

South Africa to 2030

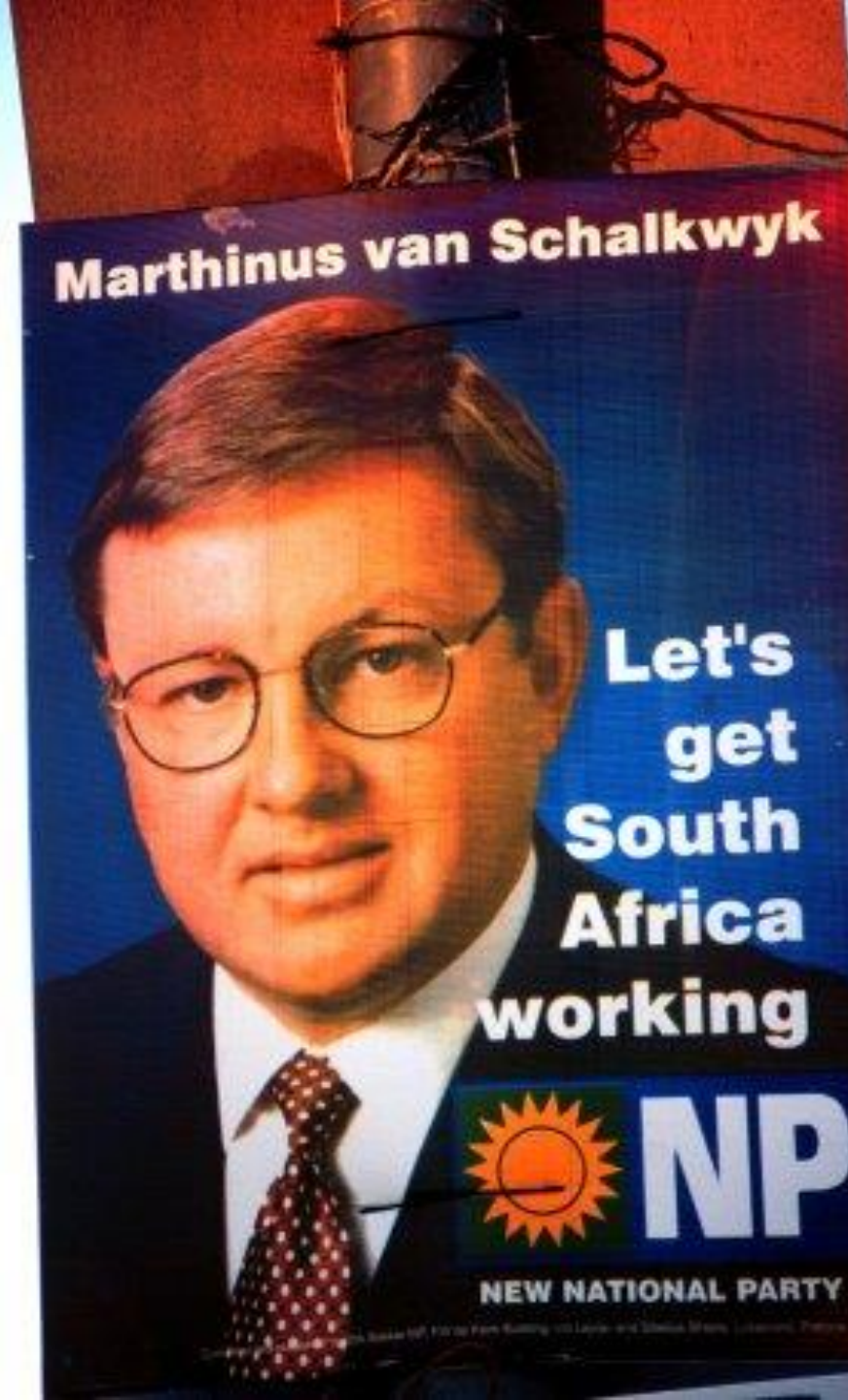
A strategic intelligence briefing

David Ansara – November 2018



“I am not prepared to lead White South Africans and other minority groups on a road to abdication and suicide.”

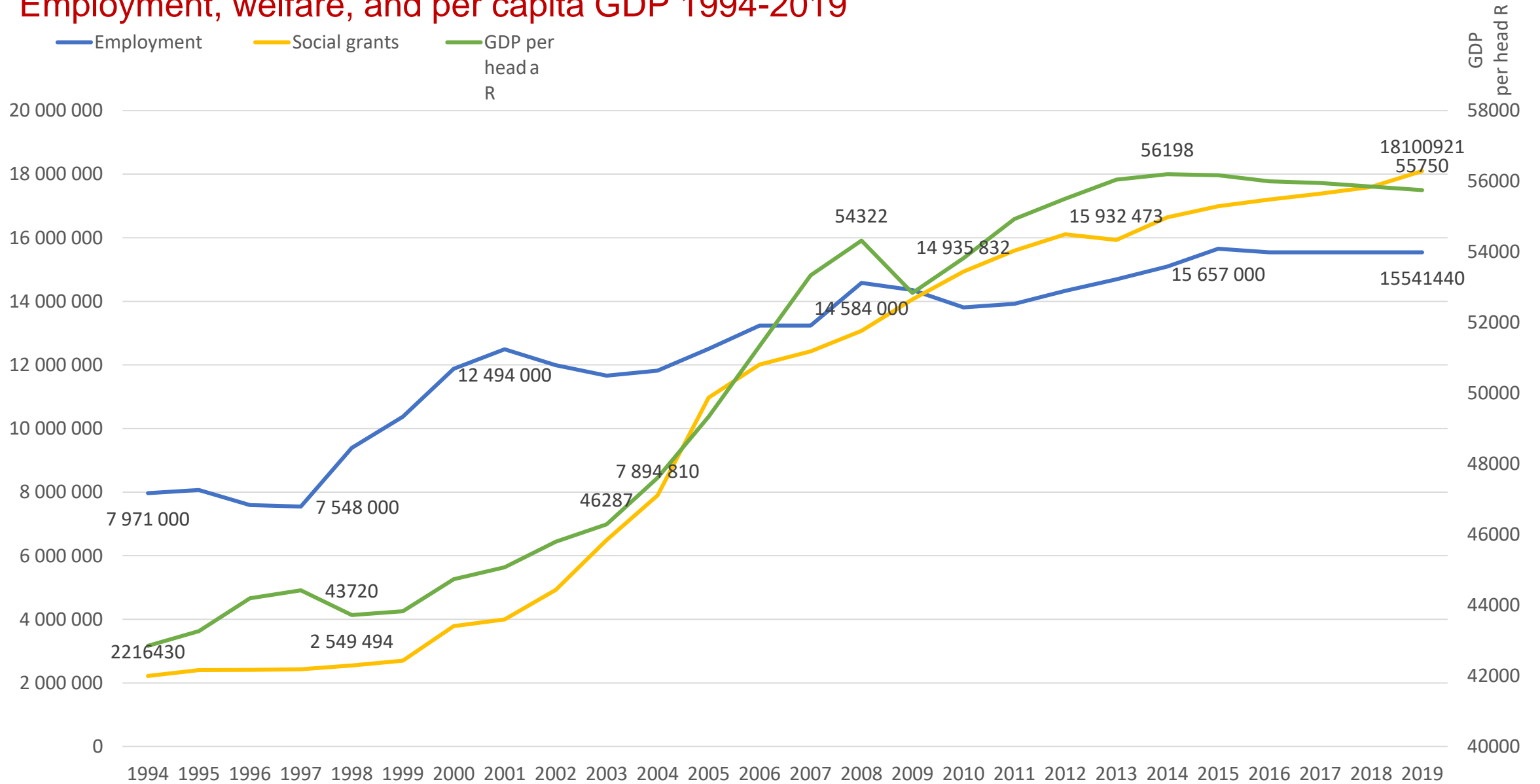
~ P.W. Botha
(15 August 1985)

