



Response

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The 2019 State of the Nation Address

In last year's State of the Nation Address, President Ramaphosa – only a week or so into the job – made a number of commitments. Among the most important were:

- Taking decisive steps to comply with the directions of the Constitutional Court concerning social grant payments, which were then in a critical situation due to incompetent leadership and a minister who had ignored the Court's earlier rulings.
- Changing the way that boards of State-Owned Enterprises (SOEs) were appointed so that only people with expertise, experience and integrity serve in these vital positions.
- Urgently attending to leadership issues at the National Prosecuting Authority to ensure that this critical institution was stabilised and able to perform its mandate unhindered.
- Stabilising and strengthening the South African Revenue Service, including the appointment of a Commission of Inquiry into Tax Administration and Governance.

A year later, all these commitments have been honoured. Minister Bathabile Dlamini was moved out of the social development portfolio, new service providers have been appointed, and grants have been paid without interruption. Many of the most corrupt and ineffective members of SOE boards have departed (and some are facing criminal charges) and – in some, but not all, cases – new boards have been appointed consisting of independent, competent and honest people. A new, untainted, head of the National Prosecuting Authority has been appointed after an open and transparent selection process. And the promised Commission of Inquiry into SARS was established, carried out its work, and made its recommendations – the key one of which was the dismissal of the Commissioner, Tom Moyane, a dismissal carried out by Mr Ramaphosa some months ago.

Last year there was also talk of a jobs summit and an investment summit, as well as the creation of a Presidential Economic Advisory Council. All three of these were achieved, and the latter two at least seem to be bearing fruit.

This degree of follow-through is something new; in the past it has been very difficult to identify such clear implementation of one year's promises by the time the next year's speech has been delivered.

All this provides cause for optimism regarding some of the latest commitments. Among them, perhaps the two most important are the unbundling of Eskom and the establishment of an investigative directorate within the NPA to focus on corruption and state capture cases.

Eskom is on the brink of financial collapse. Corruption and mismanagement have played their part, but it is also far too large and unwieldy an organisation. The idea of splitting it into three parts – generation, transmission and distribution – has long been floated as a way of increasing efficiency and facilitating public-private partnerships, but this step has been opposed by powerful trade unions (from the National Union of Mineworkers to Solidarity) because they realise that increased efficiency entails a loss of jobs in this most bloated of the parastatal organisations. That the President has committed himself to this path in an election year shows how desperate the situation is; and, equally perhaps, how determined he is to face up to reality.

The same thinking applies with regard to the envisaged investigative directorate in the NPA. Ever since the demise of the Scorpions, activists have been demanding a prosecutor-led entity to focus on corruption. The Hawks have been largely ineffective in this fight, and the police's crime intelligence capacity was purposefully eviscerated by the Zuma regime. The new directorate will have no shortage of material to work with, given the evidence emerging from the various judicial enquiries currently under way.

Both the degree of follow-through on last year's commitments and the newly-identified priorities around Eskom and the NPA are encouraging signs of a President who can see what is wrong and who understands what is necessary in order to fix it.

There was, of course, the usual shopping list of targets concerning job creation and employment initiatives. Here, there is less cause for optimism. Every year we hear about schemes that are intended to address this intractable issue, but there is seldom anything positive to report about last year's targets having been met. Perhaps Mr Ramaphosa's grasp of the importance of tourism, and of the need to reduce red-tape when it comes to starting businesses, will help somewhat, but there is still no sign that the government (or anyone else for that matter) has found the key to unlock this problem.

Disturbingly, Mr Ramaphosa touted as a success the fact that of some 4 000 schools found to have pit toilets in August last year, 699 now have 'safe sanitation' and a further 1 150 are in the planning or construction stages. Therefore, at least 2 151 schools still – after 25 years of democratic government – have pit toilets. Given that there is never a shortage of money for VIP protection or for ministerial motorcades, questions about aspects of the government's priorities are surely justified. The poorest and most vulnerable members of society – who, by definition, lack the means to make enough noise – continue to be left behind in many ways. This, too, is part of the state of our nation.

To end on a positive note: Mr Ramaphosa very clearly knows what needs to be done. He has a comfortable grasp of the key issues, especially the economic challenges. He gives the impression of being relaxed and secure in his position, and he exudes confidence. In the year since he ascended to the presidency he has fulfilled his promises to a large degree. He has begun to flex his muscles, as is shown by some of his key appointments and his decisions on Eskom and the corruption enquiries.

The state of the nation, a year after Mr Ramaphosa replaced Mr Zuma is: politically, if not yet economically, much better.

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