

PUBLIC AFFAIRS RESEARCH INSTITUTE

shaping change

ANNUAL REPORT 2019

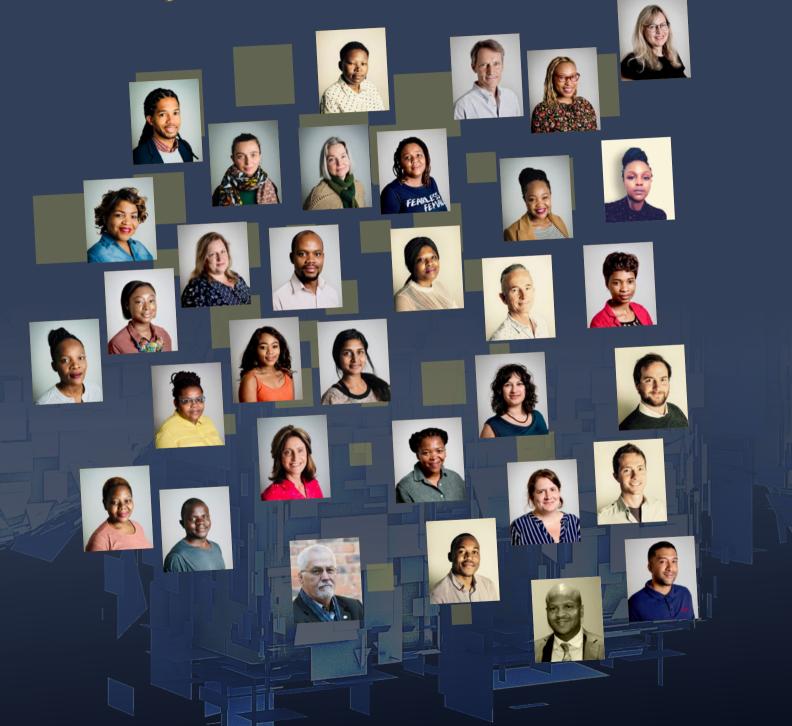






ANNUAL REPORT 2019

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director's letter

MBONGISENI BUTHELEZI



his year, PARI celebrates ten years since it was established. It is a bleak time to reach such a momentous age for the organisation. For months we had been planning to host a big celebration

to mark the ten years, a move to new offices, and a refresh of the organisation's identity. That celebration cannot happen in this time of COVID-19 and so it has had to be put on hold.

The COVID-19 crisis has been a sobering reminder of how easily micro-organisms can move from one end of the globe to another in the interconnected world of today. Between December 2019 and March 2020, the whole world felt like it was grinding to a halt as country after country closed its borders and airspace. The crisis has shown up the need for strong cooperation in global governance institutions to coordinate the movement of coronavirus test kits, protective equipment and medication across the globe quickly and efficiently. Despite the attacks levelled at it, the World Health Organization has held its nerve extremely well and got on with the critical work it needs to do for all of us the world over.

Closer to home, multilateral continental health governance institutions are holding their own. Health ministries and political leaders are successfully collaborating on Africa's response to the pandemic up and down the continent with the African Centres for Disease Control leading the way.

At home in South Africa, the crisis has shone a spotlight on the state's capabilities. Some parts of government and the state have performed extremely well, but there have also been some glaring gaps and failures. Years of erosion through mismanagement, neglect or deliberate destruction have meant capacity to deliver water across the country, for instance, has had to be improvised very quickly through centralising water distribution. It should not have had to come to this. Routine channels of service provision through local government should always have had the capabilities to do this work. Alas, they do not.

The crisis shows us that institutions matter. From policies, through appropriately staffed and properly functioning organisations of the state, civil society and business, institutions need to rise to the challenge when the rubber hits the road in a crisis. In society, remarkable work has been done by individuals, spontaneous neighbourhood-level organisers, community

organisations, all the way to organisations operating nationally and regionally to help people who need food relief.

The efforts of civil society bodies together with interventions from the Solidarity Fund and various departments have made some difference. While the government's responses to people's loss of livelihoods during the lockdown can be, and have been, criticised for being insufficient, and slow in their implementation (i.e. COVID-19 social relief of distress grant) things could have been a lot worse without these interventions.

The COVID-19 pandemic is being named a game-changer with good reason. It has disrupted everybody's lives and turned on their heads the strategies and plans that organisations across society spend time and energy thrashing out every year. How we go forward from this pandemic will test every established system and method of how things worked in the pre-pandemic world. What will be needed is perhaps not resilience but, instead, agility to adapt to new realities because many old systems ranging from economic arrangements to companies will wither and die.