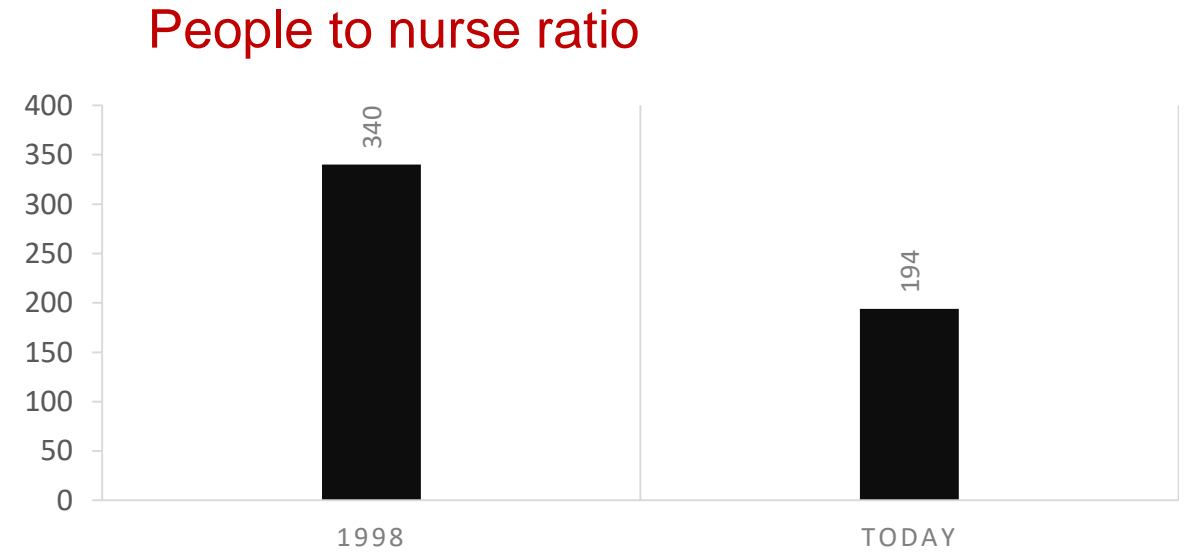
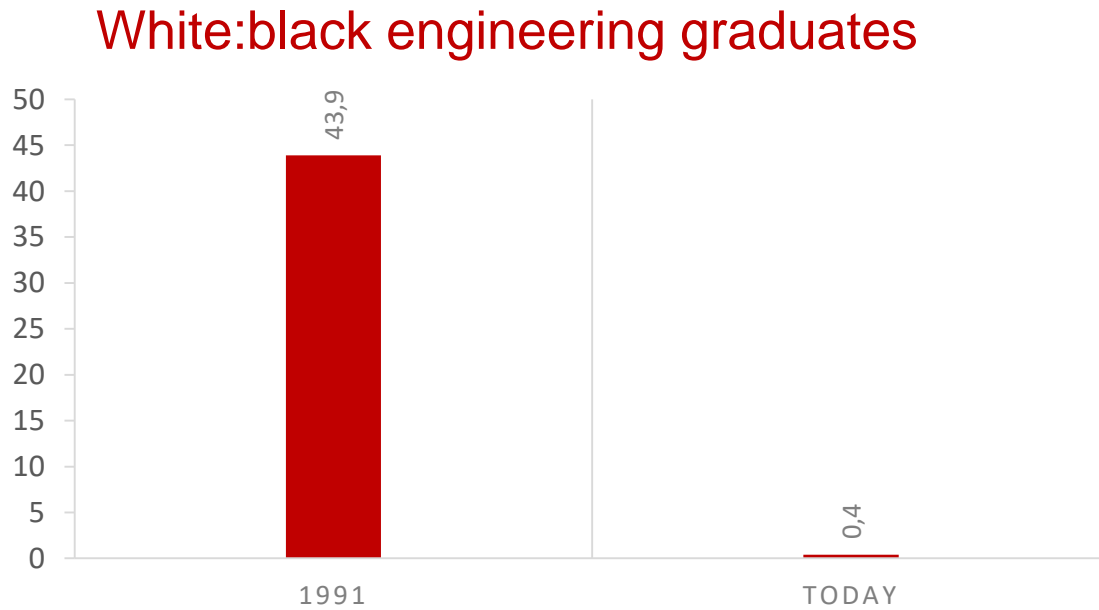
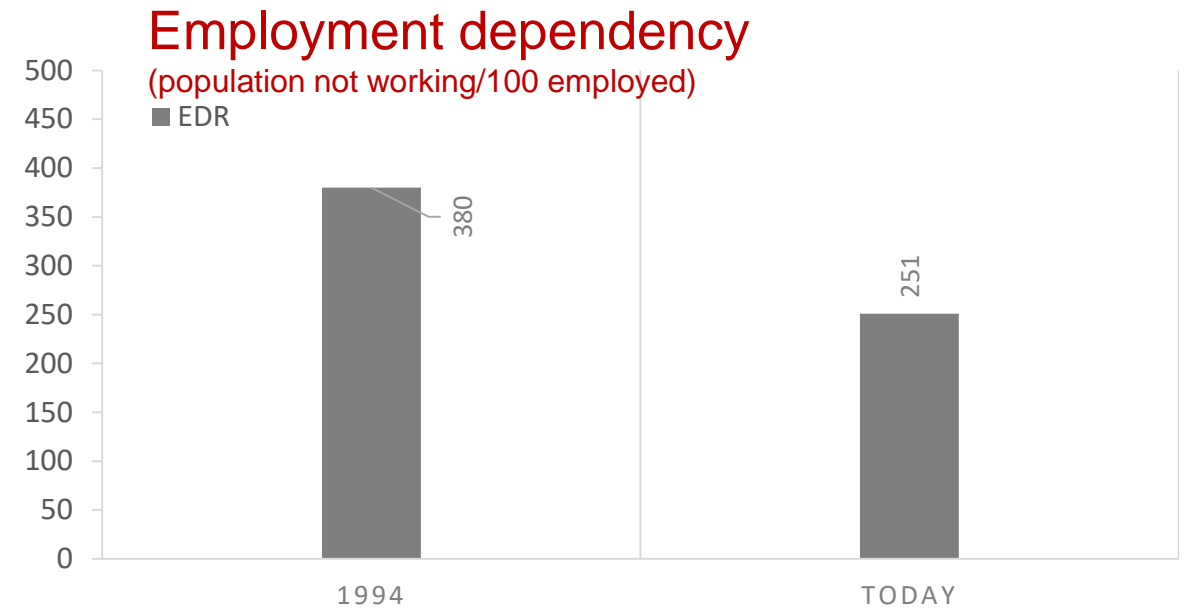
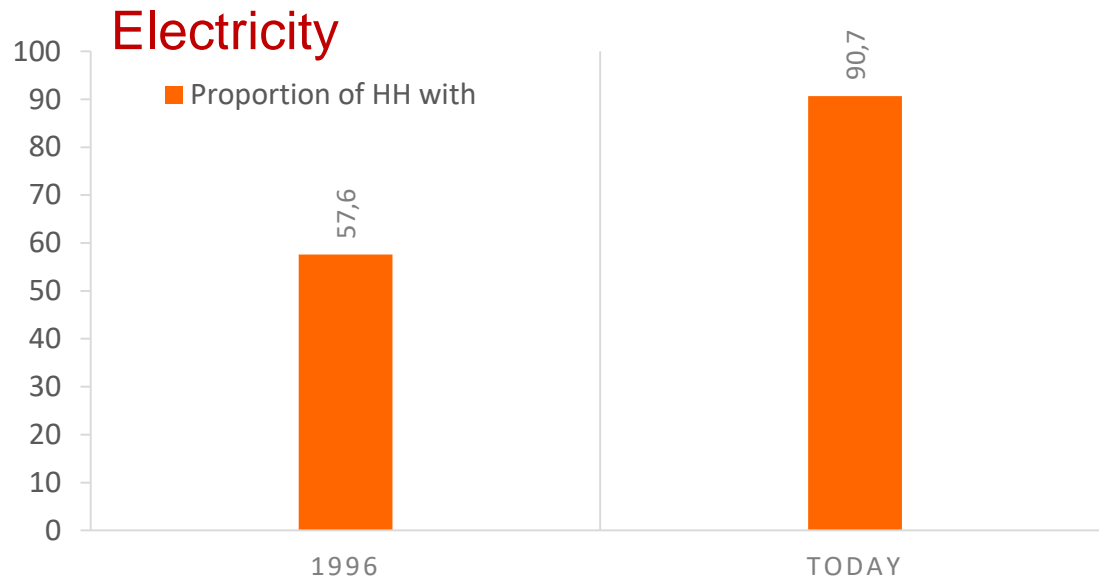




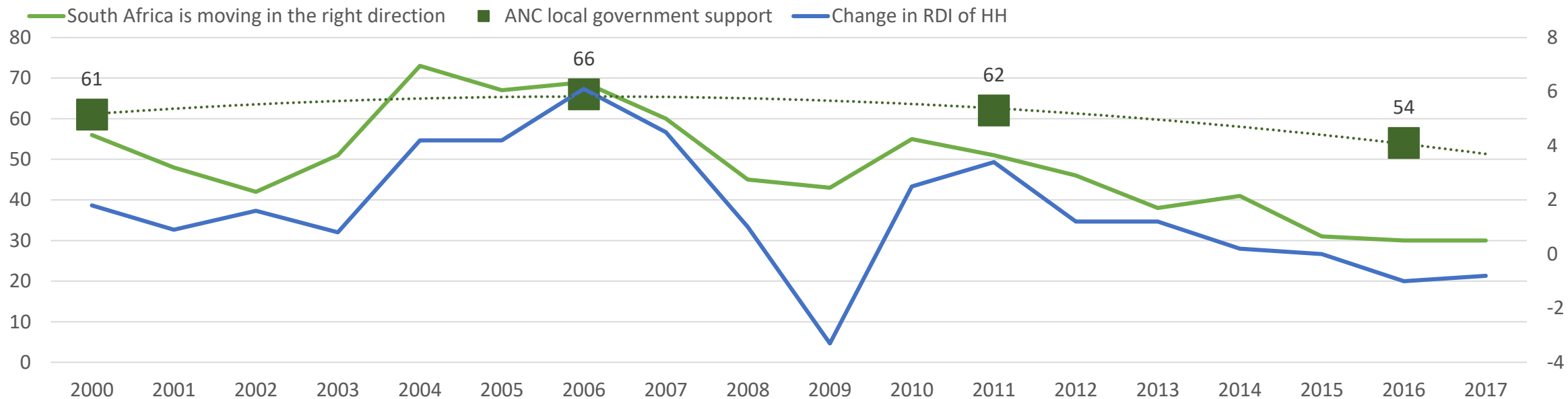
What is happening?

