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## PREFACE

Almost halfway through South Africa's Second Decade of Freedom, government is taking stock of how far it has gone in achieving the objective of improving the quality of life of all South Africans.

This review seeks to assess progress since the attainment of democracy. Through transformed institutions and new polices, government sought to align the country's development with the new democratic Constitution, dealing with the legacy of apartheid and integrating the country in a challenging global environment.

The review brings particular focus to the past five years, building on conclusions of *Towards a Ten Year Review*, published in 2003. Informed by lessons of the first 10 years of democracy and the 2004 popular mandate, government devised and implemented detailed programmes to sustain – and accelerate – the positive trends. Critically, it had to enable the country to move to a faster trajectory of development. Further, as part of the international community of nations, South Africa committed itself to the achievement of the United Nations Millennium Development Goals and to attend to the issues identified in the *Country Assessment Report* of the African Union African Peer Review Mechanism.

The instruments of analysis have been sharpened by the refinement of a set of *Development Indicators* which now provides government and the public with a framework for tracking movement towards the country's development objectives.

The review draws on a wide range of research, within government and by outside experts and organisations. It uses the cumulative body of information produced by the regular reporting of government agencies as well as research especially commissioned for the review or for other current initiatives.

A reference group consisting of ministers, premiers and the Chairperson of the South African Local Government Association exercised oversight of the review on behalf of Cabinet. Output during various stages of the process were evaluated by the Forum of South African Directors-General.

*Towards a Fifteen Year Review* is not only about taking stock of progress. It is equally about identifying shortcomings and challenges, the better to contribute to initiatives aimed at further improving the country's development efforts. However, in look-

ing towards the future it identifies broad strategic thrusts rather than detailed programmes.

The title, *Towards a Fifteen Year Review*, derives from the fact that most data about the whole period from 1994 to 2009 will only be available months after the period has elapsed.

The report is presented in the main as a review of the impact of public policy on South Africans' quality of life. We would thus encourage social partners and citizens at large not only to articulate their own views on these critical matters, but also to assess the impact of their own activities on social dynamics within our nation and further afield. We do hope that the *Fifteen Year Review* will initiate public debate on all these issues.

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## 1. INTRODUCTION

Each of the three overall questions that the review sets out to answer has a double aspect. That is because it covers the entire span of 15 years since 1994 and also looks with particular focus at the years since the 2004 elections. During the current mandate period, government has sought both to improve on the progress of the first 10 years and to confront new challenges. The three questions are:

1. To what extent has the Government achieved its policy objectives?
2. Are these the appropriate policy objectives?
3. What have the past five years brought in terms of progress towards these objectives?

To assess the evolution of South African society in this period, the review takes an approach which combines key indicators of development with an understanding of what the state can feasibly achieve.

### 1.1 Policy objectives

The attainment of democracy in 1994 brought the possibility for South Africa to address poverty and inequality and to restore the dignity of citizens. In line with the democratic Constitution, new policies were put in place to improve people's quality of life. This has entailed a systematic effort to dismantle the social and economic relations of apartheid and create a society based on equity, non-racialism and non-sexism.

The Reconstruction and Development Programme (RDP) outlined the key objectives as follows:

- meeting basic needs
- building the economy
- democratising the state and society
- developing human resources
- nation-building.

Since 1994, government has elaborated these objectives into more specific priorities and consolidated them since 1999 into the priorities of five Cabinet clusters. Since 2004, government's annual Programme of Action, informed by the cluster priorities, has been published on the government website and progress in implementation updated every two months.

The rationale behind the injunctions of the 2004 popular mandate and the resulting government Medium Term Strategic Framework (MTSF), derived from the observation that great progress had been made in the First Decade of Freedom; but that government would have to step up its performance. As *Towards a Ten Year Review* put it:

*“The advances made in the First Decade by far supersede the weaknesses. Yet, if all indicators were to continue along the same trajectory, especially in respect of the dynamic of economic inclusion and exclusion, we could soon reach a point where the negatives start to overwhelm the positives. This could precipitate a vicious cycle of decline in all spheres.*

*“Required are both focus and decisiveness on the part of government, the will to weigh trade-offs and make choices, as well as strategies to inspire all of society to proceed along a new trail. If decisive action is taken on a number of focused areas, the confluence of possibilities is such that the country would enter a road of faster economic growth and job-creation, faster and more efficient provision of quality services, increased social cohesion and reduction of the paradigm of exclusion prevalent among sections of society.”*

The MTSF for 2004-09 defined the following priorities for the new decade:

- The central and main intervention required is to grow the economy
- The state has to intervene decisively to promote the involvement of the marginalised in economic activity, including sustainable livelihood
- To the extent that able-bodied South Africans are reliant on welfare grants, these grants should be seen as a temporary intervention that diminishes in the same measure as the economic interventions succeed
- The performance of the state, the campaign against crime and our international relations should improve, in the main to promote economic growth and social inclusion.

