability

Financial stability entails detecting and reducing threats to the financial system as a whole. Such threats are detected through the Bank's surveillance and market intelligence functions. They are reduced by strengthening infrastructure, and by financial and other operations, at home and abroad, including, in exceptional circumstances, by acting as the lender of last resort.

Governance

The current governance and accountability framework is set by the 1998 Bank of England Act, which provides for a Court of Directors, a Committee of Non-executive Directors within Court, and a Monetary Policy Committee.

The Court of Directors

Court consists of the Governor, two Deputy Governors and 16 Directors. The Directors are all non-executive. The Governors are appointed by the Crown for five years and the Directors for three years.

Monetary Policy Committee

The Bank of England Act establishes the MPC as a Committee of the Bank, subject to the oversight of NedCo (Non-Executive Director's Committee), and sets a framework for its operations. Under the Act, the Bank's objectives in relation to monetary policy are to maintain price stability and, subject to that, to support the Government's economic policies, including its objectives for growth and employment.

Comment –

Clearly the objectives of maintaining stable prices, and supporting the government's economic policy, including its objectives for growth and employment, could be in total conflict depending on the economic stance of whoever makes the various decisions. They

don't have to be but they could be in conflict and that is not a healthy predicament for a central bank to be in.

United States Federal Reserve –

The Federal Reserve sets the nation's monetary policy to promote the objectives of maximum employment, stable prices, and moderate long-term interest rates. The challenge for policy makers is that tensions among the goals can arise in the short run and that information about the economy becomes available only with a lag and may be imperfect.

The statement continues:

The goals of monetary policy are spelled out in the Federal Reserve Act, which specifies that the Board of Governors and the Federal Open Market Committee should seek “to promote effectively the goals of maximum employment, stable prices, and moderate long-term interest rates.” Stable prices in the long run are a precondition for maximum sustainable output growth and employment as well as moderate long-term interest rates. When prices are stable and believed likely to remain so, the prices of goods, services, materials, and labour are undistorted by inflation and serve as clearer signals and guides to the efficient allocation of resources and thus contribute to higher standards of living. Moreover, stable prices foster saving and capital formation, because when the risk of erosion of asset values resulting from inflation—and the need to guard against such losses—are minimised, households are encouraged to save more and businesses are encouraged to invest more.

Comment –

In the initial quote the Federal Reserve acknowledges that the goals of “maximum employment, stable prices, and moderate long-term interest rates” could be in conflict with each other. Banking and political objectives make for a volatile mix.

The South African Reserve Bank –

The South African Reserve Bank displays the following statements on its website:

Mission

The South African Reserve Bank is the central bank of the Republic of South Africa. It regards its primary goal in the South African economic system as “*the achievement and maintenance of price stability*”.

Vision (2010)

The South African Reserve Bank maintains that South Africa has a growing economy based on the principles of a market system, private and social initiative, effective competition and social fairness. It recognises, in the performance of its duties, the need to pursue balanced economic development and growth.

Commitment

The Reserve Bank is committed to achieving and maintaining price stability in the interest of balanced and sustainable economic growth. In the pursuit of its primary objective, the Bank must perform its functions independently, without fear, favour or prejudice.

Constitution

According to section 224(1) of the Constitution:

The primary object of the South African Reserve Bank is to protect the value of the currency in the interest of balanced and sustainable growth in the Republic.

Comment –

Whereas the Constitution, which is the highest law in the land, stipulates that the primary object is to “protect the value of the currency in the interest of balanced and sustainable growth”, the Reserve Bank says it regards its primary object to be “the achievement and maintenance of price stability”. Once again, this could mean the same thing but not necessarily so. The most important question that needs to be answered is whether the Reserve Bank has the right to determine a primary object that is different to that laid down in the Constitution. The answer must be that it does not, which also means that debasing the currency is unconstitutional.

Why the sub-prime debacle results from government failure –

Debacles such as the one that is currently rocking financial markets would not occur if money were to be provided by competing private banks. They would not artificially drive down inter-bank interest rates to 1 per cent as the Federal Reserve under Alan Greenspan did in July 2003. This was a signal for Americans to stop saving and start borrowing and spending, including on housing. At the low interest rates that were being offered, it made sense to upgrade on housing. The increased demand, brought about by artificially low interest rates, drove up house prices.

House buyers budgeted their home loan repayments on the repayment amounts based on the artificially low interest rates. In order to keep the interest rates low the Fed increased the money supply. An artificial boom resulted and operators in the financial markets started creating all sorts of weird and wonderful “packages” of mortgage bonds. These were bought by a great number of banks and other investment houses that should have known better.

