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## Put populism on hold in these dire economic times and make the hard choices

e've been living through recessionary times for many years, not just the first half of this year when the economy officially met the textbook definition of a recession – two consecutive quarters of contraction. It could be argued that our economic slide began in earnest on that August afternoon in 2012 when police opened fire on mineworkers protesting for a higher wage.

Our growth rates and certainly our confidence levels have been depressed ever since, exacerbated by flagrant corruption on the part of our ruling elite and faltering economies elsewhere in the world.

The tenure of former president Jacob Zuma made an already unfavourable situation even worse. It has been a confidence-sapping 10 years, and no amount of Ramaphoria could undo the damage. To think that just getting rid of Zuma would be the panacea for our growth woes was pure folly.

This is especially true in light of the continued strengthening of the dollar due to rising interest rates in the US.

The rand, which at the beginning of the year was relatively healthy, has been on the back foot since the first rate hikes in the US in March. Commodity prices have remained depressed, particularly for our biggest foreign-exchange earners, platinum and gold. At the same time oil prices rose more than 20% in the first half of the year, pushing up local petrol prices to record levels. The fuel price feeds into all spheres of the South African economy, so confidence levels are down.

Then there are the state-owned enterprises that still hang like albatrosses around the state's neck. While much has been done to begin to address the governance collapse around companies such as Eskom, it is not clear how they are to be funded.

And as necessary as they are, inquiries such as those of Raymond Zondo and Robert Nugent provide plenty of cause for depression.

This is not exactly the right climate to stage an

economic recovery.

When Zuma walked into the Union Buildings for the

first time in 2009, he had a budget surplus at his disposal, an energy crisis that required substantial state spending on new power stations, and the prospect of hosting the Fifa World Cup in 2010.

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During his first term SA strode the globe in the same club as Brazil, Russia, India and China. Apart from spending on energy generation, the government splashed out on public service job creation to help offset cuts in the private sector.

The binge continued into his second term and a blind eye was turned to the tightening

fiscal conditions. Anyone who stood in the way was simply cast aside.

Now the South African story has been caught up in the global aversion to risk. Even

though SA might be better off than some other emerging markets because we are not exposed to dollar debt, our story is not a palatable one in a time when all bets are off.

This week's GDP data, showing the economy contracted 0.7% in the second quarter

after an even worse performance in the previous quarter, confirmed the worst fears of global investors. That the government is seeking to address the land question at a time like this, while politically necessary, becomes a liability in trying to attract investment. It's quite a pickle the South African economy is in. To emerge from it, some hard fiscal

decisions have to be made. Not crowd-pleasing moves such as the petrol price reprieve this week, but tough action to inspire confidence that the faults of the Zuma era will not be repeated.

This is a long, hard road, and all political parties would do well to make sure the voting

public understands this in the run-up to the election next year. Populist positions are not what the country needs.

## Heads must roll for inaction that cost firefighters' lives

after the Grenfell Tower apartment building caught fire, killing 80 people. That's what happens in societies where there's accountability: heads roll when administrative inaction costs lives. Reports at the time were that fire inspectors had warned repeatedly that the building was a fire hazard. In SA, the opposite is true. Three firefighters died this week in a fire at the Bank of Lisbon building on Pixley ka Isaka Seme Street, central Johannesburg, which houses three government departments. What we've learnt in the aftermath of that

ick Paget-Brown stepped down as leader of the local council in London

houses three government departments. What we've learnt in the aftermath of that tragedy is that those brave firefighters stood no chance. Simphiwe Moropane fell to his death after he apparently smashed the window on the 23rd floor to get air. His air cylinder was empty. Johannesburg has 15 working fire trucks for 5-million residents.

This is how one rescue technician described the shambolic state of the city's fire

department: "It's so bad we have to buy our own gear, especially guide ropes and safety multitools. Our torches are useless. Until a few years ago we shared face masks."

If we lived in a normal country, politicians and other high-ranking officials responsible for this sordid state of affairs would be falling on their swords.

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But not here, where the blame is always pointed at the other person. The DA, which runs the city, will say it's not its problem but that of the provincial government. The

Gauteng government will say: "But we don't manage government buildings, we lease them from the department of public works." That department will say: "We have a maintenance backlog."

It's not only government buildings that are fire hazards; many high-rise structures in

the inner city should have long been condemned. A list that was released by Gauteng premier David Makhura's office shows that eight buildings, including his own office at 30 Simmonds Street, do not comply with health and safety standards.

Until there is political and administrative will to deal with this crisis, and people are

held accountable, firefighters will risk their lives to respond to emergencies that should be preventable.