



ANNUAL REPORT

2015-2016



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Public Affairs Research Institute (PARI)

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Abbreviations

ANC	African National Congress
CUBES	Centre for Urbanism and Built Environment Studies
ECDoE	Eastern Cape Department of Education
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GTAC	Government Technical Advisory Centre
NGO	Non-governmental organisation
NRF	National Research Foundation
PARI	Public Affairs Research Institute
PILG	Public Interest Law Gathering
PSETA	Public Service Sector Education and Training Authority
SALGA	South African Local Government Association
SARS	South African Revenue Service
SJO	Social justice organisation
UKZN	University of KwaZulu-Natal
Wits	University of the Witwatersrand

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Ivor Chipkin

The administration of President Zuma, which took office in 2009, has been marked by a concerted effort to entrench direct political control over the state administration

DIRECTOR'S LETTER

The Public Affairs Research Institute (PARI) was established seven years ago. The institute's lifetime has thus coincided with the Polokwane revolt in the African National Congress (ANC) and the Presidency of Jacob Zuma. In this regard, we have followed the uneven and differentiated patterns of government that have come to define this period.

In 2007, the supporters of current President Jacob Zuma displaced those of then-President Thabo Mbeki at the ANC national conference in Polokwane. This change in the leadership of the governing party has had a wide range of consequences for South African democracy.

The administration of President Zuma, which took office in 2009, has been marked by a concerted effort to entrench direct political control over the state administration – particularly procurement budgets, and the governance and financial control of state-owned enterprises. In this context, government departments are today being repurposed as instruments of 'radical economic transformation'.

The forces behind Jacob Zuma's ascent to power never had a clear, common ideology. But they have recently found a language of their own. They claim to speak for ordinary people – those who are not well educated, who live in shacks, who inhabit small towns and rural areas, and who are excluded by the economy and the formal institutions of the state. The proponents of Zuma's radical economic transformation speak a language that is profoundly mistrustful of the formal rules of the game – whether of the Constitution or of government. They claim these rules are rigged in favour of whites and urban elites and against ordinary people. Radical economic transformation thus requires changing and frequently breaking the rules – including those of the Constitution.

Their argument is compelling at first glance, especially because unemployment and poverty are overwhelmingly black experiences in present-day South Africa.

Jacob Zuma and his allies should be understood in this context. The current occupant of the Union Buildings seeks economic transformation by using government's procurement spend to favour black and African businesses.

The fight against 'white monopoly capitalism' is a struggle to displace established businesses, many under largely white management, from this space. This is precisely what Minister of Finance Malusi Gigaba initially said after he was appointed following Zuma's cabinet reshuffle in March 2017. Yet the evidence suggests that Zuma's approach is not one that favours a broad, inclusive transformation of the South African economy, but one that privileges a narrow set of interests. In fact, Zuma's radical economic transformation is not focused on the economy: it is focused on the state. It has come to set itself up against the Constitution and South Africa's democratic dispensation. It also comes at a high cost to the stability and effectiveness of public institutions.

Taken together, however, defending the Constitution and the integrity of state institutions, and professionalising administrations must go hand in hand with efforts to transform the economy – so that, ultimately, development and democracy are seen as allies rather than as enemies.

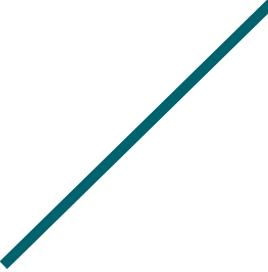
I am extremely proud to say that PARI has been at the forefront of analysing, describing and explaining many of these processes.

With the support of its many friends and donors, the institute has been able to undertake several large-scale, multi-year research projects in a variety of locations across South Africa and the continent. This annual report highlights some of the remarkable work that is emerging, and discusses how we are adapting to the challenging South African environment. In this regard, we now have a fully staffed executive team, including Mbongiseni Buthelezi as Research Manager, Mpho Mohapi as Head of Administration and Janita Kempen as the new Head of Finance.

I am very grateful for the ongoing support of the PARI Board. And I would like to congratulate the entire PARI team, which produces world-class research on topics that are central to the development of South African democracy.



Ivor Chipkin
Executive Director



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THE YEAR IN REVIEW

THE YEAR IN REVIEW

EVOLVING TO INFLUENCE A STATE IN TRANSITION

PARI is moving confidently towards its eighth year as a prominent research institute, while simultaneously adapting to South Africa's changing sociopolitical environment.

Historically, PARI has been a research institute that plays a soft advocacy role. It has conducted research on state institutions and processes. And it has provided civil society organisations with research, enabling them to be better informed about how to advance public-sector reform and good governance.

It is in this context that PARI has increasingly helped to shape public policy. For example, the establishment of the **Office of the Chief Procurement Officer** in the National Treasury was strongly informed by a 2014 report produced by PARI,¹ which noted that 42 percent of government spending – more than R300 billion – was outsourced. This generated much-needed public discussion about state procurement. PARI was ultimately engaged in drafting the **Public Procurement Bill** in 2016.

Last year PARI began an internal discussion about whether it should take a more pronounced advocacy role in the evolving political environment. The objective was to develop such a proactive position while maintaining PARI's research focus and ensuring that the organisation would remain home to a broad range of worldviews represented in its diverse research team. This followed a redesign of PARI's organisational structure, which has refreshed the organisation's identity, and includes new, self-reflective internal processes.

The rationale for combining research and advocacy is the growing contestation over the future of the South African state, which is now central to an energised civil society and social movements, and which features prominently in the concerns of business, trade unions and the media.

Civil society has traditionally taken an adversarial role vis-à-vis the state. To a large degree, this stance has led to a mutually confrontational position in which civil society fails to see genuine advances being made in sections of the state, and government dismisses all criticism as hostile, to be rejected out of hand.

Noting that this approach is often unproductive, PARI has positioned itself to better inform civil society on how to work with state players and change agents to advance an agenda of public service reform and state building.

PARI – A pioneer in the field of institutional studies in South Africa



1. 'The Contract State: Outsourcing and Decentralisation in Contemporary South Africa', a first-of-its-kind look into the South African contract state, funded by the Ford Foundation, August 2014.

