

State capture's impact on South African water sector reform

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South Africa's water laws and reform policies were once the envy of the world. Today, water infrastructure is deteriorating rapidly and millions more people have no access to a clean water supply than was the case a few years ago. What has happened?

State capture is an extreme and specific form of systemic corruption, where state decision-makers use and abuse private interests for their own or a particular group's benefit. Since 2018, the South African Judicial Commission of Inquiry into Allegations of State Capture has been hearing testimony. At the centre of the Commission's inquiry are members of the ruling African National Congress (ANC) including party members with business links to the ANC, CEOs of state-owned enterprises, directors general, previous ministers and former and current presidents. Economically, the estimate of total looted financial resources across the entire economy varies from between R500 billion to R1 trillion (USD 340 million to USD 690 million). With such vast sums syphoned off by public and private individuals to line their own pockets, it is not difficult to imagine how water sector reform could fall by the wayside or even be captured, often in the name of radical economic transformation (Muller, 2016), which is part of the ANC's ideology of the South African political and policy formulation landscape.

A program of water allocation and management reforms had been carried out since 1994 with institutional changes in the policy, legal and organisational dimensions. These influenced all water sub-sectors including allocation of water to the environment (the reserve) culminating in the new national water act, a new national water policy and a national water strategy. The focus shifted from centralised water management to a more decentralised dispensation, user participation, the allocation of water through a licensed-based system and the reserve (Backeberg, 2005). Catchment management agencies (CMAs) give effect to decentralisation and user participation.

Despite the slow progress recorded, analysts and commentators have consistently hailed the reforms as a shining example to the rest of the world. The National Water Act (No. 36 of 1998) (RSA, 1998), for instance, is described as one of the most progressive water acts in existence (Schreiner,

2013). Regarding criticism, many analysts draw the same conclusion; there is nothing wrong with the purpose; implementation is problematic (Schreiner and Hasan, 2010; Schreiner, 2013). Why is this so? What role does the state with reference to the ANC as government play?

To answer these questions, we need to understand that the ANC, since the time of former presidents Thabo Mbeki and Jacob Zuma, had substantially conflated and ultimately fused the ANC with the state to such an extent that it is frequently inextricable and indistinguishable from the state. When scholars and practitioners highlight politics as a hindrance, they refer to the Department of Water and Sanitation (DWS) and specifically problems at ministerial and director-general levels. Incompetence and internal politics are advanced as *the* central problems, and specifically the frequent appointments and suspension of directors general and ministers (Schreiner, 2013). Internal politics is at the heart of the problem, but analysts, often ANC and former Departmental insiders of the reform process (Merrey, 2011), stop short of going into detail on the ANC's ideology.

At the centre of these 'leadership challenges' was not so much the internal politics of the department, but the ANC ideology and former President Zuma's propensity for regular cabinet reshuffles in the name of radical socio-economic transformation. The result led to a high turnover rate of directors general and ministers. An analysis indicated that from May 2009 to August 2013 there had been 114 directors general of the 33 national government departments (Van Onselen, 2013; Booysen, 2015). During the same period there were 24 new ministers, 30 new deputy ministers and 81 new directors general. In DWS, between 2004 and 2013 three ministers held the office during four terms, with a debilitating effect on implementing the Act (Schreiner, 2013) and, by default, water sector reforms such as the implementation of the CMAs, not to mention water services to the population.

The problem is state capture and cadre deployment due to the command-and-control style ideology that is out of synch with reality. A constantly changing institutional environment breaks continuity and the organisational memory operating within a volatile, uncertain, complex and ambiguous social environment. Another effect is that structures are built around political appointees that invite like-minded collaborators from the party, resulting in the institutionalisation of corruption. When these leaders are replaced, the structure breaks down. Cabinet reshuffles and constant political appointees as directors general and ministers in the department entails that persons become the structures constituting the personalisation of water sector policy formulation and implementation.

In 2016, Mike Muller, a former water affairs director general, noted that the so-called radical economic transformation initiatives are nothing but state capture by a corrupt elite. Systemic corruption has had such a debilitating impact on the country's water and sanitation service that the number of people without a reliable water supply increased by 2 million between 2011 and 2015. Also, by 2016, construction of the Vaal River System water supply scheme, was in 2016 more than five years late (Muller, 2016) and telemetry within the Vaal River system no longer functions properly because of finances that had been diverted elsewhere, such as to fund election campaigns. Due to cadre deployment, the country is rapidly losing its ability to manage the country's water resources. Since 1998, only two of the nine envisioned CMAs had been established: the Breede-Gouritz and the Inkomati-Usuthu (Meissner et al., 2016). Currently, plans are afoot to consolidate the nine CMAs into six due to financial constraints.

We see examples of the government's undersupplied capacity in some local governments, where the governance capacity has already diminished to such an extent that civil society organisations are stepping in to manage water purification and wastewater treatment works. Government institutions are losing the capacity to manage water infrastructure effectively, which in turn is undermining the legitimacy of the state and the welfare of the people.

An important element responsible for this diminishing statehood is the ruling party's national democratic revolution ideology. Its purpose is to bring the economy, society, and the state under the control of the party. The ideology is one of the aspects analysts and commentators should also consider to understand water sector reform and policy formulation and implementation since it is a central aspect within the water policy landscape. This is not to say that the ideology is *the* most important factor. However, considering it in analyses of, for instance, water re-allocation and power dynamics within CMAs, could provide a more nuanced and deeper understanding of South African water reform. State capture of South Africa's water ministry demonstrates how personalities, armed with such an ideology, can influence this policy domain to such an extent that it inhibits water allocation, availability and policy reform.

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