



Journeys into our future

South Africa 2024 to 2035



“

*In the tapestry of time,
we weave memories
of the future, stitching
dreams into the fabric
of our destinies.*

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Somadoda Fikeni

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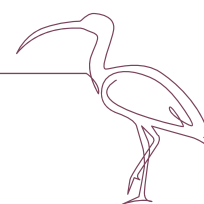
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FOREWORD



Chairperson
Dr Somadoda Fikeni

The new set of the Indlulamithi South Africa Scenarios 2035 comes on the back of several important developments that have shaped South Africa since the previous iteration was launched in 2018. In the previous scenarios, which looked out to 2030, we pondered over what a socially cohesive South Africa would look like and to what degree this could be achieved by the year 2030. The three 2030 scenarios – Nayi le Walk, IsBhujwa and Gwara Gwara, were undergirded by extensive research and built around 25 key variables.

A lot has happened since then. The first was the devastation brought by the COVID-19 pandemic. The pandemic infected about two thirds of the South African population and led to 100 000 deaths – and hundreds of thousands more suffering from Long COVID-19. The pandemic also had a devastating effect on the economy, wiping out 8% of GDP and increased the already high levels of poverty, unemployment, and inequality.

South Africa also found itself in the throes of a massive collapse of the rule of law between 9 and 18 July 2021 with widespread rioting and wanton looting in the Gauteng and Kwa-Zulu Natal provinces. The unrest, described as the worst violence in South Africa since the dawn of democracy, led to the tragic death of 354 people, widespread looting, and arson. The economic damage done to Durban, a key economic node in KwaZulu-Natal, is estimated to be more than R50 billion.

The effect of the pandemic and the 2021 upheaval, developments in Africa promising increasing continental integration, the destabilising impact of increasingly aggressive geopolitical contestation, warfare since Russia's invasion on Ukraine and the continuing conflict in the Middle East have had their impact on South Africa. By 2023 a relook at how the reality in South Africa matched up to the variables, and the Indlulamithi Barometer's 54 indicators, showed that the country was gravitating out of previous scenario parameters entirely towards a new scenario which we didn't even have a name for; we therefore referred to it as the Gwara Gwara plus (GG+) scenario.

Perhaps the most recent development, as the long version of the 2035 scenarios were being prepared for launch, was the outcomes of the May 2024 elections in South Africa. Such developments, and the consequences thereof, were already being felt in the 2035 scenarios which had been finalised at the beginning of 2024. The 2035 scenarios were already speculating the possible directions our country could go in on the basis of these results.

Our wish is that the Indlulamithi South Africa Scenarios 2035 will continue being a key part of a strategic conversation that galvanises collective action about the future of the country. They can help us avoid various missteps, one of which is to enter a state of social retreat, where social actors and the citizenry in general become reclusive and recede into isolated enclaves of mutually suspicious and acrimonious communities. If this tragedy were to

happen, we would devolve into an insecure and paranoid society where efforts are geared towards an incessant search for scapegoats rather than mutually beneficial solutions to address common challenges.

Such a situation, where national life is characterised by a defensive citizenry, insulated behind high walls while enduring an acrimonious and vengeful elite, offers little scope for resolving our pressing challenges. If this comes to pass, it would mean that 2035 would still be a year where communities face chronic vulnerabilities: the unmitigated severity of climate change still worsens food insecurity and displacement; pollution leads to negative health outcomes; and a crumbling energy sector means power outages add to an already bleak reality.

However, keeping our attention solely on continuing on the current trajectory and future vulnerabilities is bound to be fruitless without an eye on Key Driving Forces (KDFs) that already shape the present and how a future South Africa would look. This is what we seek to do in these Indlulamithi 2035 Scenarios.



INTRODUCTION



Project Leader
Xolelwa Kashe-Katiya

Why New Scenarios?

Conceptualising realistic trajectories of what a future of South Africa would look like, given the ever-changing dynamics of a diverse country such as ours, is no easy task. Part of this is due to the nature of the forces that shape social reality for many South Africans. The question of what kind of South Africa we are likely to see in 2035 as far as governance, social stability and economic

development are concerned can never be posed alone. Attached to it are also considerations on the country's shifting demographics, the ongoing digital divide, the future impact of innovation and technology, and perhaps a sideways look at the long-term impact of geopolitical developments.

Developments around the May 2024 elections have emphasised the usefulness of scenarios in helping us understand the future. In the scenarios the Indlulamithi Project released in 2018 we sketched scenarios about a South Africa which was united and marching confidently into a better future, or a South Africa which will remain mired in the severe aftermath of the devastating effects of state capture and hollowing out of the state; or one where the situation became a lot worse as SA slipped into a vortex. In those scenarios we were already considering the possibility of coalition governments of various sorts and political fissures along various lines.

The various considerations raised by the scenarios alone have meant that taking a long-term view of where the country will be in 2035 must be an inclusive undertaking, one that draws as widely as possible from stakeholders spread across a broad spectrum. This includes independent experts and key players from the private, public and non-profit sectors. Added to this are role-players in

civil society, political parties, labour and various professions. This is necessary because the social fabric in a diverse country like South Africa has been woven with many different strands and must reflect the true face of the country. The Indlulamithi South Africa Scenarios 2035 builds on our previous efforts geared towards embedding the principle of long-term, evidence-based planning both on social actors, institutions, and the national psyche.

The original Indlulamithi Scenarios released in 2018 looked towards 2030 with a chosen key framing question: **‘What will a socially cohesive South Africa look like?’**. Some 25 variables that were identified in 2018 were clustered into three overall themes that were both descriptive in terms of capturing reality and were also seen as core ‘driving forces’ in the sense that animated South

Africa in 2030. These Key Driving Forces (KDFs) were:

1. **Social Inequality** – reflecting how South Africans experience some of the starkest inequalities in the world;
2. **Reconciliation, Resistance and Resentment (RRR)** seen as a driving force manifested in various dimensions such as identity, values and the public discourse;
3. **Institutional and Leadership Capacity** which reflects on the erosion of moral, ethical, and human resource capability in the state, private sector and civil society as a key determinant for the future of social cohesion.

Launched on 21 June 2018, the 2030 Scenarios expressed the ways in which South Africa might develop through three possible scenarios.



Nayi le Walk

A Nation in Step with Itself

In a precise sequence of steps, this scenario choreographs a vision of South Africa where growing social cohesion, economic expansion and a renewed sense of constitutionalism get South Africa going.

iSbhujwa

An Enclave Bourgeois Nation

Epitomising a loose-limbed, jumpy nation with a frenetic edge, iSbhujwa is a South Africa torn by deepening social divides, daily protests and cynical self-interest.



Gwara Gwara

A Floundering False Dawn

In a nation torn between immobility and restless energy, Gwara Gwara embodies a demoralized land of disorder and decay.

Measuring Everything

In 2019, Indlulamithi took a unique step for scenario exercises by adding an extensive Barometer that measured 54 indicators, related to the three KDFs. The Indlulamithi Barometer added immeasurable value to efforts geared towards galvanising collective action. It is important that South Africans have a shared picture of the country's current condition and are thus able to engage meaningfully about its trajectory.



RESISTANCE, RESENTMENT, RECONCILIATION

13 INDICATORS

- Public support for media freedom
- Perceived freedom of speech and civic association
- Sense of hope
- Shared sense of history
- Support for constitutional and democratic values
- Trust in institutions
- Identity



INSTITUTIONAL CAPACITY AND LEADERSHIP

21 INDICATORS

- National state capacity
- Municipal state capacity
- Policy making capacity
- Political representation
- Political party stability
- Political rights and civil liberties
- Governance, accountability and Civil Society



SOCIAL INEQUALITY

20 INDICATORS

- Macro-economy
- Unemployment
- Poverty
- Food security
- Education
- Health
- Safety
- Gender wage gap

Figure 1/ The 54 Indicators for the 2030 Social Cohesion Barometer

The methodology for establishing and then measuring indicators was elaborate and detailed and continues to be refined. The key goal was to not just work out how each of the 54 indicators was changing but align them back to the three original scenarios. The 2030 scenario set was tracked each year from 2019 to 2023. From a starting point that estimated that South Africa was 46% in the least optimal scenario, Gwara Gwara, and just 17% in the most optimal Nayi le Walk scenario, things

shifted quickly with the onset of the COVID-19 Pandemic. We reached a situation which even the 'worse case' scenario had not imagined, which the project team dubbed Gwara Gwara Plus (GG+) scenario.

By 2023, things had somewhat stabilised and improved, but indicators suggested that, cumulatively, South Africa was 59% in a combined Gwara Gwara and GG+.

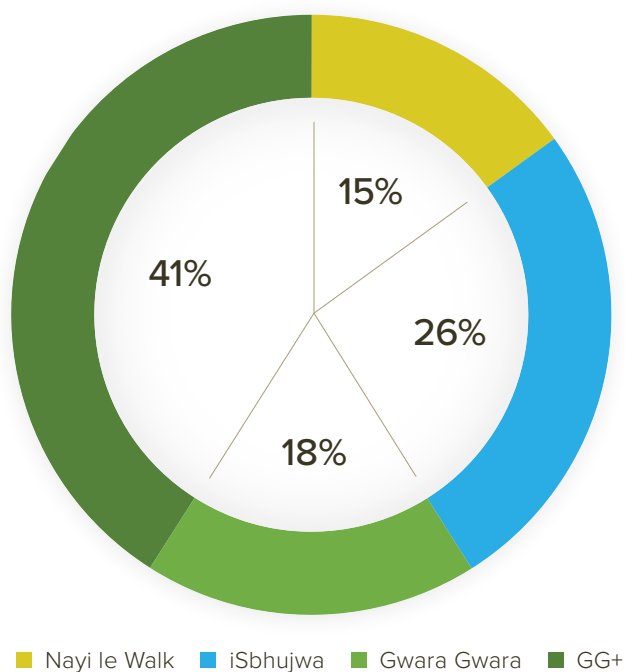


Figure 2/Social Cohesion Barometer: 2023 results

COVID-19 and the government's uneven response was highly disruptive to the already fragile South African economy and society, and it arguably changed the fabric of social structures everywhere, including in South Africa. Attempts to bolster the rule of law and tackle corruption, including the imprisonment on Contempt of Court charges for ex-President Zuma led to an attempted insurrection across KZN and Gauteng. Between 9

and 18 July 2021, protests against the incarceration of Zuma, in the context of deepening immiseration of South Africans generally, triggered wider rioting and looting, and set in motion the worst violence that South Africa had experienced since the end of Apartheid. Some 25 000 troops were deployed, 354 people were killed, and (to date) 5 500 people have been arrested.

2019 - 2023 Barometer

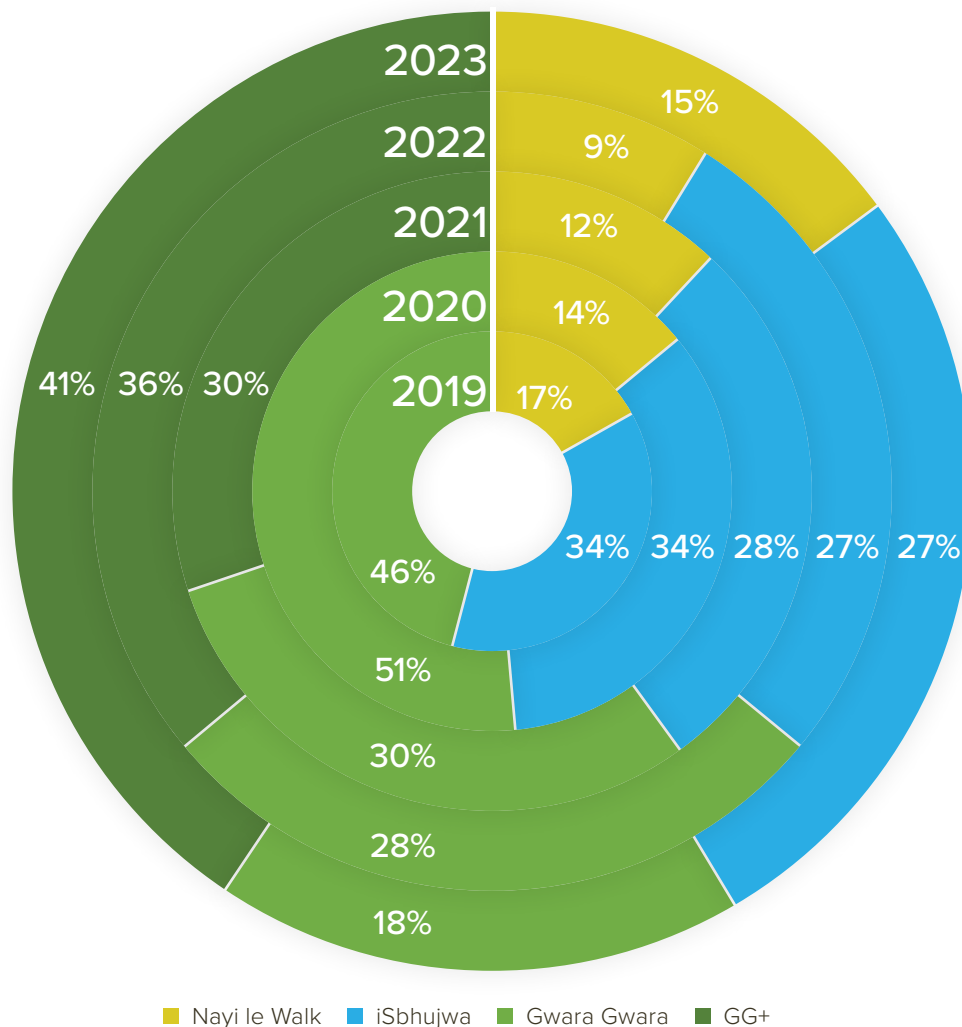


Figure 3/ Soc

Figure 3/ Social Cohesion Barometer: 2019 - 2023 results

In addition, Russia's invasion of Ukraine, the rapid roll-out of AI, and more recently the war in the Middle East, shifted many elements in each scenario, requiring a rethink. The Barometer reveals that over 5 years, South Africa receded away from the optimal scenario, Nayi le Walk, and more than half of reality was now in the tough Gwara Gwara and GG+ territory. From widespread consultations, there was a general sense that 2023 and 2024 might provide a 'bottom' to many key indicators:

power supply levels would get better (or at least stop getting worse) and employment levels would start to increase, helping to reduce poverty and inequality. There are indications that steep rises in crime might also 'peak' in 2023/2024 and start to level out or even decline. Another reason for developing these new 2035 scenarios was that we also noted that only 7 or 8 of the 54 indicators had some element of stability.