PARI has come of age in a context of uncertainty, fear and dread. As I look ahead to the organisation's second decade of existence, I see a world in which there is an even more critical

At home in South Africa, the crisis has shone a spotlight on the state's capabilities. Some parts of government and the state have performed extremely well, but there have also been some glaring gaps and failures. Years of erosion through mismanagement, neglect or deliberate destruction have meant capacity to deliver water across the country, for instance, has had to be improvised very quickly through centralising water distribution.

role for the work of systematically studying the effectiveness of states and the ways in which states interact with societies. The long transition out of the crisis of 2020 will likely see some of the solidarity we are observing consolidate into new organisations and new directions in philanthropy. State responses will also likely evolve into new forms, including new forms of repression. A more just distribution of society's resources, opportunities and burdens is urgently needed. PARI will be studying what the institutional realignments of the transition yield and work in coalitions that fight for better outcomes for people who again and again get shunted off to the side by those pursuing power and profits.



the year in review

RESTRUCTURING AND COLLABORATION

Coming out of a leadership crisis in the previous year, 2019 was a year of internal restructuring, and has yielded a sea change in PARI's culture and structure. The primary task was to rebuild trust and build what everybody could take ownership of, as an organisation. The Institute took a careful look at people as individuals and considered the impact of the crisis on them.

t the institutional level, PARI built systems, structures and processes, and wrote policies to transition the existing organisation to the one that it wanted to move towards. The organisation at every level worked with external professionals, to write the kinds of policies that would take it forward. And once PARI felt more stable – like the kind of place people wanted to wake up and come to work to – new people started to be brought in.

One result was that management found itself working very closely with PARI's lawyers, because the organisation came under attack from various quarters. Management were thankfully able to run processes to stabilise the organisation and bring everyone in the Institute together, to rebuild trust.

PARI has forefronted transparency, fairness and equity by overhauling all human resources policies, creating structured payment bands and working with an organisational coach to change its internal culture. Reporting lines have been clarified and restructured, and PARI has crystallised its six programmes of research for 2020:

- Local Government
- Land Governance
- State Reform
- Education
- Energy Governance
- Organisational and Institutional Studies (OIS)

Rather than having one research manager for the whole organisation, the Programme Lead now manages the research outputs in their particular programme.

Partnerships with other organisations have become key to PARI's work and will continue going forward. In many cases, the Institute's work cannot be achieved by working in an insular way, particularly in the state reform programme. Partnerships with the Ahmed Kathrada Foundation, the Nelson Mandela Foundation, the Strategic Dialogue Group and others have proved to be productive to drive public discussion and strategic thinking within state institutions. In the land programme, there is work with PLAAS at UWC and the local government programme's partnerships with SALGA and the South African Cities Network have been very beneficial to the work. In 2020 and beyond, the Institute looks forward to working with a range of civil society and other organisations who are trying to drive similar conversations.

SHAPING THOUGHT AND OPINION

PARI continues to produce research that informs academic and public understanding of the workings of the state and state-society relations.

Journal Articles

Brunette, R., J. Klaaren and P. Nqaba (2019) Reform in the Contract State: Embedded directions in public procurement regulation in South Africa. *Development Southern Africa*, 36(4): 537–54.

Meny-Gibert, S. (2019) State 'Infrastructural power' and the Bantustans: the case of education. *African Historical Review*, 50(1-2): 46–77.

Joel Pearson (2019) Document Wars and the Local Archives: The Case of Mogalakwena Local Municipality, South African Historical Journal, 71(2): 242-62.

Reports

Ledger, T. and M. Rampedi (2019) *Mind The Gap: Section* 139 *interventions in theory and in practice*. A PARI report. Johannesburg: Public Affairs Research Institute.

Pakade, N. (2019) *The Eastern Cape Schools Rationalisation Project: Case study of a GTAC intervention.* A PARI and GTAC report. Johannesburg: Government Technical Advisory Committee.

Books and Chapters

Buthelezi, M., D. Skosana and B. Vale (eds) (2019) Traditional Leaders in a Democracy: Resources, Respect and Resistance. Johannesburg: Jacana Media.

Olver, C. (2019) A House Divided: The Feud that Took Cape Town to the Brink. Johannesburg: Jonathan Ball Publishers.

Chilenga-Butao, T. (2019) 'Provincial Dynamics', in C. Schulz-Herzenberg and R. Southall (eds) *Election* 2019: Change and Stability in South Africa's Democracy, Johannesburg: Jacana Media.

Working Papers

Olver, C. (2019) 'Rents and Repurposing in Two South Africa Cities: Towards a typology of city governance regimes'. Johannesburg: Public Affairs Research Institute.

