

# Leadership Qualities to Foster a Sustainable South African Democracy

#### A Research Paper by Liezel Lues

#### **ABSTRACT**

A democracy requires leaders who demonstrate skills that will strengthen the dispensation, set an example and gain respect, nationally and internationally. Since 1994, South Africa (SA) has had three presidents, each responsible for shaping the country according to his own unique approach. Their leadership has played a crucial role in determining the future of the country over the past 23 years, some areas have been strengthened, but unfortunately others have become weaker than before. It seems that President Nelson Mandela focused on reconciliation. The approach of Thabo Mbeki, his successor, was strategically different in that it focused on the realization of the importance of economic development and wealth creation. During the consequent Zuma era, the concept of leadership was transformed to focus on charisma and populism.

The aim of this paper is to review the fundamental, prevailing leadership approaches in SA in the period since the country became a democracy in 1994. The challenges facing South African leaders will be clustered in two themes, namely leadership and economy. Against this backdrop, a theoretical, yet practical discussion is conducted in an attempt to answer the following question: What fundamental leadership qualities are required to ensure a sustainable democracy in the Southern African context?

#### INTRODUCTION

It is presumed that a democracy requires leaders who demonstrate leadership excellence that will strengthen and sustain the democratic dispensation, set an example as a leader and gain respect nationally and internationally. Twenty-three years into a democratic dispensation, South Africa (SA) has had three presidents, each responsible for making an impact on the country according to his own unique ideology and approach. Their leadership has played a crucial role in determining the future of the country: some areas have been strengthened, but unfortunately, others have become weaker than before (The Institute of Risk Management, 2015).

It seems that the mind set in the Mandela era focused on reconciliation. In contrast to Nelson Mandela's the approach, his successor, Thabo Mbeki's style was strategically different, but in a sense complementary to that of Mandela. It focused on the realization and importance of economic development, growth and wealth creation, while building on the reconciliation and transformation efforts of Nelson Mandela. During the consequent Zuma era, the concept of leadership was transformed to focus on charisma and populism – a stance that some commentators have criticised as one that aims to divert attention from fundamental South African (SA) priorities (Landsberg, 2013).

It is apparent that South African leaders face different challenges. In a survey by Deloitte (conducted at major South African companies), leadership has been identified as the top priority to be addressed in SA (Deloitte Development LLC, 2014: 22). It is somewhat disconcerting that most South African companies are of the opinion that they will not be able to weather the challenges posed by the economic and social demands caused by the current leadership. Moreover, fostering internal leadership competence is equally challenging. Only 13% of leaders (including new leaders, next-generation leaders and senior leaders) rate themselves as 'excellent' in providing leadership programmes at all levels (Deloitte Development LLC, 2014: 20).

A review of South African literature on leadership will be introduced and articles (which have been published since 1994) that concern recent events related to business, investment and leadership will be discussed. The use of a literature review as a method of data gathering enabled the researcher to broaden and substantiate her thorough understanding of the topic under investigation.

The paper starts with an introduction providing the background and history of leadership in the South African government. The different challenges that South African leaders have faced, and those that the present government is facing will be addressed. Against this backdrop, a theoretical yet practical attempt will be made to answer the following question: Which fundamental leadership qualities are required to ensure a sustainable democracy in the Southern African context?

# BACKGROUND AND HISTORY OF LEADERSHIP IN SA

SA was a British colony until 1961, when it became the Republic of South Africa. Although South Africans had to fight to gain independence, this affiliation did not indemnify the freedom of all (Thompson, 2001). During the apartheid regime, led by amongst others Prime Ministers HF Verwoerd (1958-1966), JB Vorster (1966-1978) and PW Botha (1978-1989), the leaders of the groups who had fought against oppression were jailed and more often than not suffered emotional and physical abuse (Beck, 2000). Apartheid in SA is referred to as a policy or system of segregation or discrimination based on race.