Figure 4/Indlulamithi Perception Survey:2023

There is no denying that our country is beset with immense challenges and that some of them seem intractable. But our history is also replete with instances where collective action has helped pull us out of our current situation by our proverbial

bootstraps. It is our hope that the research and scenarios outlined in this book can enrich conversations about what went wrong, what to anticipate and how to provoke new thinking about how we can arrive at mutually beneficial solutions.

METHODOLOGY

The Intuitive Logic School combines evidence-based research with the creative insights of experts, pushing the latter to think beyond the prison of the current reality. This is again a foundational approach used to build the 2035 scenarios. This pushed Core Participants' thinking to a future that could be a lot worse or a lot better or somewhere in-between but different from today.

In designing the new scenario process, we needed to take cognisance of the lessons and achievements of the previous social cohesion scenarios. One was why the COVID-19 pandemic did not feature in the 2030 scenarios. Was COVID-19 an unimaginable 'black swan' event, as Nassim Nicholas Taleb's described in his well-known book of the same title? Some rare and almost impossible event to anticipate? This question has been hotly debated amongst those involved in the practice and teaching of scenarios. Glenn McGillivray, Director of the Institute for Catastrophic Loss Reduction at Canada's Western University, points out that the subtitle of Taleb's Black Swan book is 'The impact of the highly improbable'. But, he argues, 'An event like COVID-19 is not all that rare. Indeed, history is replete with such events, there had been numerous warnings from many sources, and the mathematical odds of an occurrence are not all that remote. With pandemics, it is not really a question of if, but usually when.'

Other shortcomings we needed to address include how we could improve involvement in the scenario-making process, especially bringing the voice of youth, women and labour more to the fore. The ultimate test of our scenario process would be the extent to which it is used in guiding the country, government, corporates, and civil society

to make better strategic choices. The lessons from the previous social cohesion scenarios also required some reconfiguration of the model we have designed.

The process we began in 2022 thus started with the question: what is your key concern about SA for 2035? In scenario methodology, it is very important to cast the scenario time horizon beyond the immediate and near-future, and into the realm of longer-term informed speculation. Working further into the future helps participants move beyond the straitjacket of daily headlines and fears and get beyond the current ideological crutches used to make sense of our current reality. Doing this helps us make well-researched, plausible yet speculative mental maps of possible post-COVID-19 worlds.

To spur this 'Imagineering' of the future, we reminded ourselves that by 2035 we will have gone through the following milestones:

- The 2024, 2029 and 2034 national elections would have been contested and completed.
- By 2026 we would mark the fiftieth anniversary of the 1976 uprisings.
- In 2034, South Africa will be celebrating 40 years of democracy.
- We'll shoot pass the National Development Plan (NDP) objectives and the 'target dates' for achieving the UN's Sustainable Development Goals (SDGs) in 2030 as outlined in the 2030 Agenda for Sustainable Development.
- The 2024 Paris, 2028 Los Angeles and 2032 Brisbane Olympics will have come and gone.
- The 2026 Canada, Mexico and the United

States Football World Cup tournaments, and the 2030 Spain, Portugal, and Morocco and 2034 Saudi Arabia editions would be happy memories. Could an African team win one of these?

- England would have hosted women's Rugby World Cup in 2025, Australia the men's Rugby World Cup in 2027 and in 2029 women's, and the US would have hosted the men's in 2031 and women's in 2033.

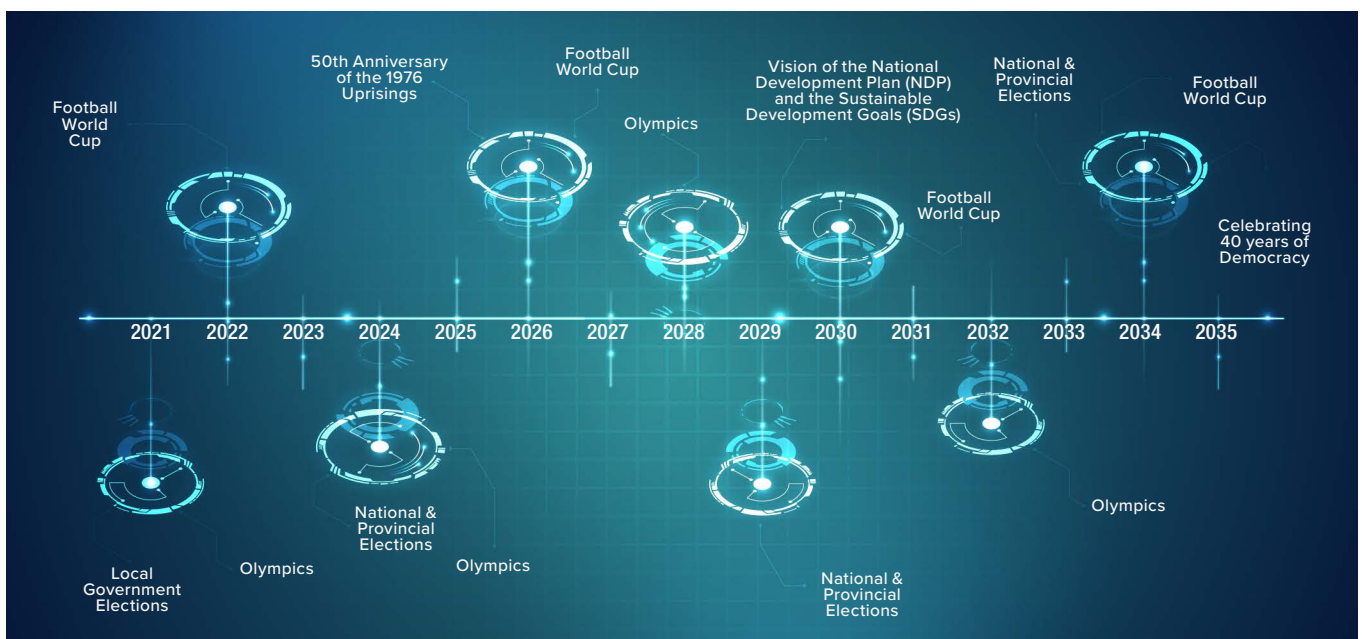
Of course, there will also be a wide range of technological milestones in terms of computer power, AI-capability, autonomous vehicles, green energy, as well as, no doubt, significant geopolitical changes in the runup to 2035.

Population-wise, it is worth noting that many countries will have populations that are on average, a lot older than they are in 2024, and many Global

North countries' populations are shrinking. The opposite is true in Africa: Nigeria's population in 2035 is likely to reach 295 million (currently 206 million), while South Africa's is set to be 67.3m (currently 63 million). By 2100 Nigeria, projected to be home to 733m people, will be the third most populous country in the world after India and China. On current trends, Nigeria will be joined by the Democratic Republic of Congo (DRC), Ethiopia, Tanzania and Egypt in the top ten most populous countries (UN World Population Prospects 2019).

Even in South Africa, where the median age in 2024 is 27.6 years old (against a current global median age of 30.3 years), the median age will be nearing 30 by 2035. And based on current projections, fewer than 4 million of the approximately 20 million South Africans who cast their votes back in April 1994 will be around in 2035. Indeed, the youngest of those who voted in 1994 will be 58-years-old in 2035.

The current scenarios extend the horizon and ask the KEY QUESTION:
‘What will South Africa look like in 2035?’



Variables for the 2035 Scenarios

The variables below were derived from interviews, workshops, Focus Group Discussions and updated with inputs from the Scenarios Reference Group and planning fora of the DPME. The 26 variables are formulated as empirically informed value judgements as opposed to merely empirical data or descriptive themes. This derives from the nature of the methodology of the scenario in which participant responses are inevitably shaped by the subjectivity and positionality of the participants. Efforts have been made, however, to remove any overt ideological positioning from the phrasing of variable descriptors. The 26 variables are:

1. State institutions and the provision of public services continue disintegrating, with weak municipal government capacity immediately felt by citizens.
2. The state faces a continued crisis of weak leadership, impacting ability to take decisions and drive policies.
3. Democratic institutions and procedures largely remain valued by South Africans but there are risks to their continued protection.
4. Adherence to the present economic framework fails to generate growth and employment, resulting in persistence of poverty and inequality.
5. South Africa experiences a deepening fiscal crisis
6. An expanded social protection system assists to marginally alleviate poverty but does not reach everyone and is threatened by an absence of economic growth.
7. A conducive environment for business cultivates expansion of new businesses and promotes investment
8. There is declining accountability and social responsibility of the private sector, limiting partnerships for collective good
9. We face increasing climate fragility and natural resource insecurity, with an emerging policy response to diversify energy sources and facilitate a just transition from fossil fuels.
10. Emerging technologies and innovations present opportunities but are not maximised or managed for benefit and we witness an increasing digital divide.
11. Historic trauma and depth of woundedness impact national cohesion, psychological wellbeing, and the institution of the family.
12. The persistence of patriarchy and gender-based violence obstruct gender equality and prohibits empowerment of women.
13. Anger and distrust manifest in the persistence of a violent society and the rise of identity politics, with high probability of continued social.
14. Civil society continues holding the state to account but, without meaningful inclusion of youth voices and perspectives, there is increasing risk of citizen passivity and disengagement.
15. Continued high youth unemployment leads to social dislocation and youth alienation.
16. Politics remains driven by party politics and rivalries rather than by policies and solutions.
17. The ANC is still characterised by intra-party conflict and factionalism, undermining public confidence, generating political instability and increasing the complex nexus of party, government and state.
18. A culture of corruption and unaccountability undermines the collective project for a common good.
19. Society remains fractured with an absence of spaces and political will to build social cohesion.
20. There is lack of progress on land reform and restitution
21. The duality of the education system persists and does not provide learners with skills for success
22. The economy and livelihoods remain impacted by the COVID-19 pandemic, with an expansion of the informal economy and the need for a rebuilding of the creative and other industries

23. Regional integration remains on the policy agenda, but leadership, capacity and infrastructural constraints limit realisation of the African Continental Free Trade Agreement (AfCFTA).
24. South Africa's economic fortunes remain dependent on global geopolitics and international diplomatic and trade relations.
25. Immigration control and the intra-regional migration of people remain contentious, with migrants facing continued vulnerability and scapegoating in a context of the poverty facing many South Africans.

26. There is emergence of new local and global security threats.

The Reference Group, and many of those interviewed, met to rank the identified variables, which had been synthesised from the interviews and desk top research and refined by the Indlulamithi Executive Committee and the Board of Trustees. The results of the ranking are indicated below (with a section of the axis showing the intersection between high impact and high uncertainty amplified):