Brunette, R. (2019) 'Appointment and Removal in the Public Service and Municipalities in South Africa'. Position Papers on State Reform Series, Working Paper No. 1. Johannesburg: Public Affairs Research Institute.

Belvedere, F. (2019) 'Appointments and Removals in Key Criminal Justice Institutions'. Position Papers on State Reform Series, Working Paper No. 2. Johannesburg: Public Affairs Research Institute.

Brunette, R. and J. Klaaren (2019) 'Reforming the Public Procurement System in South Africa'. Position Papers on State Reform Series, Working Paper No. 3. Johannesburg: Public Affairs Research Institute.



MEDIA

Radio 702

'How do we depoliticise our civil service and make it fitter for purpose?', 5 March 2019. Mbongiseni Buthelezi chatted to Eusebius McKaiser, about the need to depoliticise the public service, and issues of cadre deployment and political legitimacy.

The Citizen

'Plan will reveal true ANC', 9 March 2019. The mismanagement and corruption at Eskom has reached crisis levels, leading to sustained blackouts and a debt crisis that has the potential to cripple the entire economy. In response, President Cyril Ramaphosa announced Eskom's imminent unbundling. By Simba Lando, Thokozani Chilenga-Butao and Tracy Ledger.

Daily Maverick

'Not knowing what the problem is, IS the problem', 22 March 2019. Eskom has hit a brick wall and, by all accounts, no one in any position of authority can tell us why or how this has happened, writes Tracy Ledger.

PARI

'Elections are at the heart of democracy in Africa', 16 April 2019. For the African continent to address the challenges that it faces, we need to strengthen Africa's democracies. The conduct of elections is at the heart of a strong democracy and this is why countries strive to hold them, write Thokozani Chilenga-Butao and Gwinyai Taruvinga.

Creamer Media TV

20 April 2019. Sane Dhlamini and Mbongiseni Buthelezi discuss the book *Traditional Leaders in a Democracy*. Buthelezi was one of the book's editors.

JeuneAfrique

'#ShutDownAlex, symbol d'un développement à deux vitesses en Afrique du Sud', 30 April 2019. Research fellow Thomas Lesaffre writes: Dans deux semaines, les Sud-Africains sont appelés à élire leur président. Comme depuis 1994, la victoire semble assurée au parti au pouvoir, l'African National Congress, et son candidat Cyril Ramaphosa. [In two weeks' time, South Africans will be called to elect their president. Since 1994, victory seems assured for the ruling party, the African National Congress, and its candidate Cyril Ramaphosa.]

Radio 702

'South African royal families and traditional leadership', 29 May 2019. Mbongiseni Buthelezi discusses the contestation of traditional leadership after democracy with Azania Mosaka.

Mail & Guardian

'ANC should stop recycling old ideas', 14 June 2019. There is an important question people used to ask before Nkandla, state capture, Thuma Mina and Ramaphoria became the most important issues in South Africa: Who comes first: the country or the ANC? Asks Thokozani Chilenga-Butao.

PowerFM

'Structural reforms are required to reclaim the state', 27 June 2019. Bob Mabena talks to Thokozani Chilenga-Butao about PARI's proposals for state reform in three thematic areas.

Daily Maverick

'The politics of South Africa's patronage system', 24 July 2019. Part One of this series describes the mechanics and architecture of South Africa's patronage system. It has become a major factor in the country's contemporary crisis. Part Two offers a process for dismantling it. By Ryan Brunette.

Daily Maverick

The politics of South Africa's patronage system: The process of anti-patronage reform (part two), 22 August 2019. Ryan Brunette writes that prosecutions alone will not resolve the problem of corruption and patronage in South African politics. A more encompassing strategy is necessary.

Radio 702

'Can provinces rescue municipalities?', 4 October 2019. Journalist Theto Mahlakoana talks to Joanne Joseph about the findings of the report Mind The Gap: Section 139 interventions in theory and in practise by Tracy Ledger and Mahlatse Rampedi.

Daily Maverick

'We already have a solution to failing municipalities: it's in the fine print', 6 October. If we have a cleverly designed and detailed piece of constitutional legislation designed specifically to prevent it, why do we have municipalities in total collapse? The short answer is that all parties tasked with implementing section 139 have failed to act in the spirit and letter that the legislation requires. By Tracy Ledger.

Mail & Guardian

'People must participate in governance', 21 October 2019. The past two decades, especially the latter, have yielded a sense that government does what it wants and takes little heed of the voices of people who do not occupy elite positions in society, write Mbongiseni Buthelezi and Tracy Ledger.

