

FreeFACTS

No 2/2019 / February 2019 / Issue 10

Find us online at www.irr.org.za

The Zuma years – a tale of decline

The story of post-apartheid South Africa is, generally speaking, a success. There is no doubt that, on the vast majority of metrics, life has been better for most South Africans since the end of apartheid.

However, the progress that was being steadily made in democratic South Africa began to stall from about 2008 onwards. It is unsurprising that this coincided with the advent of the Jacob Zuma administration. There was increased intervention by the state, while the state itself became less capable. After a long period of advancement, this saw South Africa begin to stagnate, if not regress.

The income of the average South African also stagnated in the Zuma years. Between 1997 and 2017 (the latest year for which we have figures) the average South African saw their income grow by 26% (at constant 2010 prices and measured as GDP per capita). By contrast, between 2009 and 2017, average incomes grew by only six percent.

The number of new cars being bought each year is also on a downward trend (after reaching nearly 500 000 in 2006). New vehicle sales are an important indicator of how quickly and sustainably the middle class of a country is growing. A stagnation of new vehicle sales is, by extension, an indication of the stagnation of the growth of the middle class.

Unemployment has also been rising steadily since Jacob Zuma became President. The expanded unemployment rate (which includes those who have given up looking for work) reached 37.2% in 2018 – the highest level since 2005. This equates to nearly 10 million South Africans out of work, the highest number on record.

Other indicators also show South Africa's regression since 2009. These include crime levels and our ranking on Transparency International's Corruption Perceptions Index.

But do not despair. Our next edition of *FreeFACTS* will show how South Africa advanced after 1994, and there is no reason why the country cannot do so again. — **Marius Roodt**

JOIN US

The IRR is an advocacy group that fights for your right to make decisions about your life, family and business, free from unnecessary government, political, and bureaucratic interference. FreeFACTS publishes evidence that communities are better off when individuals are free to make decisions about how they want to live, be educated, work, access healthcare, think, speak, own property, and protect their communities. If you agree with the issues we stand for, welcome to the team. There are millions of people just like you who are tired of South African politicians, activists, and commentators attempting to rein in your freedom to decide. Take control and make sure your voice is heard by becoming a friend of the IRR.

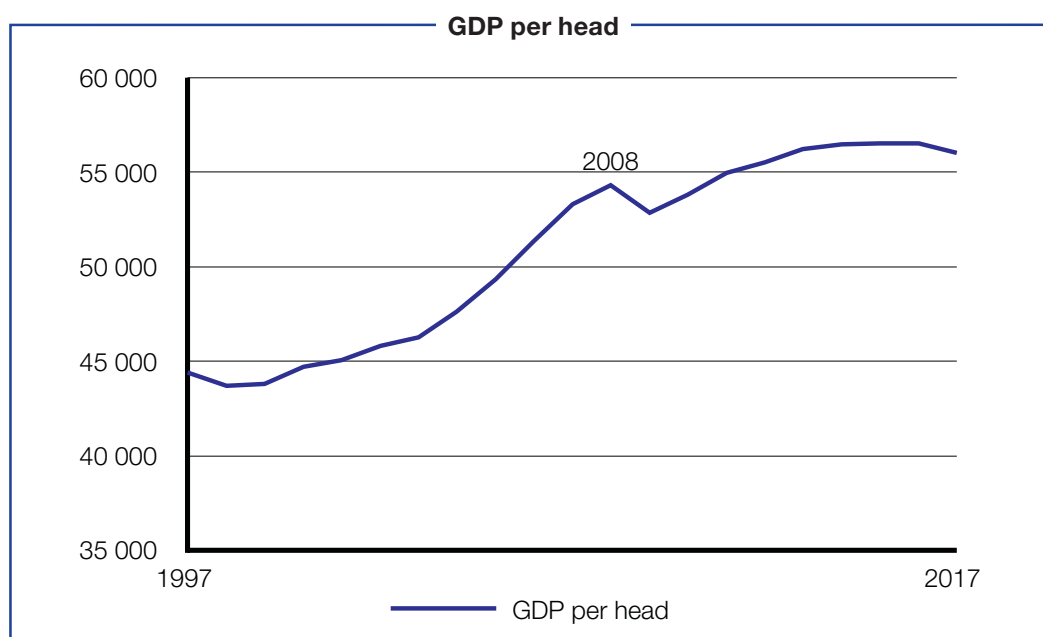
**SMS YOUR NAME
TO 32823
SMS costs R1.
Ts and Cs apply.**

How bad are things?

