Your Grace, Archbishop Thabo Makgoba, bishops and leaders and the Anglican Church of Southern Africa, let me thank you for the invitation to share my thoughts on a topic as important as this at such a crucial moment in the life of our country.

Next year, South Africa will mark the 30th year since our transition to democracy. It is a significant milestone, one that graduates us to the league of established democracies trying to grapple with serious developmental challenges. As we approach the 30th anniversary of our democracy, there will be much to say about who we are as a nation, and the state we are in. I must admit I am not looking forward to this discourse. It is not a good story to reflect on. It is not an exaggeration to say that we are at our lowest point in the democratic era and that the national psyche is severely impaired.

Why is this?

We were a damaged people to start with because of our colonial history and the legacy that apartheid bestowed on future generations. However, we did well in the first few years of democracy in our attempts at nation building, underlined by strong political leadership. Now, the fault lines are apparent and pronounced, propelled by global and domestic conditions.

The global economy remains highly volatile, with the IMF predicting one third of country economies to face recessionary risks in 2023. In the context of the War in Ukraine, inflationary pressures and tighter monetary policy remain the order the day. Investment flows to the developing world have significantly reduced and flows to South Africa are further constrained by the Financial Action Task Force (FATF) grey-listing, crime, and record levels of load-shedding.
South Africans are generally feeling under siege. We have been in survival mode for far too long, and every day conditions in the country get worse. Food prices, electricity availability, government dysfunction, water scarcity, the state of our cities and towns, political instability and endless corruption scandals have led to a sense of hopelessness. Whatever sense of nationhood existed is diminished and there is general acceptance that South Africa is in a death spiral. We are all tired of political gimmicks and exhausted by perpetual scandal.

Some 30 years after Pope John Paul II famously denounced the mafia as "a culture of death, profoundly inhuman, anti-Gospel, an enemy of human dignity and civil peace", the Catholic Church is yet to unshackle itself from its long association with the mob. Such is the scale and reach of organised crime, that, as recently as two years ago, Pope Francis found it necessary to endorse a Vatican think tank dedicated to preventing the exploitation of the image of the Virgin Mary by the mafia, and the Vatican established a study group to examine the expulsion of criminal organisations from the Catholic Church.

In South Africa we do not have such historical ties between organised crime and the Church. We do, however, often see ostensibly devout heads bowed together, plotting to enrich one another at the expense of the people of South Africa. Worse, we see many of the heads that are bowed in devotion on a Sunday turn the other way when the spectre of criminality is raised.

As a society we have become inured to the daily barrage of news of corruption, fraud, theft, bribery, and nepotism. Of late we have been inundated by news of assassinations, kidnapping, extortion and sabotage of public infrastructure. We hardly take note when a government official accused of malfeasance pops up to lead a similar programme in a different department, town, or province. Gender-based violence has become an acronym and is easily brushed aside in the headlong rush for a seat at the table with the largest plates. We have long lost our capacity to be shocked by the depravity of our compatriots.
A few days ago, we heard that South Africa has been “grey-listed”, which has directly translated into currency devaluation and will likely see reduced investment flows to the country. Global financial institutions do not trust that we are doing enough to fight corruption. This despite almost four years of public hearings, testimony, and investigation and around R1 billion for the Zondo Commission to lay bare the horror of state capture. It is almost as if now that we have named the beast, we can let it roam free again.

I also have growing unease that after everything that was exposed and the immense damage to state institutions and the economy, the perpetrators of state capture might not face the consequences of their actions. We have to consider what impact the failure of the criminal justice system will have on a society already so crippled and so close to collapse. If the justice system is no deterrent for rampant crime and criminality, what are the consequences for the rule of law and basic functioning of South African society. It is a terrifying thought.

How did we get here, and why haven’t we slain the beast?

I would suggest five causal determinants that we need to get our head around as this collective gathering. This will help us develop appropriate strategies and alliances to fight back.

First, I think that corruption is deeply linked to our structural weaknesses, and in fact reinforces these weaknesses. Let me explain. We suffer in South Africa from a classic low growth trap. This has to do with our historic growth model, in which we are far too dependent on commodity-exports as our core source of growth. It also has to do with the fact that most South Africans do not engage in productive economic activity. Markets are too concentrated, financial exclusion is pervasive, and SMME productivity levels too low for new entrants to compete with established players. This has reinforced patterns of racial inequality and undermined trust in institutions. This has resulted in a predicament which I feel we still need to get our heads around. Global experience shows that you need long term sustainable and inclusive growth to develop stable institutions (the argument by Acemoglu and Robinson), but at the same time you need
stable institutions for growth. Investors will stay clear where institutions lack integrity, as we see with the latest recommendations of FATF.

The second determinant I would like us to consider is state capacity and orientation. In our context, and understandably given the structural inequality we have as a country, the state has played an interventionist role. This is supposedly to correct market failures and drive transformation. This is broadly aligned to a South-East Asian developmental state model, but with a few significant differentiators. First, developmental state models that have worked have taken a hard line on corruption. Second, they have been characterised by a high-performance culture where professional technocrats were put in the driving seats. This is very different to our situation, where political reward and patronage mediate public sector employment.

