

## Act 1: Reclaim the state

12 August 2019

“Just do something” is the cry now rising from all over SA, a plea to the President and government in general to take some action to break the logjam in which the country finds itself. Confidence is low, growth sluggish and emigration high. It is useful to recapture what has been done.

The Ramaphosa administration has set itself two tasks: to rebuild the ethical foundations of the state and revitalise the economy. The two topics are too much to cover in one note, so I will discuss ethical renewal in this note (Act 1) and assess economic renewal in the next one (Act 2).

### Cleaning up and re-building ethics

The country first and foremost had to be reclaimed from the forces of state capture. Ramaphosa appointed four commissions of enquiry to help with the clean-up offensive. Two are still in session (the ubiquitous Zondo Commission and the Mpati Commission into the PIC) and two have finished their work. Between them the four has sparked considerable action – a lot of which we have already forgotten about.

### Freeing critical institutions

It is useful to remember that both the erstwhile number 1 and 2 in **SARS**, Tom Moyane and Jonas Makwakwa, are gone. So is that embarrassing former head of IT at SARS, Ms Makheke-Mokhuane, who made such a spectacle of herself on national television that she publicly apologised for it. That is not all: in the last week of July three SARS executives were suspended. The clean-up continues. The EFF and the Public Protector are fighting a rear-guard action against SARS renewal with old allegations of rogue units and attacks on new Commissioner Kieswetter. He is forging ahead unperturbed and can leave the Public Protector to the courts.

At the **NPA** the erstwhile top 3 have also departed and a woman with experience at the International Court in The Hague has returned to SA to take up the baton. The departure of the three has freed the NPA from its era of Zuma capture and it is being rebuilt. (One is fighting her dismissal in court and two have appealed to Parliament not to be fired. It will be an interesting test case for who is in charge in Parliament.)

Director Batochi took office in February. In March a special investigative unit to focus on cases arising from state capture revelations was formed. In May Batochi brought in well-known corruption buster Hermione Cronjé to lead the new unit. Like Batochi herself, Cronjé has international experience and returned to SA to take up the role. A senior advocate from the Cape Town Bar, Geoff Budlender, has been appointed as strategic advisor to this unit. Batochi has re-appointed Willie Hofmeyr as head of the asset forfeiture unit after he was side-lined three years ago by the Zuma squad. I wrote in this newsletter in April that 2020 will be the year of prosecutions and I explained why then. I stick with that call.

Over at the **Hawks** both the former head and acting head have been fired and replaced by the soft-spoken and highly regarded general Godfrey Lebeya. His influence is showing: two captains and a warrant officer from the Hawks were arrested for bribes. In Durban both the mayor and a councillor have been arrested by the Hawks and have appeared in court (with the usual tweet from Zuma supporting the mayor and with her supporters protesting outside the courthouse). Two senior officials from the Durban Metro were also arrested. A mayor of Newcastle was arrested for an alleged (political) murder; as was a former mayor of Endumeni for alleged conspiracy to murder. Not bad for an erstwhile Zuma and current ANC stronghold. In the Free State nine civil servants and a director of a company was arrested and charged – one for interfering with the work of the Hawks. In Mpumalanga a former local ANC chief whip was arrested on corruption and fraud. The Hawks are clearly at work.

In Limpopo the VBS report claimed the scalps of five mayors who resigned, four more who were fired and three who were suspended. In North West three mayors resigned, one was suspended and three have taken legal advice to try and avoid dismissal. Public opinion counts – especially in the run-up to an election.

At **SAPS** a deputy-commissioner has been fired and six officers of general or brigadier rank have been charged. As recent as last week seven junior officers were arrested for selling confiscated goods back to hawkers. In a significant

ruling one of the “untouchables”, former head of Crime Intelligence Richard Mdluli, was convicted in July on several charges for offences committed twenty years ago in 1999. The wheels of justice turn slowly, but they turn. (As John Block, the former ANC strongman in the Northern Cape and Zuma acolyte also discovered – after many legal manoeuvres he is now serving a 15-year jail sentence.)