GDP per capita			
Year	GDP per head ^a	Year	GDP per head ^a
1997	44 420	2009	52 838
1998	43 720	2010	53 823
1999	43 826	2011	54 968
2000	44 735	2012	55 543
2001	45 075	2013	56 232
2002	45 798	2014	56 469
2003	46 287	2015	56 549
2004	47 605	2016	56 518
2005	49 335	2017	56 054
2006	51 331	Change: (1997- 2017)	26.2%
2007	53 334	Change: (2009- 2017)	6.0%
2008	54 322		

Source: South African Reserve Bank (SARB), www.resbank.co.za, time series data, accessed 3 August 2018
 a At constant 2010 prices.

GDP per head grew steadily for much of the initial post-apartheid period. This growth took a knock during the Global Financial Crisis of 2008. South Africa weathered this crisis fairly well, thanks to sound financial management. However, since then the government's economic policies have retarded growth rather than encouraged it. This is reflected on metrics such as GDP growth (overall and per capita) as well as the country's budget deficit.



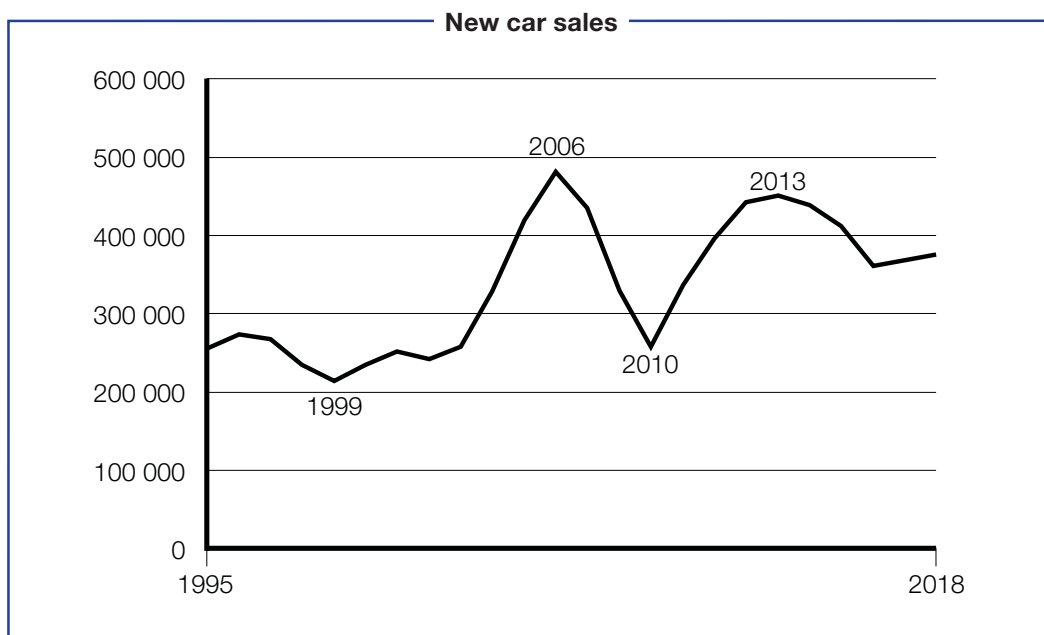
How bad are things?

New car sales			
Year	New car sales	Year	New car sales
1995	255 817	2008	329 262
1996	273 384	2009	258 129
1997	267 762	2010	337 130
1998	234 821	2011	396 292
1999	214 370	2012	442 604
2000	234 122	2013	450 296
2001	251 560	2014	438 938
2002	241 602	2015	412 398
2003	258 259	2016	361 264
2004	327 651	2017	368 112
2005	419 868	2018 ^a	375 000
2006	481 558	1995-2018	46.6%
2007	434 653	2009-2018	13.9%

Source: National Association of Automobile Manufacturers of South Africa (NAAMSA), *Quarterly review of business conditions: motor vehicle manufacturing industry/automotive sector, 2nd quarter 2018*, accessed 5 December 2018

a Projections are based on NAAMSA analysis and demand assumptions and do not provide for supply side disruptions.