Inevitably, inflating the money supply caused general price increases (price inflation) and the Fed started increasing interest rates. And that is when the unwinding commenced. However, we must never forget that it all started with the Federal Reserve pushing artificially cheap money into the market. The failure was not in the market, it was in the Federal Reserve System, whose Board is appointed by government.

While we have government-controlled central banks they will not be able to resist influencing political and economic outcomes, causing booms and busts as they go. Economist Jesús Huerta de Soto, in his book *Money, Bank Credit and Economic Cycles*, concluded that, “Only the complete abolition of legal-tender regulations and the total privatisation of the state-issued money now in existence will prevent government institutions from triggering economic cycles even once a 100-percent reserve requirement is established for private banking.”

The Federal Reserve Open Market Committee (FROMC) –

The FROMC released the following statement on 5 August 2008:

“The Federal Open Market Committee decided today to keep its target for the federal funds rate at 2 percent.

Economic activity expanded in the second quarter, partly reflecting growth in consumer spending and exports. However, labour markets have softened further and financial markets remain under considerable stress. Tight credit conditions, the ongoing housing contraction, and elevated energy prices are likely to weigh on economic growth over the next few quarters. Over time, the substantial easing of monetary policy, combined with ongoing measures to foster market liquidity, should help to promote moderate economic growth.

Inflation has been high, spurred by the earlier increases in the prices of energy and some other commodities, and some indicators of inflation expectations have been elevated. The Committee expects inflation to moderate later this year and next year, but the inflation outlook remains highly uncertain.

Although downside risks to growth remain, the upside risks to inflation are also of significant concern to the Committee. The Committee will continue to monitor economic and financial developments and will act as needed to promote sustainable economic growth and price stability.”

Committee members voted 10 to 1 for the decision. “Voting against was Richard W. Fisher, who preferred an increase in the target for the federal funds rate at this meeting.”

Comment –

Note that the Fed continues to aim at keeping the interest rate at which it will lend money to banks at 2 per cent. Inflation has been “spurred”, it says, by the “earlier prices of energy and some other commodities”. There is no mention of money supply increases having any role to play in the current situation.

Manipulation of the currency in an effort to bring about politically desired outcomes will inevitably have negative consequences. Without fail, the central bank will attempt to create an artificial boom, which in due course will lead to a real slump. The manipulation of interest rates persistently sends out false signals to participants in the economy, causing them to make incorrect decisions, as unfortunate US home-buyers did on a large scale. The current 2 per cent discount window, created in an attempt to stave off the consequences of previous major manipulations, is pushing the problem into the future, with outcomes that no one, including the Board of the Federal Reserve System, can predict with any level of certainty. The Fed has created a problem that will have negative results for millions of people worldwide.

Central banks in most other countries will carry out similar manipulations, attempting to prevent the consequences of past manipulations from causing recessions or depressions. Some, such as South Africa’s Reserve Bank, will induce what they hope will be mild recessions as they try to stave off more severe recessions or depressions. The economic cycles that have become so familiar to us all are a result of the nationalisation of money, followed by its unavoidable political manipulation under government control. Professor Friedrich Hayek, in his book *Denationalisation of Money*, argued that by having competing private currencies the problems experienced by national currencies would be avoided. Jesús Huerta de Soto is of the view that countries should go even further and return to a free-banking system based on a metallic standard (gold). This would certainly be a boon to South African gold miners.

The view that free markets are the cause of America’s and the world’s current economic woes are without foundation.

Land Reform

The land debate is a politically sensitive terrain. Much has been said about the land question in South Africa and much of that has not been value neutral. Perhaps this lack of value neutrality is inherent in the land discourse. Unfortunately this has not enhanced the land debate in any meaningful way and has thwarted the implementation of land reform.

What is needed is a serious interrogation of the land reform programme and an intervention that is less ideologically driven but well researched and based on what is practical and desirable to South Africa's landless people. This research-based intervention on land will take into account other equally important considerations such as the need to promote reconciliation and not vengeance as our Constitution requires, the need to attract Foreign Direct Investment to South Africa, that as many Black people as practically feasible acquire secure titles to land and that there is the required skills retention and transfer in the agricultural sector.

There are three components to land reform that require serious rethinking, namely land redistribution, land restitution and land tenure reform. In turn these must be dealt with in light of the considerations mentioned in the preceding paragraph. As foreign ownership is an integral part of the land question it has to be dealt with as far as it is relevant to the matter of making land available to landless people.