Employment, welfare, and per capita GDP 1994-2019

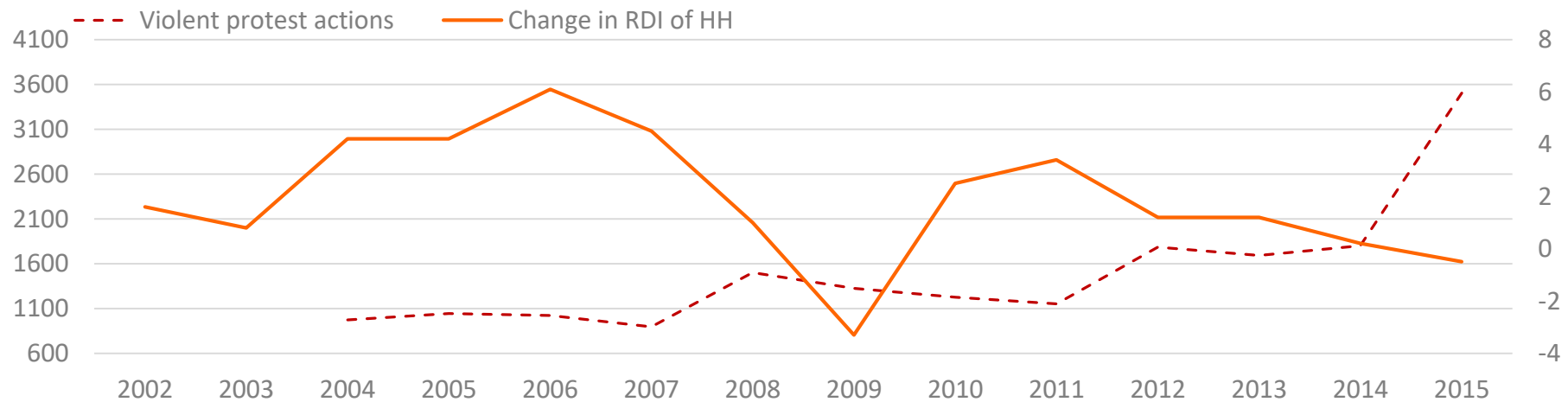




Popular confidence, ANC support, and RDI 2000-2017



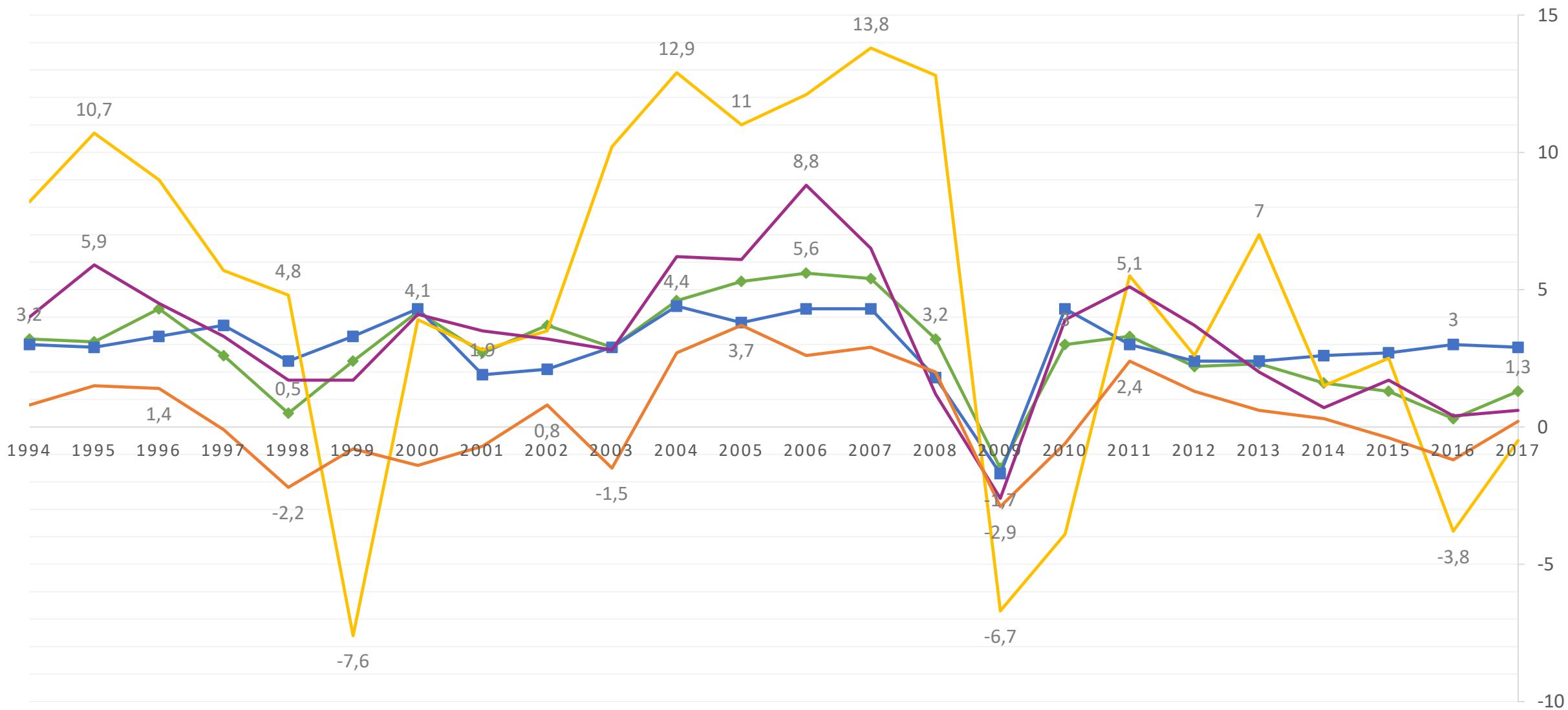
Protest action and HH RDI



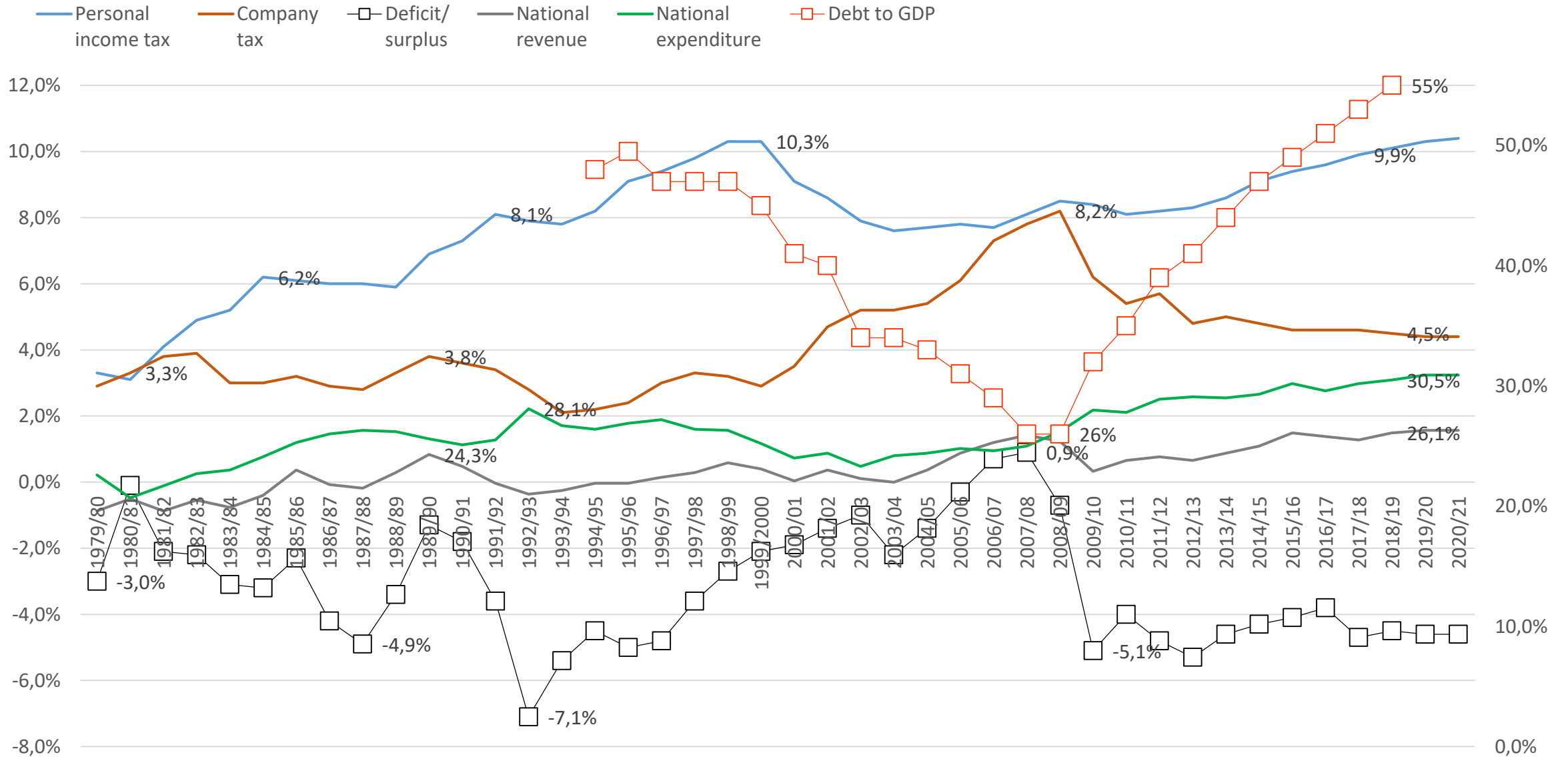
Key economic drivers

%

◆ GDP growth
 ■ Global GDP growth
 — GFCF
 — Consumer spending
 — Employment growth