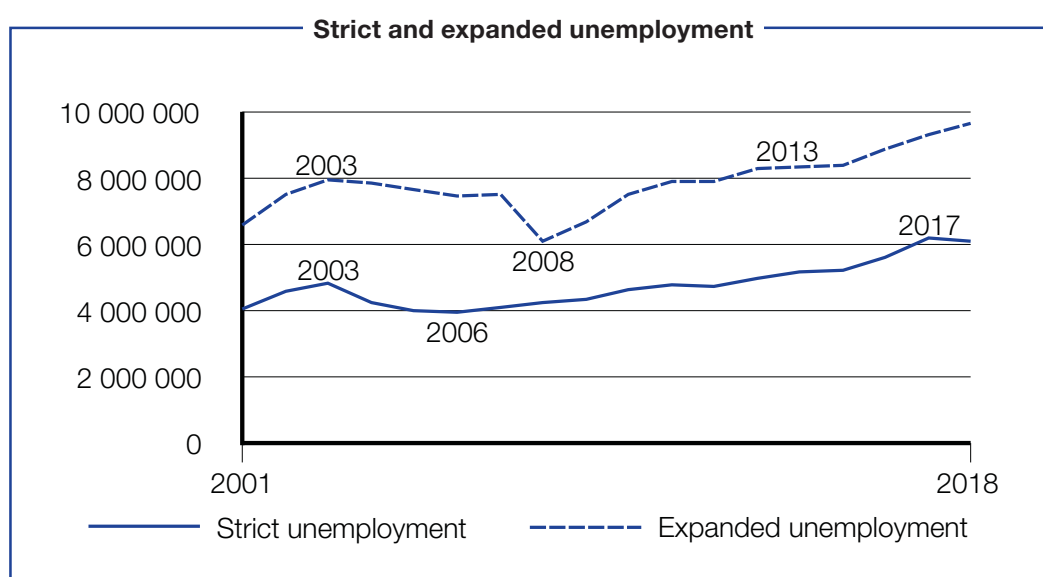
New car sales are a useful measure of a society's prosperity. More new cars being bought is a reflection of how well individuals in a society are doing. One can see in 2009 (the year after the Global Financial Crisis) that new car sales were very low, having performed strongly in the middle of the 2000s. They recovered somewhat, but again began to decline as South Africa's economy began to suffer from the consequences of poor economic policies, and a government unable to reform or escape the stranglehold of ideology.



How bad are things?

Strict and expanded unemployment				
Year	Number of unemployed (strict definition)	Proportion unemployed	Number of unemployed (expanded definition)	Proportion
2001	4 081 000	24.6%	6 609 000	34.6%
2002	4 603 000	27.7%	7 490 000	38.4%
2003	4 843 000	29.3%	7 968 000	40.6%
2004	4 231 000	26.4%	7 871 000	40.0%
2005	3 993 000	24.2%	7 673 000	38.0%
2006	3 984 000	23.1%	7 474 000	36.1%
2007	4 119 000	23.6%	7 504 000	36.0%
2008	4 267 000	22.6%	6 109 000	29.5%
2009	4 341 000	23.2%	6 678 000	31.7%
2010	4 622 000	25.1%	7 509 000	35.2%
2011	4 782 000	25.6%	7 921 000	36.3%
2012	4 721 000	24.8%	7 922 000	35.6%
2013	4 972 000	25.3%	8 289 000	36.1%
2014	5 154 000	25.5%	8 332 000	35.6%
2015	5 230 000	25.0%	8 378 000	34.9%
2016	5 634 000	26.6%	8 880 000	36.4%
2017	6 177 000	27.7%	9 304 000	36.6%
2018	6 083 000	27.2%	9 634 000	37.2%
2001-2018	49.1%	10.6%	45.8%	7.5%
2009-2018	40.1%	17.2%	44.3%	17.4%

Source: Stats SA, Quarterly Labour Force Survey Quarter 2: 2018, Statistical release P0211, 31 July 2018, pp21, 37; South Africa Survey 2018, p296



How bad are things?

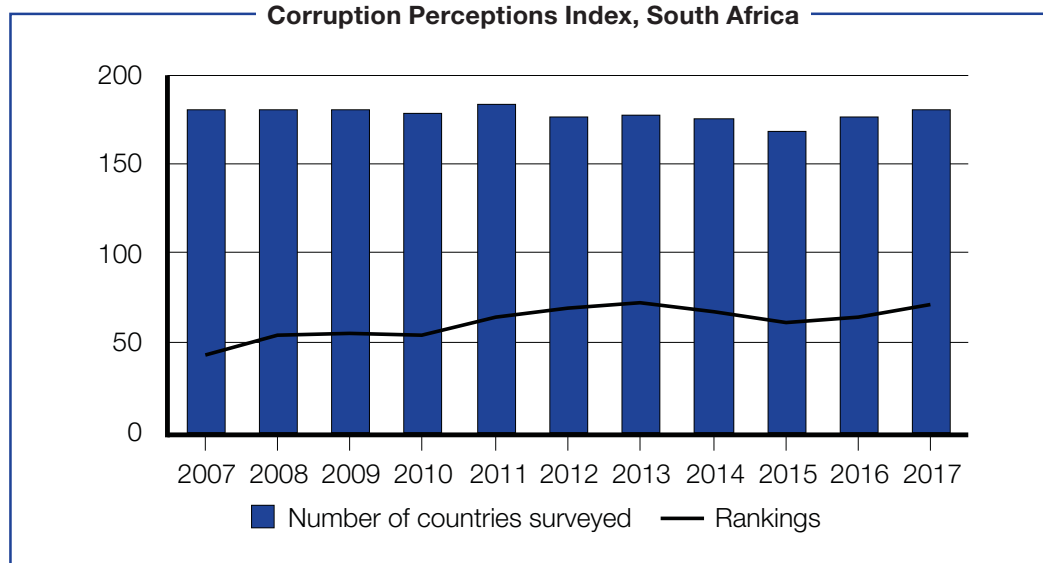
Corruption Perceptions Index^a, South Africa