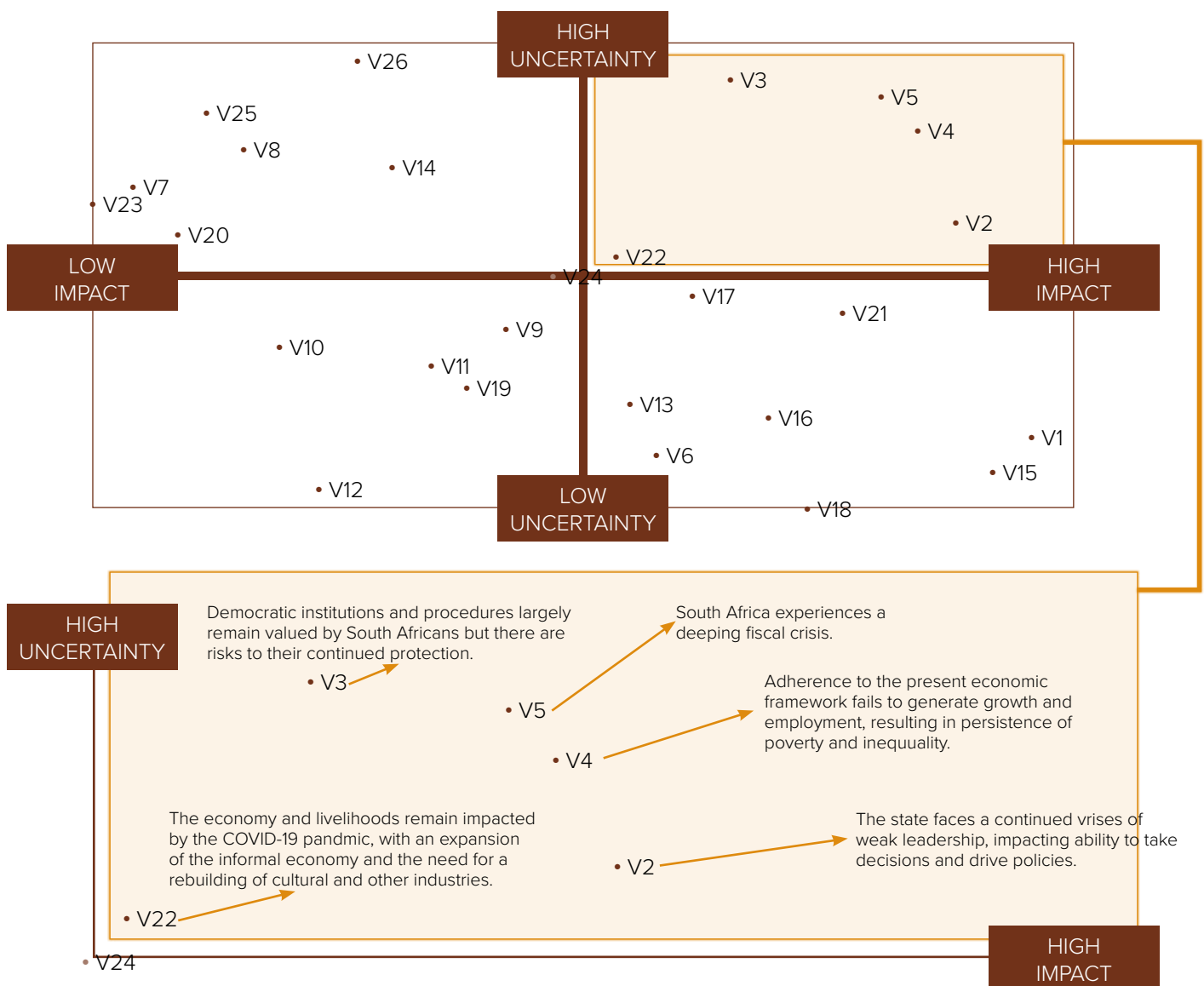
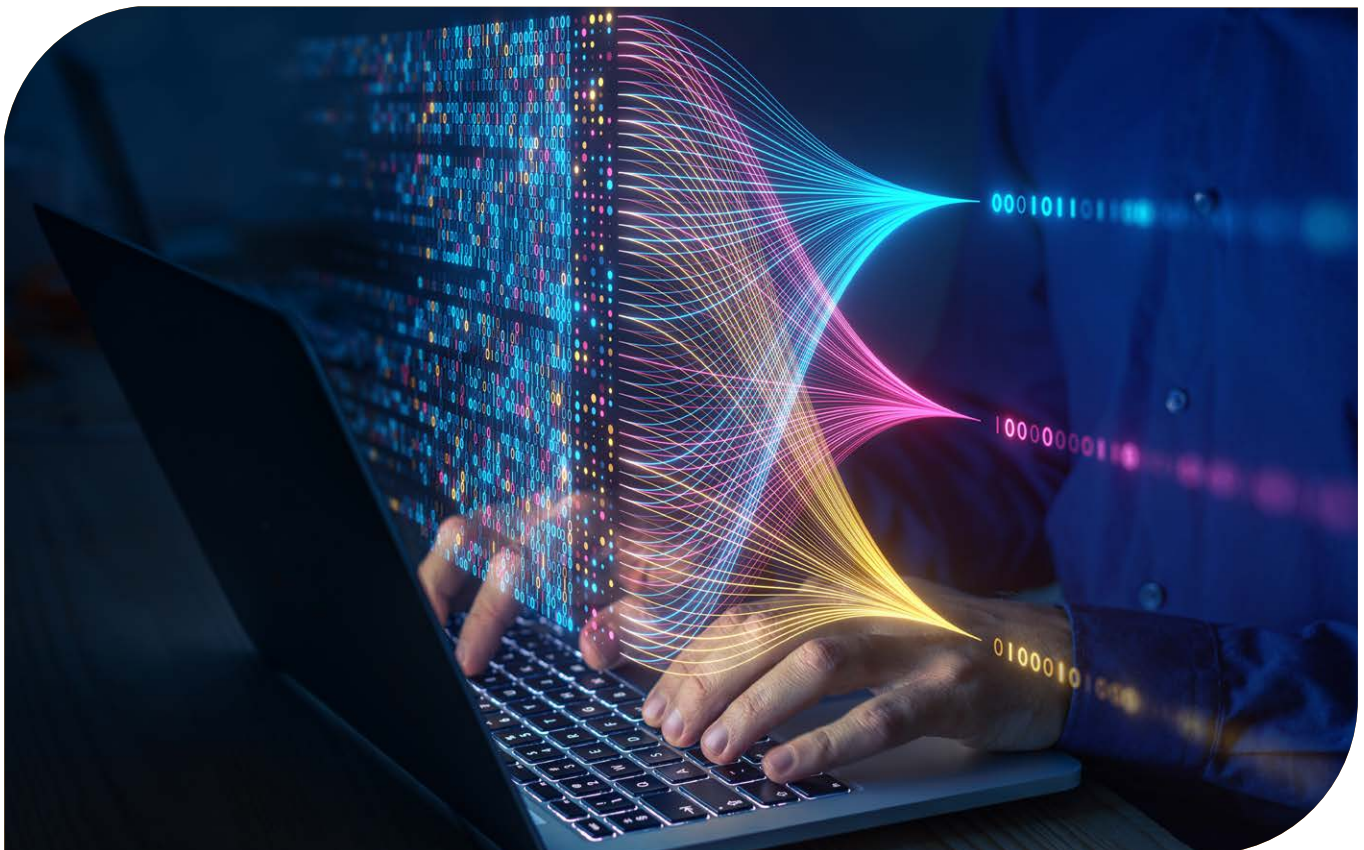


Figure 5/ High Impact – High Uncertainty Variables

The correlation and causal relations between variables become clearer in the section where these are grouped according to related KDFs. However, for each of the KDFs, it was recognised that the nature, capacity and functionality of the state was of central concern. Hence when looking at three key drivers it would be critical to 'centre' the state in our consideration of the scenarios. The dimensions of the state that were highlighted include:

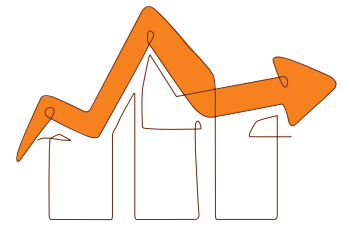
- The sense that there has been an embedding of culture of corruption, manifesting in a lack of ethical behaviour and general sense of not being accountable to society.
- Lack of clear leadership – the articulation of plans and visions and the communicating of metrics and targets - and erosion of productive capacity, partly due to the absence of negative consequences for non-performance - within the state is an increasing concern.
- Institutional capacity and legitimacy seems to be eroding at an increased pace: the provision of public services is disintegrating, with weak municipal government capacity felt immediately and acutely by citizens across most local government authorities (LGAs).
- A growing sense of 'fragility' across all three tiers of government, but less so in terms of the judiciary, even if other parts of the justice system – policing, prosecuting, the prison and parole system seem every day closer to the cusp of collapse.
- There is particular concern about the capacity of the state to manage the emergence of new local and global security threats including organised crime. While South Africa is a very long way from becoming Haiti, even Haiti was not as much of a 'failed' state a generation ago.



Three Key Driving Forces (KDFs)

KDF 1: Low Economic Growth Trap

The extent to which South Africa can disentangle itself from a long-term low economic growth trap.



The current economic framework continues to fail to generate growth and employment, resulting in the persistence of poverty and inequality, and a deepening fiscal crisis. The informal economy has grown, but that is due mostly to the formal sector's stagnation given the low internal rates of savings, weak domestic investment, poor terms of trade and declining productivity. Emerging technologies and innovations present opportunities but these are not fully exploited - digital and new technology divides are growing. South Africa is in a low economic growth 'trap' with the development of what the IMF sees as 'increasingly binding infrastructure and logistics bottlenecks'. These factors are creating negatively reinforcing cycles, as the country's economic fortunes remain overly dependent on global geopolitics and international trade relations. As such, South Africa's economy and the livelihoods of the population remain impacted by the COVID-19 pandemic long after other economies have fully recovered from the pandemic, or, put differently, the pandemic set in motion a vortex of factors that make achieving high levels of economic growth – the 5% to 6% rates achieved in 2002-2006 – unlikely. With approximately 700,000 new entrants to the job market every year, 5% to 6% rates of economic growth are required just to keep unemployment at its current high levels.

KDF 2: State weakness and declining democratic accountability

The extent to which the capacity of the state and its efficacy and accountability can be rebuilt.



State institutions and the provision of public services disintegrate further, with weak municipal government capacity felt deeply by citizens. Democratic institutions and procedures remain highly valued by South Africans but there are growing risks to their credibility and support. Weak leadership across all three levels of government is impacting the ability to make decisions and drive policies. This is mirrored by a declining sense of accountability in some of the private sector, limiting once-promising partnerships for course correction. Civil society is fractious and sometimes insular; most Non-Government Organisations (NGOs) are small and trade union membership is in steep decline. A culture of corruption and unaccountability undermines economic growth and social cohesion; new approaches and systems that nurture and reward accountability and ethical leadership struggle to take hold.

KDF 3: Internal security threatened by anger, distrust and factors such as resistance to renewal

The extent to which South Africans can find each other.



Anger and distrust manifest in the persistence of a violent society and the rise of identity politics, with a high probability of continued social unrest. Historic trauma and depth of woundedness impact national cohesion, psychological well-being, and the institution of the family. Women endure ongoing discrimination, everyday sexism and high levels of violence and coercive control. Society remains fractured with an absence of spaces and political will to build social cohesion. Continued high youth unemployment leads to social dislocation and youth alienation. While some elements within civil society continue to try to hold the state to account, there is an increasing risk of citizen passivity and disengagement. Without more meaningful inclusion of young voices and space for the fuller participation of women and girls, alienation could become endemic. Immigration control and the intra-regional migration of people remain contentious, with migrants facing continued vulnerability and scapegoating. Global crime syndicates and states with malevolent intent seem to be the only entities significantly increasing their investment in South Africa. These bad actors are exploiting and driving social unrest, and exacerbating social division where they can.

<https://www.imf.org/en/News/Articles/2023/03/21/mcs032223-south-africa-2023-article-iv-mission>

After the KDFs were synthesised, Indlulamithi SA Scenarios partnered with the Department of Planning, Monitoring and Evaluation (DPME) and the Human Sciences Research Council (HSRC) to host a roundtable that was conceived as a platform to:

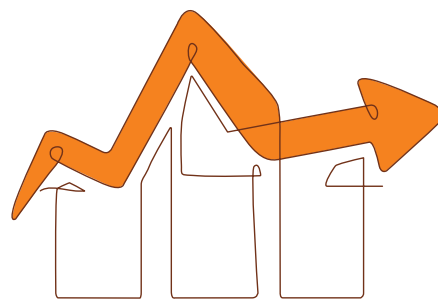
- engage relevant stakeholders on the state of government planning;
- explore strategies and mechanisms for improving planning;
- focus on specific thematic areas that are priority areas for South Africa's development as highlighted in the preliminary work on the Indlulamithi Scenarios 2035;
- surface new knowledge relevant to the identified KDFs.



Variables grouped according to the Key Driving Forces (KDFs)

In this section, the 26 variables derived from stakeholder workshops, interviews and consultations are grouped according to the Key Driving Forces that they inform.

KDF 1: Variables for Low Economic Growth Trap.



V4. Adherence to the present economic framework fails to generate growth and employment, resulting in the persistence of poverty and inequality.

The continuation of the current economic framework deepens inequality and fails to produce the growth and job creation needed to transform South Africa's economy. Our economic path continues to produce persistent, long-term unemployment, particularly amongst the youth. It also fails to deliver inclusive development, support entrepreneurship, or provide economic opportunities for those in rural areas. There is also an absence of engagement with alternative models/approaches.

As such, many see the continued de-industrialisation of South Africa and a failure to maximise our capabilities and strengths as a long-term threat. BEE has not generated inclusive outcomes. Lack of economic growth undermines the ability to tackle poverty and unemployment, fuelling economic exclusion and deepening inequalities in income and ownership. It becomes increasingly difficult to turn around the informalisation of work that results from poor economic conditions, further reducing the size of the formally employed population of taxpayers.

As a consequence of this, the most secure jobs are in government. National and provincial governments employ about 1.2 million permanent staff, making them the country's largest employer by a considerable margin. The three tiers of government and state-owned enterprises together spend more than R900bn a year on goods and services and are thus the largest procurer of goods and services in the country. Could more be done to leverage this buying power to stimulate the right kind of job creation and shifts in ownership patterns, e.g. through creating more medium and smaller-scale suppliers?

Innovative thinking is needed because the two main industries – agriculture and mining – that once absorbed high numbers of low-skilled labour are now in steep decline. From its peak of 760,000 mining jobs in the late 1980s, the total number of jobs now stand at 460,000. Some mining sectors have added tens of thousands of jobs since 1994, particularly the Platinum Group Metals and coal mining. However, gold mining has declined from being a sector with more than 360,000 workers at the dawn of democracy to just over 100,000 gold mining jobs now. Agricultural employment is also down its early 1990s levels, although some areas like marketing gardening and game farming have shown solid employment growth. Fishing

and ocean-related jobs are by contrast in steady decline.

South Africa's economy is of course characterised by multiple and deep path dependencies and high levels of concentration. The Competition Commission has reported that in a large number of key markets, a single firm can have a market share in excess of 45%, which, coupled with significant barriers to entry for new start-ups, also stalls innovation and job creation. And we are creating less diverse products – 60% of our merchandise exports are from resource-based industries (CCRED 2018).

A wide range of research and analysis suggests that the growth of smaller businesses in South Africa could create both skilled and unskilled employment at scale. Currently, small businesses are only generating about 30% of South African jobs, well below global averages for job creation by smaller business. How can South Africa better encourage and support start-ups and small businesses, that employ 5 to 15 people on average, while still encouraging larger enterprise to grow?

Possibly one of the most poorly understood challenges in 1994 was what apartheid spatial geography really meant for the economy, even in the narrowest sense of the cost of commuting. South African commuting distance and time are far longer than most other countries, as apartheid planners placed working-class townships far

from white city centres and confined 90% of the population to 13% of the least arable land via the Bantustan system. Many South Africans still have to travel long hours and substantial distances for work, which acts as a kind of 'mobility tax' on income. As outlined by Shah (2022), while direct commuting costs were 17% of net wage income, the total cost (including the opportunity cost of time when commuting) averaged 57% of net wage income. These are averages across all workers and do not even count those who cannot afford to get to work.

The picture looks much worse for low socio-economic groups as the ratio of transportation costs to wages is highly regressive. While direct costs of transport to work represented more than 35% of labour income for those in the lowest income quintile in 2010, they represented less than 10% for those in the highest quintile of the income distribution.