'A lot of political contentions are expressed at municipal level and we are finding PARI's work gravitates spontaneously toward local government.'

PARI's work has found itself prominently represented in the national debate on the future of the public sector. It is also influencing contemporary political discourse and questions of state integrity, seeking to deepen the public's understanding of the complexity of state formation, and deepening academic work in this area.

The University of the Witwatersrand (Wits) has approved PARI's Institutional Studies programme as a **new field of academic study**. Institutional Studies is a first-of-its-kind degree programme in South Africa, and will position PARI as a pioneer in the local academy.

Another exciting area of research is in local government. The 2016 municipal elections shone a spotlight on rural politics as PARI deepened its investigation into patrimonialism at the municipal level – 'the interface of the state and people'.² In the Zuma era, administration and politics are more intertwined than ever before.³ Some of PARI's most interesting projects are focused at the local level, examining the interface of state formation in municipalities and its links to regional and national politics. This work challenges existing academic narratives around local government, and aims to foster a comprehensive debate about ways of thinking about municipalities.

This is particularly significant as contemporary discourse moves away from programmatic politics and sees the rise of politics defined by the narrative of corruption.

Our local government research projects are finding that the concept of corruption is the linchpin around which contemporary politics is organised, and the discussion around it requires a much broader understanding. Corruption is repeatedly used as a one-size-fits-all assessment of the limitations of government; however, the concept is fundamentally entangled with a range of issues like inequality and poverty.

PARI continues to analyse the character of the state. Our work over the coming year will shed light on how the state is used to pursue both a developmental agenda and, alongside and in competition with, agendas of self-interested private networks.

This review presents a summary of projects, publications, engagements and organisational changes that illustrate PARI's growth in the intellectual and political arenas since the end of 2015.

2. Interview with Mbongiseni Buthelezi, Research Manager.

3. Interview with Mosa Phadi, Institutional Dynamics programme coordinator.

REIMAGINING PARI

PARI demonstrated its responsiveness to a shifting and evolving environment by reimagining its organisational design and internal processes. Four new programmes were created in the following focus areas:

- State-society relations
- Institutional dynamics
- Public policy
- Postgraduate development programme.

Existing projects and postgraduate fellows were realigned according to these programmes, which reflect PARI's emerging roles in the sociopolitical and academic environments.

PARI now has a fully staffed executive team, including Executive Director, Research Manager, Head of Communications and Head of Finance.

Four researchers were appointed as programme coordinators to run each programme and manage mentorship, publications and conferences. Most importantly, the programme coordinators support the executive team to form a strategic management team that can strategise around PARI's current work, identifying gaps and anticipating the next phase of the organisation's influence. The new strategic management team meets weekly to review new terms of reference or partnership opportunities.

In February 2017, the first internal Research Development workshop took place. This is planned to be a regular occurrence where PARI's researchers present papers on their current work and engage with each other to find points of cohesion. The process allows the organisation to see the scope, character and direction of its current work.

PARI is participating in the **Ford Foundation's BUILD** programme, which aims to create a funding model that will enable philanthropy to move away from short-term funding for projects. Ford is making a case for funding both an organisation's development and its programmes. This investment will accelerate PARI's growth.



The degree is multi-disciplinary, drawing on politics, history, anthropology and economics in analysing institutions of government

A NEW FIELD OF ACADEMIC STUDY

In August 2016, the Senate of Wits University approved PARI's proposal to establish a new field of academic study, Institutional Studies. This positions PARI as a pioneer in the academic sphere in South Africa.

The degree is multidisciplinary, drawing on politics, history, anthropology and economics in analysing institutions of government. It aims to advance knowledge of the state, with a view to developing practical remedies for micro and macro problems, thus creating a new way of developing policy.

