❷ Introduction

Two overall questions were posed by the Ten Year Review:

1. Has the Government achieved its policy objectives?
2. Are these the appropriate objectives?

Answers to these questions are covered in the themes discussed in the next section. The project team adopted a research strategy based on key human development indicators and a conceptual framework on the nature of the State.

2.1 Research strategy

The research strategy entailed a four-stage process:

1. A set of 35 overview papers was commissioned from government officials and other researchers to cover the key questions raised in the five clusters. The overview papers sought to indicate potential avenues for further research and identify the proposed research strategy and data sources for such research.

2. In parallel with the first process, departments in each cluster were asked to review Government's performance in the first ten years. Follow-up interviews were also conducted in some cases. These departmental submissions have been integrated into interim cluster-based reports and the two processes informed the presentation at the January *Lekgotla*.

3. A 'gap analysis' was conducted on the information acquired, and on this basis, detailed research terms of reference were compiled. Twenty-five research projects of different scales were pursued in order to address specific information gaps, improve data-sets and seek to understand the impact of government programmes through both quantitative and qualitative analysis.

4. The combined results of the overview papers, departmental reviews and in-depth research have been compiled into five cluster reports. In some instances, clusters constituted their own task teams to work on these reports, whilst in other

cases, the clusters have commented on reports developed by the PCAS in the Presidency.

2.2 The Human Development Indicators

The most direct way to assess government's performance over the past decade is to measure the impact of its policies and programmes. However simple this may seem, it is difficult to agree on the measures for impact. In the course of the project, a range of institutions (Statistics South Africa, Human Sciences Research Council (HSRC), United Nations Development Programme (UNDP), School of Public Management & Planning, University of Stellenbosch and Institute of Social & Economic Research, Rhodes University) as well as officials in the PCAS and other departments sought to define the appropriate set of indicators that could be used to measure impact. An earlier version of the indicators was endorsed at the January *Lekgotla* (Annexure II) and where data is available, these indicators have been included in the cluster reports (and summarised in the themes below). Where data does not exist, the

measure may be defined for purposes of future reference, and in other cases, a proxy measure is used.

The work of defining impact indicators however highlighted a more complex set of questions. Even if an indicator could be agreed and measured, it cannot always be linked to outputs. Another problem with measuring impact is that not all social phenomena are directly measurable. In some cases, data does not exist because it is not collected (in these instances it may still be useful to define the measure and then make arrangements for data collection in the future), whilst in other cases, a proxy measure is used. Further, given the slow rate of social, political, economic and environmental change as a general phenomenon in all countries, the impact of policies implemented in the past nine years cannot in all instances be properly assessed at this stage.

One way to overcome these problems is to use composite indicators of impact to show how government has affected the lives of the South African population. When appropriate direct measures of change are

not available, composite indicators can be designed to capture particular dimensions of change. They are able to do this because they can reflect diverging or contradictory trends, yet show the direction and extent of change. They are also robust in that the measures are as simple and as transparent as possible and the indices are not sensitive to small changes in trends or in definitions. Trends can therefore be captured by proxy measures because most impacts are not directly available for measurement. The use of proxy measurements also means that one measure can describe a more complex phenomenon because it is correlated with other aspects which may not be as easily measured.

For the analysis of impact, the Review makes use of seven composite indexes developed by the HSRC and based on data provided by Statistics SA (see Annexure III for further discussion of these indicators). These indexes cover the following social, economic and political impacts:

■ Infrastructure – to measure the impact of housing, water and sanitation, communications and electrification infrastructure

■ Quality of life – to measure broader environmental impacts arising from health, education and environmental policies

■ Political participation – to measure trust people have in the institutions of the State, the quality of civil society organisation and active participation in politics

■ Economic participation – to measure the quality of work and poverty-alleviation policies

■ Economic preparedness – to measure the capabilities of the citizenry to improve their employability

■ Safety and security – to measure the extent to which the criminal justice system protects individuals from crime

■ Social inclusion – to measure membership of cultural organisations, the stability of households, and the way in which individuals include themselves in the community.

In the individual themes, a range of other measures is used. These include the indices in Annexure II as well as measures that are used by the clusters or departments to assess their own progress.

2.3 What the democratic State inherited

Some of the details of the Apartheid policy, which sought the exclusion of the majority from full participation in all aspects of South African society, had begun to crumble by the late 1980s. However in 1994, the essence of Apartheid remained, with blacks denied the franchise, society divided along racial lines and the social exclusion and neglect of the majority a matter of State policy.

Government programmes perpetuated a strict racial hierarchy with the greatest allocation going to whites, and Africans receiving the least. It was only after 1994 that social transfers were completely de-racialised in line with actual need. Socially, the late 1980s saw a major phase of urban migration as influx control collapsed, giving rise to large-scale informal settlements without services.

Economically, the country was isolated through sanctions and the resultant import-substitution industrialisation meant that many firms were unable to compete in global markets. In the decade preceding 1994, growth declined to below 1% per annum and by the early 1990's economic growth had come to a standstill with the 1992 recession and drought. Public sector debt was ballooning out of control as the Apartheid regime sought to buy support. The country was also isolated diplomatically and excluded from almost all multilateral institutions. Sanctions busting and illicit capital export were the stock-in-trade.