Despite rioting and terrorism at home, and sanctions imposed from abroad from the 1960s onwards, the White regime maintained the apartheid system with only minor easing up until February 1991. In 1989, FW de Klerk was elected as State President. De Klerk created a platform for negotiations with the African National Congress (ANC) when he met with its leader, Nelson Mandela (Beck, 2000). During 1990, De Klerk lifted the sanctions on the ANC, the South African Communist Party (SACP) and the Pan Africanist

Congress (PAC), and also released Mandela from prison (Thompson, 2001). For their combined efforts at reform in SA, De Klerk and Mandela were awarded the Nobel Peace Prize. After the 1994 elections, De Klerk was appointed the Second Vice-President in President Mandela's cabinet, where he served until 1997.

As president, De Klerk had to overcome a long history of colonialism, racism, apartheid, sexism, oppressive legislation, and unequal development in all social, economic and political spheres (Thompson, 2001). It was essential that the first democratic government, taking over in 1994, be held in high esteem by both the majority as well as the minority of South African citizens. Within these tense circumstances the dice could fall any way for SA.

It was, therefore, of utmost importance to elect a president who advocated majority rule, while protecting minority rights, using legislation as the basis to regulate and secure stability in the country (Thompson, 2001). These leadership qualities were to be found in one of the most important leaders during the struggle against apartheid: Nelson Mandela, leader of the ANC. Although he spent 27 years of his life in gaol, he managed to lead oppressed South Africans from behind bars. When the ANC won the election in 1994, Mandela became South Africa's first democratically elected President.

The new government based its legitimacy on the concept of Constitutionalism, where all the people, representatives of the people, and institutions would be subject to the Constitution of the country (Republic of South Africa, 1996). In addition to the Constitution, the Redistribution and Development Programme (1994-1996) was the government's strategy to assist in mobilising all the people of SA and the country's resources towards the building of a democratic, non-racial and non-sexist community (African National Congress, 1994: 1). Mandela's contribution to SA was priceless. He challenged all South Africans to forgive one another, to reconcile and to work towards a common and better future (Beck, 2000). This had a spill-over effect on businesses, international relations and the citizens of the country. Under his leadership, the concept of transformation was established as the cornerstone of every initiative, project and strategy undertaken.

In 1999, Thabo Mbeki, former First Vice-President in President Mandela's cabinet, was appointed as President. His focus was on building a strong South African economy. During his time in office, the South African economy grew at an average rate of 4.5% per year. Mbeki created employment in the middle services of the economy and oversaw a fast-growing black middleclass with the implementation of Black Economic Empowerment (Landsberg, 2013). President Mbeki attracted the bulk of Africa's Foreign Direct Investment through a well-established. integrated socio-economic development framework for Africa. Collaborative relationships, such as the New Partnership for Africa's Development, the African Union, BRICS (Brazil, Russia, India, China and South Africa), and the India-Brazil-SA Dialogue Forum were established. From 1999 onwards, President Thabo Mbeki continued with this transformation process and expanded the initiative to include the African continent. Additional policies aimed at stimulating growth, equity and employment creation included the Growth, Employment and Redistribution initiative (1996-2000), the Accelerated Share Growth Initiative of SA (2006), and the New Growth Path (2010) (Landsberg, 2013). Mbeki played an influential role in mediating peace deals in Burundi, Rwanda, the Ivory Coast and the Democratic Republic of the Congo.

In contrast to that of Mandela, the leadership approach of Thabo Mbeki strategically focused on the importance of economic development and wealth creation, whilst building on the reconciliation and transformation efforts of Nelson Mandela. The effects of his leadership also filtered through to outside the borders of SA, culminating in a series of economic strategies and partnerships – the most predominant of these arguably the 'African Renaissance'.

Jacob Zuma was elected as President on 6 May 2009. Fifteen years into being a democracy, SA ventured towards applying the developmental state model. Arguing from a theoretical framework in which the developmental state model is positioned, it would imply that the South African government would cease to be goal oriented in maximising profit for business and instead focus on addressing the urgent problems it faced (Republic of South Africa: DPSA, 2007). In his State of the Nation Address in 2009, Zuma was explicit

in tasking the state with playing a central role in the social and economic development of the country and further serving as a catalyst for sustainable development and economic growth. In support of this aim, the South African government relied heavily on the ANC Manifesto and the National Development Plan (NDP). The Ministry of Planning published the NDP in 2013 (Our future – Make it work), aimed at eliminating poverty and reducing inequality by 2030, proposing eight strategies to be addressed (National Planning Commission, 2012).