Radio 702

'AKF and PARI to hold conference to curb state capture', 22 October 2019. Thokozani Chilenga-Butao talks to Bongani Bingwa about proposals for state reform in three thematic areas.

SABC Morning Live

'Discussing state capture revelations', 23 October 2019. Thokozani Chilenga-Butao is interviewed about the conference Defeating State Capture and Rebuilding the State.

OPINION

People must participate in governance

Public Affairs Research Institute 1

ionista - Tracy Ledger - 6 October 2019 We already have a solution to failing municipalities: It's in the fine print

The@itizen

Plan will reveal true ANC

OPINION

ANC should stop recycling old ideas

Thokozani Chilenga Butao 14 Jun 2019

The politics of South Africa's patronage system: The process of anti-patronage reform (Part Two)

By Ryan Brunette - 22 August 2019

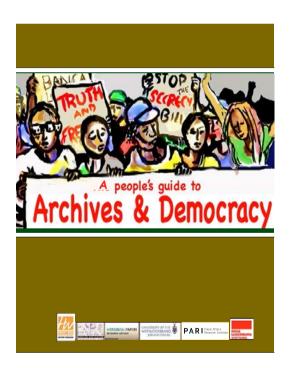
Eskom: Not knowing what the problem is IS the problem By Tracy Ledger • 22 March 2019 6

[Tribune] #ShutDownAlex, symbole d'un développement à deux vitesses en Afrique du Sud

EVENTS

Panel Discussion | Launch of A People's Guide to Archives & Democracy

Mbongiseni Buthelezi represented PARI on a panel discussing archives and democracy. The event was the launch of a digital guide to using the archives in South Africa, with the aim of making archives accessible to all. The event took place at the Women's Jail at Constitution Hill on 6 June. The panel also included Yasmin Sooka (Foundation for Human Rights), Celina Flores (Memoria Abierta, Argentina) and Sharif Abdel Kouddous (Mosireen Collective, Egypt), and was chaired by Geraldine Frieslaar (South African History Archive).



■ Public Dialogue | The Narratives of Change – Nelson Mandela Foundation

The Nelson Mandela Foundation announced their 2019 cohort of Atlantic Fellows for Racial Equity and hosted a dialogue about the deeper narratives that accompany student protests and other movements. PARI participated as a South African partner to the Nelson Mandela Foundation and a curriculum advisor for their Atlantic Fellows for Racial Equity. The event was held on 22 June.

■ Workshop | Building an Alliance for State Reform

On 21 August 2019, PARI met with civil society organisations to present the three working paper drafts, and to discuss an alliance around state reform.

South Africa's public institutions continue to be under attack. The dynamics of corruption and patronage politics, continue to undermine state policy-making, state capacities, and state accountability. Against this background, civil society currently has an unprecedented window of opportunity to influence the reconstruction of state institutions in ways that resolve the political crisis that has immobilised South Africa for almost a decade. Whilst civil society continues to mobilise in different forms, it is critical that these actions begin to be linked to institutional reform of the state.

THE PROBLEM

- · South Africa is in crisis:
- We may be entering our second recession in as many years.
 - Gross domestic product per person has returned to the levels of 2008. Unemployment, already at five time the global rate, is rising.

 - So is the poverty rate, with more than half of South Africans living that R1,183 a month and a quarter living on less than R547.
 - Measured by gini coefficient, we are the most unequal society of
- The State is not generating credible solutions to this crisis. Instead it is seen to be a part of it.

Its politics is in fundamental ways corrupted.

Its public administrations - water, sanitation, electricity, healt transportation, education - are in many places collapsed or of









EVENTS

Workshop | Reviewing an ethical global research toolkit

On 2 October, Thatshisiwe Ndlovu held a workshop at PARI offices to review an Ethical Global Research Toolkit produced by the University of Edinburgh. The Toolkit comes out of a roundtable event held in June/July 2019, at which Ndlovu and others explored the themes and principles required to underpin ethical research.

We want our global challenges research to enable impact for society and advance the Sustainable Development Goals (SDGs) – both in the way we do this work as well as in the outcomes and transformation our research can enable.

- Introduction, Ethical Global Research Toolkit

Panel Discussion | Fixing the State: From Diagnosis to Treatment

The Strategic Dialogue Group (SDG) convened a panel discussion on 9 November featuring Tracy Ledger from PARI, alongside Crispian Olver (SDG and PARI), Yolisa Pikie (former SARS employee) and Percy Mahlathi (SDG and Progressive Health Forum)

The aim of the panel was to share perspectives and engage on ways in which progressive public servants and members of the SDG can contribute to fixing the state particularly after the period of state capture.

