

PARI Public Affairs
Research Institute



ANNUAL
REPORT

2016/2017



Contents

Director's letter	ii
PART 1: THE YEAR IN REVIEW	1
Organisational and institutional studies	6
Betrayal of the promise: How South Africa is being stolen	8
Shaping thought and opinion	11
Journal articles	11
Journal review	11
Reports	12
Books, chapters and working papers	14
Media	16
Events	22
PART 2: PROJECT HIGHLIGHTS	29
Organisational dynamics	31
State-society relations	33
Public policy	35
PART 3: THE PARI TEAM	37
Executive team	39
Support Staff	39
Researchers	39
Fellows	40
Organisational and institutional studies 2018	40
Board of directors	41
PART 4: THE FINANCIAL YEAR	42
Pari's funders	44
Financial statements	44

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Leon Sadiki: Mogalakwena Local Municipality (Cover, pages 1, 2, 8, 13, 28, 30). Photos are part of a series commissioned by PARI in September 2017.

Bram Lammers: Staff portraits (inside cover)

Erik Vorster: Johannesburg city panorama (page 20)

Anke van Wyk: Ndebele hut (page 21)

Madelene Cronje: Schoolgirl (page 35)

Director's letter

2017 has been a year of real achievement. It has also been one of terrible sadness.

I remember the death of Phil Bonner this year, a great personal friend, friend of PARI since the beginning and Chair of the Board. Hambe Kahle Phil. I would like to name our seminar room after him.

The beginning of 2018 will also mark the end of the term of the PARI board. I want to honour, though, Tawana Kupe, Morris Mthombe, Shahid Vawda and Linda Chisholm for the roles that they have played cementing PARI's relationship with Wits and for the ongoing support they have given me through the years.

The Northern Frontiers Project has started to publish highly original and empirically rich reports and articles.

The Three Cities project has completed three major studies of Nelson Mandela, eThekweni and Buffalo City. They promise to be ground-breaking in the field of political science, urban studies and in public policy.

The Taxation project is generating important and also original monographs. The State Capacity project largely produced the *Betrayal of the Promise* report.

Many of our fellows have completed their degrees or are nearing completion. Sifiso received her doctorate. Brandon, Nwabisa and Nthabiseng finished their Masters - some with distinction. This is testament to the success of the PDP and to the hard work of Federica and Alice.

I am very proud of the culture of intellectual curiosity in the organisation and the quality of discussion. Visiting lecturers, Carlos Forment to Andreas Kalyvas, singled this out as a very special characteristic of the organisation.

I am also very proud of the professionalism and stability that has emerged in the organisation. Some of the changes have been a resounding success. The splitting of the Operations Manager role into a Head of Administration and a Head of Finance has worked extremely well. There is now a talented and conscientious Executive Team running the organisation.



Mpho has brought such elegance, calm and professionalism to the administrative function. Pam needs to be mentioned for the strides she has made, and Marcia has brought reliability and confidence to her role. Janita, with apparent effortless, has transformed the area of financial management.

This has also been Mbongiseni's year. He has brought great maturity and leadership in the research area. He has single-handedly got institutional studies off the ground. I can only admire and congratulate this achievement. I look forward to the new programme and the students it will bring in 2018.

All of this has been communicated through an outstanding media team of Ferial and Vishanthi.

Enoch and Sindy have worked hard to keep the office and PARI's beautiful grounds clean and welcoming.

And the dogs! Thank you to the dogs for their company and their enthusiasm.

There are major, international partnerships that I look forward to announcing in the new year — part of a growing process of developing a national and international footprint. Not least of these is a colloquium that PARI is funding on political transitions, democracy and institutions. The intention is to develop the comparative aspect of PARI's work through partnerships in the global South. The first of such colloquiums will take place in Argentina, bringing PARI's work into dialogue with senior scholars from across Latin America.

PARI starts the year as a different kind of organisation. We will no longer primarily be a research organisation. We will also be a teaching department at Wits. Moreover, PARI's research and the activism of some its staff have been central to the struggle against anti-constitutional government. The last few years have revealed major weaknesses in the design and structure of government in South Africa. Going forward, PARI hopes to play an important role in providing the research and helping to build the momentum necessary to build a capable state in South Africa.

IVOR CHIPKIN
Executive Director





PART 1

THE YEAR
IN REVIEW



A lead research organisation thinking about the state, in South Africa and the global South.



2017 was a dramatic year for PARI, as three major research projects matured into their final phases, and the Institute gained a weighty profile in the media around groundbreaking publications: *Betrayal of the Promise, Mogalakwena Local Municipality* and PARI fellow Crispian Olver's *How to Steal a City*. New strategic connections were made in this year with contemporary institutions, expanding PARI's national footprint and furthering a programme of internationalisation.

The Betrayal Report, written collaboratively by academics from various institutions, was released in May, and drew local and international attention for much of the year, including a front pager in the illustrious New York Times. This has formed the basis for PARI to play a much bolder political role and make arguments in the public domain that have grown out of its research work.