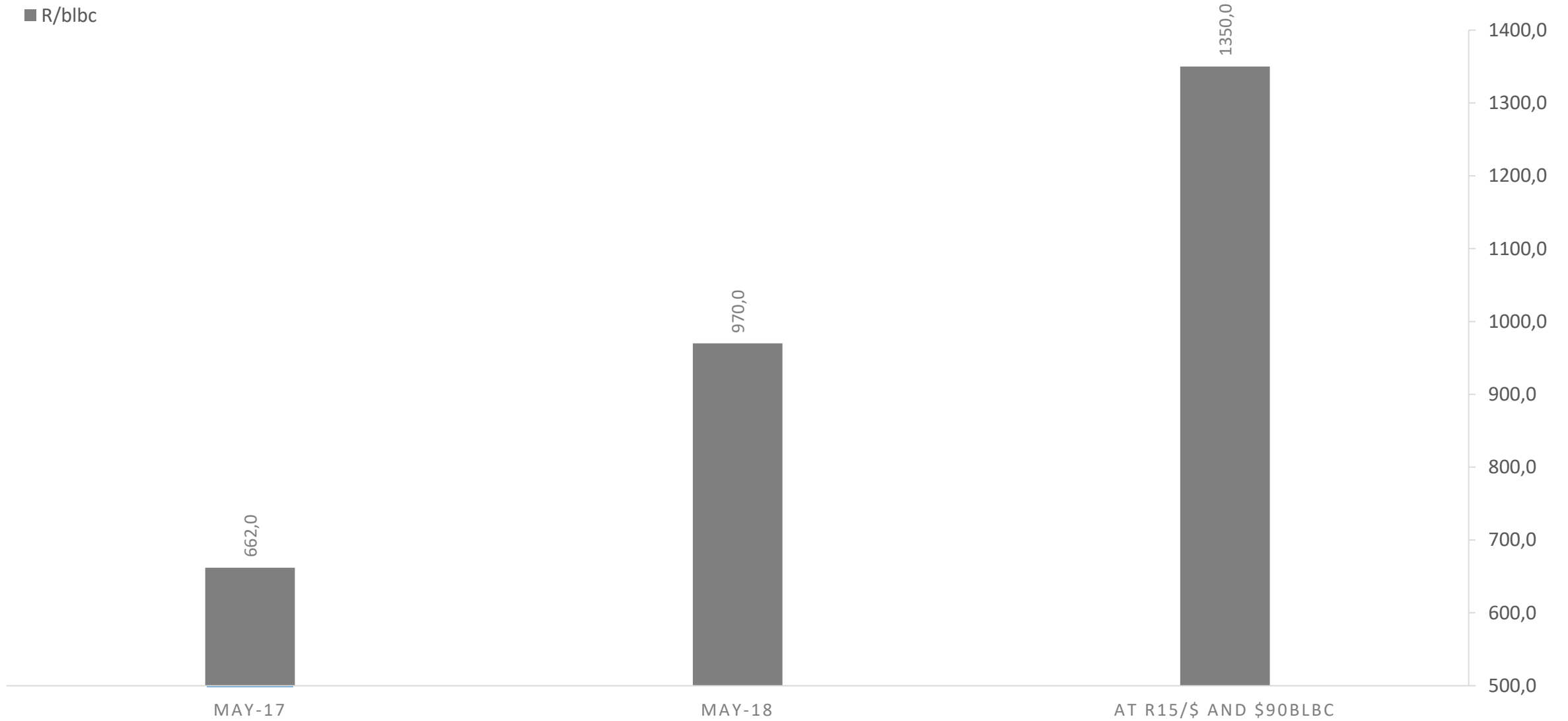


Government finances 1979 projected to 2021



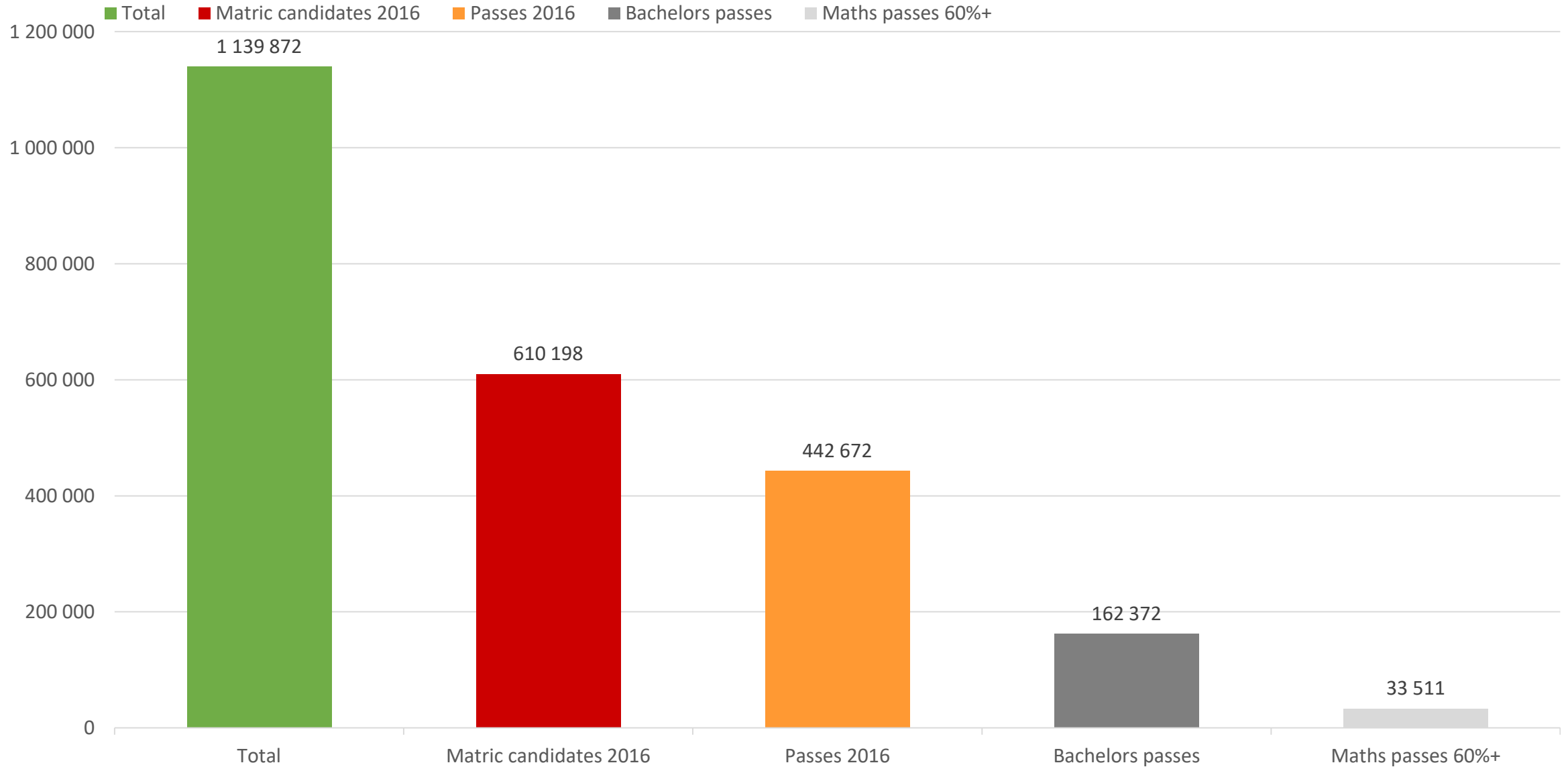
Rand price of oil

■ R/blbc

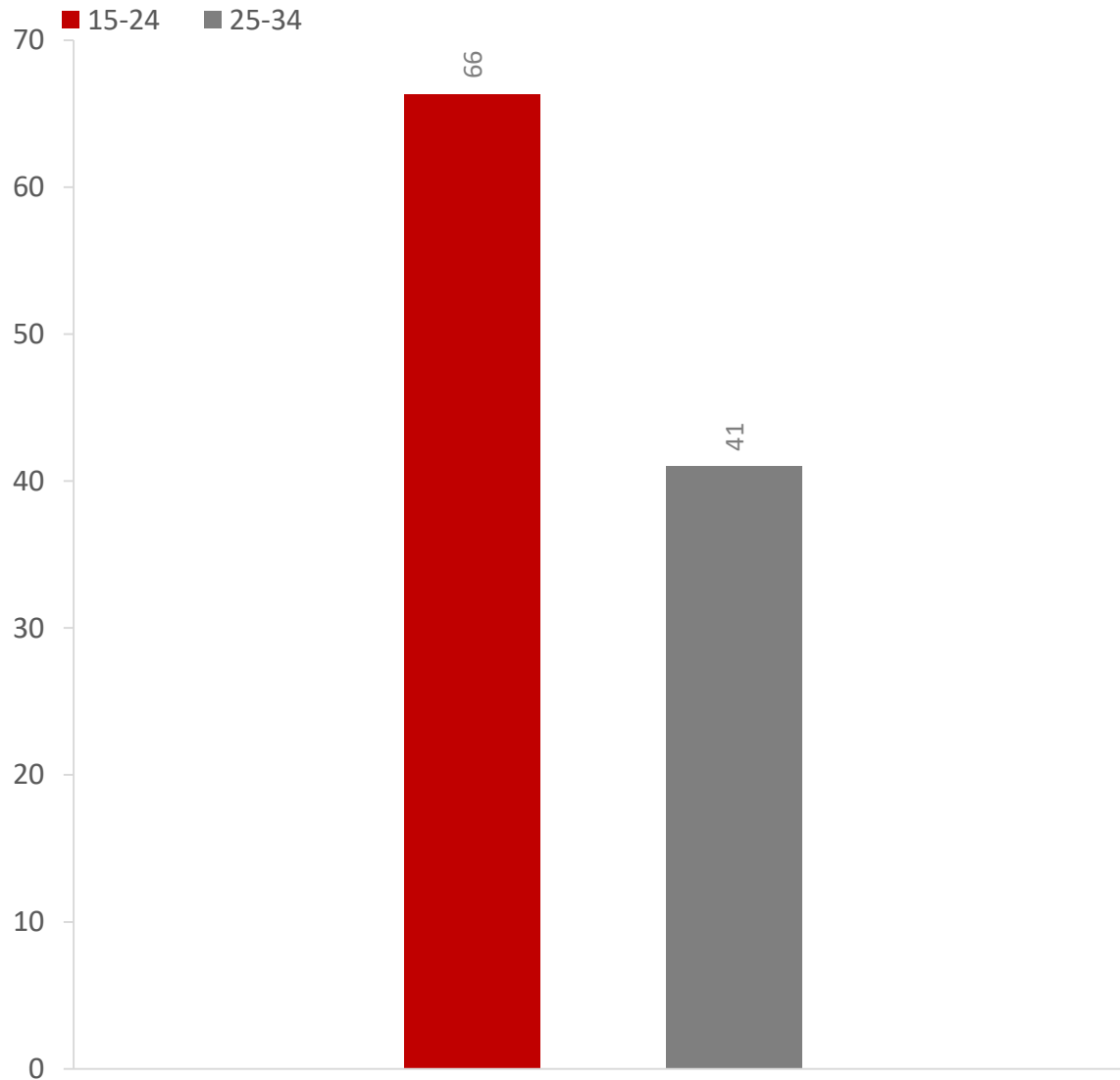


School performance based on 2014 grade 10 class*

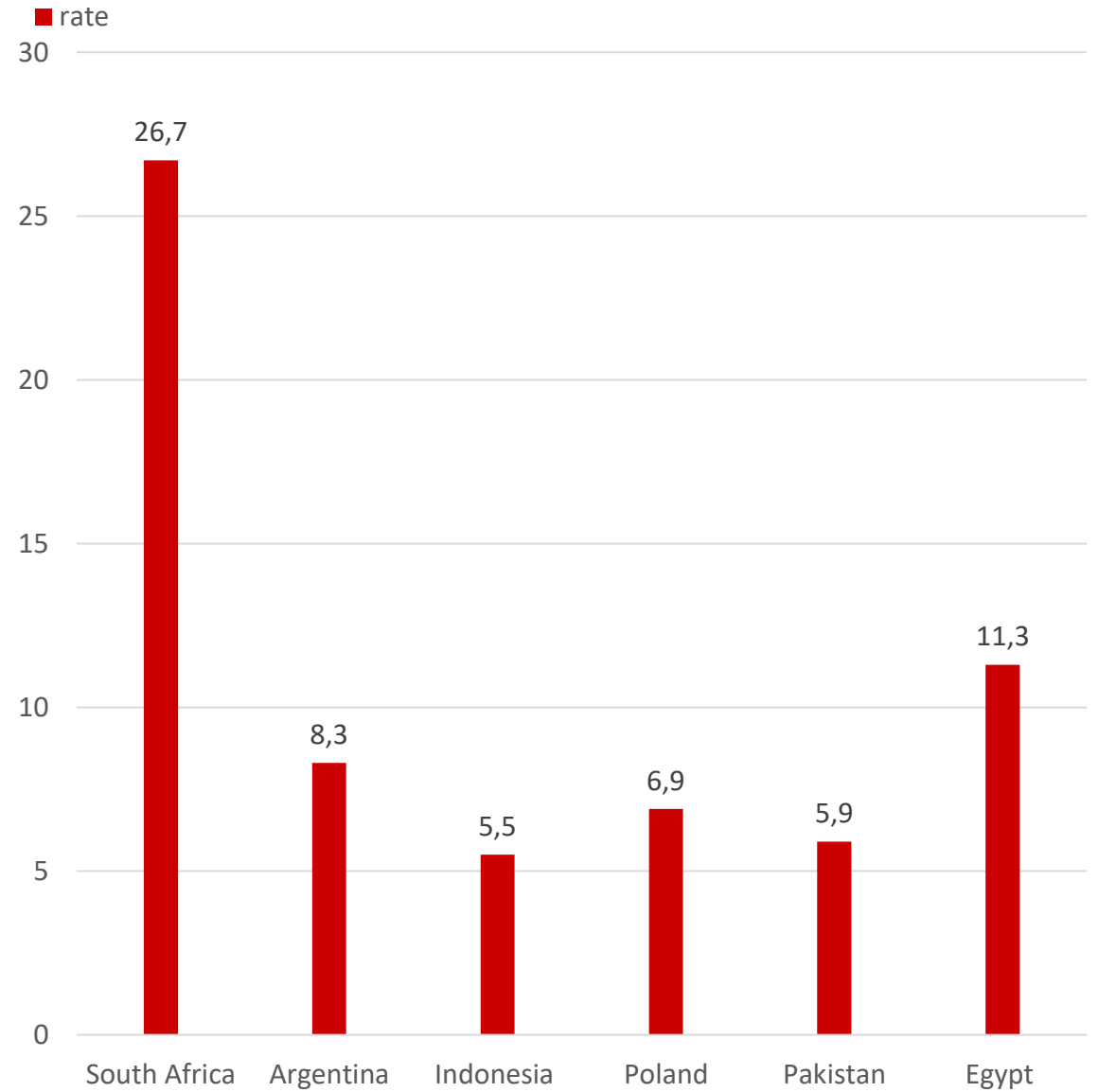
*there were 1 139 872 pupils in the grade 10 class of 2014