At the same time, these long-term legacies of apartheid have created one of the few opportunities for black entrepreneurship in both pre- and post-apartheid. Besides allowing entrepreneurs to establish their own businesses, the industry is responsible for an estimated 960,000 jobs – three direct jobs per taxi and ten indirect jobs per vehicle, according to the Department of Transport. The South African Federation of Trade Unions is demanding that the taxi industry be formally recognised, protected and regulated.



A key and central crisis is transport

The positive impact of resuming passenger rail services on the livelihoods of commuters who spend over 40% of their income on transport cannot be overstated. We have saved commuters thousands of rands in travel costs, as a train ticket costs less than a litre of petrol.

‘For example, a trip from Germiston to Johannesburg now costs just R7.50, easing the financial burden on commuters. These efforts underscore our commitment to stimulating local economies and long-term prosperity,’ Hishaam Emeran of PRASA told SANews.

The Daily Investor looked at South Africa’s rail passenger transport over the past 13 years, which revealed a severe decline in the service millions of commuters used to depend on. In 2010, rail passengers completed over 500 million journeys. This number has since declined to just over 19 million journeys in 2022. Passenger rail transport and freight logistic rail show just how terrible the flood of crime and corruption is in rapidly degrading a country’s economic capacity.

PRASA, which is responsible for 2 228 kilometres of rail tracks countrywide, has been in the process of rebuilding the passenger rail infrastructure and refurbishing vandalised stations across the country. But rail has effectively been incapacitated. It starts with the impact of cable theft on commuter safety at stations and on trains and extends through some of the largest scale fraud and corruption perpetrated by South Africa through state capture. It is made worse by various ‘construction mafias’ inhibiting the rebuilding of rail lines. To what extent South Africa is able to turn this around will be key to the country’s future?

V5. South Africa experiences a deepening fiscal crisis.

Growth in South Africa has been anaemic in recent years. South Africa has managed to grow its economy by only an average of about 1.75% per year between 2010 and 2019. This recent long-term average is even lower if the Covid-affected years of 2020 and 2022 are included. The average annual growth rate in the first 15 years after 1994, by contrast, was closer to 3.3%. For the three years from 2005 to 2007 South Africa grew by 5% or more every one of those years. For South Africans, collectively, at least we know it can be done, because we’ve done so relatively recently. At the end of 2007, the ANC elected Jacob Zuma

as President, of party and then country, setting in motion what has come to be known as state capture, which enabled surges in corruption at every level of government and in State Owned Enterprises (SOEs). This happened in the aftermath of the world economy’s worst financial crisis in a century, the Global Financial Crisis (GFC) of late 2007 and into 2008/9. This set up the conditions that has pushed South Africa into what has become a persistent low growth trajectory.

National power generator Eskom’s failure has many fathers, but corruption and maladministration are key to understanding Eskom’s role in limiting the economy to lower than 2% per annum growth in the 2010s and into the 2020s. This while other

developing economies and many other African countries have seen their GDP growth rates soar.

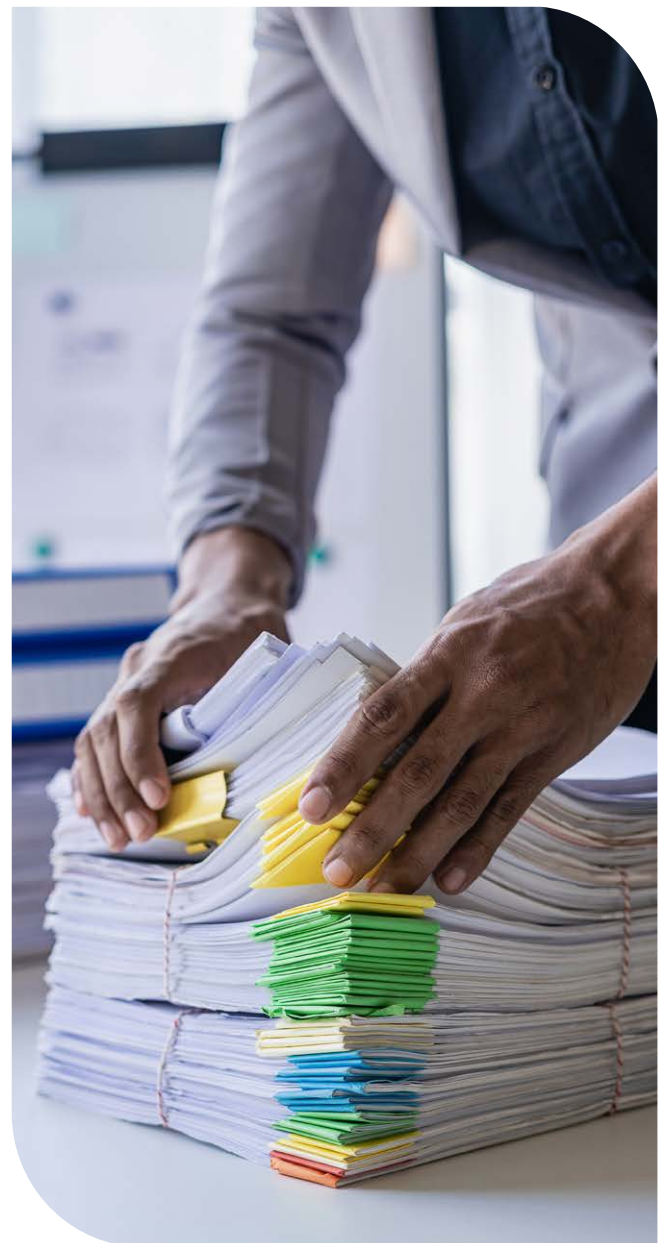
All of this creates significant macroeconomic and financial stability risks. South Africa has a very small tax base with about 7.1 million individual taxpayers in 2023, down from 7.4 million a year ago. Although corporate and consumption taxes raise the majority of tax revenues, this shrinking individual tax base does not bode well for the revenue side of the national income statement because just over one third (35.5%) of all revenue collected in 2023 came from personal income tax, while corporate tax directly contributed 20.7% of total tax income.

SARS broke through the R2 trillion level of revenue collection in 2023 for the first time and by all reports is functioning at a high level of efficacy. As was seen in the state capture years, one of the most significant risks to any country's future is maladministration and corruption in tax revenue authorities and, as Greece demonstrated through the 2010s, there are dire consequences if tax evasion is high, and collection rates are low, in terms of a country's balance sheet and cost of borrowing.

High unemployment and deepening debt trajectory risks also produce austerity and weaken South Africa's control over its economic policy direction. Lack of economic growth and the consequential impact on social instability triggers disinvestment. Some economists see debt breaching 100% of GDP by 2035, but on recent trends, that might be too pessimistic.

Overall gross loan debt is projected, by the South African Reserve Bank, to stabilize at 75.3 % of GDP in 2025/26. But South Africa currently needs to borrow about half a trillion rand a year (R553b in 2023/4) to add to all the tax collected to fund the annual budget. This need to borrow heavily is partly because the cost of servicing current debt is eating up about 22% of all tax revenue collected each year. By how much debt service actually costs the country relative to income and how much

that can be reduced by in future years will tell us a lot about South Africa's overall financial health. There will continue to be risk and anxiety about South Africa's macroeconomic and financial stability risks well into the future. Will our credit ratings improve and the cost of borrowing increase or decrease? Given our low domestic saving rates, can we reduce our reliance on foreign investment – and the huge risks of capital flight? How can we bring down inflation to within the Reserve Bank target range but also grow the economy to get out of the 'close-to-recession' GDP performance?



A key shaper of scenarios for South Africa's economic futures and any growth scenarios is the role, functioning and independence of the Reserve Bank. As the governor of the Bank put it in 2023, much depends on having a sensible debate economic policy more broadly, and not making the Reserve Bank a scapegoat for the country's economic woes. The South African Reserve Bank Governor Lesetja Kganyago captured it as follows:

'In South Africa, our central bank mandate, laid out in the constitution, is to protect the value of the currency in the interests of balanced and sustainable growth. Much as I admire open discussion, it isn't helpful to question and criticize the role of the central bank. Diversity of opinion is important, but not everything needs to be pulled apart. As advanced economies face inflation dynamics that more closely resemble patterns in emerging markets, this distinction—between the things that require conviction and those that need debate—could be helpful. Monetary policymakers are making tough decisions, with inadequate information and high stakes. Critics will ignore the complexity and just assert that central banks can't see the facts. Central banks should reiterate their strategic goals—clearly, patiently, and backed by good evidence. What consensus you can muster should be nurtured, not feared as a sign of groupthink. By contrast, when it comes to tactics, you need to be open and willing to change your mind.'

~ South African Reserve Bank Governor Lesetja Kganyago, March 2023

V6. An expanded social protection system assists in marginally alleviating poverty, but does not reach everyone who needs it, and is threatened by an absence of economic growth.

An expanding social protection system and possible provision of the basic income grant provides important, if marginal, relief of poverty, acting as a critical safety net for vulnerable households. More than 17 million South Africans are assisted through the provision of social grants, the vast majority of whom are children. These grants – including so-called non-contributory social assistance cash grants, including old age pensions, disability grants, child support and foster care grants, and care dependency and war veterans grants have contributed to substantially alleviating poverty. For example, as individuals receiving grants increased from only 13% of the population in the early 2000s, to more than 30% of the population by 2017, the number of households experiencing

hunger decreased from 24.2% in 2002 to 10.4% in 2017 which is a solid indicator that these cash transfers are having a positive impact. A shift toward a more substantial welfare system in the country is unlikely for the foreseeable future due to the prioritisation of reducing the current national deficit and the introduction and roll-out of free higher education. Social grants may become increasingly unaffordable if economic growth remains slow and the number of grant beneficiaries continues to rise.

While the range of grants exist, the system does not reach all those in need, such as migrants and large sections of the youth who are not in employment, education or training. The impact of the social protection system on poverty thus remains limited. Social protection in the absence of economic growth, moreover, does not provide a longer-term solution to the deep challenges of poverty, unemployment and inequality.

According to the Institute for Economic Justice (IEJ), South Africa's de facto system of universal basic income (UBI) albeit at an extremely low level has the potential to be transformed into a universal basic income guarantee (UBIG). This has led to considerable policy debate and a good deal of research, even though there is scepticism in some quarters about the feasibility of a UBI in South Africa. South Africa now has four times as many grant recipients as individual taxpayers, and the core issue is the affordability of UBIG. But long-term structural unemployment and future disruptions to the world of work due to AI make a strong case for some form of UBI or UBIG.

This does need to be counter-balanced with grant recipients strongly expressed preferences for having access to jobs and ways of improving their household prospects and income over time. Poverty reduction strategies need to be multifaceted and combine grants with support services in ways that allow recipients more agency and greater prospects for longer-term social mobility and independence.

In South Africa, as structural change to our economy is rapidly increasing the importance of the informal sector, we also have to work out how those accessing grant can also access seed capital via small scale loans or lines of credit and be able to access some mentoring to gain a foothold in the real economy.

V7. A conducive environment for business cultivates the expansion of new businesses and promotes investment

Economic growth, job creation, higher tax revenues for government all originate in investments, either by locals or by international investors. South Africa, post 2019, purports to be 'open for business' but this has not yet unlocked international investment, nor the kinds of levels of domestic investment that will spur the creation of large-scale manufacturing, mining or agricultural enterprises, and the jobs

they would bring. The kind of circumstances that might encourage investment and build the confidence of domestic and international investors to re-capitalize South Africa are still evolving.



For higher levels of investment to occur, it is widely agreed that any state, including South Africa, has to provide at minimum clear and appropriate regulatory frameworks and fair and just adjudication of disputes. Fortunately, South Africa is fairly strong in this regard: legal frameworks are stable and investors can rely on law and courts to protect intellectual property and resolve legitimate contractual contestations. And while private property is still relatively well protected, the June 2021 insurrection massively soured the mood of domestic and potential foreign investors. The events of that month saw thousands of warehouses, malls, shops, ATMs, private homes, lorries, trucks and private cars destroyed (with an estimated total loss of over R50 billion).

Investors also rail against policy inconsistency in what was once South Africa's economic engine: mining. Uncertainty around ownership of mining rights, prospecting, labour laws, general security and crime have undoubtedly deterred investment. One of the starkest indicators of South Africa's inability to attract investment is that the mining sector attracted about 5% of the total global mining exploration spending in 2004; just 20 years later, in 2024, this has fallen to 1%.

The Fraser Institute ranked South Africa only 57th among 62 of the best places for mining investment in 2022 in their 'Investment Attractiveness Index'. Botswana ranked 10th, and Namibia 38th. Both Ghana and Côte d'Ivoire (at 30th and 33rd respectively) are improving their attractiveness to foreign investment despite South Africa's abundance of minerals and plentiful supply of labour.

Recently, Zambia announced eight major new mining investments totalling US\$7 billion of new investment since 2021. Recently, South Africa's net new mining investment has been effectively zero. South Africa is still the world's biggest producer of platinum and chrome, and still a leading producer of gold and diamonds, but in 2023, 5 326 applications for prospecting and mining permits and rights, cessions and renewals had been held up in the South African regulatory approval system. Several questions are being asked about how South African systems have become so slow and unresponsive.

Of course, investors also crave macroeconomic stability – including stable currencies, low inflation, and sustainable debt levels, but not as much as they crave and demand policy stability. Consistency is especially needed in terms of tax regulations, tariffs, and labour laws.

Other core issues for both domestic and foreign investors include good quality infrastructure, or, at least, infrastructure that is not steadily deteriorating, as has happened in South Africa

with transport infrastructure. Eskom's woes, which have attracted global investor attention for years, have deterred prospective investors. Additionally, there are perceptions that South Africa's labour laws are too inflexible, and workforce skills are too low, with limited investment in vocational training. Of course, crime and headlines that suggest that South Africa has the highest murder rate in 2023 for 'any country not at war' need to be tackled.

But there are many positives. PwC's 2024 Private Business Attractiveness Index suggests that even with operational challenges, South Africa is becoming more attractive to private business when compared to other countries in the Europe, Middle East and Africa region. The Index ranked South Africa 23rd out of 33 countries surveyed in 2023, compared to South Africa's COVID-19 period ranking of 31st in 2021. South Africa now ranks higher than Kenya (32nd) and Nigeria (33rd).