Roundtable | Appointments to the leadership of the NPA

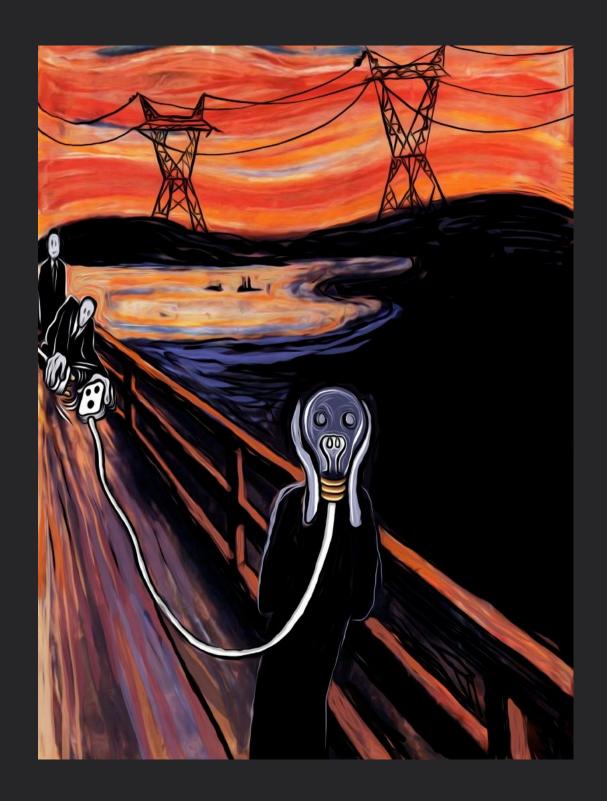
The discussion was co-hosted by PARI and the Dullah Omar Institute and reviewed the appointment to the leadership of the NPA, with the aim to develop proposals for law, practice and policy reform. Dr Florencia Belvedere presented PARI's first draft of the position paper: *Appointments and Removals in the Criminal Justice System*. The discussion, held on 22 November, was well-attended, including two former judges who could share their knowledge and experiences.

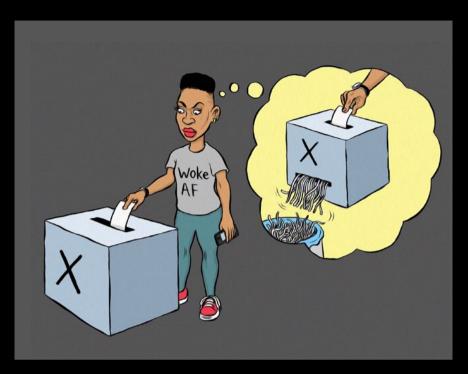


ORIENTATION | OIS 2020

On Wednesday, 29 January, 2020, the Organisational and Institutional Studies department at Wits University held an orientation session for the new 2020 cohort of Honours, Masters and PhD students. The Honours lecturer, Dr Marcus Walton, and Academic Coordinator, Dr Federica Duca, addressed an excited room full of new recruits to the programme. Head of the School Professor Mucha Musemwa, who is also the current Chair of PARI's Board, gave the students a warm welcome to the School of Social Sciences.











project highlights

2019 was a year of rebuilding in order to launch a new trajectory for PARI. The Institute held fewer events and did not initiate new projects but partnered strategically with certain organisations working in the same spaces.

he most impactful piece of work that came out of PARI in 2019 was the report on S139 interventions in municipalities – *Mind The Gap:* S139 interventions in theory and in practise – which Tracy Ledger and Mahlatse Rampedi worked on. The report has gained attention in various provinces, especially through a collaboration with the South African Local Government Association (SALGA). It has also received attention at national level.

A strategic collaboration in the state reform programme was with Ahmed Kathrada Foundation (AKF). PARI and AKF successfully co-hosted a conference on state capture and state reform, combining PARI's more academic focus with AKF's on-the-ground lobbying work.

PARI inputted into a report on state capture in Kenya by the Africa Centre for Open Governance (AfriCOG) – State Capture: Inside Kenya's Inability to Fight State Capture. The report explains why President Uhuru Kenyatta's anticorruption efforts are unlikely to work. The problem, the study shows, is state capture; the repurposing of state institutions for private profiteering. The study concludes that publicity-driven prosecutions are likely to deepen rather than undermine corruption, as

indictments and prosecutions get weaponised to partisan ends for the 2022 elections. The Institute foresees more collaborations of this kind on the continent.

Noma Pakade's project on knowledge management in the schools rationalisation process in the Eastern Cape came to an end and produced a case study report – *The Eastern Cape Schools Rationalisation Project: Case Study of a GTAC Intervention.* The report is currently under embargo, subject to review by the Eastern Cape Department of Education.