Joblessness by age group

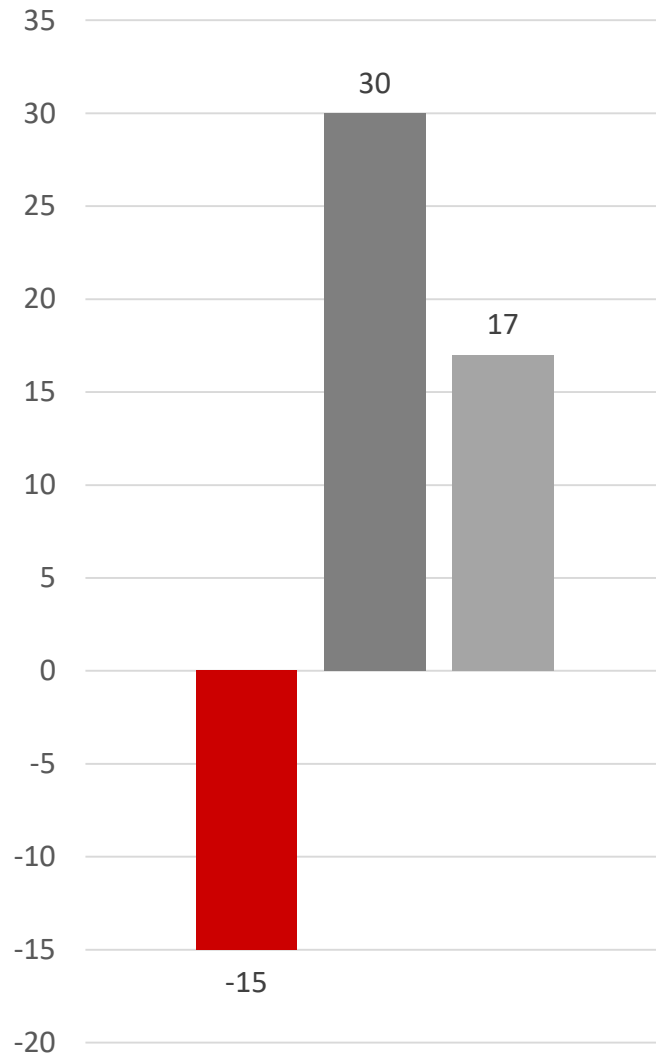


Comparative unemployment rates



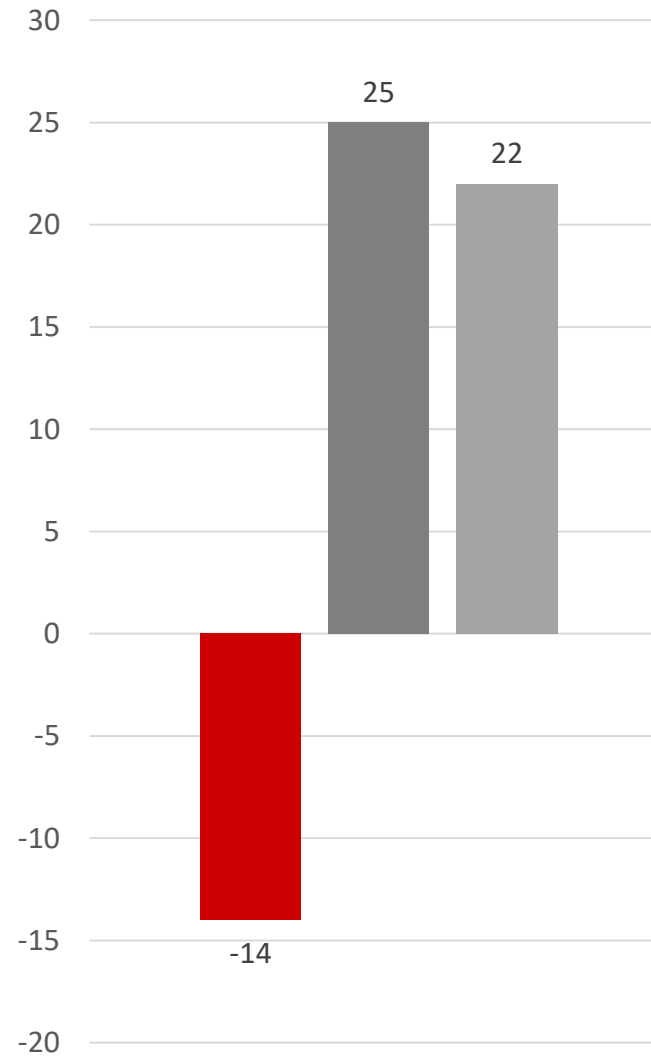
MP shifts 2004-2009

■ ANC ■ Cope ■ DA



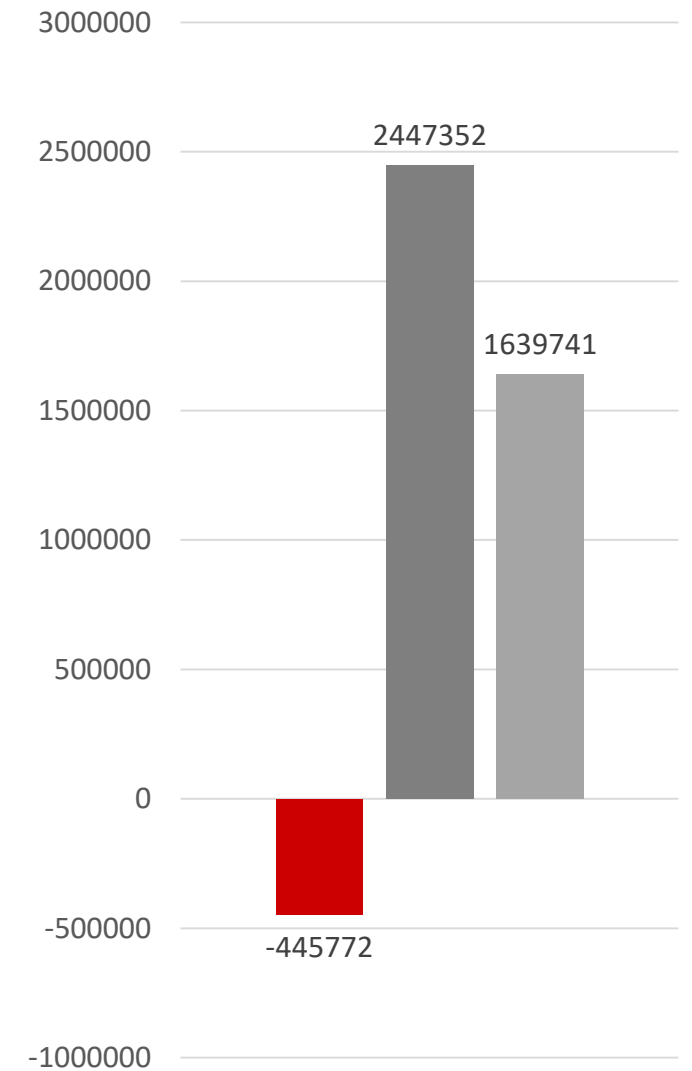
MP shifts 2009-2014

■ ANC ■ EFF ■ DA



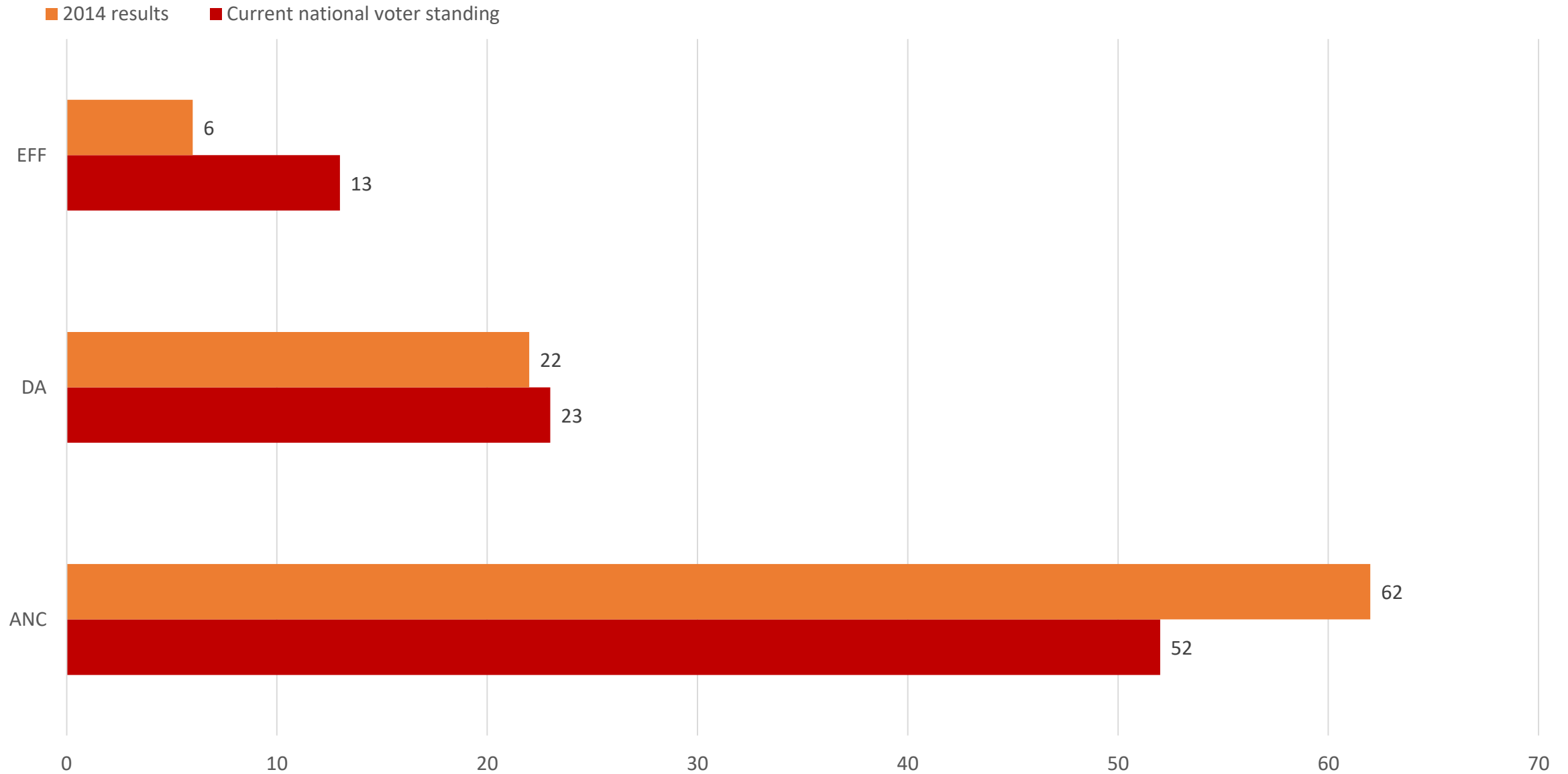
LG vote shifts 2011-2016

■ ANC ■ EFF ■ DA



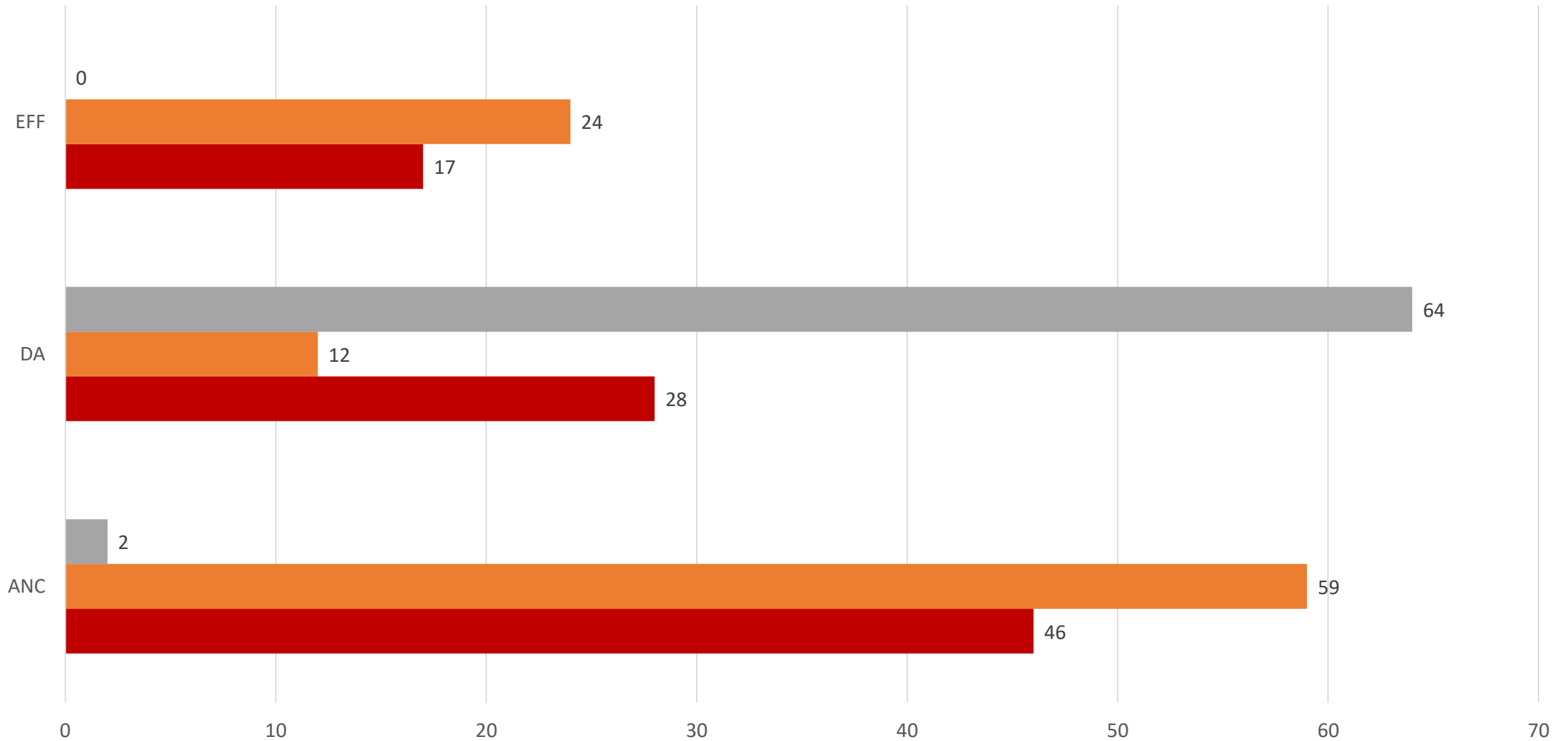
Where are we now?