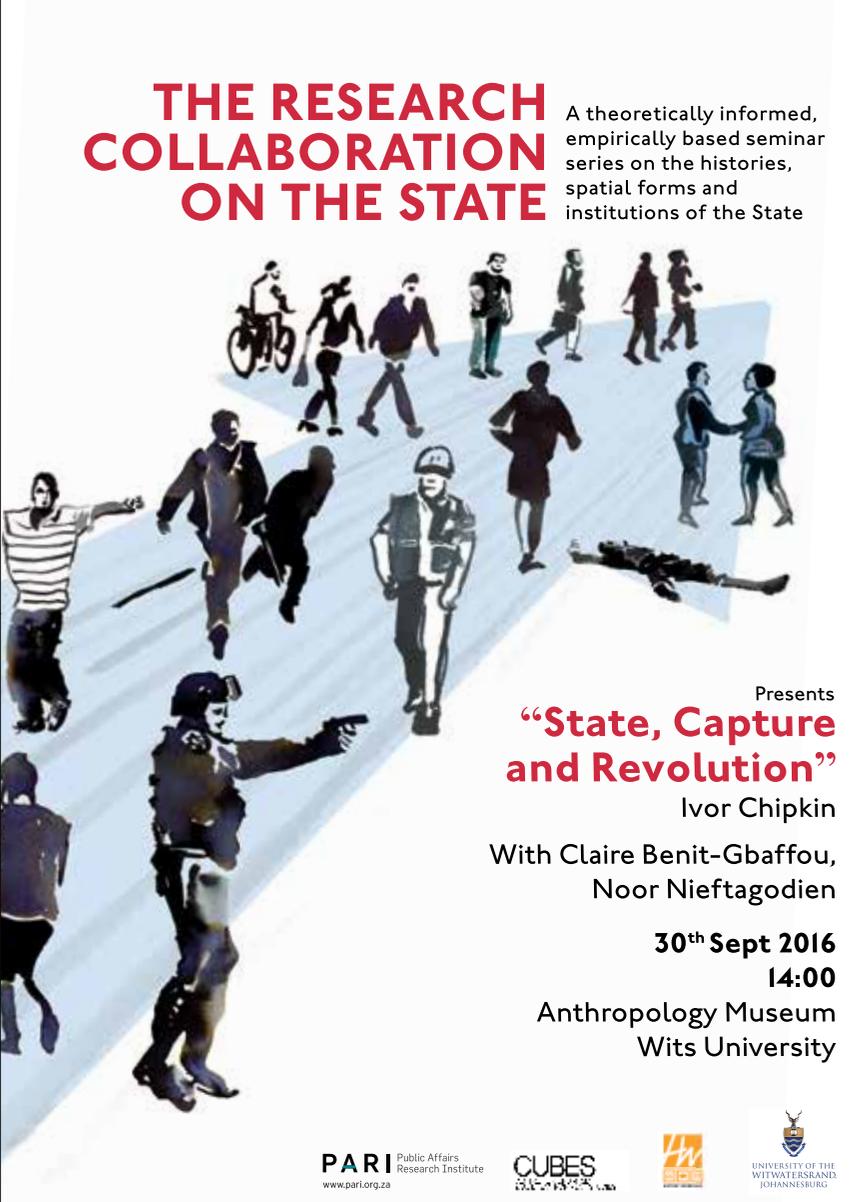


The degree will also professionalise public-sector consulting by training consultants and advisors to government with methodologies grounded in the institutional challenges faced by government.

The Institutional Studies programme will be built on the foundation of the Postgraduate Development Programme, which awards fellowships to develop scholars in line with PARI's research vision and the needs of South African public institutions (see the 2016 fellows in Part 3 of this report). The current programme is being phased out and the new postgraduate programme will be launched at Wits University in 2018.

STATE, CAPTURE AND REVOLUTION

We are variously told that the state is in crisis, that it is corrupted, captured or even on the brink of becoming a failed state. Yet rarely is the concept subjected to rigorous theoretical analysis.



**THE RESEARCH
COLLABORATION
ON THE STATE**

A theoretically informed,
empirically based seminar
series on the histories,
spatial forms and
institutions of the State

Presents
**“State, Capture
and Revolution”**
Ivor Chipkin
With Claire Benit-Gbaffou,
Noor Nieftagodien

**30th Sept 2016
14:00**
Anthropology Museum
Wits University

PARI Public Affairs
Research Institute
www.pari.org.za

CUBES
Centre for Urban
Boundaries and
Economic Studies

WITS
UNIVERSITY OF THE
WITWATERSRAND
JOHANNESBURG

Poster created for the 'State, Capture and Revolution' talks by Ivor Chipkin

The Research Collaboration on the State seminar series is a joint initiative by PARI, the **National Research Foundation (NRF) Chair in Local Histories and Present Realities** and the **Centre for Urbanism and Built Environment Studies (CUBES)**. The series aims to bring together researchers, public servants, journalists and civil society activists in critical discussions on the history, institutions and spatial dimensions of the South African state. The first seminar took place on 30 September 2016 at Wits University. The following is an excerpt from Ivor Chipkin's paper 'State, Capture and Revolution', which was presented at the launch:



'We will see that the struggle against corruption in South Africa is really a struggle about the form of the state. [...] We will see that it is difficult to appreciate the tenacity of corruption in South Africa and elsewhere unless we appreciate that corrupt practices are also discursive practices; that is, that they express political-ideological commitments.'

AN EMPTY PLATE



In the PARI office gardens in February 2017, PARI and Jacana Media launched Tracy Ledger's book, **An Empty Plate: Why We Are Losing The Battle For Our Food System, Why It Matters, and How We Can Win It Back**. The book analyses the state of the South African agri-food system, demonstrating that it is perpetuating poverty, threatening land reform, entrenching inequality and tearing apart our social fabric. The book asks and explores two crucial questions: How did we get to this point? And how might we go about solving the problem? Tracey Ledger is a PARI research associate.



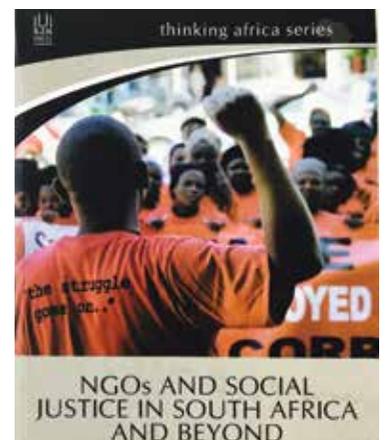
TRIBING AND UNTRIBING THE ARCHIVE

At Wits University early in 2017, PARI and the University of KwaZulu-Natal (UKZN) Press launched *Tribing and Untribing the Archive*, edited by Carolyn Hamilton and Nessa Leibhammer, with an epilogue by Mbongiseni Buthelezi. This two-volume book interrogates how African history prior to European colonisation is represented in 'repugnant, but insidiously resilient stereotypes'. It seeks to 'spring the identity trap, releasing the material from pre-assigned identity positions as tribal into settings that enable them to be used as resources for thinking critically about identity'.



NGOS AND SOCIAL JUSTICE

On 6 April 2017, PARI and UKZN Press launched *NGOs and Social Justice in South Africa and Beyond*, edited by Sally Matthews. Non-governmental organisations (NGOs) are regarded by many as vital role-players in improving the lives of the poor and bringing about social justice. This book reflects critically on the role of NGOs in popular struggles. The introduction was co-written by Sally Matthews and Patronella Nqaba, who also contributed a chapter on the Grahamstown NGO, GADRA Education.





SHAPING PUBLIC 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, social engagements, working papers and publications. 2016 saw the inception of the Big Books concept, with the intention that long-term PARI projects will consolidate their publications in the form of a thematic volume. While not exhaustive, the following list presents highlights of PARI's productive engagements over the last year.

Journal articles

- Chipkin, Ivor. 'The decline of African nationalism and the state of South Africa', *Journal of Southern African Studies*, Vol 42: Issue 2, 2016, 215-227.

Reports

- 'Confrontational, Complementary, Co-operative or Co-opted?: Social Justice Organisations Working with the State', 29 August 2016.



The introduction reads:

'Commissioned by the RAITH Foundation, the Public Affairs Research Institute (PARI) conducted a study on the working relations between social justice organisations (SJOs) and state bodies with a view to determining the conditions under which they have been successful in pursuing and deepening social justice and democratic outcomes. Success is defined in a relational manner which considers not only whether outcomes are achieved but also the extent to which processes and social relations between SJOs and the state are improved.'