Because of capacity constraints, researchers were unable to sustain the work that they were doing on taxation, that had placed PARI in the global South in an interesting way. But where PARI is trying to regain this position of the organisation is in the Organisational and Institutional Studies (OIS) programme at Wits University. There, we are really thinking about organisations and how they operate in the global South. Federica Duca has taken the helm and is the Academic Coordinator for Honours, Masters and PhD levels. Marcus Watson gave invaluable support to the programme as the lecturer for Honours level students in 2019/20.

ORGANISATIONAL AND INSTITUTIONAL STUDIES (OIS)

In 2019, OIS consolidated its teaching programme at Wits. In addition to the existing Honours programme, the Masters course was launched in January 2019 with five new students. In July, the original Honours cohort (five students) graduated and two students from this cohort registered for the 2020 Masters course.

Notably, a new OIS PhD course was approved by the University, giving consistency and continuity to the overall programme which now covers the whole postgraduate cycle. From the academic curriculum perspective two new methods courses went live in 2020 for both Honours and Masters programmes, thus updating and improving the OIS offering.







ORGANISATIONAL AND INSTITUTIONAL STUDIES (OIS)

Honours students



ATHULE NQUMA

Why have similar urban municipalities in South Africa had drastically different outcomes in terms of basic service delivery?



BANDILE NKOSI

Why did the ANC abandon its project of social democracy in favour of a market liberalism approach in the 1990s?



NTOMBIKAYISE GIJANA

Why is there inequality between public schools in South Africa?

OIS organised orientation days and strengthened its presence at Wits with a new office and was delighted to receive a high number of applications in 2019 for the 2020 academic year, more than doubling the number of registrations in 2020 for the Honours and Masters, and accepting two PhD candidates to the programme.

Dr Federica Duca,
Academic Coordinator

Masters students



LILY MANOIM

In Johannesburg's wealthy suburbs, security providers (which operate as a network) are given a lot of legitimacy, power and authority. What gives them so much legitimacy?



OBERT NANGARA

How is the B-BBEE policy related to EMEs in advancing their economic status as an objective of the policy?



ONELELA JIJANA

Why do Pentecostal churches persist unregulated while relishing in impunity despite their unusual practices?



SHANNON BERNHARDT

Why are some democracies in Southern Africa more stable than others?



THULANI TSHABALALA

Why, despite the nation's social and democratic transition in the mid 1990s, has South Africa remained repressive in policing protests in the post-apartheid era?

BUILDING AN ALLIANCE FOR STATE REFORM

Following a successful international conference in 2018, titled State Capture and its Aftermath: Building responsiveness through state reform, PARI continued the state reform programme. In 2019, PARI drafted the initial versions of working papers detailing proposals for reform in three key areas. Through engagement with civil society organisations and individuals towards a notion of alliance, what had previously been the #Aftercapture campaign became a more collaborative campaign to #FixTheState: ensure that the public service is professionalised, insulated from improper political interference and responsive to its democratic mandate.

■ Conference | Defeating State Capture and Rebuilding the State

"We will not be silenced", stated Ahmed Kathrada Foundation (AKF) Board Chair Derek Hanekom, opening a day-long civil society engagement, hosted by PARI and AKF on 23 October. The conference, *Defeating State Capture and Rebuilding The State*, attracted a full house of civil society organisations, interested individuals and media to discuss a way forward for civil society to actively fight for a better state. Highlights on the programme included such veterans as ex-Justice Johann Kriegler, former Deputy Minister of Finance Mcebisi Jonas, SARS Commissioner Edward Kieswetter, as well as public servants like the Deputy Minister of Justice and Constitutional Development John Jeffery and SALGA CEO Xolile George, among a host of civil society's leading activists.

Opening Address

In his opening address, retired ConCourt Judge Johann Kriegler said that state capture is real and more pervasive than what we see at the national level – it goes all the way down to local government. He painted complexity of state capture, saying that "an acupuncturist could not have more accurately identified the pressure points on the body politic" in order to enable it.

"The poison that is state capture lingers on," he warned. "Not all corrupt individuals have been removed, and those with good intentions have become demoralised."

The ex-Justice spoke of a many-headed hydra that cannot be defeated by institutional tinkering but requires collective action, because "ill-doers will fight tooth and nail to protect their interests".

Finally, he warned civil society not to leave the cleaning to the judiciary alone, as state capture is a political beast. Judges should not impair their images and denude their integrity by being seen as political agents. Ex-Judge Kriegler, like many speakers through the day, called for honesty, truth and moral standing in the public service, and a rehabilitation of public institutions.