Current voter preferences RSA – not a forecast

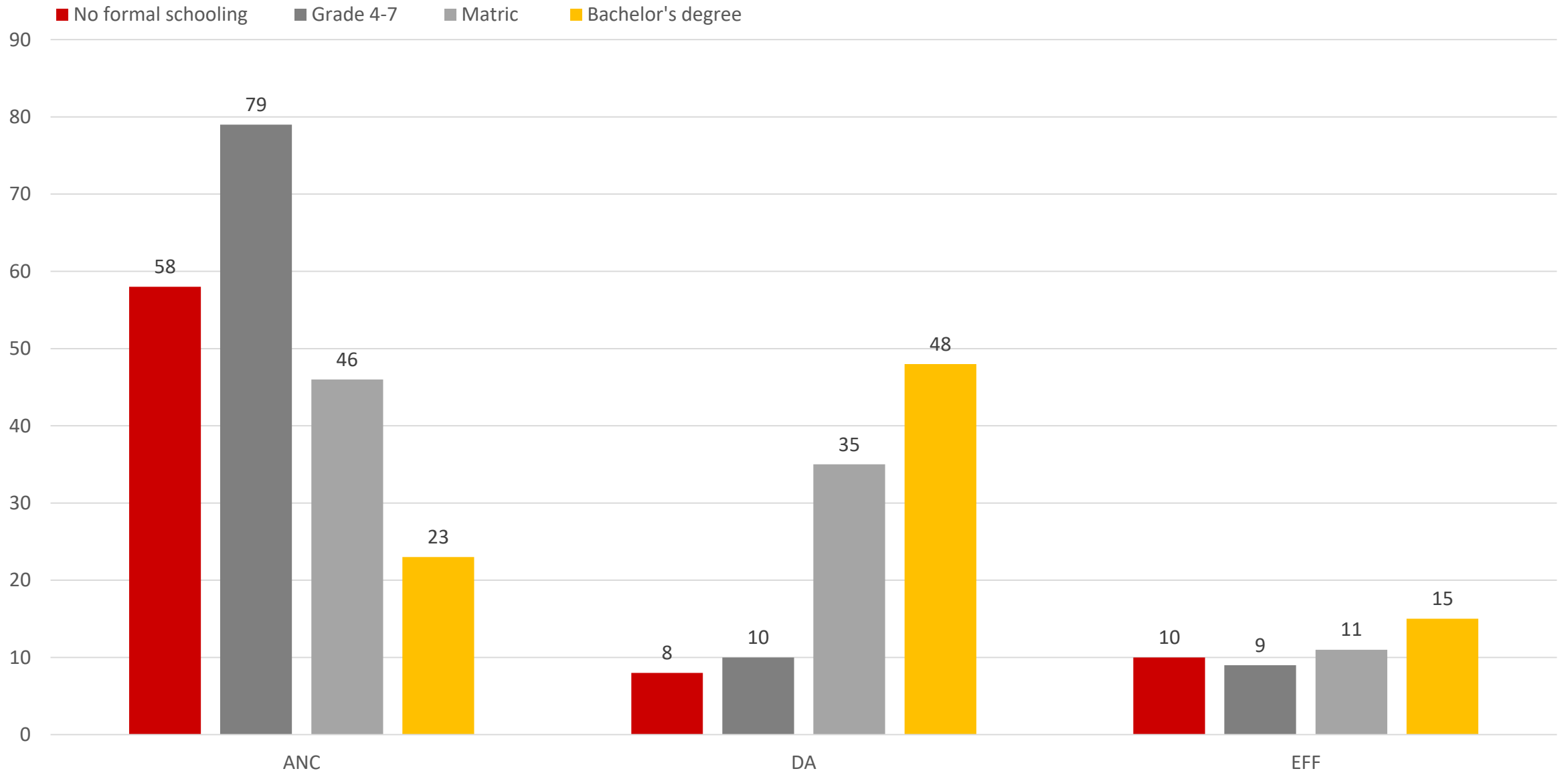


Current voter preferences Gauteng – not a forecast

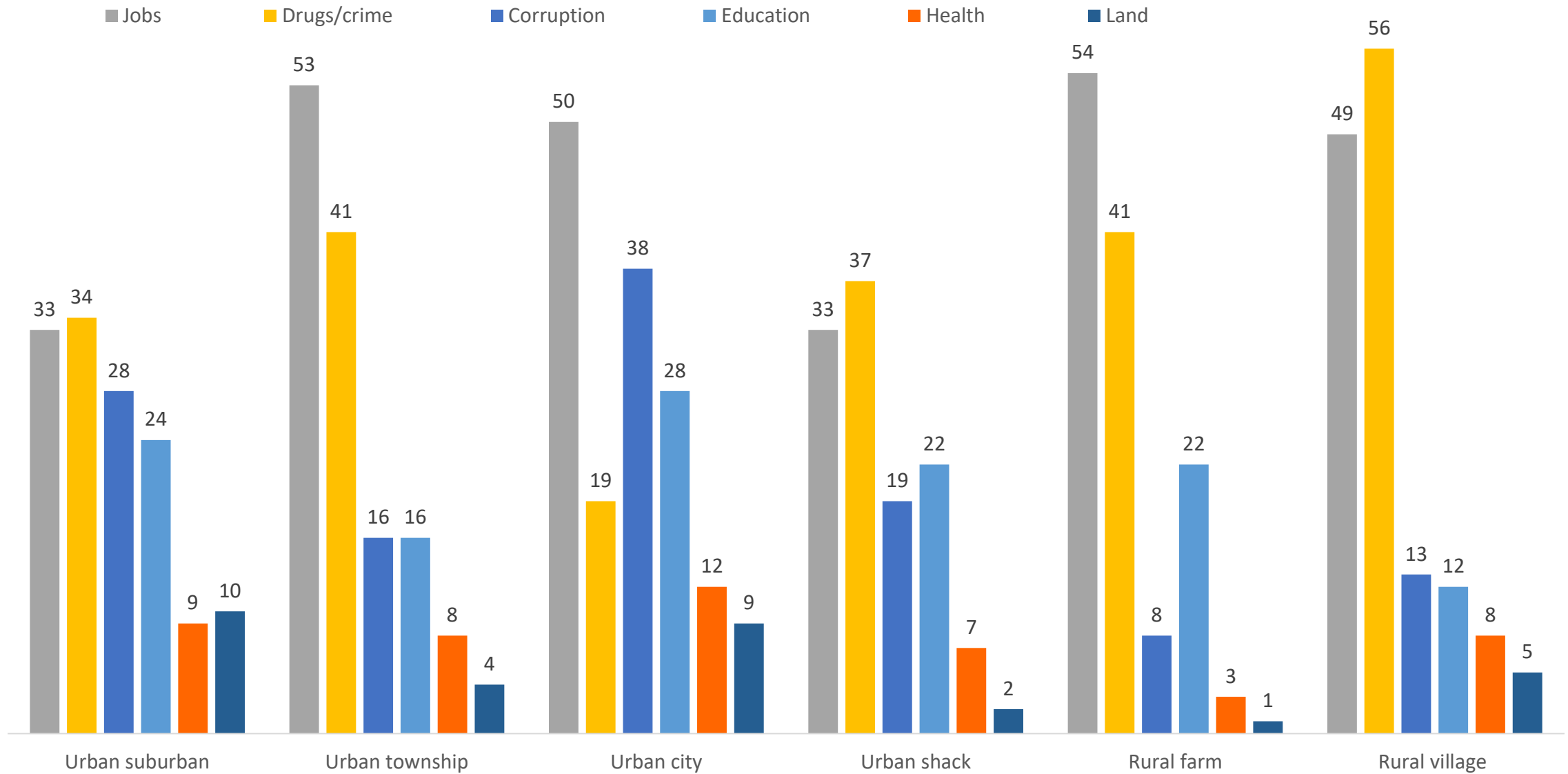
■ Minority voters ■ Black voters ■ All voters