Land cannot be viewed in isolation as other concerns such as the reconciliatory spirit in our Constitution and the need to attract Foreign Direct Investment are of pivotal importance. We cannot afford another Zimbabwe. Ours needs to be a sober prognosis void of populist naivety.

With regard to land tenure reform, we need to know which land parcels are held by blacks in South Africa and under which titles. In order to achieve this we cannot move from a baseless point of departure. We will have to know by race, who owns what and this will enable us to get to a point where we are able to measure our success or lack of it in land reform. The Deeds office does not possess this racial classification register.

Indeed it will be a cumbersome undertaking to racially classify landowners in South Africa for the following reasons:

- A retrospective data collection will be very difficult and will require huge human and financial capital.
- The subsequent beneficiaries may decide to sell their land and perhaps that land will return to white hands. Such a record of existing status quo will be difficult to maintain at all times.

However, in spite of these considerations we need a base from which to work. What we need is the removal of stringent bureaucratic legislation and existing insecure land titles should be upgraded to secure ones. This would go a long way towards redressing the past imbalances and give the majority of landless people dignity and an economic tool.

We have argued that our approach to the land debate needs less ideology and more practicality taking into account other societal considerations. We have also shown that there is still state land available for redistribution. What we need is political will in dealing with land tenure upgrades and less bureaucratic legislation. Lastly there is no evidence to corroborate the call to jettison the market informed land reform route. We maintain that other routes do not augur well for South Africa's nascent democracy and our economy.

Enterprise Africa!

The Enterprise Africa project has produced an impressive list of studies. They include:

- The Effects of Property Titling in Langa Township, South Africa
- Taxing Alternatives: Poverty Alleviation and the South African Taxi/Minibus Industry
- Seeds of Hope: Agricultural Technologies and Poverty Alleviation in Rural South Africa
- Community-Based Natural Resource Management and Poverty Alleviation in Namibia: A Case Study
- State Power, Entrepreneurship, and Coffee: The Rwandan Experience

The FMF will in the next few months be publishing three studies that emanate from this project. The working titles of these studies are:

- Mauritius; The Resilience of an Entrepreneurial Nation
- The Role of Technology in Food Production and Poverty Alleviation in Rural Africa
- Community-Based Natural Resource Management in South Africa

The FMF and Parliament

After Polokwane a climate characterised by uncertainties and anxieties about the future has descended on South Africa. This is unfortunately exacerbated by statements in the media that are perceived as a concerted and orchestrated effort to undermine and influence the judiciary and other public institutions that are necessary for the rule of law, separation of powers and law and order. This translates into fear about whether the post-election government will be driven by populist policies or not. In the economic arena this is a real concern.

Given this state of affairs the FMF has been observing a consistent tendency on the part of government to increase control of the private sector by means of regulations. It is a plausible prediction therefore that this tendency will increase as the future unfolds. The FMF further notes that with the early closure of parliament this year, which in theory would mean fewer bills passed, the reality is otherwise. In reality numerous bills have been processed some of which have potentially very serious implications for South Africans. The consultation process is in jeopardy because of this. The mad rush to process the bills means that interested parties will either not know of them, will not have time to give serious consideration to the bills, or will feel or become so despondent that they will give up and not engage the bills.

The FMF therefore considers it prudent to consistently bring the big picture to the attention of policy makers, particularly parliamentarians, and prevail on them to look at the long-term effects of policy as opposed to short-term objectives that might be perceived to have populist undertones. To this end, with FMF submissions, written and oral, these considerations are given greater emphasis than in the past. Of particular importance are one on one interfaces with as many policy makers and parliamentarians as possible. As the FMF invariably advocates free market principles as a context for comment, there is increasing emphasis and urgency to counteract the damaging view that South Africa is socially bifurcated along racial or economic lines. The Expropriation Bill can be seen as manifesting that sentiment. In this view whites are the haves and blacks are the have-nots. This is not the way in which most South Africans see the country or the way in which it functions in reality.

Temba Nolutshungu

Health Policy Unit

The fundamental objective of establishing the Health Policy Unit (HPU) is to persuade South Africa's Department of Health (DOH) that its most efficient and cost-effective method of achieving its goal of "quality health care for all" would be to allow the private health care sector (funders and providers) the freedom to grow as rapidly as possible so that the private sector can develop the capability of incrementally providing health care services to an increasing percentage of the total population. Government's role should be to create an environment that is conducive to such growth while it uses its scarce budgetary resources to provide healthcare services to the indigent, purchasing an increasing percentage of such services from a highly competitive private sector, to the point where it will purchase and not provide substantially more of the healthcare services paid for out of taxes.