This was, for example, at the sizeable Future SA #OperationRecapture conference in July, attended by about 100 civil society organisations, several politicians and members of the labour movement. Hosted by the Ahmed Kathrada Foundation and Save SA, the aim was to unite civil society in the fight against state capture. PARI's Director Ivor Chipkin and Research Manager Mbongiseni Buthelezi facilitated two of the five commissions — on public service reform and building state integrity, respectively.

PARI also led submissions to parliamentary inquiries later in the year, around state capture, and political party funding.

With South Africa having established a foothold in the defeat of the state capture project with the ANC president's election in December, a space for a new agenda of state reform has opened up. In this, PARI's work has been influential in a number of ways:

1. Creating awareness and debate around state capture being a political project beyond corruption and mere criminality.
2. Profiling the state and its institutions, state-owned enterprises, and weakened government departments and administrations.
3. Developing thought and terminology in the public domain around state capture and democratisation.

In 2017, PARI also initiated a project to develop an agenda for public service reform. This is expected to mature into a full-blown programme in 2018 — encompassing the range of activities and research work at PARI — to influence political party manifestos in the lead up to 2019 elections.

Making waves in the academy, the Institution has effectually become a teaching department at Wits University, with the launch of Organisational and Institutional Studies. The honour's degree programme called for applications to this brand-new field of study in late 2017, and handpicked the first cohort of students for 2018.

Also in this year, PARI signed a memorandum of understanding (MoU) with another major academic institution, the University of Cape Town, and began teaching some aspects of their Master's in Governance degree. An MoU was also established with the National School of Government which, while currently symbolic, creates the potential for collaborations across the continent.



At the same time, PARI developed a relationship with Brown University in the USA, and an MoU will be confirmed in 2018. This will allow an exchange of materials, knowledge and researchers between the two institutions, and also between PARI and other global partners of Brown's Watson Institute for International and Public Affairs.

Finally, an important collaboration this year was with the New School in New York, the base for two of PARI's visiting lecturers in 2017 — Andreas Kalyvas (above, left) and Carlos Forment (bottom, left). The collaboration will facilitate lecture tours to Argentina, the US and South Africa in 2018 and beyond.



Partnerships in 2017 have shifted PARI towards a federal model of engagement with other academic institutions. Along with politically applicable research, this has positioned the Institute as a major progressive intellectual organisation with development interests. It has increased its capacity to produce high quality, relevant work that informs and solves questions of public policy in South Africa and the global South.

ORGANISATIONAL AND INSTITUTIONAL STUDIES

What do we mean by “the state”? How do we understand its institutions? What makes states work or fail? What and who makes up the state?

One of the most pressing challenges of post-apartheid South Africa is the limited so-called ‘capacity’ of the South African government and the organisations that make up the state. Yet traditional approaches have had limited capacity to grasp the phenomena they seek to understand (corruption, for example, or neopatrimonialism) or to propose ways to ‘build capacity’ that are consistent with the broader democratic ambitions of the South African constitution.

Organisational and Institutional Studies (OIS) is a new programme in the School of Social Sciences to be coordinated by the Public Affairs Research Institute from 2018. The programme offers ways to understand organisations and institutions of government and a multidisciplinary approach to the study of the state.

Honour’s level will be available from 2018 and Honour’s and Master’s levels from 2019.



What is Organisational and Institutional Studies?

Internationally there have been important developments in the study of the state, focusing on the organisations and institutions that comprise it. In addition to traditional scholarship in public administration, since the 1980s economists have explored the behaviour of organisations in relation to the formal and informal structure of incentives operating within them. Anthropologists too have begun exploring institutions as social relations, bringing the methods associated with ethnography to the study of the state. Historical sociology explores the phenomenon of 'state formation' by periodising the emergence of certain kinds of administrations and seeking their historical conditions.

In South Africa, these various approaches are unevenly developed. This programme of study brings together these different fields to provide a multidisciplinary approach to the study of the state, its organisations and institutions. The programme privileges ethnographic methods to study state institutions, to understand their functioning from the inside, and to relate them to broader dynamics of power.





The *Betrayal of the Promise* report positioned PARI as one of the key organisations in the country thinking about the state. It put us at the centre of giving a language to what we are seeing happening in South Africa.

Betrayal of the Promise: How South Africa is Being Stolen



On 25 May 2017, the Betrayal Report was released with huge media attention and made waves in contemporary thought around state capture. The report traces the ANC's history of transformation, identifies seven broad areas of capture and control and details how the shadow state was built. There is (what was then) new information on the Zupta phenomenon — the term coined to describe the network between the Zuma and Gupta families — as well as a detailed anatomy of state capture and how financial flows are being redirected.

The Gupta-Zuma network is revealed to comprise a handful of the same companies and individuals that holds the relationship between the constitutional and shadow states together, and needs to be dismantled and the perpetrators brought to justice. It also argues that a new national economic consensus is required, that details a programme of radical economic transformation within the constitutional, legislative and governance framework.