Transformation under President Jacob Zuma (16 June 1999 onward) continued by increasing the number of ministerial portfolios (35 portfolios, 68 ministers and deputies) in his Cabinet, rendering South Africa's cabinet one of the world's largest and most expensive. In Zuma's first four years in power, the salary bill for civil servants escalated by 76% – implying that for every ZAR100 generated by the South African economy, R14 goes towards the remuneration of administrators. Russia, in comparison, approximates R3.70, Brazil R4.60, and Nigeria R4.00 (Du Preez, 2014). A decline in key economic indicators and inadequate basic service delivery have seen a concomitant upsurge in community and student protests, more so over the past five years. In addition, the leadership ability of a number of prominent SA state-owned institutions, electricity and water suppliers, health and education systems, the airways and national broadcaster came under scrutiny.

# CHALLENGES FACED BY SOUTH AFRICAN LEADERS

At present, the challenges faced by South African leaders create unnecessary instability in SA. This situation further is intensified by the five-yearly elective conference to be held later this year (2017) and, consequently, the in-party canvasing for a successor for President Zuma (elections scheduled for 2018). Van der Waldt (2014) already referred to SA as a failed state. The challenges facing South African leaders today, for the purpose of this paper, could be clustered in two themes, namely leadership and economy.

#### LEADERSHIP CHALLENGES

Visionary leadership: Deloitte (2014) conducted a survey at major South African companies and found that only 13% rated themselves as 'excellent' in providing leadership programmes at all levels (Deloitte Development LLC, 2014: 20). Supporting this concern, Kumo, Rielander and Omilola (2014) are of the opinion that the ruling ANC leadership is either unwilling and/or unable to manage crucial macro-economic policies in a sustainable manner. Reasons for this might include a lack of sufficient resources to fulfil mandates such as countering unemployment, the fragmentation of the legislative framework, undeveloped management capacity, corruption and poor leaders. The National Planning Commission (2011: 408) stated that the current "weak managerial capacity and lack of leadership prevent achieving a clear vision". This lack of leadership over the past decade will be debated to the bone towards the 2017 ANC elective conference later this year.

State of local government: Inadequate levels of municipal service provision are encountered in SA in general, resulting in communities demanding better service delivery (Gordhan, 2014). The ensuing (sometimes violent) protests are an indication that municipal service provision does not meet the expectations of the communities. Municipalities struggle with capacity shortages, the lack of professional and experienced staff, financial shortages, and the extensive quantity and complexity of local government legislation (Van der Waldt, 2014). Political challenges that influence local government service provision include factors such as the absence of the political will to provide services, political infighting within the ruling party, the selection criteria for the appointment of municipal employees, and political interference in municipal administration (Van der Waldt, 2014). In the 2016 local-government elections, South Africans reacted on this unacceptable situation in their local municipalities. According to the results of an IPSOS survey (2016), ANC-dominated municipalities lost many supporters.

**Wasteful expenditure**: Irregular expenditure in the municipalities has more than doubled over the past five years in SA, currently totalling R14.75 billion (Auditor-general, 2016). Several qualified audit reports citing public servants receiving excessive performance bonuses or offerings from

governmental contractors, mismanagement of property and public resources, nepotism, and ultimately inadequate services to communities (Du Preez, 2014), are evidence of what may be called, in a nutshell, maladministration. In 2015, the results of maladministration in SA included a poor economic growth rate of just over 1%, a massive civil servant wage bill (2 percentage points higher than inflation for 2016/17 and 2017/18), a national debt that is fast approaching half the GDP, the necessity of bailing out SA Airways, and enormous energy problems – to mention but a few (Du Preez, 2014). Only about half of adult South Africans (48%) believe the national government is doing its job well. This is a drop of 8% from May 2009 (56%) when President Zuma took office (IPSOS survey, 2016).

**Corruption**: Although it is apparent that there are abundant legislative directives in place to promote ethical behaviour and the quality of service delivery by public servants, these do not necessarily guarantee a corruption-free public service (Lues, 2016). According to the Auditor-General (2012: 2-18), between 2010 and 2011 government tenders amounting to R113million were awarded to individuals who had relatives or friends within state institutions. The irregular expenditure across national and provincial departments and public entities for the 2014-2015 financial year amounted to R 25.7 billion (Auditor-General, 2016). The practice of corruption contributes to a declining confidence in government practices and application of state resources. Not only does a trust deficit emerge between the community and the government, but resources also are depleted.