In an increasingly technology- and data-driven world, South Africa needs a strong digital infrastructure to help its overall attractiveness to investors.

Some economists, given the dearth of Foreign Direction Investment heading South Africa's way, suggest that South Africa urgently explores tax incentives, and protections, as it does for its domestic motor industry, and a wider range of subsidies.

All this could help not only to grow the economy and create jobs, but also to diversify the economy, and this in turn could help reduce high ownership concentrations by introducing more competition. Growing economies, in turn, generate increased tax revenues. Strong growth could also help de-racialise the economy further, especially if BBB-EE could be implemented in more co-constructed ways, with government and industry working together to deliver deep transformation over time.

South Africa also has a powerful resource to draw on in terms of the National Development Plan. As a recent commentary captured presciently:

South Africa also has a powerful resource to draw on in terms of the National Development Plan. As a recent commentary captured presciently:

'Few things have been as potentially catalytic for a democracy such as ours, as the crafting of a national long-term plan and the deliberate location of such a plan above the vagaries and the volatile moods of party politics, and above the vicissitudes of unpredictable elections and the tendency of government administrations to be obsessed with short-term vanity projects. In the developmental trajectory of a country such as ours, few long-term interventions are as pivotal as the meticulous mapping and constant and consistent deployment of a long-term national development plan, including the articulation of the same plan across geographical spaces, across all spheres of government, across the populace, throughout the period that has been set out. No effort should be spared in ensuring that there is coherence between the long-term and the short-term, between local plans, masterplans and the national plan, conjuring up a constant cross-pollination of ideas and a synchrony of actions, tactics and strategies, so as to produce the best-case scenario.'

Tinyiko Maluleke, Deputy chair of the National Planning Commission - May 2024

V8. There is declining accountability and social responsibility in the private sector, limiting partnerships for the collective good

The resilient and sustained growth and development of South Africa's socioeconomic terrain depends on collaborative relationships across all societal actors. South Africa's private sector is crucial to the country's inclusive growth aspiration. Low confidence and the lack of a development posture within the private sector, also indicated by declining rates of domestic investment, however, inhibits the forming of partnerships for socially responsible and inclusive development.

In the context of low growth and attempts at rent-seeking and a focus on securing public sector contracts seem to have become a predominant form of capital accumulation; there are limited attempts to grow a dynamic and independent capitalist class/middle class outside of state procurement channels. At the same time, lack of a

responsive state leads to a declining commitment to social responsibility in a private sector that does not see a return on investment in forming more socially responsible partnerships. The exchange of rents and patronage between private and public sector actors thwarts growth.

One of the most fraught social questions in South Africa over the last 30 years has been that of upward mobility: who does and does not get access to the country's middle class? Due to their overwhelming presence in the economy, state agencies have a great deal of sway in this regard. Who becomes a salaried civil servant? Whose business flourishes because of state contracts? The answers to these questions are the major determinants of class mobility in South Africa and part of South Africa's challenge is to diversify its economy and allow a wider range of entrepreneurial inducements and opportunities for all, regardless of their interest or connection to 'politics'.



V9. We face increasing climate fragility and natural resource insecurity, with an emerging policy response to diversify energy sources and facilitate a just transition from fossil fuels.

Climate change associated with the use of fossil fuels makes Southern Africa vulnerable to the consequences of environmental degradation. There are severe risks of both water and food insecurity in the longer term, as large parts of the country's agriculture could be impacted by climate change. This exacerbates poverty amongst the most vulnerable, as well as increased risk of political instability as food price increases. As South Africa's energy system has been designed to maximise the endowment of coal, the transition to a green economy requires South Africa to tap into its vast, renewable solar and wind resources. However, movement away from fossil fuels and diversification into renewable energies is inhibited by insufficient development of the relevant

technologies, requiring continued use of gas as a transitional fuel.

This is framed by an emerging international context of increased demand for fossil fuels as a result of the Russian-Ukrainian conflict, and a pause in the moves away from nuclear power by countries like Germany. Developing a clear and responsive energy policy that can adapt more flexibly to changing conditions and technological shifts is required to diversify South Africa's energy sector and to move to a sustainable future. This must be accompanied by the framework of a 'just transition' to a low carbon economy in order to prevent deepening inequalities and poverty. South Africa's development of a 'transition roadmap' will enable careful planning, maintaining not only energy security, but expanding national abilities in areas of the green economy and ensuring the creation of jobs in transitioning from reliance on coal.

Peak emissions?

The accelerating shift toward clean energy technologies means global greenhouse gas emissions may fall in 2024. Recent analysis from the International Energy Agency (IEA), based on the stated policies of governments, suggests emissions may in fact have peaked last year. The finding is supported by analysis from Climate Analytics, which found a 70% chance of emissions falling from 2024 if current growth in clean technologies continues.

A growing number of major economies have passed their emissions peaks, including the United States, the European Union, the United Kingdom and Japan. China is currently the world's biggest emitter, contributing 31% of the global total last year. But explosive growth in clean energy investments mean China's emissions are set not only to fall in 2024, but to go into structural decline.

What's more, China is currently undergoing a boom in clean energy manufacturing and a historic expansion of renewables – especially solar. Similarly explosive growth is expected for batteries and electric vehicles.

A peak in global emissions is cause for optimism – but it won't be nearly enough. Greenhouse gas emissions will still accumulate in the atmosphere and drive catastrophic warming, until we bring them as close to zero as possible.

The Intergovernmental Panel on Climate Change warns global emissions must roughly halve by 2030 to keep the 1.5°C goal within reach. The task is monumental, but possible.

<https://www.carbonbrief.org/analysis-global-co2-emissions-could-peak-as-soon-as-2023-iea-data-reveals/>

South Africa's average carbon emissions are currently about 8.9 tons per capita, which is amongst the highest per capita emissions in the developing world (global average is about 4.9 tons per capita). The share of coal as South Africa's primary energy consumption was 70% in 2014, way above the global average of 30% partly because about a third of South Africa's liquid fuel are produced from coal by companies like SASOL. Climate change is already impacting South Africa. It was estimated that South Africa's water demand will exceed supply by 17% by 2030. South Africa is a water scarce country, and climate change is expected to worsen the country's water shortage. South Africa's average annual rainfall is almost half of the global average and almost 40% of fresh

water is lost through decaying water infrastructure and inefficient leaking pipes, particularly in smaller municipalities.

Food security and the lack of potable water affect the poor far more than the middle classes. It is likely that climate change will also result in 'climate refugees' from other African countries seeking safety in South Africa. We may see conflicts over natural resources escalate because of the decreasing resources and increasing demand. Africa has relatively low adaptation and coping capacity to climate change and extreme weather effects and is arguably more vulnerable to impacts of climate change than any other region.

V10. Emerging technologies and innovations present opportunities but are not maximised or managed for benefit and we witness an increasing digital divide.

Emerging technologies have the potential to accelerate development in less-developed economies. However, training and upskilling will be crucial in leveraging the opportunities presented and limiting inequalities. South Africa will also be in the midst of the fourth industrial revolution, with pockets of excellence where emerging technologies are improving lives, but there are fears that the lack of a skilled-enough workforce will limit take up of new employment opportunities and South Africa's ability to compete internationally.

South Africa, like many countries in the Global South, is an importer rather than an exporter of emerging technologies like AI, new energy systems, quantum computing and nanotechnology. While technological change has created jobs in sectors such as warehousing and distribution logistics (e.g. Uber and food delivery couriers), it may also result in a large loss of employment in some low-skilled sectors and in jobs with repetitive tasks that AI and robotics can do more cheaply, further entrenching inequalities.

The issue of equitable access to good quality internet connectivity will also remain a concern. Less-resourced communities that are technologically under-developed and disconnected from the digital world will be increasingly disadvantaged. Currently, most South Africans cannot afford to connect except for short periods, due to high data costs and a lack of internet-enabled devices. Completion of the shift from analogue to digital television will also shape digital inequalities. The high cost of data will continue to burden the poor as a large portion of people are locked out of meaningful digital access by the oligopolistic pricing strategies of data providers. The COVID-19 pandemic has fast-tracked changes to the world of work, introducing not only hybrid and flexible

workplace practices, but also a surge in the so-called 'gig economy'. This creates opportunities for new working patterns but also risk of extreme exploitation.

V21. The duality of the education system persists and does not provide learners with skills for success

South Africa continues to experience an exceedingly unequal education system, shaped by historic markers of inequality and vast disparities in teaching, resources and infrastructure, both between and within the public and private school systems. COVID-19 has rendered these disparities particularly visible and has resulted in a large number of learners from previously disadvantaged areas dropping out of school. The disintegrating quality of education continues to undermine the realisation of human potential from early childhood development onwards, limiting the prospects for young people to transition to adulthood and join the formal economy.

The logic of the education system continues to assume that completion of matric or a tertiary qualification ensures readiness for the work force. High youth unemployment, however, points to the severe limitations of the basic education system in preparing learners to enter tertiary education or the job market, or to earn a living through self-employment or entrepreneurship. Many children with disabilities are excluded from the school system.

Often, the curriculum does not sufficiently equip learners with the necessary skills for success or to participate meaningfully in the economy or society. A lack of skills diversification and insufficient cultivation of technical, vocational, and creative skills severely limits post-school opportunities. Tertiary students also struggle to find work upon graduation.

The National Student Financial Aid Scheme (NSFAS) is beset with issues and marred by

maladministration and corruption and cannot meet demand, while even those who are able to access NSFAS funds are unable to complete their tertiary education. The quality and content of the school curriculum doesn't allow much leeway for learner diversity, nor is it particularly successful at building entrepreneurial skills and encouraging students to acquire business skills. There is also need for concerted integration of technological skills amongst youth to limit the digital divide.

South Africa will see steady improvement in early childhood development outcomes, with positive implications for early learning and intergenerational poverty. Since 2000, South Africa has seen a considerable improvement in access to early childhood development (ECD). Grade R, a national system of provision for children aged five to six years has now been fully implemented, despite the inequality in standards between public schools and community-based facilities. Various qualifications and career paths now exist to improve the quality of teaching and also establish career paths for ECD teachers. One of the major challenges to successful ECD interventions is getting consistent collaboration across tiers of government and private services sectors. While health interventions for ECD are implemented by the state, other programmes rely on NGO support. However, the ECD NGO sector is over-stretched, under-resourced and fragmented.

The National Integrated Early Childhood Development (NIECD) Policy was approved by Cabinet in 2015 and seeks to introduce, before 2030, a package of birth registration, free basic healthcare and nutrition for pregnant women, infants, and young children and various preventive and curative maternal, infant and child nutrition services. Increasingly, free food is provided in some form at public schools and community-based facilities. Improved nutrition for young children is essential for their immediate well-being, but also for its impact on a child's long-term physical and mental development which in turn influence performance in the class room, on the sports

ground and labour market productivity as adults.

Investing in ECD has been proven to be one of the most effective means of alleviating poverty in the long-term as the first 1 000 days of a child's life determine much of a child's future development pathways. There will be continued success in access to basic education but concerns over quality and equity will persist.

Most South African children now do get to go to primary schools as enrolment approaches 100%, but the quality of education for most black children depends sharply on area and socio-economic status of parents. In many poorer and mostly black communities, schools are still substandard, textbooks are seldom delivered, and teachers are not motivated nor well-supported. Poor communities also cannot support their schools and school governing bodies (SGBs) to the same extent as wealthier communities. Despite the near 100% enrolment rate, less than half of any given Grade 1 cohort goes on to pass matric and complete schooling successfully. In the poorest 80% of schools, only 1% of learners in grade 8 will go on to pass matric and obtain a C symbol or higher (60%) for mathematics and science. As good maths and science marks are prerequisite for most degree programs at university, poor pupils, mostly black, are severely disadvantaged.

An emerging key issue is that mother-tongue education in the early grades has been shown to significantly improve school outcomes. Current policy proposals recommend that the first three grades at school are taught in the learners' mother-tongue across South Africa, with SGBs deciding on when to transition to English. The use of mother-tongue teaching is inhibited by a lack of resources, poor support from curriculum developers, poor teacher support and training.

Shifting the provisioning of resource to the first three to six years of schooling could greatly improve high school outcomes, as well as university success rates. Increased access to tertiary education will

result, over time, in greater youth absorption into the skills-based economy.

Almost one million students are now enrolled in South Africa's universities, with approximately a further 800,000 in vocationally oriented TVET colleges. Five South African universities are included in the world's top 500 rankings, viz the University of the Witwatersrand, the University of Cape Town, Stellenbosch University, the University of Johannesburg and the University of KwaZulu-Natal. At universities, nearly 60% of all students are women, and about 70% are black South Africans. But despite these impressive numbers, only 26% of students are able to complete their bachelor's degrees in the requisite times, and many have to add an extra year or two or three to complete their degrees. Sadly, a large proportion of university students leave without any formal qualifications, i.e. do not complete their studies: through-put rates need urgent attention, and coherent plans to address the root causes of high attrition, especially among 1st year students.

TVET and private college graduations – at around 150,000 people per year – are not keeping pace with the needs of the South African economy. Students prefer trying to get into universities (despite the high failure or non-complete rates), as TVET colleges have a poor reputation in some areas. There is a perception that TVET students have higher rates of graduates struggling to find work, at least in some provinces. In response to the 'Fees Must Fall' protests, government announced in December 2017 new policies to subsidise free higher education for poor and working-class students. Students studying at (TVET) colleges started to receive fully subsidised free education and training in 2018, while students at university from South African households with combined incomes of R350 000 are now funded for a first degree at no cost.

The Indlulamithi youth focus groups highlighted many issues with the struggling TVET sector including the struggle to find jobs with the

qualifications obtained. It is possible that if the policy on free education for poor students is not successful, protests will continue. While on the one hand, it is possible that more skilled graduates will be able to be absorbed into our skills-biased economy, it is also possible that if graduates are not absorbed, there might be a continued increase in the number of unemployed graduates, which might impact on social instability.