In order to succeed in its "healthcare" mission, the FMF is compelled to call on all its resources and experience in promoting and defending economic freedom generally, and property rights, including intellectual property rights, in particular. The FMF is intent on persuading government that economic policies and institutions supportive of economic freedom, the cornerstones of which are personal choice, voluntary exchange, freedom to compete, and security of privately owned property, are the best route to a rapidly growing economy, a reduction in poverty, improved general welfare, and better health care for the entire population. For this purpose the FMF will continue its participation, commenced in 1995, in the Economic Freedom Network, with the publishers of *Economic Freedom of the World*, publishing and disseminating the findings in the report and distributing copies of the report to top South African decision-makers. The FMF will also continue its work as a partner organisation in the publication and dissemination of the *International Property Rights Index*, in which Hernando de Soto is integrally involved, as well as continuing to pursue its participation in the Civil Society Coalition of mainly developing country think-tanks, convened by the International Policy Network, to promote and defend private health care provision worldwide.

Submissions

The following written submissions were made on proposed health care legislation:

- Submission on the National Health Bill, 2008 (May 2008)
- Submission on the Medicines and related Substances Amendment Bill, 2008 (May 2008)
- Submission on the revised Medicines and Related Substances Amendment Bill, 2008 (July, 2008)

Oral evidence to the Health Portfolio Committee

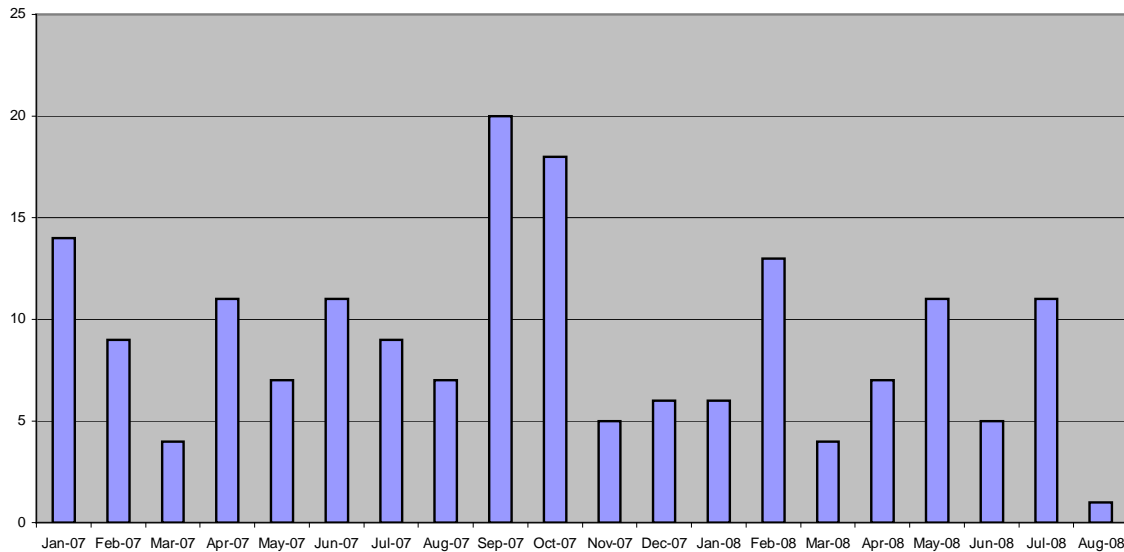
On 5 August Leon Louw gave evidence on the Medicines and Related Substances Amendment Bill to the Parliamentary Portfolio Committee on health. Temba Nolutshungu and Eustace Davie accompanied him. While the evidence basically challenged the principle of government interference with the private sector it was focussed on the fact that the major provisions of the bill were inconsistent with the rule of law.

Government should focus on improving service delivery in the public sector and should stop its excessive intervention in the private health sector. This could be achieved by transferring ownership and control of public health facilities to people currently employed in the facilities, who would then have the incentive to deliver high quality value for money services. The government must think of doing away with cumbersome policies that make it difficult for the private sector to function efficiently. It is primarily in the interests of patients that government policy should change so as to allow and encourage a proliferation of private health care providers who will compete on the basis of good value for money for patients.

FMF Media Coverage

The graph below shows the number of times website Feature Articles were republished in the media.