The Betrayal Report was written by the State Capacity Research Project, convened by Mark Swilling: Professor Haroon Borat (DPRU, UCT), Dr Mbongiseni Buthelezi (PARI, Wits), Professor Ivor Chipkin (PARI, Wits), Sikhulekile Duma (CST, Stellenbosch), Lumkile Monde (DOE, Wits), and Dr Camaren Peter (CST, Stellenbosch), Professor Mzukisi Qobo (SARChi Chair on Diplomacy, UJ), and Professor Mark Swilling (CST, Stellenbosch).

Following its launch, Ivor Chipkin attended the following events to present on the basis of the research in the *Betrayal Report*:

July 13: 14th National Congress of the South African Communist Party

July 18: Conference for the Future of SA
#OperationRecapture

July 25: Presentation to Portfolio Committee on Public Enterprises in preparation for a parliamentary enquiry into Eskom, Parliament, Cape Town

August 2: Seminar at University of Johannesburg, Sociology, Anthropology and Development Studies – *State, Capture and Revolution*

August 17: University of Stellenbosch, Dept of Sociology and Social Anthropology – *State, Capture and the Politics of Elite Populism*

North America

October 24: Johns Hopkins University, Washington DC

October 26: Brown University, Providence

October 30: The New School Dept of Politics, New York

November 6: University of Toronto, Jackman Institute, Toronto



Shaping thought and opinion

PARI's political voice is built on years of research into the public sector and state-society relations and has a powerful presence in the media, civil society and academic publications.

Journal articles

Chilenga, T.J., 2017. Practicalities of the National Development Plan: prospects and challenges, using the rural economy as a case study. *South African Review of Sociology*, 48(2), 87–105.

Chipkin, I., 2017. Corruzione, ideologia e neutralità: cosa può dirci la corruzione sulla forma dello Stato. Il caso del Sudafrica. *Africhi e Orienti*, anno XVIII numero 2–3, 56–77.

Collis-Buthelezi, V.J., 2017. The Case for Black Studies in South Africa. *The Black Scholar*, 47(2), 7–21.

Modisane, L., V.J. Collis-Buthelezi and C. Ouma, 2017. Introduction: Black Studies, South Africa, and the Mythology of Mandela. *The Black Scholar*, 47(2), 1–6.

Phadi, M., J. Pearson and T. Lesaffre, forthcoming. The Seeds of Perpetual Instability: The Case of Mogalakwena Local Municipality. *Journal of Southern African Studies*.

Rampedi, M., 2017. 'Youth, Protest and Political Participation: the Case of Zamdela'. *Journal of African Elections*, 16(2), 129–149.



Journal review

Manyaka, R.K., 2017. Report Review: The Mogalakwena Local Municipality in South Africa. *Journal of Public Administration*, 52(2), 498–502.



Reports

Chipkin, I., 2017. *Personalising and De-Personalising Power: The Appointment of Executive Officers in Key State Institutions*. Johannesburg: Public Affairs Research Institute, Business Leadership South Africa.

Chipkin, I. and M. Le Roux, 2017. *Government and Constitution*. Johannesburg: Public Affairs Research Institute.

Phadi, M. and J. Pearson, 2017. *The Mogalakwena Local Municipality in South Africa*. Johannesburg: Public Affairs Research Institute.

Swilling, M., Chipkin, I., Buthelezi, M. et al., 2017. *The Betrayal of the Promise: How South Africa is Being Stolen*. Cape Town: State Capacity Research Project.





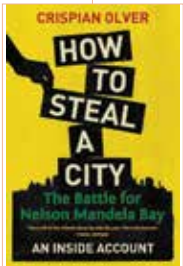
Books, chapters and working papers

- Chipkin, I.**, 2017. Corruption's Other Scene: the politics of corruption in South Africa. In: J. Murphy and N. Jammulamadaka, eds. *Governance, Resistance and the Post-Colonial State: Management and State Building Social Movements*. Oxford: Routledge.
- Ledger, T.**, 2017. *An Empty Plate: Why We Are Losing the Battle for Our Food System, Why It Matters, and How We Can Win It Back*. Johannesburg: Jacana Media.
- Mohale, N.**, 2017. *The state of housing development policy and responses to rapid informality: a case of Ekurhuleni Metropolitan Municipality, Eastern Region*. Working Paper, Johannesburg: Public Affairs Research Institute.
- Naidoo, V.**, 2017. *Tracking the Expansionary State: Machinery of Government Change in South Africa*. Working Paper, Johannesburg: Public Affairs Research Institute.
- Ndlovu, H.**, 2017. *A Journey Through Wits #FeesMustFall 2015/16*. In: C. Chinguno et al., eds. *Rioting and Writing: Diaries of Wits Fallists*. Johannesburg: Society, Work and Development Institute, University of the Witwatersrand, pp. 30–38.





Ndlovu, T., 2017. *Fiscal Histories of Sub-Saharan Africa: The Case of South Africa*. Working Paper, Johannesburg: Public Affairs Research Institute.



Nqaba, P., 2017. NGOs and the depoliticisation of development: the Case of GADRA Education in Grahamstown. In: S. Matthews, ed. *NGOs and social justice in South Africa and beyond*. Pietermaritzburg: University of KwaZulu-Natal Press, Thinking Africa Series.