- '2013/14 Red Zone Municipalities: Municipal Audit Outcomes Unpacked'. A report for the South African Local Government Association (SALGA), January 2016.

Books, chapters and working papers

- Phadi, Mosa and Pakade, Noma. *Native Informant Speaks Back to the Offer of Friendship in White Academia* (Johannesburg: Wits Press, forthcoming).
- Federica Duca elucidates: 'The elite in the city: Spaces and structures of inequality in Johannesburg', in Amanda Machin and Nico Stehr (eds.), *Understanding Inequality: Social Costs and Benefits* (Wiesbaden: Springer, 2016).

Extract:

'I argue that looking at the city from an elite perspective, yet adopting a relational perspective, thus understanding the different ways in which the various "rights to the city" intersect, is crucial in unfolding dynamics of separation, distance and inequality in the city.'



- Runciman, Carin. 'Citizenship and inequality in post-apartheid South Africa: Contours and collective responses', in Amanda Machin and Nico Stehr (eds.), *Understanding Inequality: Social Costs and Benefits* (Wiesbaden: Springer, 2016).
- Pearson, Joel, Pillay, Sarita and Chipkin, Ivor. 'State-building in South Africa after apartheid: The history of the National Treasury', February 2016.
- Olver, Crispian. 'State capture at a local level – A case study of Nelson Mandela Bay'. PARI Working paper.
- Ndlovu, Thatshisiwe. 'Fiscal histories of sub-Saharan Africa: The case of Botswana'. Working paper series: No. 1, August 2016.

The following is an extract from the working paper series:

'Taxation is of central importance to modern societies. It is crucial to a government's ability to deliver basic services and to invest in public goods. Moreover, the autonomous development of nations and their economic growth are highly dependent on how they approach taxation. Additionally, it lays the foundation for meaningful democratic institutions and processes, contributing to enhanced governance and accountability.'



- Chipkin, Ivor. 'The state, capture and revolution in contemporary South Africa', August 2016.

Movement urges
pressure on
Zuma to step
down

SABC NEWS

shows
and
land

rm MAIL & GUARDIAN

ds TIMES LIVE

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nt crisis

PROGRESSIVE POLITICS

Media

- **Mail & Guardian – ‘How will South Africa tackle corruption?’**, 4 April 2017.
Ryan Brunette explored the deeper layers of anti-corruption politics.
- **Huffington Post – SARS Special Report: ‘An institution in crisis as South Africa faces junk status’**, 3 April 2017
SARS is a weakening institution, according to Ferial Haffajee, which is not good news for radical economic transformation.
- **702/CapeTalk Radio – 11 April 2017**
Mbongiseni Buthelezi, the Black Sash’s Elroy Paulus and former Black Sash president Mary Burton discussed the contemporary role of civil society groups like the Black Sash and highlighted current fault lines in the state.
- **News24 – ‘The struggle to keep the lights on’**, 24 January 2017
Patronella Nqaba, Joel Pearson and Thoko Jean Chilenga reflected on why blaming the disrupted electricity supply on corruption is understandable but often not well informed.
- **Business Live – ‘Crisis of 9/12 was a turning point for SA’**, 9 December 2016
Mbongiseni Buthelezi unpacked the long-term implications of ‘Nenegate’ on South Africa, and the importance of the National Treasury in the post-apartheid governance framework.
- **City Press – ‘4 days in December’**, 8 December 2016
Ferial Haffajee’s ongoing analysis and debate on state capture.
- **Power FM – December 2016**
Mbongiseni Buthelezi was interviewed by JJ Tabane, reviewing the firing of Nhlanhla Nene a year on.
- **Daily Maverick – ‘#FeesMustFall: Separating Treasury’s truth from “ultra-left” fiction’**, 16 October 2016
Ivor Chipkin explored how the attack on the National Treasury threatens to reverse important democratic gains.
- **Electoral Institute for Sustainable Development in South Africa – ‘The enigma of rural politics: A puzzle for all political parties’**, 2 September 2016
Joel Pearson, Mosa Phadi and Thomas Lesaffre teased out what political party support means beyond electoral percentages.

- **Electoral Institute for Sustainable Development in South Africa – ‘The history that fuels local government violence’, 18 July 2016**
Joel Pearson, Mosa Phadi and Thomas Lesaffre took a deeper look at the dynamics that underpin acts of political violence.
- **Electoral Institute for Sustainable Development in South Africa – ‘The battle for Nelson Mandela Bay is within the ANC’, 14 July 2016**
Following the 2016 municipal elections, Ryan Brunette, Bronwyn Kotzen, Mahlatse Rampedi and Tatenda Mukwedeya assessed the battle for Nelson Mandela Bay Municipality.
- **Sunday Times – ‘Once-invincible ANC takes on regional, ethnic colours’, 15 May 2016**
Ivor Chipkin discussed the ruling party’s declining support in South Africa’s cities.
- **GroundUp – ‘Rural South Africa is on a precipice: Countryside sliding into ever more violent confrontations’, 22 April 2016**
Mbongiseni Buthelezi and Sithandiwe Yeni visited rural areas to investigate rising levels of violence.
- **Daily Maverick – ‘Progressive politics: In search of a silver lining in the current crisis’, 30 March 2016**
Ivor Chipkin published an editorial on patrimonial politics in state institutions.
- **City Press – ‘How Treasury got its teeth’, 23 February 2016**
Joel Pearson and Sarita Pillay repackaged their latest publication on the history and power of the National Treasury ahead of Minister Pravin Gordhan’s 2016/17 Budget Speech.
- **CNBCAfrica.com – ‘Why SA municipalities “perpetually” get poor audits’**
These articles were the result of PARI’s local government symposium and the information shared from the institute’s report, ‘2013/14 Red Zone Municipalities’.
- **Power FM**
On the eve of the 2016 Budget Speech, Joel Pearson and Sarita Pillay spoke to Thabiso Thema and Hajra Omarjee about their recent work on the National Treasury.