PIC, Nugent and Zondo Commissions

A panel discussion on the PIC and Nugent Commissions, and evidence from the Zondo Commission revealed stirring insights. SARS Commissioner Edward Kieswetter painted a bleak picture of the state of the revenue service, reiterating that the capture of SARS is real despite the presence of denialists in government. He said the organisation was destroyed in terms of human trust, credibility and effectiveness. He echoed retired judge















Robert Nugent's sentiment that "it was a massive failure of governance".

"Within SARS, the rot is deep and often invisible," said Kieswetter. The Commissioner has his work cut out for him to rebuild the massive organisation. He told the conference that six revenue recovery projects have been identified and restructuring is underway. This includes rehiring senior officials and rooting out corrupt individuals. He spoke of steps to change the institutional culture, noting that patriarchal harassment must be held accountable.

Proposals for State Reform

PARI presented a brief tour of the three position papers on state reform, in their second drafts. Wits University's Prof Jonathan Klaaren presented the paper on public procurement, naming the lack of professionalisation, political interference, lack of enforcement, a fragmented legal regime and excessive rigidity in processes as the causes of weaknesses in the procurement system. Dr Florencia Belvedere on the criminal justice paper said that political interference has undermined the rule of law and trust in the justice system, and that impunity has been allowed to go unchecked. Dr Tracy Ledger presented the need to reform appointment and dismissal processes of individuals in key institutions.

Thokozani Chilenga-Butao facilitated a panel discussion with Deputy Minister of Justice and Constitutional Development John Jeffery, and SALGA CEO Xolile George. The public servants gave valuable inputs into the state reform proposals.

"Less than 50% of municipalities have implemented consequence management and accountability," said the SALGA Head. "This is a weakness at municipal level."

He voiced concern about delinquent councillors who get "recycled" and stressed the importance of community participation being more integrated across municipal government. He also suggested that remuneration levels be linked to performance of the municipality rather than an individual, to incentivise effectiveness.

Deputy Minister Jeffery talked about transparency in appointment processes and the nuances of the parliamentary role in removals/dismissals of senior public officials. He also raised important questions to the reform proposals, such as, "If appointments require a panel, who appoints the panels?"

The authors of the position papers took many comments from this event and other submissions, to inform the final versions of the papers which are expected to be launched in 2020.

Keynote Address

The keynote address was given by former Deputy Minister of Finance Mcebisi Jonas, who was emphatic that the state capture project has deepened, particularly at local government level. He spoke about a serious and deep fight back against reform that is only aided by a media which do not fully understand the extent of it and a public who is disenchanted by the reform narrative.

"Civil society must drive a new national consensus," he said. Jonas urged civil society to build an inclusive economy that puts forward an entrepreneurial class. He also called for presidential accountability. The former deputy minister insisted that transparent appointments to state intelligence and security structures are needed. He cited the example of the recent xenophobic attacks, which show how compromised people's access to information and security currently is.

"We need a strong and independent bureaucracy, capable of delivering, in order to ensure the functionality of the state." He went on to say that civil society should regard state reform as a long-term project and set up "cells of execution" to reach short term goals within that project. He concluded by saying that the media must not be used for disinformation and deflecting the citizen's interests.

The fight-back is real and requires vigilance and understanding. We can only win if we are organised and clear about what our agenda is.

– Mcebisi Jonas

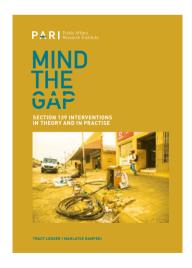


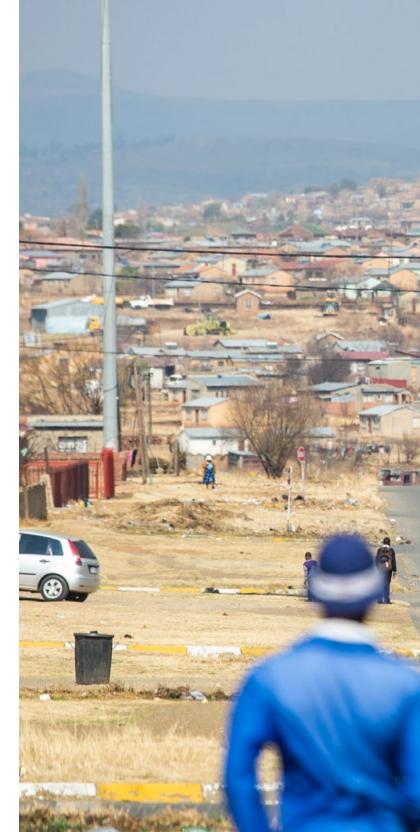
LOCAL GOVERNMENT

The detailed study on the local government fiscal framework for SALGA was completed. It was very well received by SALGA, and over the year we have been providing support to SALGA in their interactions with National Treasury on the Division of Revenue. It appears that certain of our recommendations – such as those around the form of the conditional grants – are being taken up. The papers for the local government special issue of Transformation were largely finalised.