Olver, C., 2017. *How to Steal a City*. Johannesburg: Jonathan Ball Publishers.

Olver, C., M. Buthelezi and R. Brunette., 2017. *Party Political Funding and the South African State*. Working paper submission to the Parliamentary Ad Hoc Committee, Johannesburg: Public Affairs Research Institute.



Pearson, J., 2017. *Document Wars and the Integrity of Local Archives: The Case of Mogalakwena Local Municipality*. Working Paper, Johannesburg: Public Affairs Research Institute.

Phadi, M. and J. Pearson., 2017. *"We are Building a City": Governance and the Struggle for Self-Sufficiency in Lephalale Local Municipality*. Working Paper, Johannesburg: Public Affairs Research Institute.

Media

News24 – ‘The struggle to keep the lights on’, 24 January 2017

It is not only the maladministration of municipalities – there are other contributing systemic factors connected to their failure to pay for the power they use, write Patronella Nqaba, Joel Pearson and Thoko Jean Chilenga.

Daily Maverick – ‘State of the Nation: the New Right in SA’, 10 February 2017

On February 1, 2017, Mzwanele Manyi, President of the Progressive Professionals Forum, tweeted the following message: “Trump is very clear: America 1st. Brexit is very clear: UK 1st. S Africa MUST be clear about SA 1st. NOT Rating Agencies 1st.” Beautiful in its brevity, Manyi’s message reveals the tensions and contradictions inherent in the world situation and the state of our nation. By Ivor Chipkin.

Huffington Post – ‘SARS Special Report: an Institution in Crisis as South Africa Faces Junk Status’, 3 April 2017

Don’t be fooled by the talk of exceeding targets on revenue collections. The opposite is true and it’s not good news for radical economic transformation, writes Ferial Haffajee.

Mail and Guardian – ‘How Will SA Tackle Corruption?’, 5 April 2017

Power groups’ preferred political projects will ultimately decide on whose terms corruption is fought. By Ryan Brunette.

Daily Maverick – ‘How Supermarkets are Robbing us Blind on Food – with Government’s Support’, 15 May 2017

Rebecca Davis quotes Tracy Ledger: “The inability to access sufficient quantities of nutritious food is the best guarantee that the most marginalised children in this country – those who are poor and who are black – will graduate into a bleak future: struggling to learn in school and thus unlikely to receive a good education, burdened by disease that will make it more difficult to earn a living, and an early death.”

News24 – ‘Admin at its Best’, 22 May 2017

It is tempting to think that the exit of our sitting president will bring respite from the brand of corruption associated with his administration: the brazen looting of state-owned enterprises by the political elite. But it is not that simple, writes Sarah Meny-Gibert.

Sunday Times – ‘South Africans can Help Draft the New Plan to Combat Graft’, 11 June 2017

There is a way for ordinary South Africans to join the fight against corruption, writes PARI’s Mbongiseni Buthelezi.

Daily Maverick – ‘Elite Struggle Over Zuma is Making Weapons against the Poor’, 12 June 2017

Ryan Brunette, Patronella Nqaba, Joel Pearson and Mosa Phadi write: Anti-corruption politics in South Africa are now decisively focused on Jacob Zuma’s removal. It is not our intention to legitimise him. Governing requires a measure of disinterest in oneself, and distance in balancing the interests of others. Zuma’s indiscretion in giving ample circumstance to claims that he is acutely self-interested and heinously partial means that he is incapable of governing.

Huffington Post – ‘This vote of No Confidence is a Momentous Occasion for SA Politics’, 8 August 2017

Zuma has survived nine scandals...can he survive another? Asks Ferial Haffajee.

Sunday Times – ‘Plundering the State in the Name of Change will only Perpetuate Inequality’, 9 August 2017

Beyond the caricature, Zuma is busy with a perilous political project, writes PARI’s Ivor Chipkin.

Huffington Post – ‘21 DGs Axed, Shifted or Suspended in the Zuma Years’, 21 September 2017

New research shows most relationships between DGs and ministers last less than a year. It is one reason service delivery is so poor, writes Ferial Haffajee.

Huffington Post – ‘Malusi Gigaba Ignores the Elephant in the Room in his KPMG Statement’, 22 September 2017

Ferial Haffajee: the finance minister doesn't once mention how KPMG's rogue unit report enables the capture of SARS.

Huffington Post – ‘David Mahlobo: Zuma’s “Prime Minister”’, 26 September 2017

The president is making sure he keeps ever closer to his loyal intelligence minister, writes Ferial Haffajee.

Huffington Post – ‘Decoding the Bell Pottinger Findings’, 4 September 2017

Ferial Haffajee gets to the bottom of what Bell Pottinger is really trying to say.

Capricorn FM – 11 October 2017

Joel Pearson and Mosa Phadi were interviewed as the launch event of the Mogalakwena Local Municipality report was rounding up.

News24 – ‘Testing Democracy at Local Level’, 15 October 2017

Municipalities should not be considered peripheral elements of the state. Rather, they are jewels in the crown of political groupings and central elements in broad strategies of power, write Mosa Phadi and Joel Pearson.