V22. The economy and livelihoods remain impacted by the COVID-19 pandemic, with an expansion of the informal economy and the need for a rebuilding of cultural and other industries

South Africa's economic recovery and growth prospects are shaped by the aftermath of the COVID-19 pandemic, with sectors such as tourism, hospitality, the creative and cultural industries especially impacted. While some businesses have been able to pivot to the 'new normal', many have not been able to adapt or revive, resulting in a decline in South Africa's cultural assets. Strong leadership and appropriate policy responses may assist to rebuild these industries.

Another way that livelihoods are impacted is through the accelerated crisis in health care and in South Africa's multifaceted health epidemics, including diabetes, heart disease, HIV and AIDS, and the often underreported nature of mental health challenges. South Africa's health system is wilting in the face of epidemics of both communicable and non-communicable diseases (NCDs). Despite shifts of funding toward preventative Community Health Worker programmes, South Africa's health system is still mostly curative and secondary, rather than preventative and primary.

Mental health also forms part of the burden of NCDs and South Africa has high rates of depression, anxiety as well as substance abuse and addiction. NCD patients are more likely to die prematurely if they suffer from mental illness, and babies born to a depressed mother are more likely to suffer developmental problems. South Africans are

stressed by the lack of economic growth, insecure work, long travel commutes, and, for many, by living in areas with high rates of violent crime.

South Africans continue to experience the repercussions of COVID-19 for their livelihoods and wellbeing, with many people being forced out of the formal into the informal economy in order to sustain themselves and their families. The threat of future pandemics shape government plans

and policies and the trajectory of these informal sectors. As such, interventions will be required to bring some of those into the informal economy into the formal economic sector. In addition, the creative industries in particular have to be recognised for their potency in communicating the general mood of the citizenry. Creatives have always managed to provide some of the few spaces where South African can build social cohesion.



Health systems in South Africa

Many South Africans are yet to benefit fully from the progressive healthcare policies introduced in 1994 partly because of sub-standard healthcare and uneven access to services, as well as factors outside of the healthcare sector such as poverty, and poor-quality education. As South Africa became a democracy in 1994, HIV and AIDS affected about 1% of the population: by 2010, almost 20% of adult South Africans were HIV positive, a rate that has remained the same despite the rolling out of the world's largest anti-retroviral programme. While new testing and treatment regimens have stabilised HIV infection prevalence, and reduced incidence substantially, South Africans average national waistlines have increased substantial. One third of South Africans are now overweight or obese, and the proportion of children who are obese is rising sharply in urban areas. This has dramatically increased incidence of serious illnesses that are connected to and correlated with excess weight, including cardiovascular disease and some cancers but most critically, the surge in incidence and prevalence of diabetes.

Five million South African are diagnosed as 'pre-diabetes' in 2019 – indicative of higher-than-normal blood sugar – and about 6% of the population have been diagnosed with diabetes. This growing group – now 3.5 million strong – require substantial medical resources, including a daily treatment regime and medication, regular monitoring and a lot of support and education. Diabetes is now the second most common cause of death in South Africa. The burden on the health care system is substantial and growing: because of poor symptom awareness, and slow development more than a third of those diagnosed with diabetes already have complications requiring rapid medical intervention. Achieving the 90/90/90 goals, i.e. getting 90% of people living with HIV to know their status, and to then get 90% of all those with HIV onto antiretroviral therapy and then to get 90% of those on antiretroviral therapy to be 'virally suppressed and have no measurable HIV in their bloodstream' is proving elusive in South Africa (particularly the treatment and suppression of viral load targets). Treatment adherence rates, for HIV and diabetes need to be increased substantially, which will require more health care workers, education and outreach.

V23. Regional integration remains on the policy agenda, but leadership, capacity, and infrastructural constraints limit realisation of the African Continental Free Trade Agreement (AfCFTA).

Countries trade far more with their close neighbours than most African countries do. Integrating the region – via roads, and port and transport hubs on water, road and by air, and via reducing tariffs and red tape that slow exports and imports - is thus a vital component of continental growth and South Africa's future economic trajectories.

This spurred the development of the African

Continental Free Trade Area (AfCFTA), which formally commenced in 2021. But many of the potential gains from regional economic integration remain unrealised. Although the overall aim is to rapidly improve socioeconomic development and drive down poverty, given the widely different developmental and economic growth levels, AfCFTA members are trying to eliminate tariffs over periods of either 5, 10, or 13 years depending on their levels of wealth and what products still need protection to grow domestically. Thus, while there is agreement that it will take a long time to see AfCFTA working optimally, weak enforcement mechanisms and short-sighted political leadership

have seen many states either drag their feet, or even develop new forms of protectionism that circumvent the AfCFTA.

A key issue in South Africa, Africa and AfCFTA's future is the underdeveloped and aging infrastructure across much of the continent which, when coupled with insufficient state capacity and poor management of ports of entry, makes the cost of moving goods and services between African states higher than in comparator regions. Just within South Africa, if the railways operated at the full potential, South Africa's mineral exports could generate R150 billion more revenue for the economy each year (and add about R27b worth of taxes to government's income).

While AfCFTA has revitalized African trade and growth prospects, and World Bank estimates suggest AfCFTA could raise Africa's exports to the rest of the world by 32% by 2035, African economies are still struggling to develop additional beneficiation programs to add value to their exports. Most African economies are still struggling to transcend colonially imposed economic models centered on resource extraction which results in many countries still exporting mostly low-value raw materials. AfCFTA is working to attract the FDI needed to change that across the continent and in South Africa. But AfCFTA is strongly predicated on increasing FDI, and promoting investments that spur industrialisation and economic diversification to help produce higher value-added exports from African countries.

AfCFTA is a significant continental achievement that took decades to bring together -- with all but one African country now signed up -- and is committed to the long term aims of what is already the world's largest free-trade area, bodes a brighter future for the fastest growing continent, in terms of economic and population growth, in the world. South Africa needs to be mindful that anti-immigrant rhetoric and continued violence and attacks on foreign nationals in South Africa could also damage intra-regional relations. AfCFTA

depends on goodwill and good faith, and calls for 'forcing out' or 'knocking down' foreigners can undermine South Africa's ability to benefit from AfCFTA and cause many other deleterious impacts in South Africa and further afield.

V24. South Africa's economic fortunes remain dependent on global geopolitics and international diplomatic and trade relations.

South Africa faces an inauspicious international environment as it moves into its 4th decade of democracy. Competition between powerful states causes the international system to become polarised and fragmented. Heightened geopolitical tensions are leading to a global realignment, which looks likely to usher in a new tripolar world order, with a diffusion of power between the United States, China and Russia. Smaller states face pressure to align with one of the competing blocs, reducing their ability to maintain independent diplomatic and trade relations across blocs and in their own national interest. South Africa will need to consider the opportunities and threats of its own position in this new world order.

Weakening international institutions and the rise of nationalist and isolationist political movements in many countries in the Global North and South, and rising global inequalities obstruct efforts to develop cooperative solutions to global economic and environmental challenges. South Africa remains integrated into the global economy on largely unfavourable terms and is often unable to find effective coalition partners to increase its bargaining power. Neglect of international affairs and absence of a clear strategic vision leave South Africa without the necessary diplomatic tools to navigate these challenges. South Africa's position on Gaza by taking Israel to the International Court of Justice (ICJ) propelled the country onto the global platform, reminding the world of its commitment to non-alignment and human rights. However, this has further entrenched tensions with some countries in the Global North.

KDF 2: Variables for State weakness and declining democratic accountability.



V1. (To what extent) do state institutions and the provision of public services continue disintegrating, with weak municipal government capacity immediately felt by citizens?

There is currently a near collapse of many core state functions in infrastructure, safety, and health. The state is increasingly failing to act as an entity in the service of the people. The indignity of public services and infrastructure, and the inability of the state to fulfil its developmental role, result in citizens becoming increasingly reliant on extra-

state and/or extra-legal means of survival. Those who can afford to do so, increasingly seek non-state private sector provision of security, power, water, education and health, disengaging as much as possible from interactions with the state and public services.

This fractures social solidarity further and it also erodes the accumulation of domestic savings which are a bigger source, in other countries, of overall domestic capital. South Africa's savings rate - the proportion of an individual's or a nation's



income saved rather than spent on consumption – is, in 2024, about 12.5%. This is less than Botswana. South Africa's household savings rate is only 0.3% of household income. For those earning a formal sector salary, 35% say they cannot afford to save at all.

The extent to which the decline in state capacity speeds up, or is stabilised, or even reversed, is a key variable in any conception of what life in 2035 South Africa might be like. This is especially so at the level of local government as the state of municipal services continues to negatively impact the development of communities, with a high risk of state failure in certain service areas. Disparities in state capacity at a local level create deepening inequality between provinces and between towns/settlements.

A key role of local government is as a 'service intermediary' – for example, supplying power and water they don't generate to residents and attempting to collect fees and charges for it. But many people can't or won't pay and with 55% of South Africans currently living below official poverty levels – there is little capacity to pay. There is also very limited collection and enforcement capability, partly due to poorly managed administrative and billing systems and infrastructures.

As a result of this, the State of Local Government Finances report of 2022 found that 169 municipalities across the country were in financial distress at the end of the 2021/22 financial year (South Africa National Treasury, 2022). As of 2022, municipalities owed water boards and Eskom around R15 billion and R53 billion, respectively. Municipalities are unable to collect water and electricity payments from consumers, which has substantially undermined local government solvency, worsening underlying challenges of effective and efficient local spending.

There is thus a widespread view that South Africa's municipal governments are in a deep state of crisis. The recent Consolidated General Report on

Local Government Audit Outcomes (MFMA 2021-22) of the Auditor General of South Africa states that only 38 of 257 municipalities received 'clean' audits reflecting 'sound financial and performance management disciplines' and that they 'perform their functions in accordance with applicable legislation'.

Decreasing the burden on the state by moving the provision of some services to the private sector is an underexplored option in South Africa. Keeping South African Airways (SAA) as a state airline is a key example: it is used by a tiny minority of SA citizens, and although it is vital for moving freight around, there is no reason to think that state ownership makes this cheaper or more efficient. States are mostly poorly equipped to manage the complexities of running airlines - UK, Kenya and Australia did by privatising British Airways (BA), Kenya Airways and Qantas respectively, which saw each country emerge with a far larger, globally competitive airline, when compared to the state-run company that preceded it. The South African government post-1994 has, by contrast, chosen to spend more than R100b of state revenue – taxpayers' money – to keep SAA operational. This has also distorted the travel and freight market, as SAA competed with dozens of carriers over 30 years.

V2. The state faces a continued crisis of weak leadership, impacting its ability to make decisions and drive policies.

Management and administration are challenging fields requiring education, significant ongoing skill development and deep wells of personal integrity. Deploying of 'political appointees' to key management positions into the public service can weaken departments' abilities to make tough decisions and to drive policy agendas. Successful countries attribute some of their success to the appointment of well-qualified, impartial, and ethical people to key public service roles, and then rewarding them appropriately for performing well.

Professionalism in the public service and confidence in the state's accountability to the people, have been undermined in South Africa, especially but not exclusively in the 'state capture' years. What underpins this poor leadership and why are so many state processes (such as the allocation of water and agricultural licenses for example) so slow and inefficient, or poorly managed? Why are entities such as Eskom and Transnet, which impact business and the economy so profoundly, seemingly struggling to attract and keep the brightest and the best managerial talent?

Corruption is increasingly systemic, and we continue to experience the impact of state capture, notwithstanding the Zondo Commission's in-depth four-year investigation; costing over R1 billion and producing a 2,066-page report urging better systems and follow-up actions. To what extent might a more tangible, accountable governing ethos emerge, that allows for the emergence of strong, committed and visionary leadership across society? To what extent can, for example, performance monitoring regimes of consequences and reward be created and imposed, as happens

in many developing countries, including some of South Africa's close neighbours, including Namibia and Botswana.

While these countries have their own problems and are all far smaller than South Africa, employment rates are higher, the GDP per capita is growing each year, not declining, and starkly, their levels of crime and corruption are far lower. Given the racialized nature of economic power in South Africa and the high levels of inequality, are factors such as landing government jobs and obtaining government tenders the most plausible, and possibly the only, route to elevation to the middle classes?

As such, could stronger leadership emerge and could it reduce the rate of institutional decline and rebuild confidence and integrity in public institutions? This includes especially strengthening municipal government as the most immediate provider of public services. There is a risk that the state is unable to attract the cohort of new/young leaders required to turn things around.



Why is it hard to prosecute corruption and commercial crimes?

It is probably harder to prosecute corruption because it invariably involves subterfuge and deception to create the web of relationships. These relationships are often challenging to unpack.

And the levels of complexity in certain kinds of commercial cases – sometimes involving layers of complicated financial and other documents – make them harder to prosecute.

Yet the NPA has, in the past two decades, succeeded in relatively few prosecutions for corruption, including that of Schabir Shaik, Zuma's then-financial benefactor.

Its challenge is resources. It's a David versus Goliath situation if you compare the expertise in the NPA's ranks with the resources that white collar criminals have at their disposal. This is true even though the NPA has expertise in its senior ranks.

There is nothing that prevents the NPA from employing outside expertise to prosecute complex cases, as it did in its case against tax dodger David Cunningham King.

To prevail in the pending state capture prosecutions, the NPA should look beyond its in-house expertise and gather the best talent in the legal profession.

Penelope Andrews ~ *Why it's taken so long to prosecute state capture cases in South Africa*

<https://theconversation.com/why-its-taken-so-long-to-prosecute-state-capture-cases-in-south-africa-90394>

V3. Democratic institutions and procedures largely remain valued by South Africans but there are risks to their continued protection.