### The ubiquitous SOEs

The **SOEs** are still burning cash and their balance sheets are shocking, but on the ethical front a lot has happened.

At **Eskom** former big bosses Brian Molefe, Anoj Singh and Matshela Koko are gone. Molefe has also been pursued by Solidariteit and must now repay R10 million to the Eskom pension fund. 365 Eskom managers were subjected to lifestyle audits, resulting in 44 cases being referred to the Special Investigating Unit. More than 1 000 disciplinary cases were instituted, and 116 employees decided to resign, including 14 senior executives. Of 25 employees who had “business interest in suppliers dealing with Eskom” seven resigned and the rest terminated their interests. Eskom has seen a serious clean-up.

A year after the notorious Hlaudi Motsoeneng was dismissed from the **SABC**, three of his erstwhile henchmen are gone too. (The verbose Hlaudi failed with court challenges to regain his job and then went on to fail again in his election efforts to get into Parliament.) In an important self-initiated report published last week, compiled by veteran journalist Joe Thloloe, the broadcaster laid bare political interference in its editorial policy. Former minister Faith Muthambi complained she was “rubbished” in the report ... could not happen to a nicer person. Expect further fallout from the Thloloe report. A Zuma-appointed chairman is still in place at the SABC and the corporation wants a mere R3 billion to stay afloat, but cleaning up has certainly taken place.

The **PIC** saga is still on-going before the Mpati Commission, but already a new board is in place, the CEO is gone, and so are two senior executives. A number are on suspension. In an important break with the past, cabinet reversed the practice of a politician chairing the board. Under new chair Reuel Khoza’s experienced leadership and rock-solid integrity the PIC will, with a little help from the Mpati Commission, clean up properly and head in a new direction.

At **SAA** the former Zuma acolyte Dudu Myeni is gone – in his second stint as Minister of Finance Pravin Gordhan desperately tried to get rid of her. Now Zuma is gone, Myeni is gone, as are several former senior executives. Everybody can see how the once-mighty has fallen. Now there is only the small matter of staying afloat.

At **Transnet** five executives, including the CEO, departed and eight more are on suspension. At **Denel** the CEO, finance chief and chair are all gone. Both organisations have new boards. It may not be enough to save them financially, especially Denel, but action has been taken against weak ethics.

### Cabinet

Perhaps the biggest clean up took place in cabinet.

Ramaphosa inherited a cabinet of 36 ministers. There are now 28. At most five of those can be described as Zuma- or Magashule-supporting. (And even some of those will deny it.) 40 government departments have been reduced to 35.

For all the publicity that was given to erstwhile Zuma ministers who were appointed chairs of parliamentary committees, the numbers speak for themselves. There are 36 committees in Parliament. Traditionally the Select Committee on Public Finance (Scopa) has an opposition party member as chair. That is the case again in this parliament. Of the remaining 35 committee chairs, 11 may be regarded as Zuma- or Magashule-supporting people. Most of these are ministers who were kicked out of cabinet. From a minister to a chair of a parliamentary committee where every move is watched by opposition parties ... and now we are asked to believe that they are paralysing government ...?

### So What?

- Part of Ramaphoria was the belief that the bad guys would lose. That is certainly happening.
- People who were once untouchable have fallen from grace for all to see. Some have even been convicted already. The impunity of the Zuma years is slowly being reversed.
- The process is not over with the Zondo Commission still in session and almost weekly revelations of bad-guy behaviour.
- Getting convictions in court is very different from revealing things at a commission. Despite that many

people have already fallen on their swords.

- Civil society organisations have helped in this clean-up and that speaks volumes for SA's democratic activism.
- In the next edition we will focus on the second priority of the Ramaphosa government – economic renewal (Act 2).