Huffington Post – State of Emergency: #WTF?, 12 December 2017

Ferial Haffajee reports: South Africa reeled on Monday night when Rapport broke the story that the military had convened a task team to urgently begin formulating regulations for a state of emergency.

New York Times – ‘Jacob Zuma and the Theft of South Africa’, 12 December 2017

A decade of President Jacob Zuma's leadership has seen Africa's oldest liberation movement become a caricature of corruption and factionalism, writes Ivor Chipkin.

AfricalsACountry – ‘How Not to Talk about Corruption in South Africa, 14 December, 2017

The market itself is allergic to a breach of trust. When Steinhoff did so, within three days it lost almost R200 billion, writes Ryan Brunette.

New Research | Theses



Brandon Bodenstein

Brandon Bodenstein's Master's thesis considered not only access to justice, but meaningful access to justice. His ethnographic and qualitative research involved spending over eight months at the Braamfontein court to study access to justice from 2016 to 2017.

He sought to undertake a study that went beyond the traditional narrative of why courts do not deliver equitable or speedy justice: these themes are those of overworked legal aid lawyers, slows administrations and long delays as well as corruption.

Instead, his choice of research allowed him to reach a conclusion that while poor people do receive access to justice, this is often not meaningful access. And he found that while poor South Africans may have access to courts, they do not always have access to justice. Bodenstein chose a court that does not often make it into the public eye: it is a bellwether court in that it deals with bread and butter issues of access to justice.

His thesis features the story of Siya, a waste-picker who works on Johannesburg's streets sorting waste and selling that which has value like paper or glass. Siya ran into trouble with the law twice and on his second run-in, he spent 27 days in jail for alleged theft. In that period, he lost his monthly income of R3 000.00. Siya's case allowed Bodenstein to study access to justice: Siya had a right to legal aid because he earned below threshold. But how he accessed a lawyer, led Bodenstein to write that courts often involve a performance of poverty for the poor. If you need a legal aid funded lawyer, alleged perpetrators must engage their lawyer from the accused benches.

Bodenstein discovered that in addition to the legal aid system, the courts also reveal networks of advice where interpreters, prosecutors, defence lawyers and fellow detainees will all pile in with advice.

Nwabisa Nontenja

Nwabisa's Master's thesis explored a fascinating topic: do aspirant migrants self-select and in this selection, are certain character types more amenable for migration. Does this impact how they do in the countries they migrate to? Nwabisa used international research which showed that traditionally, migrants have higher rates of employment than locals.

"I wanted to understand whether migrants may be systematically different to those who stay," says Nwabisa. Were there observable and unobservable character traits for migrants? Observable traits include education, income and access to networks. The unobservable traits, which may be gifts of migrants include factors like grit and motivation.

Nwabisa found that migrants often have higher levels of education than their brethren who do not migrate. Fascinatingly, she found that migrants in South Africa are often job creators, not job takers as popular narratives may suggest.

And, migrants reported higher levels of life satisfaction than the representative local population. Nwabisa's research suggests that South Africa's policy-makers are not taking full advantage of the role the informal sector can play in development.



Sifiso Ndlovu



Sifiso's PhD thesis considered the role of Southern Ndebele identity in the post-apartheid South Africa. A Southern Ndebele identity was part of the system of classification by the colonial administrators, even though it did not resonate with the Ndebele.

Sifiso sought to add to the frontiers of knowledge about the area of identity in politics and specifically in the construction of so-called rainbow nation politics.

Sifiso's study took place in KwaMhlanga, the former capital of the KwaNdebele homeland established by the system of Bantustans. She has found various transformations of Ndebele identity since apartheid ended with an emphasis on cultural entrepreneurialism, art production and an entrenchment of initiation rites.

Sifiso finds that ethnic identities are part of South Africa discourse of the politics of rainbowism which she develops into a compelling critique of this post-apartheid phenomenon. By examining the struggles and shifts around ethnicities, you can open up exciting new areas of identity exploration, says Sifiso.



Events

Report launch | Betrayal of the Promise: How South Africa is Being Stolen

On 25 May, on behalf of the State Capacity Research Group (SCRGP), PARI launched a major new study on the country's emerging shadow state. On the panel presenting the report were Mark Swilling, Ivor Chipkin and Mzukisi Qobo (authors representing the SCRGP), with Adam Habib and Sithembile Mbete as discussants. The report was initially launched in collaboration with the South African Council of Churches (SACC), in light of its strong connections with the SACC's Unburdening Panel. This collaboration has since fallen away.

The SACC's president, Bishop Siwa, opened the event and PARI researcher, Thokozani J Chilenga, facilitated.

The launch was streamed live on local news channel, ENCA and received coverage on a range of media platforms, locally and internationally, over the course of the 2017 and into 2018.

The *Betrayal Report* aimed to facilitate three enquiries into selected state institutions. One of these, the *Eskom Enquiry Reference Book* was released in August.