Year	Ranking ^b	Number of countries surveyed
2007	43	180
2008	54	180
2009	55	180
2010	54	178
2011	64	183
2012	69	176
2013	72	177
2014	67	175
2015	61	168
2016	64	176
2017	71	180

Source: Presidency, *Development Indicators 2012*, August 2012, p95; Transparency International, www.transparency.org, *Corruption Perceptions Index 2013*, accessed 23 September 2014; *Corruption Perceptions Index 2014*, accessed 3 August 2015; *Corruption Perceptions Index 2015*, accessed 27 July 2015; *Corruption Perceptions Index 2017*, 21 February 2018

- a The Corruption Perceptions Index is a project by a Berlin-based organisation, Transparency International. The index reflects perceptions of corruption among resident and non-resident business people and analysts. The index used a maximum of 13 surveys for some countries in 2011 and 12 in 2001. The minimum number of surveys required for a country to be included in the index is three.
- b Countries are ranked from 0 to 10 where 10 means highly clean and 0 means highly corrupt. Owing to the increase in the number of countries surveyed over the years, South Africa scored a lower ranking, not because of a deteriorating score, but because of the inclusion of countries with a better score or the improved scores of existing countries. In some instances, the country went down the rankings even though its score had increased, such as between 2005 and 2006.

Corruption Perceptions Index, South Africa



How bad are things?

Contact crime: actual reported cases and rates per 100 000 people

Year	Murder		Attempted murder		Aggravated robbery	
	Cases	Rate	Cases	Rate	Cases	Rate
1994/95	25 965	67	26 806	69	84 785	219
1995/96	26 877	68	26 876	68	77 167	195
1996/97	25 470	63	28 576	70	66 163	163
1997/98	24 486	60	28 145	68	73 053	178
1998/99	25 127	60	29 545	70	92 630	221
1999/2000	22 604	52.5	28 179	65.4	98 813	230
2000/01	21 758	50	28 128	64	113 716	260
2001/02	21 405	48	31 293	70	116 736	261
2002/03	21 553	47	35 861	79	126 905	279
2003/04	19 824	43	30 076	65	133 658	288
2004/05	18 793	40	24 516	53	126 789	272
2005/06	18 455	40	20 369	44	119 242	255
2006/07	19 106	41	19 957	43	126 038	267
2007/08	18 400	39	18 643	39	117 760	247
2008/09	18 084	37	18 140	38	120 920	249
2009/10	16 767	34	17 247	35	113 200	231
2010/11	15 893	32	15 360	31	101 039	203
2011/12	15 554	31	14 730	29	100 769	200
2012/13	16 213	31	16 236	31	105 488	203
2013/14	17 023	32	16 989	32	118 963	225
2014/15	17 805	33	17 537	32	129 045	239
2015/16	18 673	34	18 127	33	132 527	241
2016/17	19 016	34	18 205	33	140 956	249
2017/18	20 336	36	18 233	32	138 364	244
1994/95-2017/18	-21.7%	-46.3%	-32.0%	-53.6%	63.2%	11.4%
2009/10-2017/18	21.3%	5.9%	5.7%	-8.6%	22.2%	5.6%

Source: SAPS, www.saps.gov.za, accessed September 2008, 19 September 2014, 29 September 2015, 24 October 2017 and 10 October 2018

One of the most accurate ways to measure crime is the murder rate. A murder will almost always be reported to the police, and, as such, it is a fairly accurate tool to measure crime in society. South Africa's murder rate declined steadily from its peak in the mid-1990s, but, in the last decade or so, has once again begun to rise. This can be attributed to a number of factors, but a primary reason is meddling in the management of the police (again a phenomenon that became more evident in the Zuma years). The IRR has suggested a number of ways to improve the country's policing, which you can read [here](#).