Number of times website articles republished in the media



The following articles generated by the Foundation, or resulting from interviews with FMF directors, have been published in the media since September 2007:

FMF Website Article	Title	Author	Media	Date
	BEE Phase II: nationalisation & legalised theft under Zuma's reign	Posted by The Uhuru Guru	South Africa Sucks	10-Aug-08
*	South Africa needs freedom, not socialism	Eustace Davie	Moneyweb	07-Aug-08
*	Widening income gap: good for Africa?	Leon Louw	The African Executive	06-Aug-08
	Land bill 'will lump SA with losers'	Deon De Lange	The Star	05-Aug-08
	A tax on imports is inevitably a tax on exports	Dr Jim Harris	Business Day (The South African Exporter)	02-Aug-08
	Better times not too far off	Keith Ross	www.iol.co.za	01-Aug-08

*	Why growing income gap works out better for poor	Leon Louw	Business Day	30-Jul-08
*	Income gap nonsense	Leon Louw	Moneyweb	29-Jul-08
*	Africa's unfeted saviours press on	Eustace Davie	The African Executive	23-Jul-08
*	Africa's Saviours	Eustace Davie	lafrica.com	19-Jul-08
*	Who are Africa's Saviours?	Eustace Davie	Kenya 2063	18-Jul-08
*	Who are Africa's Saviours?	Eustace Davie	Moneyweb	17-Jul-08
	Neo-colonialist NGOs	Temba Nolutshungu	The Independent	16-Jul-08
*	"Market Fundamentalists" - Who are They?	Leon Louw	The African Executive	16-Jul-08
*	"Market Fundamentalists" - Who are They?	Leon Louw	Insurance Times and Investment	12-Jul-08
*	"Market Fundamentalists" - Who are They?	Leon Louw	Real Estate Goings On	12-Jul-08
*	"Market Fundamentalists" - Who are They?	Leon Louw	43 Things	12-Jul-08
	Perverse economic nationalism harms locals	Neil Emerick	Business Day	07-Jul-08
	SA has enough food for citizens	Keith Ross	Pretoria News	03-Jul-08
	Do we have enough food in SA?	Keith Ross	IOL	03-Jul-08
	TV/Radio Interviews - Food Security	Leon Louw	SABC - After Eight Debate	01-Jul-08
	TV/Radio Interviews - Zuma Case	Leon Louw	Kaya FM	02-Jul-08
	TV/Radio Interviews - Food summit	Leon Louw	BBC	30-Jun-08

*	How to cause inflation and get away with it	Eustace Davie	43 Things	27-Jun-08
	Africa must confront the growing crisis in Zimbabwe	Thomas M. Wood & Brett D Schaefer	The Heritage Foundation	26-Jun-08
	"Habits of highly effective countries": Another effective think tank	Atlas Economic Research Foundation	Atlas Economic Research Foundation	19-Jun-08
	TV/Radio Interviews - The consumer under pressure	Leon Louw	SABC - Interface	15-Jun-08
*	Volunteer for success	Eustace Davie	lafrica.com	14-Jun-08
*	Voluntary learning is crucial to educational success	Eustace Davie	Moneyweb	12-Jun-08
*	High Inflation, Same Solution	Dr Richard Grant	The African Executive	11-Jun-08
*	Bank needs to slow down monetary growth rate	Dr Richard Grant	Business Day	10-Jun-08
	Mboweni warned us about rate hikes	Abdul Milazi	Sunday Times	08-Jun-08
*	Tear down the legal barriers keeping out the jobless	Temba Nolutshungu & Eustace Davie	Business Day	06-Jun-08
*	High Inflation, Same Solution	Dr Richard Grant	Moneyweb	05-Jun-08
*	No farming, no jobs! - 1913 Land act and 2008 labour laws	Temba Nolutshungu & Eustace Davie	43 Things	03-Jun-08
	Politics waves goodbye to growth, better lives	Jim Harris	Business Day	02-Jun-08
	SA should learn from UK's NHS	Philip Stevens & Eustace Davie	Health Management Review Africa	01-Jun-08
*	No farming, no jobs! - 1913 Land act and 2008 labour laws	Temba Nolutshungu & Eustace Davie	Moneyweb	31-May-08
*	No farming, no jobs! - 1913 Land act and 2008 labour laws	Temba Nolutshungu & Eustace Davie	AgriAfrica	30-May-08