Seminar | Debates on Citizenship

In May 2017, the Institute hosted visiting professor, Carlos Forment. He delivered two talks at Wits University: 'Plebeian Citizenship and Emergent Forms of Democratic Life in Buenos Aires in the Wake of Marketisation' and 'Everyday Civility and Ordinary Politics Among Buenos Aires' Scavengers: Emergent Forms of Plebeian Citizenship Across the Global South'. Professor Forment also led a two-day seminar for PARI researchers on current debates on citizenship.

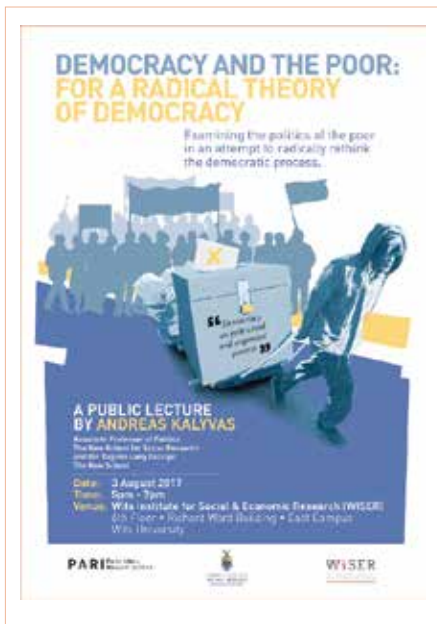
Professor Carlos A. Forment is based at the New School in New York and the Universidad de General Sarmiento in Buenos Aires.



Public Lecture | Democracy and the Poor

In August, Professor Andreas Kalyvas gave a public lecture examining the hypothesis of democracy as the politics of the poor, in an attempt to radically rethink the democratic experience and to capture its political singularity and defining traits. 'The hypothesis of the democracy of the poor, namely, democracy as the project of politicized and organized poverty, is brought to bear on the present in order to reflect on the generalized crisis that the liberal model of rule is currently going through.'

Andreas Kalyvas is Associate Professor of Politics at the New School for Social Research and the Eugene Lang College, The New School, New York.



Public lecture | Tracking the Expansionary State

On 27 September, Dr Vinothan Naidoo presented his working paper on the expanding state machinery. He gave an illustrative account of the composition and lifecycle of national departments from the Mandela through to the Zuma presidencies, followed by a narrative analysis of the key political and policy drivers that have shaped the trajectory of machinery change.

'I find that the national machinery has been on an expansive trajectory, although there has been discernible variation in intensity across presidential incumbents. I argue that machinery change has unfolded in the absence of a clear strategic blueprint, in conjunction with a coherent programme of public sector reform, and in the most recent period, suggest that it has become acutely susceptible to partisan political demands.'

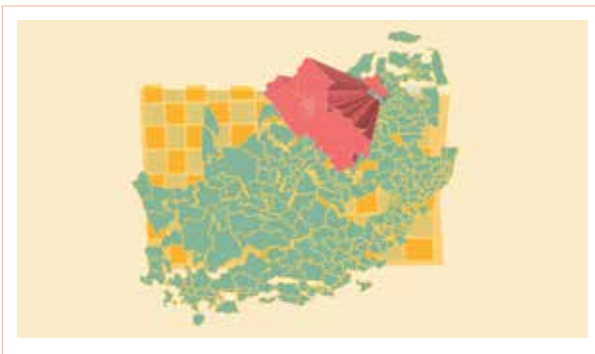


Report Launch | The Mogalakwena Local Municipality in South Africa: An Institutional Case Study conducted by Public Affairs Research Institute

The final report on the Mogalakwena Local Municipality was launched at a well-attended event at the University of the Witwatersrand, on 11 October.

This report focuses on the internal institutional dynamics of the troubled Mogalakwena Local Municipality, located in the Waterberg District of Limpopo Province. The report traces in detail how local party-state conflicts are embedded in broader contests within the African National Congress (ANC), and how the resultant factionalism can produce rupture and collapse in the municipal council and administration. It presents substantive evidence from interviews and archival records, showing how political intrusions, lawfare, securitisation and social movement politics have all contributed to rendering the municipality a site of perpetual instability for which there are no obvious remedies.

The report's findings were taken up immediately in various Master's and PhD theses, authors of which attended the launch event and participated in the rich discussion that occurred. Capricorn FM also conducted an interview with the authors of the report, Mosa Phadi and Joel Pearson.



New Programme Inception | Public Service Reform Roundtable: Testimonies

PARI sowed the seeds for a major, new initiative on public sector reform. This was in the context of the Institute's ongoing research into how government works and in the wake of the Betrayal report. To launch this process, a roundtable for sharing and discussing the experience of being a public servant and government official in contemporary South Africa was held. An exciting panel gave first hand insights into the workings of the state:

Prof Ivor Chipkin, Executive Director, Public Affairs Research Institute

Dr Neva Makgetla, Senior Economist at Trade and Industrial Policy Studies; former Deputy Director General for economic policy in the Economic Development Department

Themba Maseko, Communications Director at Business Leadership SA; former CEO of GCIS and spokesperson for the government of South Africa





PART 2

PROJECT
HIGHLIGHTS

Positioning ourselves as a global Southern 'think tank' is coming out of the work done on the continent in researching how to make 'just states'.