The police and justice system violated most human and civil rights and was primarily used to defend Apartheid. The Defence Force was engaged primarily in a low-intensity war against the liberation movement domestically and abroad. Up until after the 1994 elections, certain parts of the country were living under a State of war and assassinations and bombings of political opponents were rife.

Governance was largely defined by a national security doctrine with little respect for the rule of law or constitutionality. The Tricameral Parliament and Bantustan system were supported by a minority, whilst the vast majority of South Africans had no political rights.
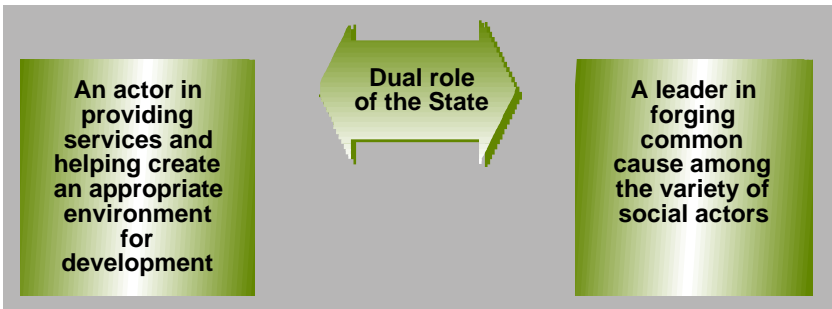
The authoritarian nature of the State meant that it became more isolated, more corrupt and more dependent on extra-judicial measures to sustain itself. By the late 1980's, the country had become ungovernable with the economy failing, the social fabric rent asunder by Apartheid, and the dislocation associated with social conflict.

Whilst it is possible to describe the main features of the Apartheid State, it is difficult to directly compare its performance with that of the democratic State after 1994 because of differences in the way in which social data was collected. The pre-1994 data excluded the so-called TBVC States and as a result significantly underestimated the impact of Apartheid policies on the African majority. With other changes, such as the introduction of political and civil rights, it is difficult to quantify the actual impact on those previously excluded yet the impact is certainly phenomenal. The analysis and discussion that follow therefore uses the best available information since 1994, although in some cases, where it is meaningful and comparable, reference is made to pre-1994 data.

2.4 Nature of the State

The findings of the Ten Year Review need to be examined in terms of State power and its limitations. This will help determine whether certain objectives were in fact realisable if only the State was more efficient and whether there are some objectives that are beyond the scope of direct state intervention. These latter objectives may still be realisable but only because the State may have the means to achieve them in partnership with, and through the actions of, others.

| An actor in providing services and helping create an appropriate environment for development | Dual role of the State | A leader in forging common cause among the variety of social actors |

It is possible to argue that the success or failure of government in achieving its developmental objectives will largely be determined by the appropriateness of the institutional framework that it creates. Much of the formal framework was confirmed in the 1996 Constitution, and the success of the State can be assessed in terms of how the Government and civil society make use of this framework.

However, the formal institutions of state are significantly influenced by the persistence of informal social modes of interaction which operate with logics that are often autonomous to those of the State. The totality of social networks can only be harnessed to the developmental effort if the State manages to provide the central co-ordination and leadership that will ensure that externalities of many separate activities become complementary to the development project. In other words, the State can ensure that the economies of scale beyond the scope of individual actors can be achieved through the better integration of their activities.

Therefore, the Government needs to make use of and participate within the social networks but not as an equal partner. Government, representing the collective will of a nation, should give leadership to such interactions especially through its ability to 'pre-commit'. Pre-commitment is ability to articulate long-term but conditional public development objectives that enable a nation to achieve economies of scale from the co-ordinated effort of many individual actors.

In the broader context of globalisation, it is obvious that depending on its position in the world political economy, the nation state is limited in terms of what it can achieve relative to other states. South Africa seeks to transform a deeply divided society in a situation in which the nation-state is subjected to varying forms of global licence – economic, cultural, political and otherwise – which may not be fully appreciative and supportive of the nation-state's agenda. Thus adeptness at identifying the national interest and pursuing this in a creative way is part of the challenge of governance and state leadership in the current global arena.

In assessing the success of the Government in achieving its objec-

tives, and indeed the appropriateness of these objectives, we need to take this framework into account – particularly the dual role of the State as an actor in providing services and helping create an appropriate environment for development, and as a leader in forging common cause among the variety of social actors.

❸ Themes

This Review has assessed the extent to which the new democratic dispensation since 1994 has redirected the purpose and content of government policy and seeks to describe the impact of these changes on South African society. The work of the Review has been organised in five themes corresponding to the Cabinet clusters although it is evident that there are many cross-cutting issues and each cluster contributes to a number of broad RDP objectives (see Annexure I).

3.1 Governance

Background

Since 1994, government has been engaged in a vigorous process of transformation that includes a new Constitution, transformation of the State machinery, changes to almost all policy, all geared toward changing the Apartheid State and society into a democratic society based on the principles of non-racialism and non-sexism.

Given that Apartheid sought to systematically exclude the majority from political participation, and given that the Apartheid State had become increasingly isolated, authoritarian and corrupt, and given the high levels of political violence in the decade prior to the first democratic elections, there is no direct comparison between this era and the advent of democracy. There can therefore be no direct comparison to pre-1994 indicators, given the quantum nature of the change in governance. Progress has been registered in the following areas, with regard to the South African polity:

- voice and accountability
- political stability
- government effectiveness
- regulatory quality
- integrity and legitimacy of the State and the rule of law