*	Give the unemployed their right to work	Temba Nolutshungu & Eustace Davie	Moneyweb	26-May-08
*	Give back to the unemployed their right to work and self-respect - right now!	Temba Nolutshungu & Eustace Davie	43 Things	23-May-08
	TV/Radio Interview (Control imports from China - unintended consequences)	Leon Louw	43 Things	22-May-08
	South Africa should avoid Britain's public health care mistakes	Philip Stevens & Eustace Davie	Daily Policy Digest	20-May-08
	South Africa should avoid Britain's public health care mistakes	Philip Stevens & Eustace Davie	Business Day	19-May-08
*	South Africa should avoid Britain's public health mistakes	Philip Stevens & Eustace Davie	Campaign for Fighting Diseases	19-May-08
	South Africa should avoid Britain's public health care mistakes	Philip Stevens & Eustace Davie	International Policy Network	19-May-08
	South Africa should avoid Britain's public health care mistakes	Philip Stevens & Eustace Davie	AllAfrica.com	19-May-08
	You're working for yourself now	Staff Reporter	The Star	17-May-08
*	Give hope to SA's unemployed	Jasson Urbach	43 Things	16-May-08
*	Give hope to SA's unemployed	Jasson Urbach	Moneyweb	16-May-08
	Malaria keeps killing millions	Jasson Urbach	Campaign for Fighting Diseases	15-May-08
	Malaria keeps killing millions	Jasson Urbach	Sowetan (online)	15-May-08
	TV/Radio Interview (A "highly effective" country?)	Leon Louw	Summit Business	15-May-08
	Food crisis	Jasson Urbach	Critical Opinion	12-May-08
	From tomorrow you're working for yourself	Melanie Peters	Weekend Argus	11-May-08
	From tomorrow you're working for yourself	Melanie Peters	www.iol.co.za	11-May-08

	Time for Tax Freedom Day celebrations	Robert Laing	Business Day	11-May-08
*	What can be done about rising food prices?	Jasson Urbach	Moneyweb	11-May-08
*	What can be done about rising food prices?	Jasson Urbach	AgriAfrica	09-May-08
	Tax Freedom Day falls on 12 May	Lindiwe Magana	ITI News	09-May-08
	You worked two extra days for taxman this years	Sanchia Temkin	Business Day	09-May-08
	SA must tighten loose screws on tourism	Neil Emerick	Business Day	05-May-08
	Why I am Bothered by Neo-Colonialist NGOs	Temba Nolutshungu	AllAfrica.com	05-May-08
	TV/Radio Interview (Eskom's little comedy)	Leon Louw	Summit Business	05-May-08
	Why I am Bothered by Neo-Colonialist NGOs	Temba Nolutshungu	The Arusha Times	03-May-08
*	A real electricity market will rapidly end blackouts	Eustace Davie	Moneyweb	01-May-08
	Country Seeks Preferential Treatment for Coffee	Kester Kenn Klomegah	AllAfrica.com	30-Apr-08
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*	UN study says starve the poor	Douglas Southgate	African Liberty	20-Apr-08
*	World Malaria Day - just another PR swat at malaria?	Jasson Urbach	Moneyweb	18-Apr-08
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	High food prices here to stay	Tamlyn Stewart	The Times	15-Apr-08

	High food prices here to stay	Tamlyn Stewart	The Times (website)	15-Apr-08
*	Power to the people	Eustace Davie	lafrica.com	10-Apr-08
*	Restructuring South Africa's Electric Power System	Eustace Davie	Moneyweb	10-Apr-08
*	Attracting Pharmaceutical Investment to South Africa	Eustace Davie	The African Executive	09-Apr-08
	Enlist market forces in the war on crime	Temba Nolutshungu	Cape Argus & The Star	08-Apr-08
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*	Attracting Pharmaceutical Investment to South Africa	Eustace Davie	Moneyweb	04-Apr-08
*	What the hospital pricing furore and electricity blackouts have in common	Eustace Davie	Health Management Review Africa	01-Apr-08
*	Trade is good for your health	Jasson Urbach	Moneyweb	28-Mar-08
*	Another 'unforeseen' payout to SAA?	Jasson Urbach	Moneyweb	19-Mar-08
*	Imposing royalties on mining companies compounds an earlier injustice	Eustace Davie	43things	13-Mar-08
*	What the hospital pricing furore and electricity blackouts have in common	Eustace Davie	Insurance Times & Investment News	10-Mar-08
*	The role of labour unions in post-apartheid SA	Temba Nolutshungu & Jasson Urbach	Moneyweb	09-Mar-08
	Time zones for SA could cause chaos'	Tamlyn Stewart	The Times	07-Mar-08
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*	Cost of health	Business Day	Business Day	04-Mar-08