While the state experiences a weakening of its institutions and capacity, there remains a defence of South Africa's democratic institutions and a continued commitment to democratic principles. But people are prepared to sacrifice some element of democracy, polls show, for better governance, stable infrastructure, rapid economic growth and more jobs. Although the independence of the courts and judiciary cannot be taken for granted, it appears that a considerable commitment to democracy remains, including strong support

for free and fair elections, to continued funding and optimal functioning of the institutions set out in the Constitution (Legislature and Chapter 9 institutions), and to the defence of a free press and an autonomous civil society.

These factors have been critical in exposing and unwinding state capture and ameliorating other threats to democratic processes and the rule of law. The financial crisis facing the news media, however, raises the risk of compromised press, and the rise of mis- and dis-information continues to undermine the perception of journalism's integrity. Simultaneously, the rise of fake news undermines citizen trust in, and support for, a free press.

KDF 3: Variables for Internal security threatened by anger, distrust and factors such as resistance to renewal.



V18. A culture of corruption and unaccountability undermines the collective project for a common good.

The felt impact of corruption and state capture undermines the legitimacy of public institutions and processes and distorts policies and priorities. Protection of some political individuals from public accountability and accountability before the law undermines trust in the democratic process.

At the same time, the commencement of legal action against those responsible for state capture is placing tremendous weight on a stretched judicial system. Individualism and self-interest as societal values undermine not only the functioning and

efficacy of public institutions but also possibilities for the achievement of a collective good and the accountability and responsibility this demands of all societal participants.

Normalisation of corruption and a lack of transparency and ethical behaviour weaken the social contract, fostering dependency over human capability, while an expanding individualism impedes progress towards a socially cohesive society. Visible and concerted action against state capture may assist in halting the descent to unaccountability, foregrounding justice, and ethics in a renewed social contract.

Table 1/ Murder per 100,000 people in 2023

#	CITY	MURDERS
1	Nelson Mandela Bay	80
2	Msunduzi	71
3	eThekweni	70
4	Cape Town	68

5	Buffalo City	54
6	Johannesburg	36
7	Ekurhuleni	35
8	Manguang	33
9	Tshwane	18

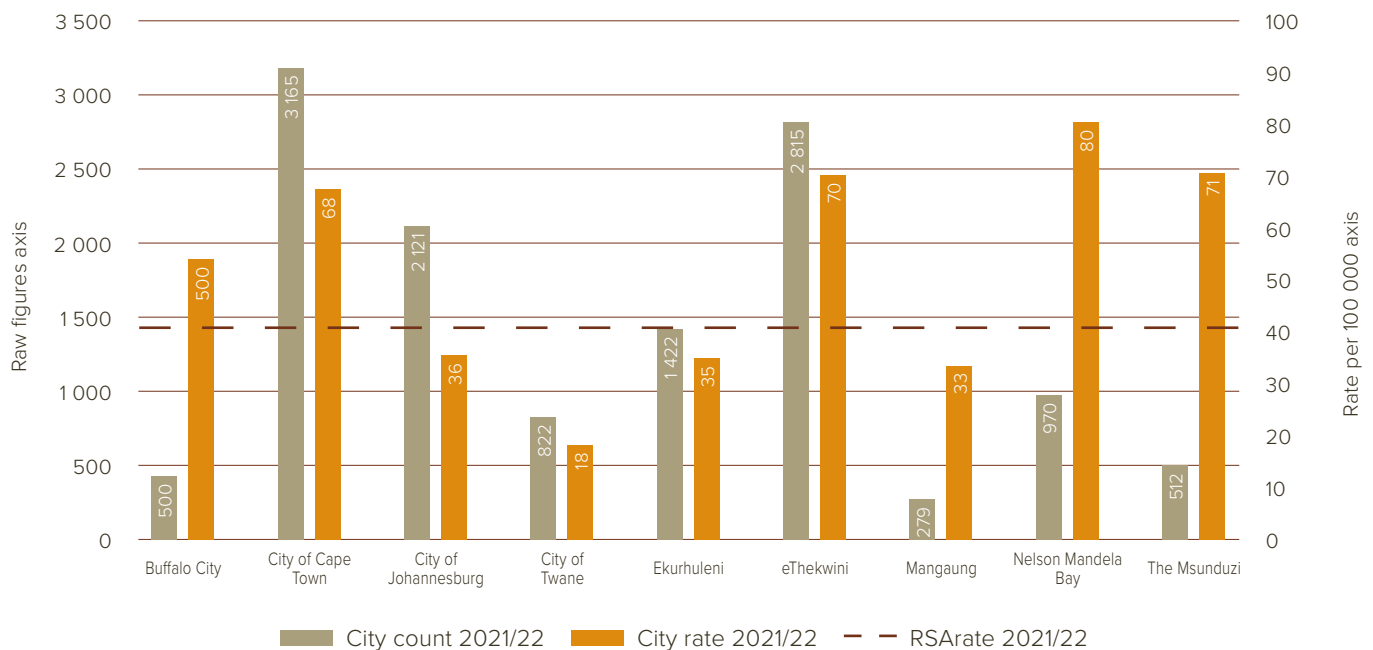


Figure 6 / Absolute number of murders compared to murder rates per 100,000 (2021/22). Source: <https://businesstech.co.za/news/lifestyle/727500/the-most-violent-cities-in-south-africa-2/>

South Africa's murder rate of 42 per 100,000 people is seven times higher than the international average and more than three times higher than the average for the African continent – an alarming indictment. According to SACN, since the advent of democracy, murder and attempted murder have mostly declined for almost the first 20 years of democracy. However, this started to change in 2011/12, after which this violent crime started to rise again.

V11. Historic trauma and depth of woundedness impact national cohesion, psychological wellbeing, and the institution of the family

Alienation remains a feature of South African society resulting in deep social division and a failure to overcome the largely racial and intersectional lines that shape inclusion and exclusion. Persistent inequality and high levels of poverty and hopelessness are a source of much mental ill health, suicide, and addiction - with many citizens expressing fear, anxiety, depression, and anger. Colonialism and apartheid, and the extreme

violence used to suppress struggles against apartheid, all contribute to creating a deeply traumatised society in need of social healing and a positive confrontation of the past.

The ongoing indignities that citizens are subject to reinforce this trauma. There is tremendous damage to the institution of the family as a site of care and support. The prevalence of substance abuse weakens fulfilment of human potential and the fabric of communities, especially amongst youth. Some of this trauma is generated by the stark contrasts of South Africa's inequality: having the highest differential in income in the world generates a raft of knock-on effects, including direct links to higher rates of crime.

With just under two thirds - 64% - of the African population of South Africa still living in poverty, and only 6% of Indian South Africans and 1% of white South Africa defined as being in these same poverty bands, it is clear that income inequality is deeply racialised and deeply entrenched in South Africa. Poverty is strongly intergenerational and upward

mobility is very limited. As several commentators have expressed, the 'escalators' of social mobility that operate in many other countries – education and access to low level jobs to get on the rungs of employment and move up – have broken down in South Africa.

Children of parents in the poorest quintiles are 95% more likely to remain in poverty and 60% of

South African children live below the upper-bound poverty line in 2018. These children not only experience poorer health, inadequate nutrition and poorer access to services, they also do not have access to the economic, cultural and social capital that might improve their education and employment prospects. Indeed, inequality sets in at a very young age.



Figure 7/ Time Magazine cover on Inequality in South Africa (2019)

When Time magazine featured South Africa on its cover with the headline 'The world's most unequal country', over a striking aerial photo of the contrast in conditions and density between Primrose and Makause in Johannesburg, it again brought to the world's (and South Africa's) attention that our Gini co-efficient continues to worsen. About 10% of the South African population, based on current research, owns about 90% of the country's productive assets, and the official Gini, a key

measure of income inequality, stands at 0.63.

Inequality might be the largest spur to a lack of social cohesion and fuels social and political unrest. Higher income countries attempt to tackle inequality, as South Africa has tried, through various forms of social grants or through subsidised or free housing, electricity and water, cheaper or free education. For many analysts, South Africa will remain the global leader in terms of income

inequality unless the education system in particular, which prevents upward mobility by denying the poor access to higher skilled and better paid jobs is thoroughly overhauled and reformed.

With high numbers of female-headed households, high unemployment and declining marriage rates, men are less likely to be linked to families in the future. What might the implications of this social disconnectedness be for South Africa?

The precarious middle class

According to the quarterly employment survey (QES) published by Stats SA (2023), the average salary in South Africa saw a negligible increase of 0.9% from the previous quarter to R26,087 from R25,866 per month. The increase resulted as basic salary/wages paid to employees increased by R15.2 billion or 2.0% from R759 billion in June 2023 to R774.3 billion in September 2023. This was largely due to decreases in industries such as trade, community services, manufacturing, construction, transport and electricity.

Data published by the University of Cape Town's Liberty Institute of Strategic Marketing showed that a household needs to earn around R22,000 to be considered middle class in South Africa.

<https://businesstech.co.za/news/motoring/738793/the-cars-south-africans-can-afford-on-the-average-salary-at-the-end-of-2023/>

V12. The persistence of patriarchy and gender-based violence obstruct gender equality and prohibits empowerment of women.

Patriarchy remains entrenched, reinforced by the poverty and powerlessness experienced by many citizens. It manifests in the extreme violence and sexual abuse inflicted on women, and on children. This violence can be understood in the context of South Africa's historical trauma, as well as the anger and frustration engendered by current socio-economic conditions. The limited empowerment of women is bound up with their lack of economic opportunities. South Africa's long-term unemployment, lack of economic growth and extreme economic disparities all inhibit gender equity and equality. Policies to eradicate GBV fail to address the depth of violence or to empower women and the LGBTQI+ community meaningfully. Gender services and services to support women are in disrepair.

While the social grants system has had a positive impact on poverty alleviation and the wellbeing of children, and women's empowerment, it has not reduced levels of inequality significantly. Female-headed households will become more entrenched in South Africa, while household size decreases. Black grandparents in particular play an essential role in raising their grandchildren and giving parental support. Only 34.5% of households in South Africa are composed of a mother, father, and children. Most South African households (52.7%) are instead headed by grandparents. This could be because children are orphaned, or parents have moved to the cities in the quest to secure employment.

The second most common household formation in the country is that of the female-headed household (36.7%), run by single mothers. The HSRC estimates that 60% of children in South Africa live without their fathers. These female-headed homes are significantly more likely to be impacted by poverty. Child-headed households are the most vulnerable

family composition and are most prevalent in Kwazulu-Natal, Limpopo and the Eastern Cape.

The legalisation of same-sex marriage in 2006 has seen rising numbers of same-sex households in South Africa. From fewer than 1000 such unions in 2007, by 2023, about 17,000 same-sex marriages have taken place in South Africa (or by South Africans outside South Africa). In 2018, the Lonely Planet guide named Cape Town ‘one of the world’s top 10 “gay wedding” destinations’. Disconcertingly, recent polls show that while a majority of young people are in favour of full rights for all people regardless of sexual orientation, there is still significant opposition to ‘gay rights’ and ‘gay marriage’ across the South African population. While the number of households headed by single fathers is low at 4%, there has been a marginal increase in father-headed households, some with the support of their extended families.

Many Indlulamithi participants highlighted the family as a starting point for building social cohesion. Family values influence individual behaviour, and impact on how one interacts and behaves in a larger scale, either in the community and among other people. However, the Medical Research Council estimates that 1 in 5 women in South Africa have experienced violence at the hands of a partner.

Exacerbating this, the Children’s Institute reported that 34% of children were victims of physical or sexual abuse before the age of 18. Funding for organisations that support victims of domestic violence is on the decline and rates of prosecution are low and falling.

V13. Anger and distrust manifest in the persistence of a violent society and the rise of identity politics, with a high probability of continued social unrest.

South Africa is increasingly beset by anger and instability, emanating from persistent and deepening inequalities which continue along

South Africa’s historically racial lines, and are witnessed in popular unrest and the prevalence of interpersonal violence. Vigilantism is present and also shapes these dynamics. While a shallow tolerance may be sustained in the short-term, the persistence of anger and division is likely to fuel a growth of identity politics, undermining social cohesion as citizens retreat into racial/ethnic and class enclaves.

MISTRA’s 2023 research on protest in South Africa explored the underpinnings of protest in contemporary South Africa and both its short-term causes and structural drivers. The key findings of the study were that while South Africa’s history is characterised by protest and resistance, contemporary protest action reflects popular experiences post-1994, and the common experience of an incomplete freedom. Contemporary protest often reflects calls for improved or further democracy and complements other established forms of public participation. In addition, the study found that resonances can be identified between protests in South Africa and the global wave of 21st-century protest. Internationally, protest has been underpinned by experiences of economic inequality, democratic deficit, and the varied experiences of citizenship.

The blurred boundaries between protest action and alternative forms of collective violence that arguably go ‘beyond protest’ were also identified as a key element of contemporary protest in South Africa. Criminalisation within some arms of the state is often facilitated through their failure to pre-empt and contain the organised unrest of July 2021. Contemporary protest in South Africa often reflects calls for improved or further democracy and complements other established forms of public participation. In some instances, however, it indicates a rejection of multiparty democracy itself.

V14. Civil society continues holding the state to account, but without meaningful inclusion of youth voices and perspectives, there is an increasing

risk of citizen passivity and disengagement.

While the first decade of democracy was largely characterised by a coalescence around the project of 'nation-building', a sense of hopelessness and passivity abounds in post-COVID-19 South Africa. These feelings are especially prevalent among black youth, many of whom are structurally alienated from the mainstream economy. South Africa's history of active citizenry in the struggle against apartheid and a strong civil society that holds the post-1994 state to account remain crucial in the defence of democracy.

There is a risk, however, of a shift toward citizen passivity and disengagement, combined with the exclusion of young voices, with negative impact on electoral participation and the legitimacy of democratic politics. Young people are occasionally brought into policy discussions, but without their adequate inclusion in these deliberations, eventual laws and policies rarely reflect their perspectives and ideas for the future. In the context of mostly elite decision-making, and the absence of local dialogues for various forms of social compacting, the possibilities for collective endeavour are undermined.