Organisational Dynamics



In 2017, PARI's *Northern Frontier: State (Re-)Invention on the Platinum Belt* project made findings on the causes of instability in local government.

This research situates local municipalities as key sites in unfolding national politics. Rather than insular entities concerned with parochial issues, local government and its attendant conflicts are inextricably bound up in broader political developments. As such, deeper understandings of the dynamics of local government sheds light on the character of the South African state during the Zuma era.

The *Mogalakwena Local Municipality* report was launched in Johannesburg on 11 October to much acclaim.

PARI researchers participated in the Limpopo Research Forum organised by the Premier's office in November. Here, the report received a warm reception from researchers from the Universities of Limpopo and Venda, and from provincial and local government officials across the province. Furthermore, the report has been reviewed in the *Journal of Public Administration*.

The Mogalakwena report's success demonstrates the importance of the Northern Frontiers project in producing new insights into how, in the first place, the varying ways in which the same legislated system of local government encounters local historical conditions to produce very different outcomes. These historical factors are coupled with, in the second place, political developments at the sub-regional, regional, provincial and national levels that play out in the governance of local municipalities, sometimes with devastating effects.

The second branch of this project will yield a report, *Governance and the Struggle for Self-sufficiency in Lephalale Local Municipality*, in early 2018.

Together with the *Three Cities* project, PARI's research challenges dominant paradigms of understanding local government failures. This is caused predominantly by the incompetence of post-apartheid public officials; by 'state capture' and corruption; or by the self-interested nature of uncaring bureaucrats. The research shows how complex factors intersect in any locality to produce unexpected pockets of dysfunction and effectiveness in the same municipality.

Three Cities is a study of the evolution of governance in three metropolitan municipalities — Nelson Mandela Bay, eThekweni and Buffalo City. It attempts to understand how metropolitan governance has evolved since the apartheid era. This project will release its final report in early 2018. There are strong resonances with the recent publication, *How to Steal a City*, a gripping exposé of the inner workings of Nelson Mandela Bay, authored by PARI doctoral fellow and researcher, Crispian Olver.



State–Society Relations

Taxation and State Formation is currently the main long-term project in this programme. Taxation is of central importance to modern societies, as it channels vital issues such as the individual's obligations to society; the powers and legitimacy of the state; the allocation of public and private resources; the rise of bureaucratic administration; and the reproduction of class, race, ethnic and gender inequalities.

This three-year project seeks to understand how revenue collection has functioned historically in six African countries – South Africa, Angola, Botswana, Cameroon, Mozambique and Nigeria – and what kinds of states have emerged as a result. Among the project's goals is to understand how states can drive development more effectively by developing tax regimes that are seen as fair and are supported by citizens.



Two working papers by Thatshisiwe Ndlovu have come out of this project so far:

Fiscal Histories of Sub-Saharan Africa: The Case of Botswana

Fiscal Histories of Sub-Saharan Africa: The Case of South Africa

And forthcoming is *Fiscal Histories of Sub-Saharan Africa: The Case of Mozambique*.



In 2017, project lead, Alice Soares Guimarães became a member of the Scientific Committee of the African Tax Research Network (ATRN), placing her among a prestigious international group of policymakers, researchers and administrators, who are working to influence the African tax research agenda.

Later in the year, Guimarães, along with Federica Duca, Thatshisiwe Ndlovu and Thokozani J Chilenga, attended the 3rd Annual ATRN Congress in Antananarivo, Madagascar.

Public Policy

PARI is involved in the Schools Rationalisation Project (SRP) with the Eastern Cape Department of Education (ECDoE) and the Government Technical Advisory Committee (GTAC). School rationalisation has for some time been highlighted as an important issue in the Eastern Cape, where the proliferation of very small schools has entailed governance problems and restricted achieving economies of scale in education delivery. Despite its potential to drastically improve the education system, the rationalisation process has historically been the subject of considerable resistance.

In August, 2016 the contract came into effect. ECDoE has had ongoing unofficial closure of schools. This was caused by factors key to the school closure and merger processes, as stipulated in the South African Schools Act Section 12(a) and 33. However, there was a need to develop a framework to structure and guide this rationalisation. Based on experience and discussions with various stakeholder during the pilot phase (2012–2015) of closing non-operational or small and unviable schools, ECDoE sought to assess the scale and scope of challenges. By March 2016, more than a third of schools in the province were identified as being small and non-viable. By August 2016, ECDoE, used 2016 enrolment outcomes to issue out notices of closure as per the South African Schools Act Section 33 to 1902 schools.

The recommendations to rationalise and realign the education landscape in the province is underpinned by national standards and norms (infrastructure, resources and learner numbers, etc.), with the aim of facilitating effective and responsive distributions of resources within the education system. Thus, the purpose of rationalisation is to improve poor educational outcomes by promoting more equitable distributions of resources and providing quality access to education, and quality teaching.