#### **ECONOMY**

**Unstable economy**: Mandela and Mbeki succeeded in establishing growth in the South African economy through a well-managed but conservative fiscal policy. However, although the demand for trained professionals increased, the strategy failed to address unemployment among the unskilled bulk of the population. The current macro-economic policy, driven by the public and private sectors, typically is influenced by variables such as political stability or unrest, foreign investment, unemployment, lack

of skilled labour, fiscal policy, and so forth. Struggling economies of neighbouring countries have a knock-on effect in SA as thousands of people flooded into the country, seeking employment and refuge (Lues, 2016). The influx, according to some, has led to an increase in crime and a housing shortage. The situation resulted in a series of xenophobic attacks in May 2008. Mbeki was accused of failing to acknowledge the magnitude of the problem.

The National Development Plan identifies nine main challenges pertaining to the South African economy: (i) too few people work (SA is ranked as one of the most unequal societies in the world with regard to income distribution); (ii) the standard of education for most black learners is still poor; (iii) infrastructure is under-maintained and insufficient to foster growth; (iv) spatial development excludes the poor from the benefits of development; (v) the economy is overly resource intensive; (vi) the public health system is collapsing; (vii) public services often are of poor quality; (viii) corruption is on the increase; and (ix) SA remains a divided society (National Planning Commission, 2012).

**Unemployment**: Millions of South Africans are completely excluded from work, as has been the case for most of the past three decades (OECD, 2013). Unemployment estimates currently range from 25%-40%, far above the government's target of 15% (The Institute of Risk Management, 2015). Kumo, Rielander and Omilola (2014) maintain that the unemployment figure for young people between the ages of 15 and 24 years is estimated at 68%. Concomitant with this predicament, the overall labour market remains constrained and labour unrest continues to restrict South Africa's business development, especially in the agriculture and manufacturing sectors (Kumo et al., 2014).

**Gross socio-economic inequality**: Reconciling two dynamic realities (inequality and growth) embodies one of the greatest challenges facing the country. Whereas some parties (e.g. organised labour) are fighting to eradicate socio-economic inequalities through strategies aimed at wealth redistribution, leaders in business and industry are adamant that in order to enrich the historically deprived, wealth has to be created first. To them,

creating wealth means but one thing: business organisations and public institutions have to become competitive and efficient in international terms. This may mean adopting measures to cut costs and to become "lean and mean", which may include cutting labour costs and improving labour productivity. To the deprived, the immediate objective is to obtain what they historically were denied or deprived of. The essence of the debate thus concerns what comes first: wealth creation or wealth redistribution.

**Investment:** The 2013 Organisation for Economic Cooperation and Development (OECD) report states that although SA is developing, it is failing to achieve its considerable potential. The statement that SA is a developing country is based upon (i) the increasing per capita income; (ii) public finance being in better shape than those of many OECD countries; (iii) the sound financial system; and (iv) stable core inflation that is within the central bank's target zone. However, income inequality, poor educational outcomes, increasing public service delivery failures, and corruption exert a detrimental influence on investment. Investment also has been affected negatively by the lack of growth in the South African economy. Although the growth rate in Gross Domestic Product (GDP) averaged 3% per year in the decade after apartheid (1994-2004) and rose to an average of 5% from 2004-2007, it fell to -1.8% in 2009, partially affected by the global economic crisis (Statistics South Africa, 2011). The growth rate for 2016 was 0.4%, and its forecast for 2017/18 stands at 1% (Isa, 2016). The South African growth rate should be more than 3% in order to attract investors to in the country (The Institute of Risk Management, 2015).

**Public sector involvement in business**: Most South African industries are highly concentrated, with network industries dominated by state-owned enterprises. Large firms are able to share their returns with employees via collective bargaining, for example, the setting of sectorial minimum wages (OEDC, 2013). The latter often signifies an access barrier for small enterprises. The result is a dual labour market hosting a well-paid formal sector covered by collective bargaining on the one hand, as opposed to a secondary market where pay is low and conditions are poor (National Planning Commission, 2012).