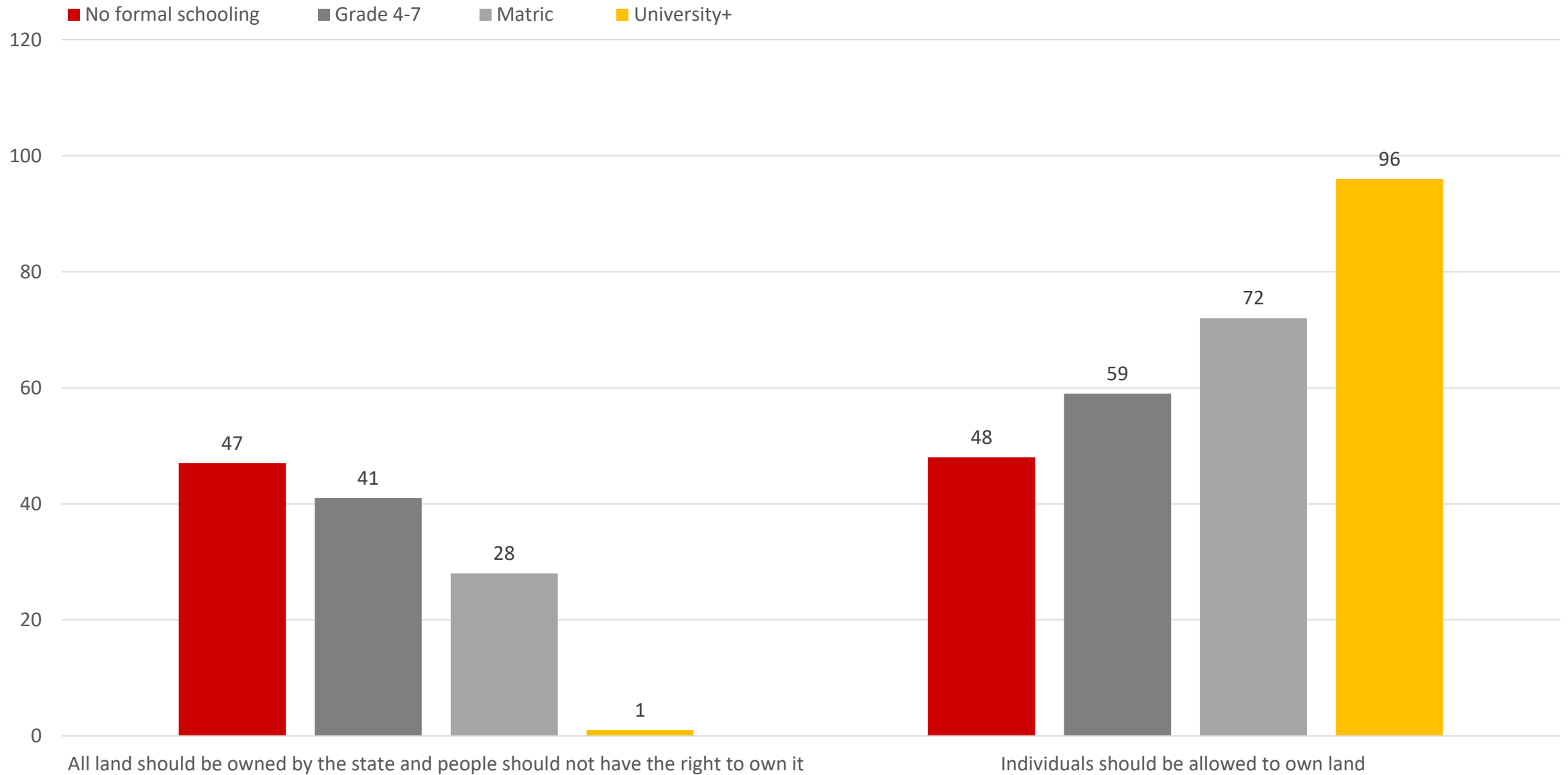
Who would you vote for?



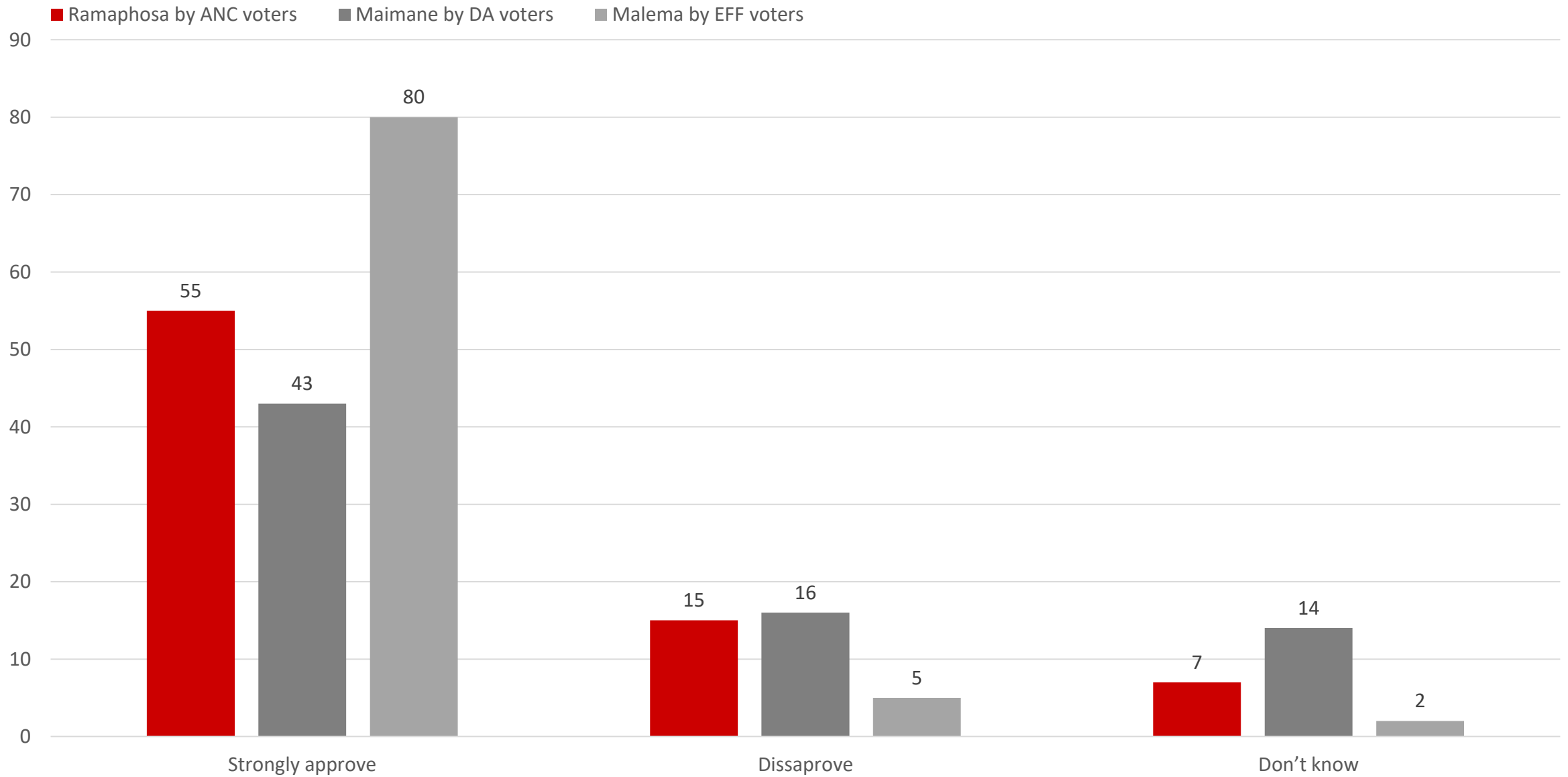
Major issues for government to address



Perceptions of property rights



Leadership perceptions



Where are we going?