*	Price fixing would be poison for Country's Private Hospitals	Eustace Davie	AllAfrica.com	04-Mar-08
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	Better life for all' awaits growth initiatives	Jim Harris	Business Day - The South African Exporter	03-Mar-08
*	What the hospital pricing furore and electricity blackouts have in common	Eustace Davie	Moneyweb	29-Feb-08
	SA moving in the right direction	Xolile Bhengu	The Times	29-Feb-08
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*	Quotas on Chinese imports of textiles and clothing	Jasson Urbach	Moneyweb	22-Feb-08
*	Quotas on common sense	Jasson Urbach	lafrica.com	21-Feb-08
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*	Why is the rand falling now?	Dr Richard Grant	Moneyweb	13-Feb-08
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*	Kenya's election crisis exposes Africa's flawed 'democracy'	Leon Louw	African Path	11-Feb-08
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	Do it my way, Trevor	Onthemoney	The Times	06-Feb-08
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	Proposed cure could be more harmful than problem	Jasson Urbach	Health Management Review Africa	01-Feb-08

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*	South Africa and its declining level of economic freedom	Jasson Urbach	43things.com	30-Jan-08
*	Public Enterprises are Prone to Disaster	Eustace Davie	African Roundtable	28-Jan-08
*	Colonialism's unspoken, awful legacy	Eustace Davie	Cape Argus	25-Jan-08
*	Shed Eskom monopoly	Eustace Davie	iafrica.com	25-Jan-08
	Light the way, Manuel	Robert Laing, Xolile Bhengu & Zweli Mokgata	Sowetan Online	21-Jan-08
	Light the way, Manuel	Robert Laing, Xolile Bhengu & Zweli Mokgata	Sowetan	21-Jan-08
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*	Let's hope the Polokwane revolution reverses course sharpish	Dr Jim Harris	Insurance & Investments News	18-Jan-08
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	Softening the blow of losing	Leon Louw	Business Day	16-Jan-08
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	African Liberty, outlines fundamental weaknesses in African democracy	Leon Louw	Africa Unchained	16-Jan-08
*	Government of the people, by the people, for the people	Eustace Davie	The African Executive	16-Jan-08
	Kenyan vote exposes Africa's weak democratic credentials	Leon Louw	Accra Daily Mail	14-Jan-08
*	Government of the people, by the people, for the people	Eustace Davie	43things.com	14-Jan-08
*	Competition law: an Alice in Wonderland fantasy	Eustace Davie	43things.com	14-Jan-08
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*	South Africa's poverty and unemployment battle	Jasson Urbach	Moneyweb	21-Dec-07
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*	Competition law: An Alice in Wonderland fantasy	Eustace Davie	Moneyweb	14-Dec-07
*	Executive omnipotence pollutes SA's progress	Leon Louw	Business Day	12-Dec-07
	Law Review slams AFU over car seizures	SAPA	The Times	12-Dec-07
	AFU must focus on its jobs	Law Review Project	www.iol.co.za	11-Dec-07
*	Wasteful regulation	Leon Louw	Moneyweb & AgriAfrica	10-Dec-07
	Bad news depends on which numbers you pick	Jim Harris	The South African Exporter	01-Dec-07
*	My Christmas wish	Eustace Davie	Moneyweb	30-Nov-07
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*	Public enterprises, guided by "mean-wellers", are prone to disaster	Eustace Davie	AfriAfrica & 43 Things	16-Nov-07
*	Free trade is good for customers and economic growth	Jasson Urbach	AgriAfrica & ITI News	08-Nov-07
	The unseen costs of creating 'opportunities'	Neil Emerick	Business Day	05-Nov-07
*	Liberate trade and education to increase economic growth	Eustace Davie	43Things.com	05-Nov-07
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*	Bureaucracy burdens SA's private health care	Jasson Urbach	Campaign for Fighting Diseases	29-Oct-07
*	Bureaucracy burdens SA's private health care	Jasson Urbach	Moneyweb	28-Oct-07
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*	Bureaucracy burdens SA's private health care	Jasson Urbach	ITI News	26-Oct-07