Mind the Gap

We developed our study on Section 139 interventions for National Treasury into a PARI Report – *Mind the Gap*. The report received excellent media attention. It also received attention from local government stakeholders and decision makers. In January 2020, we presented the report to SALGA Gauteng and SALGA North West, and to the Council of JB Marks Municipality and in February were invited by the office of the Deputy Minister Parks Tau to discuss the policy recommendations coming out of the report, which the Deputy Minister had read. Further meetings to progress this discussion were interrupted by the Covid-19 pandemic.









STAFF

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Executive Director: Mbongiseni Buthelezi

Senior Researcher: Tracy Ledger Senior Researcher: Federica Duca Head of Finance: Janita Kempen

Head of Administration: Lelethu Mazomba

Office

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OIS Programme Assistant: Baaitse Nethononda

Housekeeper: Sindy Siqalo Moyo Groundsman: Enoch Brighton Nkatha

Communications

Head of Communications: Vishanthi Arumugam

Programme Leads

State Reform: Florencia Belvedere Local Government: Tracy Ledger Land Governance: Gaynor Paradza Energy Governance: Tracy Ledger

Education: Thokozani Chilenga-Butao and Noma Pakade Organisational and Institutional Studies: Federica Duca

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Devi Pillay: Researcher

Emma Monama: Research Associate

Joel Pearson: PhD Fellow and Research Associate

Jonathan Klaaren: Research Associate Kate Tissington: Research Associate Mahlatse Rampedi: Researcher Mosa Phadi: Research Associate Noma Pakade: Researcher Peter Vale: Research Mentor Refiloe Joala: Research Associate

Sarah Meny-Gibert: PhD Fellow and Research Associate

Simphiwe Dzengwa: PhD Fellow

Rvan Brunette: Research Associate

Thatshisiwe Ndlovu: PhD Fellow and Researcher

Thina Nzo: Senior Researcher

Thokozani Chilenga-Butao: Research Associate

Waseem Holland: Researcher



It is with great sadness that we remember Mpho Mohapi, who passed away on 8 August 2019. Mpho was one of the original members of PARI, who piece by piece helped to build the organisation into what it is today - as one researcher put it, she was 'the glue that held the organisation together since its inception'. She is fondly remembered by her colleagues, her twin sister Neo, and her family.

STUDENTS

Honours 2020

Faith Chavula

Kamogelo Nkgatho

Miché Roberts

Mthokozisi Mthembu

Musa Sithole

Naledi Phala

Tafadzwa Ndofirepi

Ziyanda Dludla

Masters 2020

Faith Pienaar

Mabotlhale Mbatani

Mambo Maguranyanga

Medinah Willies

Monique Atouguia

Msimelo Notyapi

Nyashadzashe Joyleen Muponda

Patrick Kadima

Paul Nkofo

Tafadzwa Mutsakanve

Tirhani Matsimbi

PhD 2020

Gerald Mandisodza

Owen Witbooi

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ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2020

PUBLIC AFFAIRS RESEARCH INSTITUTE NPC REGISTRATION NUMBER 2010/009156/08

STATEMENT OF FINANCIAL POSITION AS AT 29 FEBRUARY 2020

2019	2020	Note(s)	Figures in Rand
			ASSETS
			Non-Current Assets
285,690	207,882	2	Property plant and equipment
			Current Assets
1,251,206	43,998	3	Trade and other receivables
15,079,544	13,453,256	5	Cash and cash equivalents
16,330,750	13,497,254		
16,616,440	13,705,136	_	TOTAL ASSETS
			EQUITY AND LIABILITIES
			Equity
6,079,990	7,269,204		Retained surplus
			Liabilities
			Current Liabilities
10,536,450	6,435,932	6	Trade and other payables
16,616,440	13,705,136		TOTAL EQUITY AND LIABILITIES

STATEMENT OF COMPREHENSIVE INCOME

Figures in Rand	Note(s)	2020	2019
Revenue	7	17,433,624	19,885,363
Other income		-	142,726
Operating expenses	_	(17,039,147)	(18,996,323)
Operating surplus/ (deficit)	8	394,477	1,031,766
Investment revenue		794,737	721,634
Surplus/ (deficit) for the year	_	1,189,214	1,753,400