Water resources: It is estimated that SA will be without sufficient water by 2030 due to the population growth and industrialisation (WWF-SA, 2016). Approximately 88% of all fresh water is used by the agricultural and industrial sectors, which leaves only 12% for domestic use. Domestic consumption is expected to increase sharply in future (WWF-SA, 2016). Together with this, the agricultural sector will have to increase food production by 50% by 2026 in order to feed an additional 23 million people. This will put further pressure on water resources.

# FUNDAMENTAL LEADERSHIP QUALITIES FOR A SUSTAINABLE DEMOCRACY

The challenges facing South African leaders have been clustered in two themes, namely leadership and economy. It appears that building a just and caring society for all South Africans has not been realised yet, as demonstrated in prevailing circumstances. This part of the paper will address the question: Which fundamental leadership qualities are required to ensure a sustainable democracy in the Southern African context?

The quality that comes to mind first relates to the basic principles of leadership relevant to the 21st century – also captured in the slogan "Backto-basics" concerning public sector service delivery (Gordhan, 2014). Generic leadership qualities include, according to (i) Shonhiwa (2006: 16): The ability to influence people and resources in a manner that will result in the achievement of identified goal(s) (applicable to the SA NDP); (ii) Deloitte Development LLC (2014): Understanding the challenges of the South African workforce in the context of the economy, social and political conditions, poor education, the current lack of specialised skills, and corruption; (iii) Munusamy (2017): Closing the trust deficit between government and citizens; and (iv) Prozesky (2017): Create wealth in an honourable manner, tax fairly and use honestly. Leadership excellence, certainly in SA, calls upon leaders to become dedicated to moral integrity and requires morality in speech, agendas, money and other assets (Prozesky, 2017).

A sustainable democracy in the Southern African context is also vested in the leadership role that citizens play and need to play (Lues, 2014). It would seem that education (formal and informal) needs to be the cornerstone in the successful achievement of a sustainable democracy. For citizens to participate in, as well as contribute to the democracy, they need to be kept informed and educated on how not merely to participate, but to participate and add value (Lues, 2014). The current SA education system and its efficacy should be seriously reconsidered, and the educational methods used to educate citizens, not only about their rights, but also about their responsibilities in the current upheaval in the South African democracy should be addressed (Lues, 2014). Visionary leadership in the face of this predicament is urgently required to ensure a sustainable democracy in the Southern African context.

This second quality relates to the importance of the SA economy. Accelerating social development, addressing poverty effectively, and expanding employment in sectors such as health, social work, education, and law-enforcement agencies are of utmost importance (Lues, 2016). Technology and innovation should be regarded as core components of the South African government's economic policies aimed at transforming South Africa's global economic competitiveness, changing the country's economic dependence on the local resource base, and integrating the first and second economies (OECD, 2007 in OECD, 2011: 8). It is also regarded as a key factor for "preserving our natural resource base, green economic development, and improving living standards in a sustainable manner" (OECD, 2011: 8; WWF-SA, 2016). An economy is versatile and is influenced negatively in unstable circumstances. This was profoundly experienced in 2016 when Moody's was on the verge of downgrading SA to junk status.

Burns (2003), an acknowledged authority on leadership, proclaims that any leadership strategy needs to dispose of failed strategies of the past. It must devise new ways to address the issues lying at the root of problems to be solved. Nothing is more important for the future of South Africa than leadership that is committed to the well-being of all citizens. The past cannot

be changed, but the future is in the hands of South African leaders who are committed to justice, equality and the rule of law.

#### CONCLUSION

Over the past 21 years, leadership in SA has played a crucial role in shaping the future of the country. A democracy requires leaders who demonstrate skills that will strengthen the political, social and economic dispensations of the country, set an example and gain national and international respect. Their leadership has and will play a crucial role in determining the future of the country.

The challenge between a deficit in capacity and a constructive mind set is that skills can be taught to a certain extent, but it is much more complex to amend an unenthusiastic mind set, which is not beneficial for working towards a sustainable democracy (Lues, 2016).

A sustainable democracy can be affected by what citizens, the independent media and the private sector expect from leaders. It is important in any democracy that these groups realise their value in safeguarding leadership excellence that will foster a sustainable South African democracy.

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