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SUNDAY TIMES

SABC NEWS

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NEWS24

#FeesMustFall: Separating Treasury's truth from "ultra-left" fiction

DAILY MAVERICK

Why SA
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CNBCAFRICA.COM

Rural South Africa
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Countryside sliding
into ever more violent
confrontations

GROUNDUP

The battle for Nelson Mandela Bay is within the ANC

ELECTORAL INSTITUTE FOR
SUSTAINABLE DEVELOPMENT
IN SOUTH AFRICA

The struggle to keep the lights on

NEWS24

The enigma of rural politics: A puzzle for all political parties

ELECTORAL INSTITUTE FOR SUSTAINABLE
DEVELOPMENT IN SOUTH AFRICA

How corruption
busters could prevent
Treasury capture

NEWS24

How Treasury
got its teeth

CITY PRESS

4 days in
December

CITY PRESS

SARS special report:
An institution in
crisis as South Africa
faces junk status

HUFFINGTON POST

Once-invincible
ANC takes on
regional,
ethnic colours

SUNDAY TIMES

Crisis of 9/12
was a turning
point for SA

BUSINESS LIVE

How will
South Africa
tackle
corruption?

MAIL & GUARDIAN

How Trei
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CITY PRESS

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TIMES LIVE

How corruption
busters could prevent
Treasury capture
NEWS24

- **Radio Islam**
Ivor Chipkin took part in a discussion on the battle between Finance Minister Pravin Gordhan and SARS Commissioner Tom Moyane.
- **Power FM**
Ivor Chipkin discussed the increasingly unaffordable public wage bill with Lawrence Thlabane and Ayanda-Allie Paine.
- **eNCA and the local government elections**
In the run-up to and aftermath of the historically important 2016 municipal elections, Ivor Chipkin provided commentary for eNCA on events as they unfolded.
- **Carte Blanche – Booyesen Exclusive, 11 September 2016**
Ivor Chipkin was featured on Carte Blanche as part of the Booyesen Exclusive, which examined harassment of senior government officials. The case is relevant to PARI's work as it concerns individuals who are 'playing with the integrity of the South African state'.
- **Business Day – 'Provincial elites use Zuma as Trojan horse to hit Treasury', 17 December 2015**
Ivor Chipkin, Joel Pearson and Sarita Pillay shared their views on the axing of Nhlanhla Nene as Finance Minister and hiring of Pravin Gordhan as David van Rooyen's replacement.
- **The Global Urbanist – 'The ordinary city: Reimagining urban African governance and planning', 9 December 2015**
Bronwyn Kotzen described the important role of shebeens in the informal settlements of Cape Town.

Events

The Decline of African Nationalism and the State of South Africa

12 May 2016

PARI held a public lecture at the Wits Anthropology Museum on the decline of African nationalism and the state of South Africa. The lecture explored the electoral performance of the ANC and argued that there is evidence of a two-fold movement. In the run-up to the 2016 local government elections, this lecture provided a unique insight into the electoral prospects of the ANC and the importance of institution building for the future of a democratic state. The lecture was chaired by Dr Carin Runciman, with Mcebisi Ndletyana, Associate Professor of Political Science at the University of Johannesburg, as the discussant.



Reimagining Local Government: What Are the Major Challenges Facing Municipalities Today?

18 February 2016

Ahead of the local government elections, PARI organised a dialogue on the inner workings of South Africa's municipalities and the challenges they face. Speakers representing PARI, SALGA and the Cities Support Programme discussed compliance, service delivery, patrimonialism, capacity and citizen engagement.

Government and Civil Society Engagements: Prospects, Challenges and Ways Forward

3 February 2016

The RAITH Foundation and PARI held a workshop to discuss engagements between civil society and government on social justice. This follows intensive research undertaken by PARI for the RAITH Foundation.

PARI at Public Interest Law Gathering

2016

PARI ran two successful panels at this year's Public Interest Law Gathering (PILG), which took place at the Wits Law School from 29 to 31 August 2016. PILG is a knowledge-sharing and networking platform comprising public interest legal practitioners and organisations, law students, paralegals, social movement leaders and academics.

In one panel, PARI launched its report on state-civil society relations. The panel comprised Carin Runciman, the report's lead author and former PARI senior researcher; Mavuso Msimang, Chair of the Board of Corruption Watch; and Ian Goldman, Deputy Director General responsible for monitoring and evaluation in the Department of Planning, Monitoring and Evaluation.

PARI's panel discussion on 31 August focused on the process of drafting the Public Procurement Bill and the opportunities it offers. On the panel were Ryan Brunette, Ivor Chipkin and Patronella Nqaba from PARI, and Leanne Govindsamy from Corruption Watch, and it was chaired by Wits law professor Jonathan Klaaren, who is a member of the PARI team working on the bill.

Reading group

Each Friday, there is an atmosphere of vibrant discussion at PARI's offices as the team's researchers and fellows gather for the weekly reading group convened by visiting professor Andreas Kalyvas. The topic for the first semester is statocentrism and the sessions are focused around the following texts:



1

Session 1 (3 February)

Quentin Skinner, 'The State', *Political Innovation and Conceptual Change*, pp. 90-131.

Harold Laski, 'The Sovereignty of the State', *Studies in the Problem of Sovereignty* (1919), pp. 1-26.

2

Session 2 (10 February)

Martin van Gelderen, 'The State and its Rivals in Early-modern Europe', *States and Citizens* (2003), pp. 79-96.

Hendrik Spruyt, *The Sovereign State and its Rivals* (1994), ch. 8, pp. 153-182.

3

Session 3 (17 February)

Jean Bodin, *On Sovereignty* (1576), Book I: 8, pp. 1-45; Book IV: 7, pp. 519-544.

4

Session 4 (3 March)

Thomas Hobbes, *Leviathan* (1751), 'The Introduction', ch. 6, 11, 13-14, 16, pp. 9-11, 37-46, 69-75, 86-100, 111-115.

5

Session 5 (10 March)

Thomas Hobbes, *Leviathan* (1751), ch. 17-18, 21, 26, 'A Review and Conclusion', pp. 117-129, 145-154, 183-200, 483-491.