The Millennium Development Goals provide more detailed targets and commitments consistent with the broad thrust of government’s priorities. Similarly, the African Peer Review Mechanism (APRM) country assessment has identified important issues for attention as the country climbs out of the quagmire of apartheid colonialism.

## 1.2 The starting point – apartheid's legacy to the democratic state

Translating RDP objectives into practical policies has been shaped by the twin challenges of dealing with the legacy of apartheid and integrating the country in a rapidly changing global environment.

Although aspects of the apartheid system had begun to crumble by the late 1980s, in 1994 its essence remained. Most South Africans were still excluded from full participation in all aspects of South African society. Black people were denied the vote; society was deeply divided along racial lines; and socio-economic exclusion and neglect of the majority informed state policy.

Government provided social services not according to need but according to a racial hierarchy. The most resources went to the white minority and the least to Africans. As apartheid influx control broke down in the 1980s, extensive urban migration without provision of housing gave rise to large-scale informal urban settlements without services.

The country was isolated, economically and diplomatically.

Economic isolation and the resultant import-substitution industrialisation left many firms unable to compete in world markets. In the decade before 1994, growth fell to below 1% a year and was at a standstill by the early 1990s. Public-sector debt escalated as the apartheid regime tried to buy support. Sanctions-busting and illegal capital export were stock-in-trade.

The primary function of the police and justice system was to defend apartheid and protect white privilege. It violated most human and civil rights. The military were engaged primarily in low-intensity war against the liberation movement, in the country and beyond its borders. Until after the 1994 elections, parts of the country were effectively in a state war, with assassinations and bombings of opponents of apartheid.

Governance was shaped by the imperatives of a national security doctrine with little respect for the rule of law. Co-optive institutions such as the Bantustans and Tricameral Parliament had only minority support.

Faced with rising mass resistance, the regime became more isolated, more corrupt and more dependent on extra-judicial measures to remain in power. By the late

1980s, the country had become ungovernable, with the economy failing and the social fabric torn apart by apartheid and the dislocation associated with social conflict.

### 1.3 Measuring change and impact

The passage from apartheid to democracy also meant a break in the quality of data.

There are too many differences in how social data was collected. Those who lived in the four Bantustans which the regime described as independent were excluded from official data. Elsewhere in the country, data about the majority was incomplete. The impact of apartheid policies on the African majority was consequently underestimated. The racial perspective narrowed the scope, even of most private-sector research which today provides much useful social data.

The passage from apartheid to democracy has brought immense changes. However, partly for the above reasons, this review focuses on the measurement of change since 1994 rather than on comparison between the apartheid and democratic states. Where there is comparable information, reference is made to pre-1994 data. Rather than comparison with a largely incommensurate past, the basic measure is progress towards the objectives and commitments of democratic government.

Even in the assessment of government performance post-1994, there are issues in the choice and availability of indicators.

The *Ten Year Review* confronted these issues with the help of a wide range of institutions and settled on a variety of indicators to use. The choice departed from the premise that the most direct way to assess performance is by measuring the impact of policies and programmes, rather than simply actions or outputs.

Of course, not all aspects of a country's life are measurable; and the appropriate data is not always available. What is measurable can sometimes be only directly or partially attributed to the impact of public policy. Further, some output and outcome indicators can be used as proxies for impact.

In this context, the *Development Indicators* used in the *Ten Year Review* were later refined into a set of 76 measures for ongoing tracking of progress (see *Annexure I*), which are now used on a yearly basis to track social progress.

## 1.4 Changing nature of the state

The period since 2004 has seen a crystallisation of thinking around what is required to strengthen the state's capacity to achieve its objectives and overcome its limitations.

A seminal finding of the *Ten Year Review* was that most progress had been achieved in policy areas most directly under the control of the state compared with those that depended also on action by other sectors of society.

This was informed by an understanding of the nature of state power, its constraints and limitations; and consequently what it could feasibly have achieved on its own, and what would be in reach only in partnership with others and through their actions.

Success of the developmental effort depends on harnessing networks in ways that ensure that interests become complementary to the developmental effort.

Government has the responsibility to give leadership to these interactions. It represents the collective will of a nation. It has the ability to articulate long-term objectives that enable a nation to achieve economies of scale through the coordinated and coherent effort of many actors.

Since 2004, the South African state has attached particular importance to this quest, through its emphasis on social partnership and attention to the concept of a developmental state. To the extent that it succeeds, it could be said to be not only empowering the state but contributing to a change in its nature.

However, globalisation does limit what the nation-state can achieve. South Africa seeks to transform its deeply divided society in a situation in which nation-states are subjected to varying global influences which may not be supportive of their national agendas. Adeptness at identifying the national interest; pursuing it in a creative way and engaging the support of civil society, is part of the challenge of governance and state leadership.

In assessing the success of government in achieving its objectives, this multiple role of the state should be taken into account; as an actor providing services and helping to create an appropriate environment for development; as a leader in forging a framework of encompassing interest among social actors; and as an agent of its own transformation.