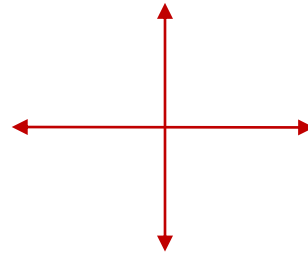
Structural reform

Rise of the Right

Rise of the Rainbow

Weak civil rights culture

Strong civil rights culture



Tyranny of the left

The Break-up

Structural deterioration

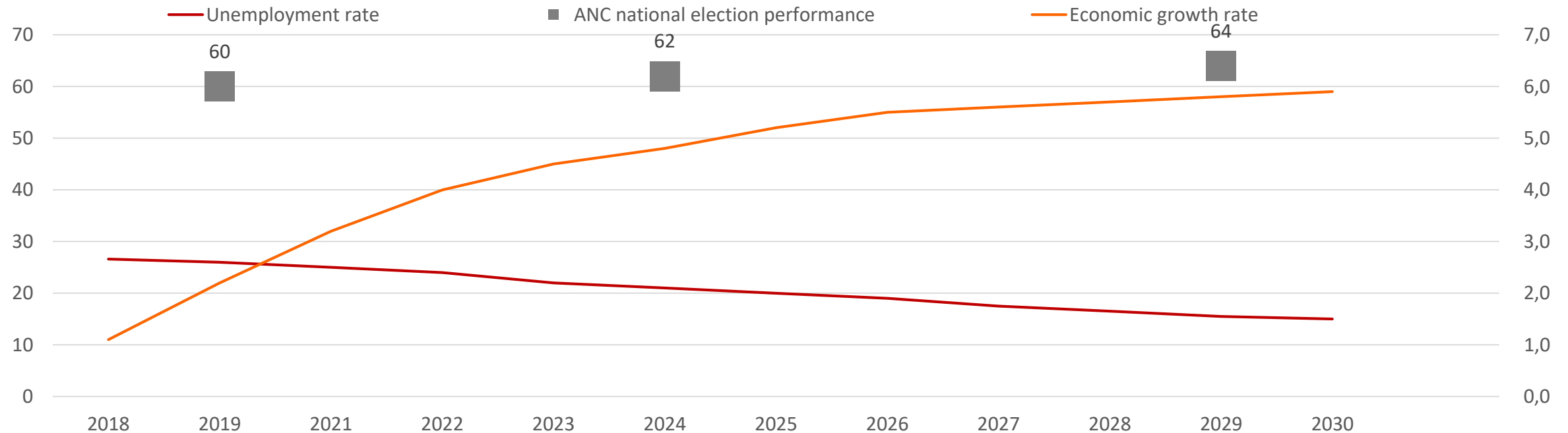
Rise of the Right

- Authoritarian capitalism
- Pragmatism trumps ideology
- Growth and investment recovery

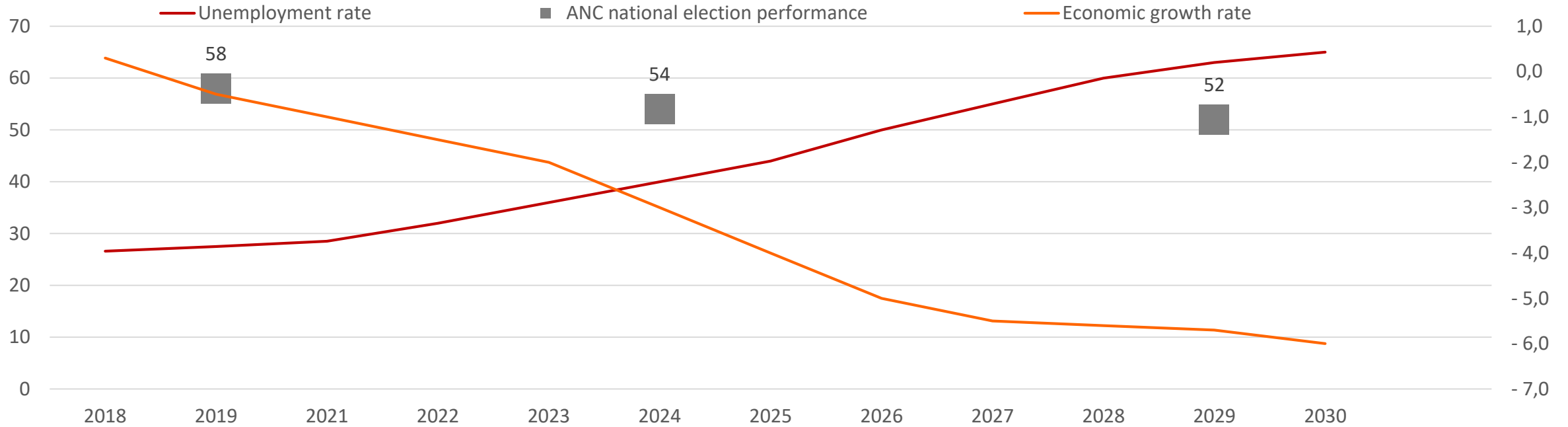
Key markers

- Initially unpopular reforms to labour market and deployment policy
- Secure property rights, market economy
- Increasingly capable and effective civil service and parastatals
- Hard evidence of growth, employment, and investment recovery

South Africa 2018-2030



South Africa 2018-2030



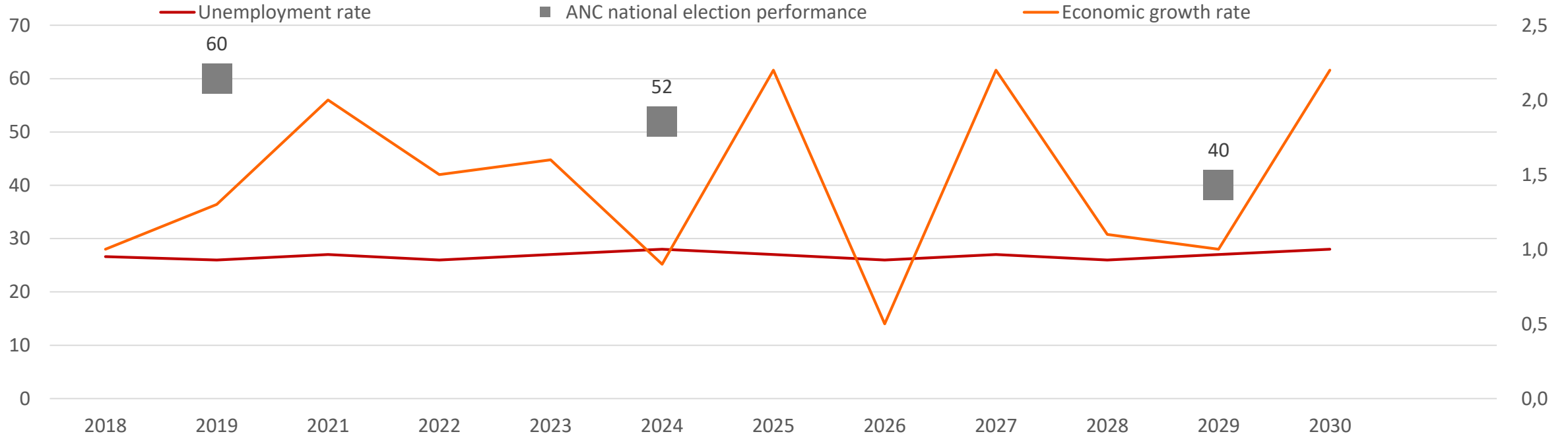
Tyranny of the left

- Populist ideology trumps pragmatism
- Civil rights eroded
- Rapid economic deterioration

Key markers

- Hasty introduction of hostile and counter-productive populist policies
- Erosion of property rights
- Menacing nationalist rhetoric
- Growth, investment, confidence, and fiscal indicators dip sharply

South Africa 2018-2030



Key markers

- State presents internally inconsistent and contradictory policy
- Fragmentation and enclave formation
- Economic indicators underperform EM peers

The Break-up

- Contested politics
- Political instability
- Utterly contradictory policy

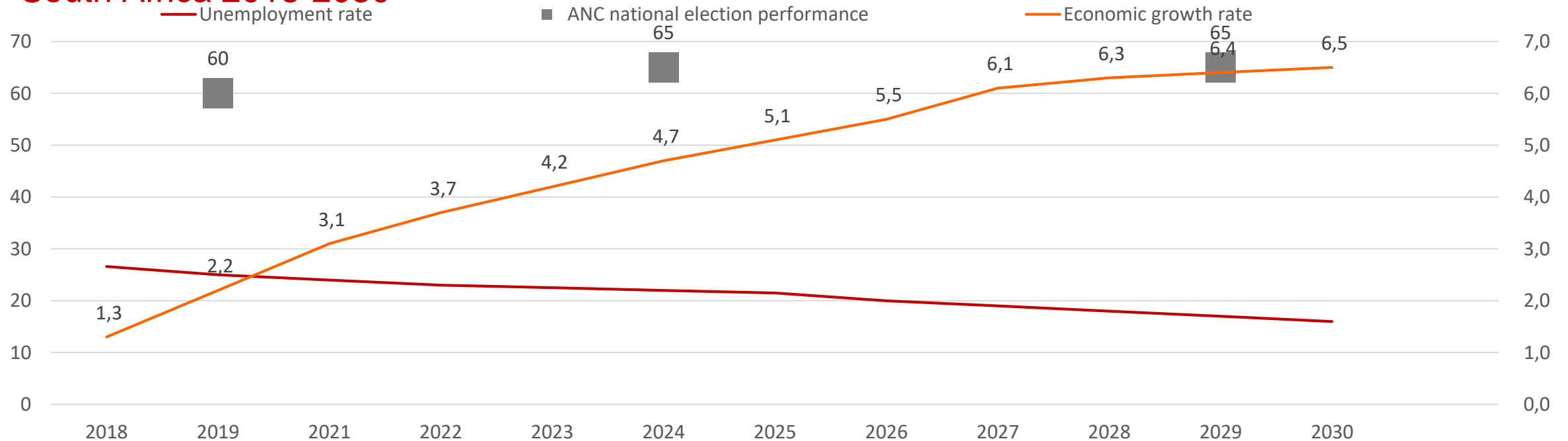
Key markers

- Swift action on private investment hurdles and disincentives
- Prominent and highly effective anti-corruption actions
- Investment and confidence indices rise sharply
- Property rights, market economy

Rise of the Rainbow

- Popular mandate for structural reform
- Rule of law strongly in evidence
- Private sector driven recovery

South Africa 2018-2030



Structural reform

Rise of the Right

- Authoritarian state drives growth focussed policy reform process
- African-tiger, closeness to China...
- Pragmatism trumps ideology
- Growth and investment recovery

Rise of the Rainbow

- Popular mandate for structural reform
- Anti-investment hostility dissipates
- Rule of law strongly in evidence
- Private sector driven recovery
- Rapid uptick in FDI, trade etc

Weak civil rights culture

Strong civil rights culture

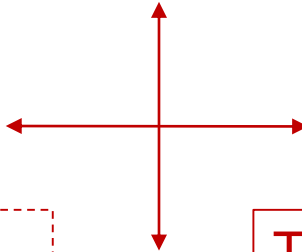
Tyranny of the left

- Populist ideology trumps pragmatism
- Property/civil rights eroded
- Closeness to pariah states
- Economic deterioration – aid inflows
- Destructive racial nationalism

The Break-up

- Contested politics
- Political instability
- Contradictory policy
- Relative economic underperformance
- Societal fragmentation

Structural deterioration



South Africa to 2030

A strategic intelligence briefing



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