6

Session 6 (31 March)

Samuel Pufendorf, *Of the Law of Nature and Nations*, Book VII: 2-4, 6, 8, pp. 635-669, 687-705, 716-738.

7

Session 7 (28 April)

Emer de Vattel, *The Law of Nations* (1758), Book I: 1-4; Book II: 3-4; Book III: 1, 4, 18, pp. 81-112, 281-295, 469-471, 500-508, 641-649.

8

Session 8 (5 May)

G.W.F. Hegel, 'The State', *The Philosophy of Right* (1820), pp. 275-326, 366-379.



PROJECT HIGHLIGHTS

PROJECT HIGHLIGHTS

BUILDING A CAPABLE STATE

In the last year, PARI's projects have influenced the public agenda and highlighted the 'building of a capable and just state' as a serious activist and academic project. The organisation has grown in its work on local government, its involvement in developing crucial public policy, and its contribution to public debates on the reform of the public service. Some projects have also advanced a comparative research model, exploring state-society relations in the Global South.

PARI's work has increasingly focused on municipalities, as developments at local government level are a harbinger of wider political and administrative changes. For the past three years, PARI has conducted unprecedented research in selected municipalities to better understand their institutional dynamics and identify their limitations.



'If we are going to think seriously about how to deal with neopatrimonialism, a real understanding is required of how local networks work and where administration intersects. Things are revealed to work in much more complex ways than what we have been led to believe so far.'⁴



4. Mbongiseni Buthelezi, Research Manager.

Who governs in South Africa? How is power exercised in state institutions and with what effect?

ORGANISATIONAL DYNAMICS

Projects in this programme examine the interface between administration and politics in state institutions. The kinds of questions we ask are: Who governs in South Africa? How is power exercised in state institutions and with what effect? How does this affect how they discharge their mandates?

The programme's two main projects are **Northern Frontier: State (re-)invention on the Platinum Belt** and **Three Cities**. The *Northern Frontier project* has been investigating the challenges facing the Mogalakwena and Lephalale local municipalities since 2015. After two years of intensive fieldwork and reflection, the research team began consolidating its research into publications in late 2016. The findings of this research are beginning to change the orthodox understanding of the effects of neopatrimonial politics on local government, showing that scholarship and public discussion have been ill served by superficial analysis of how party politics penetrates local government.

The collapse of the Mogalakwena Local Municipality shows that the situation is more complicated than the simple 'politics of the belly' narrative common in scholarly and public debates. In fact, it is often interventions conducted in good faith by party and state players that lead to conflicts of interest and a breakdown of local government. The case of Lephalale shows the problems with attempting to build a post-apartheid South African city in a zone where the land was divided up a long time ago according to private interests.



'The work we are currently doing in local government is going to turn scholarship in South Africa upside down.'⁵



Three Cities is a study of the evolution of governance in three metropolitan municipalities – Nelson Mandela Bay, eThekweni and Buffalo City – conducted in partnership with the Government Technical Advisory Centre (GTAC) of the National Treasury. It attempts to understand how metropolitan governance has evolved since 1990, with the aim of helping GTAC better understand the political economy of municipalities in which they offer technical assistance to improve governance. The study of Nelson Mandela Bay Metropolitan Municipality was completed in August 2016, followed by a successful seminar in November with senior officials from, among others, the National Treasury, the Department of Cooperative Governance and Traditional Affairs, and Nelson Mandela Bay Municipality.

Both projects have found that a key step in understanding the Zuma administration is to understand local municipalities. The 'coalface of society' level vividly reflects skirmishes at national level and the legacy of apartheid. The projects envision real versus potential economic transformation in the country and reveal how violence – in the form of assassinations, threats and intimidation – is ingrained in politics.

Both were originally three-year projects meant to come to an end in 2017. However, they have opened up some of the most pressing questions about local government and it is expected that work begun by these projects will continue well beyond 2017.

Publications that have emerged from this programme will soon be consolidated into a volume that will offer a comprehensive view of the limitations of local government and its pockets of excellence. According to Mosa Phadi, the programme's coordinator, key themes that have emerged include:

- The fusion of politics and administration
- Violence
- Corruption
- Centralisation and decentralisation
- The power of social movements
- Chieftancy and voting rights
- The post-apartheid city: Emotional damage in the institutions
- A focus on regional politics
- The power of forensic reports.

5 Interview with Mbongiseni Buthelezi, Research Manager.



STATE-SOCIETY RELATIONS

The projects in this programme seek to understand how social institutions and the state have been imagined historically, how society is envisioned by the state, and how society and the state engage. The programme offers a comparative overview of societies in the Global South, particularly South Africa.



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.



As part of the project, in June 2016, Wits University hosted a three-day international workshop on taxation and state formation in sub-Saharan Africa. The topics debated by the six panels are shown in the table below.

Taxation and State Formation in Sub-Saharan Africa: Workshop panels

Panel	Topic	Countries represented
1	Tax reforms in the region	Botswana, Cameroon, Nigeria
2	The role of taxation under colonialism	Angola, Cameroon, Mozambique
3	Taxation in the context of political economy and development	Angola, Cameroon, Mozambique
4	State-society fiscal relations	Angola, Nigeria, South Africa
5	The politics of state expenditure	Botswana, Nigeria, South Africa
6	Summaries and broader theoretical and methodological questions	

'Most, if not all, of the recent tax reforms on the continent have been made following foreigner "best practices" receipts that, so far, have showed at most very shy, if not totally poor, results. In this context, the development of new networks that make possible a renewed debate about taxation, taking into account the specificities of post-colonial societies – both historically and currently – is a necessary step in order to think about questions such as social and economic development, citizenship inclusion, social justice and equality, and democracy and autonomy, among other topics which are fundamental not only for the African continent, but globally.'⁶



During 2016, the first in a series of working papers was published: 'Fiscal histories of sub-Saharan Africa: The case of Botswana', by Thatshisiwe Ndlovu. The researchers on this project have also presented some of their findings at international conferences.