The third determinant, and linked to both points made earlier, is the rise of a new elite established primarily through rent-seeking rather than productive wealth creation. While there are typically many shades of rent-seeking, ours seem to be taking on a predominantly destructive character, closely linked with illicit and criminal activity driven in the main by large, very well-organised criminal syndicates and has now grown more ruthless and sophisticated. So-called extortion risks are now also spreading beyond just state markets into other areas of the economy (property development, leisure, mining etc). South Africa is increasingly being seen as an unsafe place to do business, and when combined with other constraints like logistics and energy supply, is really killing our investment proposition.

The fourth determinant is weakened state capacity. The extortion risks we now face is a direct result of our weakened criminal intelligence, itself a legacy of the state capture years. Much has been written about how state institutions were repurposed to enable state capture. With some notable exceptions – SARS is a case in point – we have not been able to repurpose the state back to its real intent and replace lost capacity and legitimacy.

The fifth and final determinant I would like to mention is civil society capacity. I think civil society organisations played a critical role in defeating state capture V1 but seem to
have relinquished this role to what was seen as a reformist ANC leadership. This approach ignores the systemic nature of corruption and its deep linkages into politics and class formation.

Addressing crime and corruption does not lie just in understanding its genesis, but in the armour that we wear into battle against this blight. This is the armour of integrity, morality, and ethics. We need a new energised civil society with the church taking its rightful place at the centre.

During this period before Easter, Christians around the world go through a period of reflection and examination of conscience. My worry with the erosion of our society and constant pursuit of wealth is that many of our compatriots feel no guilt for their involvement in corruption and how it results in the growing social and humanitarian crisis in the country. As the power crisis worsens, we are all in a fight to cope and the political battles around energy has become the central issue. The politics around energy and the response to it demonstrates how close we are to a failed state. The fact that the crisis is redefining daily life, exacerbating the poverty around us and resulting in businesses closing down, condemning more people to unemployment, is not being taken seriously enough. This situation is breeding social and economic volatility that could ignite even worse levels of insurrection that we have already witnessed.

I am genuinely afraid by how close to the edge we are.

It will take exceptional political leadership to begin rebuilding the confidence of both citizens and investors, but there is also leadership required across society to restore lost values and purge the culture of greed and self-interest. With the moral fibre of our country in tatters, we must ask ourselves some burning questions:

- Are we completely helpless or can we actively participate in pulling our country out of the death spiral?
- How do we repair the moral fibre when crime and corruption is so endemic?
- Can people still be dictated to by their conscience, even if the criminal justice system no longer functions as a deterrent to crime and corruption?
• What is my role in my sphere of influence to help build an active citizenry defined by humanitarian values and a patriotic spirit?

To conclude, I suggest a few action areas around which the Church needs to mobilise.

The first area is around building a new moral code across society. Churches and faith-based organisations should play a lead role here, given their footprint and reach in every community. We need to build a common and shared vision that there is no place in our society for corruption and the violence for which it is becoming increasingly associated.

The second area is around building a more ethical and values-based leadership across all our key institutions, including the state. We need leaders with integrity and principles, and the Church must play a more deliberate role in building the leadership we need across all formations and in all communities. Immoral and narcissistic leaders, especially those who abuse their positions for self-enrichment, need to be called out and exposed. The Church and faith-based organisations need to be more vigorous in rebuking corruption and state failure in all its manifestations. In local communities, churches should be upfront in exposing elected leaders who are failing to do their jobs leading to the collapse of basic services.

The third area of action is holding the state to account. The state has the monopoly on violence and cannot share this with criminal syndicates hell-bent on destroying our future prosperity. We need to jack up our criminal intelligence capabilities and ensure our criminal justice system works. We need the state to be accountable to the citizens it serves and enforce a zero tolerance against corruption. The sabotage of state assets such as power stations and water reservoirs is treasonous and needs to be treated as such.

The fourth area of action is about developing a common perspective around transformation. Our high inequality continues to make democratic institutions susceptible to populist attack. We need new conversations about how to increase investment and growth in a manner that builds economic inclusion. This is something
we haven’t got right. I have said before we need to build a new innovative and entrepreneurial class that becomes vested in stable institutions. Our focus should not only be on supporting 1000 black industrialists – we should also focus on creating 1 million entrepreneurs.

The fifth area of action is to work towards ensuring that the next generation breaks the cycle of our current politics and corruption. We must invest in grooming young values-based leadership across stakeholder groups, and especially in civil society given their watchdog and advocacy role. This is how we can begin to reverse the damage that our generation has inflicted.

The final area of action is around the governance and strategic alliances among and between faith-based organisations, other progressive formations, and the whole of society. In 2020, the South African Council of Churches launched its anti-corruption campaign. That campaign, which united the entire membership of the SACC, needs to be reignited and expanded across society.

As Martin Luther King Jr. said: “Our lives begin to end the day we become silent about the things that matter”. We need to break out of the mode of acceptance of our lot and organise ourselves to act in the interests of society. There is a mindset change needed for each of us at a personal level, in our families, communities and congregations. I believe that church leaders should not underestimate your influence and power to change the trajectory.

The death spiral needs to be halted and South Africa desperately needs a reset. There are millions of people of goodwill in our country who can effect this change and the religious leaders of our country have direct access them. Please take up the challenge to help build an active citizenry driven by faith, morality and strong values.

I thank you.