*	Who will save Africa from the new colonialists?	Temba Nolutshungu	The New Vision	24-Oct-07
*	Spare us the medicine of the new colonialists	Temba Nolutshungu	The Providence Journal	23-Oct-07
*	Spare us from new colonialist 'saviours'	Temba Nolutshungu	Business Daily Africa	22-Oct-07
	Banks say state is passing buck on drunken driving	Lauren Cohen	The Times	21-Oct-07
*	Insurance Commission Regulation: inappropriate and undesirable	Leon Louw	Moneyweb	19-Oct-07
*	Cellphones extend a lifeline to the poor	Jasson Urbach	Cape Argus	17-Oct-07
*	Greater labour market flexibility will reduce unemployment	Jasson Urbach	Moneyweb & AgriAfrica	15-Oct-07
*	Spare Africa the medicine of the new colonisers	Temba Nolutshungu	Campaign for Fighting Diseases	10-Oct-07
*	Sickness at the heart of Zimbabwe's health care	Jasson Urbach	Cape Argus	08-Oct-07
*	Spare Africa the medicine of the new colonisers	Temba Nolutshungu	Business Day	08-Oct-07
*	Are Western NGOs the emerging new colonialists in Africa?	Temba Nolutshungu	Africa News Network	08-Oct-07
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*	SA virtually standing still on economic freedom	Eustace Davie	Business Day	02-Oct-07
*	The Zimbabwean healthcare crisis	Jasson Urbach	Moneyweb	01-Oct-07
*	SA shares 60 th place with Lesotho in world economic freedom rankings	Eustace Davie	Cover	01-Oct-07
*	The Zimbabwean healthcare crisis	Jasson Urbach	ITI News	30-Sep-07
	Web of red tape harms SA's image	Hilary Joffe	Business Day	27-Sep-07
	So much government land going to waste	Leon Louw	The Star	25-Sep-07

	Foreign property buyers boost our wealth - expert	Temba Nolutshungu	Real Estate web	25-Sep-07
*	The true developmental state is founded on liberty	Johan Biermann	AgriAfrica, AHI & 43Things.com	21-Sep-07
*	When is a gift not a gift	Judy Tren	43Things.com & AHI	14-Sep-07
	Quote of the Day	Temba Nolutshungu	Booker Rising	12-Sep-07
	Killing the golden goose, a lesson in economic freedom	Gavin Chait	Cape Argus	10-Sep-07
*	South Africa shares 60 th place in Economic Freedom Network index	Eustace Davie	Atlas Economic Research Foundation	07-Sep-07
*	SA shares 60 th place with Lesotho in world economic freedom rankings	Eustace Davie	AHI	07-Sep-07
	JSE sizes up Zambia, Nigeria & Mauritius	Renee Bonorchis	Business Day	06-Sep-07
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	SA lags on economic freedom	I-Net Bridge	East London Daily Despatch	06-Sep-07
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Income gap nonsense	Leon Louw	22-Jul-08
Who are Africa's saviours?	Eustace Davie	15-Jul-08
"Market fundamentalists" - who are they?	Leon Louw	08-Jul-08
Feeding the food crisis, securing insecurity	Leon Louw	01-Jul-08
How to cause inflation and get away with it	Eustace Davie	24-Jun-08
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No farming, no jobs - 1913 land Act and 2008 labour laws	Temba Nolutshungu & Eustace Davie	27-May-08
Give back to the unemployed their right to work and self respect - right now!	Temba Nolutshungu & Eustace Davie	20-May-08
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The UN latest study has told us to starve the poor	Douglas Southgate	22-Apr-08
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Restructuring South Africa's electric power system	Eustace Davie	09-Apr-08
Attracting pharmaceutical investment to South Africa	Eustace Davie	01-Apr-08
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South Africa's inhumane labour laws	Eustace Davie	07-Aug-07

Conclusion

The Directors wish to thank the members and supporters of the Foundation for their continuing financial and moral support. The South African business community has had to deal with a deluge of new legislation and regulations. Substantial changes in the statutory environment are very costly for business in both adaptation to new circumstances and compliance with new laws and regulations. Having this cost imposed on businesses is unfortunate in view of the need for high growth in the economy, which can only be derived from high growth in individual businesses. The unavoidable result is lower economic growth and fewer jobs created. The Foundation is working very hard to persuade government that the country needs good quality law and not excessive quantities of it. The changes affect all areas of the economy, are very difficult to track and dealing with the issues makes up a very large part of the work of the Foundation.

We wish to thank the office bearers of the FMF, the Patrons, Council Members and Executive Committee for their support of the Foundation's work. We wish to record our grateful thanks to our Chairman, Dr Brian Benfield, who devotes a great deal of his time and energy to the affairs of the Foundation, despite all the other demands on his time.

Our special thanks to our staff for their dedicated hard work.

28 August 2008