PARI undertook three other projects in this programme area before the programme assumed its new structure. One project involved partnering with the **RAITH Foundation** to examine how civil society organisations work with the state. The final report, 'Confrontational, Complementary, Cooperative, or Co-opted?: Social Justice Organisations Working with the State', was introduced at the PILG in August 2016 and launched in March 2017. With the Wallace Global Fund, PARI mapped civil society organisations in South Africa. PARI also conducted an organisational review of the Black Sash.



6. 'Understanding Taxation and State Building in Sub-Saharan Africa'. A report for the Friedrich Ebert Stiftung, 2016.



PUBLIC POLICY

PARI's academic research in this area aims to develop policy that is relevant to political and administrative problems in contemporary South Africa.

2016 saw two major interventions: PARI helped develop the **Procurement Bill** for the Office of the Chief Procurement Officer in the National Treasury, and was involved in developing proposals for a new South African **National Anti-Corruption Strategy** for the Anti-Corruption Task Team, working with the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ).

Both projects are a focal point of current political struggles and speak to the malaise that has come to be called state capture. The proposals and the draft bill, which will enter the public consultation phase in 2017, aim to stem the misuse of state institutions for private gain to the detriment of state service delivery. PARI will continue to be involved in the public processes in coming projects.

In 2016, PARI worked with **SALGA** to research its interventions in 60 red zone municipalities, i.e. municipalities that have consistently received poor audit outcomes from the Auditor-General. Researchers reported that more than R1 billion rand was spent on consultants in the previous year and that 'the lion's share of municipal operating budgets are being directed towards administrative and oversight compliance, rather than the delivery of services'.⁷ The project was part of a long-term research partnership between PARI and SALGA on improving local government. PARI continues to assist the **Public Service Sector Education and Training Authority (PSETA)** in understanding the skills gap in the public service.

Building a Fair and Capable State seeks to generate research on the state of government and disseminate it strategically among key audiences (political parties, social activists, the media) so that they can understand and support the reform agenda. In particular, the research will report on trends relating to the autonomy and politicisation of administrations, and the performance of government. This project is clustered with *Improving Appointments in State Institutions* and dovetails with a new project focusing on developments in key state institutions that recently led to the cabinet reshuffle, with a particular focus on the National Treasury.

PARI is also involved in the *Schools Rationalisation Project* with the **Eastern Cape Department of Education (ECDoE)** and 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 the achievement of economies of scale in education delivery. Despite its importance, the rationalisation process has historically been the subject of considerable resistance.

7. PARI, '2013/14 Red Zone Municipalities: Municipal Audit Outcomes Unpacked.'

WATCH THIS SPACE

History of the National Treasury

The National Treasury has come under pressure for being neoliberal. How did this situation come about? How were the Bantustans amalgamated into a unilateral state? What is white monopoly capital? The story of the National Treasury helps to explain South Africa's fiscal policies today, and analysing this history is necessary to inform public discussion about the country's reform agenda. The first step in this process is to piece together the story from the archive.

The following is an extract from Joel Pearson, Sarita Pillay and Ivor Chipkin's working paper (19 February 2016) 'State-building in South Africa after apartheid: The history of the National Treasury':

'The National Treasury is a pivotal institution in South Africa's governance landscape. Portrayals of the Treasury are often polarized: where some see an exceptional institution that stands "head and shoulders" above other government departments and which has long held the line against reckless state expenditure, others see an elitist institution which imposes top-down austerity and restricts a genuinely developmental agenda. What is less often interrogated is the institutional history of the National Treasury, and how it came to occupy such a powerful position in the post-apartheid era.'



Debates on citizenship

In May 2017, the State-Society Relations programme will host Carlos Forment. He will deliver 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 will also lead a two-day seminar for PARI researchers on current debates on citizenship.



Carlos A. Forment

New School for
Social Research-Graduate Faculty
New York City, New York &
Universidad Nacional de General Sarmiento
Instituto del Desarrollo Humano
Polvorines, Buenos Aires



PART
3

THE PARI TEAM



THE PARI TEAM

The PARI team comprises an executive team, four programme coordinators, 10 researchers, 11 fellows, and a board of directors. We are particularly proud to have the former editor of City Press newspaper, Ferial Haffajee, as our Head of Communications. A few researchers opted to do doctoral and postdoctoral studies as PARI fellows in 2017, as no new fellows have been taken on until the Institutional Studies programme begins in 2018.

Executive team

Executive Director: Ivor Chipkin

Research Manager: Mbongiseni Buthelezi

Head of Communications: Ferial Haffajee

Head of Finance: Janita Kempen

Administration

Head of Administration: Mpho Mohapi

Administrator: Pamela Ndlovu

Programme coordinators

Institutional Dynamics: Mosa Phadi

Public Policy: Ryan Brunette

State-Society Relations: Alice Soares Guimarães

Postgraduate Development Programme and postdoctoral fellow:
Federica Duca



programme
coordinators



researchers



fellows

Researchers

Joel Pearson

Mahlatse Rampedi

Patronella Nqaba

Saneze Tshayana

Thomas Lessafre

Victoria Buthelezi

Noma Pakade

Thatshisiwe Ndlovu: PhD fellow and researcher

Thokozani Jean Chilenga: PhD fellow and researcher

Sarah Meny-Gilbert: PhD fellow and associate researcher

Fellows

As in previous years, PARI awarded fellowships with the assistance of its funders **Nedbank** and **PSETA**. For the first time, fellowships were opened up to Honours students. This is particularly exciting as it allows greater scope to develop young scholars in line with PARI's research vision and the needs of South African public institutions. Each fellow is supported by a Wits and a PARI supervisor. The fellows for 2016 and 2017 are:

Simphiwe Dzengwa: PhD fellow

Ronete Engela: PhD fellow

Crispian Olver: PhD fellow

Brandon Bodenstein: Masters fellow

Nwabisa Nontenja: Masters fellow

Jolandi Swanepoel: Masters fellow

John Paul Mashala: Masters fellow

Devi Pillay: Masters fellow

Ntabiseng Mohale: Masters fellow

Rekgotsofetse Chikane: Masters fellow

Given Siquaqwe: Honours fellow

Board of directors

Professor Ivor Chipkin: Executive Director, PARI

Professor Philip Bonner: Chair of the Board, Professor Emeritus and former NRF Chair in Local Histories, Present Realities, University of the Witwatersrand

