

## FREE MARKET FOUNDATION OF SOUTHERN AFRICA

During 1975, six concerned young South Africans formed the South African Free Market Foundation. They were Ed Emery, Mike Lillard, Leon Louw, Fred Macaskill, André Spies and Marc Swanepoel. They brought out the first issue of the pamphlet "The Individualist" in December 1975, in which they stated:

"The aim of the Foundation is to encourage a free market economy in South Africa."

"There is an increasing concern in South Africa about rapidly expanding government intervention in the economy and the growth of bureaucracy and state corporations."

"The present trend is towards increased government participation in and control of the economy. The Free Market Foundation wants to stop this trend and reverse it. The Foundation wants the number and severity of government interventions to be reduced. It wants government to transfer its stake in the economy to private enterprise."

During 1976, the six young founders of the organisation were persuaded that it was necessary to gain the support of existing private sector bodies in order to make more rapid progress. A steering committee under the chairmanship of Mr DWR Hertzog was formed to prepare a new constitution and restructure the Foundation.

On 9 March 1976, the inaugural congress of the reconstituted and renamed Free Market Foundation of Southern Africa took place. At this congress and in terms of the new constitution elections were held in three categories viz Corporate Members (companies - subscription minimum R200), Individual Members (individuals - subscription minimum R25) and Organisational Members (private sector organisations such as Assocom, AHI, FCI - subscription minimum R100), each category electing 5 members to the 15 member Council which controls the affairs of the Foundation. It is consequently not possible for one category of member to dominate the Foundation.

It is recognised that the members of the Foundation will favour differing degrees of economic freedom. What they do agree on is that

they want a greater degree of economic freedom than they have now. It is therefore recognised that as progress is made in privatization and deregulation, members will cease to support the Foundation once their own desired level of economic freedom is reached. No member or employee is consequently entitled to speak on behalf of the Foundation. Comments are always made by speakers in their individual capacities.

A wide spectrum of national bodies has representation on the Council of the Foundation. Farmers, consumers, industry and commerce are all represented viz Consumer Council, NAMPO, NAFCO, AHI, FCI, Consumer Foundation and Assocom.

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Looking back on the past 11 years, it is difficult to identify the most important functions performed by the Foundation. Here are some of them (expanding or adding to what is contained in the brochure):

1. Watchdog role

The mere existence of the Foundation has had a retarding effect on interventionism. Requests for intervention are not as blatant as they might otherwise have been and government has been provided with the necessary information to make its members fully aware of the consequences of interventionistic actions.

2. Dissemination of Information

2.1 Bringing foreign visitors to South Africa

Professor Friedrich Hayek was brought to South Africa in March 1978 and his visit had a considerable impact especially on the academic world.

Professor Walter Williams visited South Africa for three months in mid-1980.

This outspoken Professor of Economics of George Mason University, Fairfax, Virginia, who writes a syndicate column published in newspapers throughout the USA has recently been demonstrating the absurdity of sanctions to his countrymen. He also consistently explains the true position in South Africa eg that the real woes of black South Africans are attributable to their being subjected to socialism. Williams maintains that the solution to South Africa's problems is the granting of economic freedom to all its citizens.

Professor Petr Beckmann, Professor of Electrical Engineering at the University of Colorado and author of The Health Hazards of Not

Going Nuclear and publisher of the monthly newsletter Access to Energy visited South Africa as a guest of the Foundation in July 1980. In Access to Energy he regularly discusses the absurdity of isolating South Africa whilst the US government actively facilitates trade with the USSR and other repressive governments.

Dr Madsen Pirie and Robert Poole, Jnr, leading proponents in the UK and USA respectively of privatization of government services at all levels, were speakers at the highly successful Privatization Conference in April 1986. Their visit added impetus to the move towards privatization in South Africa.

Dr John Hospers spent a month in South Africa as a guest of the Foundation, addressing audiences at eleven universities and colleges. He is a highly respected philosopher whose book Introduction of Philosophical Analysis is prescribed reading in South African Universities. As a political philosopher and author of numerous articles in newspapers and magazines, Professor Hospers challenges the vendetta against South Africa on ethical grounds.

## 2.2 Publications

There is no doubt that Transport Policy: A study of road passenger transportation had a substantial influence in changing the thinking of many influential people on the subject of transport. The author, Terry Markman, is in great demand as a speaker at conferences dealing with transport and is a recognised expert on deregulation and privatization of transport.

## 2.3 "With Justice For All" Training Programme

There are presently 28 companies using the training programme and 104 in-company trainers have been trained to present the course to their fellow employees. In addition, some of the trainers have become sufficiently proficient in economics to lecture to senior employees.

(Note: In disseminating information, the FNF is using both the "trickle down" and "trickle up" methods of getting the message to the people of South Africa.)