The rationalisation is also responding to changes in the distribution of the school going population — such as the



population migration to coastal areas for socio-economic reasons — which has left schools empty or with small learner numbers. It also facilitates moving learners to larger, better resourced and more efficient schools.

Action Learning sessions hosted by PARI have become an integral component of the project's work. These help SRP technical assistants/experts to:

- Identify relevant issues and explore how they can apply their learning to those issues ; and
- Learn how to support and challenge colleagues while maintaining mutually beneficial relationships with ECDoE.

PARI is also undertaking a case study of the SRP intervention. The research design is a qualitative explanatory approach which seeks to understand the factors that enable and constrain the SRP intervention. The case study is ongoing, and intended to extrapolate lessons for future rationalisation efforts and reform in an institutionally complex environment.

PART 3

THE PARI
TEAM

PARI

Public Affairs
Research Institute

The PARI team in 2018 comprises an executive team, researchers, fellows and a board of directors. The new Organisational and Institutional Studies programme was launched at Wits this February.

Executive Team

Executive Director: Ivor Chipkin

Head of Research: Mbongiseni Buthelezi

Head of Administration: Mpho Mohapi

Head of Finance: Janita Kempen

Head of Communications: Vishanthi Arumugam

Support Staff

Administrator: Pamela Ndlovu

Media Strategist: Ferial Haffajee

OIS Coordinator: Paulina Hadebe

Project Coordinator: Marcia Skosana

Researchers

Alice Soares Guimarães

Devi Pillay

Federica Duca

Ferial Haffajee

Joel Pearson

Mosa Phadi

Mahlatse Rampedi

Noma Pakade

Ryan Brunette

Sifiso Ndlovu

Thatshisiwe Ndlovu

Tracy Ledger

Academic Mentor: Peter Hudson

Research Intern: Waseem Holland

Fellows

Although the post-graduate development programme is phasing out to make way for the Organisational and Institutional Studies degree programme, some of the PDP fellows remain at PARI until their theses are submitted:

Crispian Olver: PhD fellow and researcher

John Paul Mashala: Masters fellow

Rekgotsofetse Chikane: Masters fellow

Sarah Meny-Gibert: PhD fellow and associate researcher

Simphiwe Dzengwa: PhD fellow

Thokozani J. Chilenga: PhD fellow and researcher

Thomas Lessafre: PhD fellow

Organisational and Institutional Studies 2018

Anivuyina Ketsiwe

Mobothale Mbatane

Nosipho Manana

Obert Nangara

Sihle Gili

Tshiamo Moela

Violet Molefe

Zola Valashiya

Richmond Mphephu

Board of Directors*

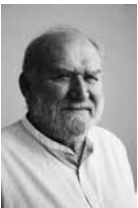
Professor Ivor Chipkin Executive Director, Public Affairs Research Institute

Professor Linda Chisholm Professor at the Centre for Education Rights and Transformation, University of Johannesburg and former Advisor to Minister of Basic Education

Professor Tawana Kupe Associate Professor of Media Studies and the Deputy Vice Chancellor: Advancement, HR and Transformation, University of the Witwatersrand

Morris Mthombeni Lecturer in the leadership cluster, Gordon Institute of Business Science

Professor Shahid Vawda Associate Professor in Anthropology and Past Head of the School of Social Science in the Faculty of Humanities, University of the Witwatersrand



*2017 marked the sad passing of Professor Philip Bonner who was Chair of the PARI Board, Professor Emeritus and former NRF Chair in Local Histories, Present Realities at the University of the Witwatersrand. The term of office of several Board members will come to an end in April 2018, and a new Board of Directors will be appointed.



PART 4

THE FINANCIAL YEAR

PARI's funders

The Ford Foundation

Raith Foundation

Social Justice Initiative

The Anglo American Chairman's Fund

The Public Service Sector Education and Training Authority

The Oppenheimer Memorial Trust

The Open Society Foundation

The Friedrich Ebert Stiftung

The FirstRand Foundation

Nedbank Limited

Annual Financial Statements for the year ended 29 February 2017

Public Affairs Research Institute (PARI) Registration number 2010/009156/08

Statement of Financial Position as at 28 February 2017

Figures in Rand	Note(s)	2017	2016
Assets			
Non-Current Assets			
Property plant and equipment	2	277 472	161 196
Current Assets			
Trade and other receivables	3	118 823	
Cash and cash equivalents	4	9 285 749	3 581 679
		9 404 572	3 581 679
TOTAL ASSETS		9 682 044	3 742 875
Equity and Liabilities			
Equity			
Retained income		3 719 043	3 361 679
Liabilities			
Current Liabilities			
Retained income			
Trade and other payables	5	5 963 001	381 196
TOTAL EQUITY AND LIABILITIES		9 682 044	374 2875

Statement of Comprehensive Income

Figures in Rand	Note(s)	2017	2016
Revenue	6	14 460 482	12 003 976
Operating expenses		14 282 465	10 917 160
Operating surplus	7	178 017	1 086 816
Investment revenue		100 938	108 177
Surplus for the year		278 955	1 194 993
Other comprehensive income		78 409	–
Total comprehensive income for the year		357 364	1 194 993

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