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 Head of the School of Social Science in the Faculty of Humanities, University of the Witwatersrand



THE FINANCIAL YEAR

THE FINANCIAL YEAR

PARI'S FUNDERS

- Nedbank Limited
- The Anglo American Chairman's Fund
- The FirstRand Foundation
- The Ford Foundation
- The Friedrich Ebert Stiftung
- The Open Society Foundation
- The Oppenheimer Memorial Trust
- The Public Service Sector Education and Training Authority

FINANCIAL STATEMENTS

Public Affairs Research Institute (PARI)
Registration number 2010/009156/08
Annual financial statements for the year ended 29 February 2016

STATEMENTS OF FINANCIAL POSITION AS AT 28 FEBRUARY 2016

Figures in Rand	2016	2015
Assets		
Non-current assets		
Property, plant and equipment	161 196	207 182
Current assets		
Trade and other receivables	2 000	649 135
Cash and cash equivalents	3 579 679	1 433 580
	3 581 679	2 082 715
TOTAL ASSETS	3 742 875	2 289 897
Equity and liabilities		
Equity		
Retained income	3 361 679	2 166 686
Liabilities		
Current liabilities		
Trade and other payables	381 197	123 211
TOTAL EQUITY AND LIABILITIES	3 742 876	2 289 897

Public Affairs Research Institute (PARI)
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 Annual financial statements for the year ended 29 February 2016

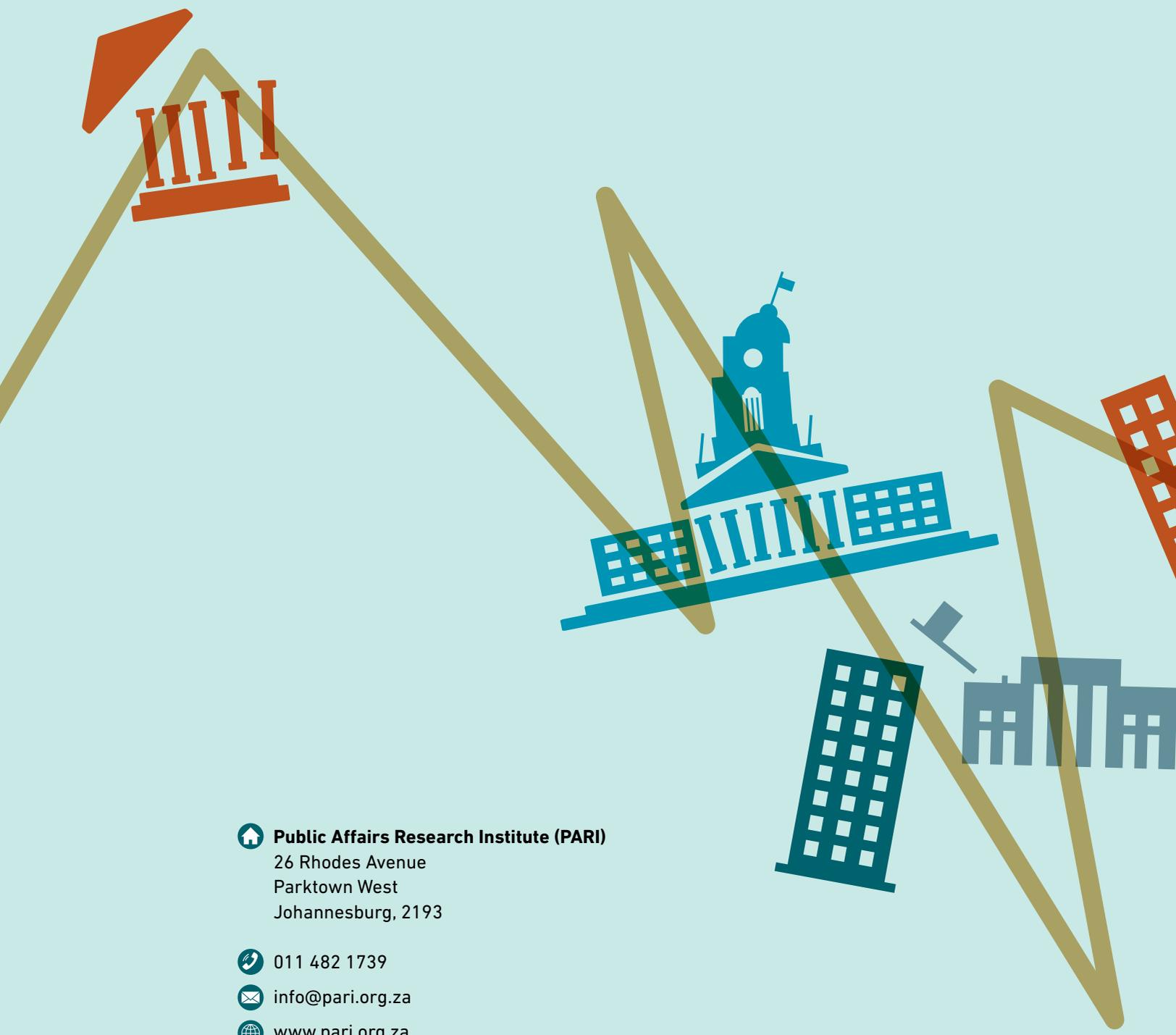
STATEMENT OF COMPREHENSIVE INCOME

Figures in Rand	2016	2015
Revenue	12 003 976	8 769 456
Operating expenses	(10 917 160)	(7 812 041)
Operating surplus	1 086 816	957 415
Investment revenue	108 177	58 177
Surplus for the year	1 194 993	1 015 592
Other comprehensive income	-	-
Total comprehensive surplus for the year	1 194 993	1 015 592

The background features stylized architectural elements. On the left, a blue building with a dome and a flag on top is partially obscured by a green diagonal shape. In the top right, there are orange architectural details, including a triangular shape and three vertical columns. At the bottom, there are blue and gold architectural elements, including a row of columns and a grid-like structure.

PARI Public Affairs
Research Institute

A pioneer in the field of
institutional studies in
South Africa



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