Civil society is also a contested concept. NGOs are a big, but not the only, part of civil society, which also includes trade unions, political parties, business associations, faith-based organisations, community organisations, social movements, as well as structures such as School Governing Bodies (SGBs) and Community Police Forums (CPFs). South Africa boasts around 100 000 registered non-profit organisations, and about 50 000 unregistered.

Since 1994, these organisations collectively have been crucial for ensuring state accountability. They played a particularly important role in the 2010s in exposing 'state capture'. This ultimately succeeded, especially through journalists and news media, in exposing and mostly removing those responsible

for the massive project of looting state resources.

Government has an ambivalent relationship with many NGOs, even with those that help with critical service delivery. As 'mediating' institutions that help people deal with government, claim their rights and understand their responsibilities, there is often friction between civil society groups and government, especially when many CSOs receive funding from the state. The importance of NGOs and the role they play in development is often underestimated in South Africa. In rural areas in particular, they have a critical role in partnering with government to deliver services. Many NGOs work tirelessly for a range of objectives useful to society, such as promoting democracy and good governance, or preventing gender-based violence.

Faith-based organisations are also influential in South Africa and play an important role in promoting societal ethics. However, a relatively new trend has seen crass forms of commercialisation of religion and the rise of 'prosperity churches' which, in some instances, may contribute to instability, especially under conditions of worsening poverty and inequality.

CSOs are an expression of the values and real needs of people in society. Civil society is where innovation, pluralism, diversity and robust initiative can thrive. Public policy in South Africa should recognise, respect and, where possible, empower these institutions.

V15. Continued high youth unemployment leads to social dislocation and youth alienation.

Persistently high levels of youth unemployment lead directly to the alienation of young people from social and economic life, and a deep disillusionment with democracy. High youth unemployment is directly linked to an overall lack of economic growth in South Africa, worsened by skills mismatches, crises in the basic and higher education and training sectors, and a lack of work experience among many young people.

Loss of hope and frustration with their circumstances lead not only to social dislocation but to the possibility of youth unrest. Age, race, gender and geography often intersect in important ways to exacerbate vulnerability and exclusion. Persistent unemployment negatively impacts the mental health of young people.

Unemployment has become deeply entrenched, systemic and racialised. According to Stats SA, almost 40% of unemployed South Africans have never had a job. For the younger unemployed cohort, those aged between 15 and 34, over 60% had never worked in any job before. About six million South Africans are currently unsuccessfully seeking work monthly. Another 2.8 million want to work but have stopped regularly seeking employment, often because of high transport and other costs.

Despite multiple training programmes, and several initiatives to support youth-run businesses, less than 30% of those who participate in these programmes manage to find work or start their own business. This includes initiatives such as Fit for Life, Fit for Work, the Harambee Youth Employment Accelerator, and the NYDA's work with young people to get them into employment and improve their skills. Only the Employment Tax Incentive (ETI) scheme has shown some ability to impact on youth unemployment at scale, but its implementation has been fiercely opposed by organised labour, which fears employers replacing experienced workers with subsidised youth. The scheme's first phase still requires careful assessment.

Another key point is that many who do have jobs are poorly paid and prone to abrupt lay-offs during economic downturns. The prescription of a national minimum wage (NMW) – R3 500 per month or R20 per hour – is an attempt to enhance the liveability of wages in sectors like security and domestic work.

While these changes aim to improve job security

and income levels, even at this low level of R20 per hour, employment numbers decline in some sectors, at least in the short term. As unionisation in the private sector declined sharply (from 36% in 1997 to 16% in 2019), public sector unionisation surged to nearly 70% of workers. These trends are not only creating better wages and greater protection for public sector workers, but, conversely, are likely propelling increases in precarious types of employment in the private sector.

The informal sector is also likely to grow substantially, as formal employment continues to stagnate.

The overwhelming lack of employment opportunities, and, thus, the blockage for upward mobility, often translates into resignation and despondency. Consequences include high rates of youth alcoholism and drug abuse, involvement with crime, sexual violence, and high rates of new STIs, including HIV/ AIDS. As many analysts and the National Development Plan (NDP) are at pains to point out, the unmet expectations and generational resentments of this young precariat drives high levels of social unrest and fuels populist movements. Many young people in South Africa (and across the continent) find themselves in a period of 'waithood', unable to take up adult roles due to protracted periods of exclusion, dependence and vulnerability. As the NDP diagnostic report emphasised in 2011, youth unemployment is South Africa's most dangerous 'ticking timebomb'.

V16. Politics remains driven by party politics and rivalries rather than by policies and solutions

Political debate remains shaped by party rivalries rather than by solutions to South Africa's development challenges and the open exchange of ideas. Parties and leadership lack both the policy vision and the commitment to build developmental solutions for the collective good. Young voices are often excluded from formal political spaces and

formal politics fails to cultivate youth leadership. Declining ethics and accountability among political representatives and the absence of viable or credible opposition in the face of a weak ruling party increase the possibility of unstable party coalitions and impact wider public confidence and political engagement.

Coalitions in various iterations have been a part of the South African polity since the attainment of democracy in 1994. This started, nationally, with a 'grand coalition' in the form of a Government of National Unity as mandated in the interim constitution. Coalitions have since also found expression in some of the country's provinces. At local government level, coalitions have become commonplace where no single party attained an absolute majority. This increased from 2016 when many metropolitan governments and some large towns became sites of coalition politics, as MISTRA's research shows.

Party politics in the context of electoral disillusionment is likely to produce a rise in populism, extremism and identity politics.

V17. The ANC is still characterised by intra-party conflict and factionalism, undermining public confidence, generating political instability, and increasing the complex nexus of party, government, and state

The ANC's attempts at organisational regeneration and renewal continue largely unsuccessfully. Unresolved internal divisions and multiple centres of power fuel political instability and policy uncertainty, with a continued effect on developmental goals and service delivery. Misconduct by some prominent leaders, high-profile corruption cases against some leading individuals, and factional divisions undermine public confidence in the ruling party and lead to the possibility of either further electoral losses or the splintering of the movement. These dynamics within the governing party also impact negatively

on South Africans' confidence in the future of the country's development.

While there is a clamour for economic development, jobs and a competent developmental state, i.e. for an ANC that can ensure rapid economic growth with a pro-poor focus, the ANC struggles to move beyond the damage of state capture to the restoration of public confidence. As happened in India, and in Rwanda, technocratic authoritarians can become very powerful if they deliver. Thus, while the vast majority of South Africans prefer work to welfare, and prefer the social grant system to be a safety net rather than a necessary scaffold for life, the lack of jobs and the inability to implement the NDP has made ANC in-fighting and lack of clear economic direction even worse.

Before state capture, the ANC led government in generating millions of jobs despite inheriting a bankrupt state in 1994. Government generated relatively high rates of economic growth and the ANC birthed a constitution that is greatly regarded across the world as a beacon of freedom. In 2024, according to some polls, two thirds of respondents said they were willing – 46% were 'very willing' – to give up elections altogether in favour of a non-elected government that would provide security, houses and jobs.

V19. Society remains fractured with an absence of spaces and political will to build social cohesion

The absence of spaces to build social cohesion and form a social compact endure. South Africa remains a society fractured along racial/ethnic, class and geographic lines. Lack of political will and action to convene forums to address this problem prevents the multi-sectoral engagements required to build a roadmap for the future. We see the continued impact of historic spatial segregation in rural-urban and intra-urban racial and socio-economic divides, and the absence of spaces and forums where people meet. This includes 'equalising' spaces such as bus/taxi ranks and train stations, churches,

public offices, parks, and concerts, which allow for shared experiences and empathy, and are a basis for social cohesion. This was exacerbated by the physical distancing demanded by COVID-19 restrictions.

While the middle class in South Africa has grown since 1994, it remains small and insecure compared to comparator countries and global averages. Only about 30% of South Africans describe themselves as middle class. Other indicators, such as banking-based estimates of South Africans with a net worth exceeding R100 000 also suggest a middle class of about 30% of the population. Increased access to credit, together with greater availability of private and low fee education for their children, and the partial success and expansion of the 'second wave' of implementation of Broad Based Black Economic Empowerment (BBBEE), has seen the black middle class develop and solidify. But many in the middle class are deeply in debt, have little access to inherited wealth, and are not sufficiently insured or regular savers.

With over 60% of SA's population living in poverty and with high rates of under-employment and unemployment, the middle class has to support more dependents than in most other countries. Many would be unable to maintain their middle-

class status if they lost their job for even a short period of time.

Among black South Africans, the more vulnerable section of the middle class is a larger group than the more 'stable' portion. By some estimates, the stable section of the middle class makes up less than 15% of the South African population. Congregating in increasingly non-racial 'gated communities' in large cities, South Africa's middle class is forging an identity somewhat isolated from the realities faced by the majority of South Africans.

V20. There is lack of progress on land reform and restitution

A faltering land reform process has failed to address restitution and unlock agricultural potential in rural areas. There also remains a lack of understanding of the meaning, history and significance of land for many South Africans.

Only about 10% of land has been transferred to black owners since 1994, as programmes of restitution, redistribution and policies to improve security and fairness of tenure floundered due to lack of funds, and high levels of corruption and incompetence.



Individual land ownership by race in hectares (%)

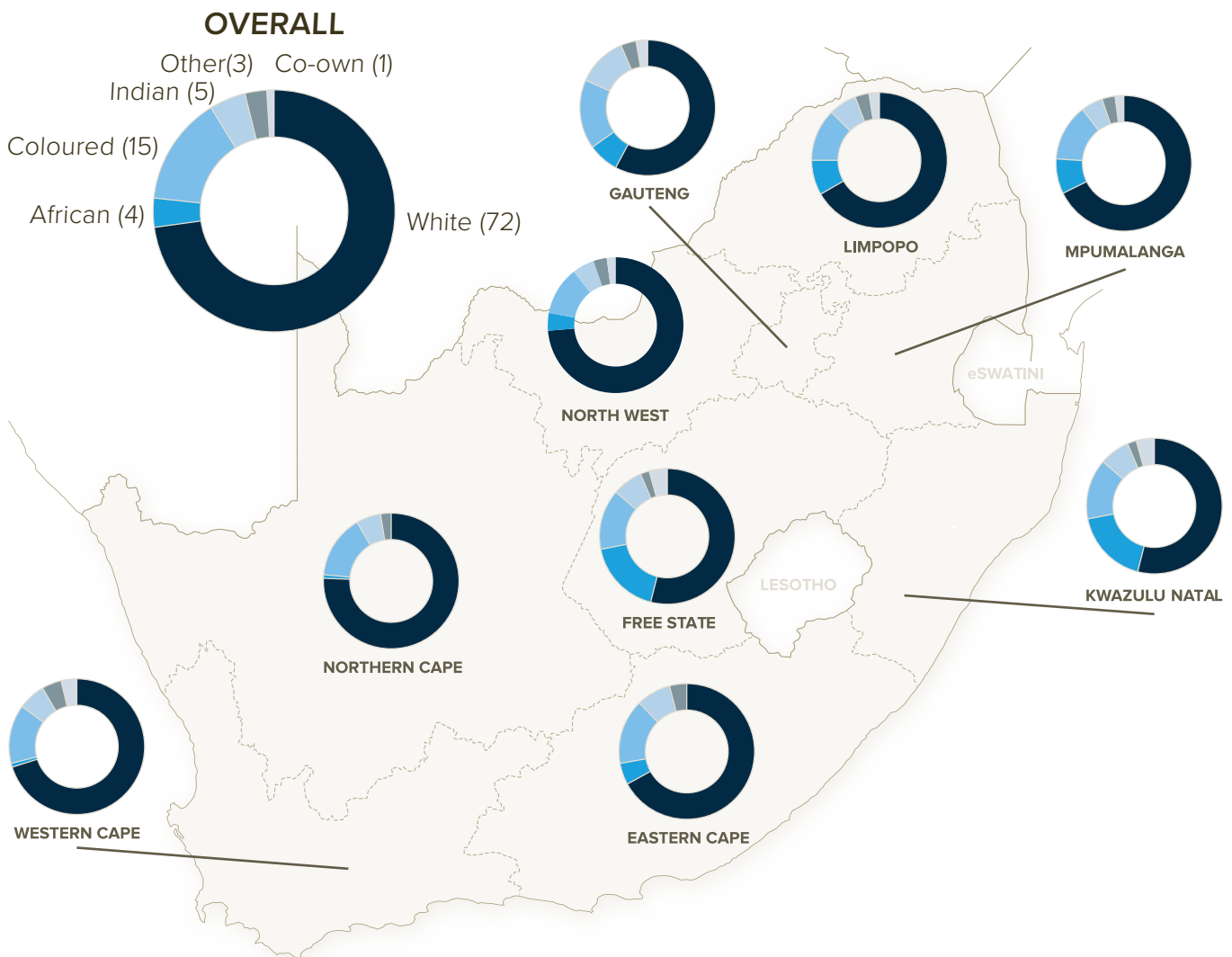


Figure 8 /Land ownership by Race Source: SA Department of Rural Development and Land Reform, Agri SA, PLAAS (Institute for Poverty, Land and Agrarian Studies), The High Level Panel on the Assessment of Key Legislation and the Acceleration of Fundamental Change (HLP), Bloomberg

Many argue that security of tenure has been the most neglected. Parliament's 2017 High Level Panel Report on the Assessment of Legislation and the Acceleration of Fundamental Change and a growing body of work by academics suggest that, in many parts of the country, the rural poor continue to be ruled as subjects, rather than being treated as citizens.

The Zulu monarchy's attacks on the High-Level

Panel Report, which included a recommendation that the Ingonyama Trust be dissolved, suggests that we will see increased conflict between traditional leaders and government as struggles around land reform rage on.

Recent commitments to expropriation without compensation have come with the caveat that food security and economic productivity will need to be protected.

Political tensions around constitutional and policy provisions for land reform and their effective implementation, as well as political will to address land tenure and redistribution, undermine social cohesion and equality. Land reform remains shaped by dominant and elite interests, rather than reflecting the views and needs of the majority of South Africans. The key focus of the land question is likely to remain on rural land, neglecting the rural-urban network and prospects for urban land reform, where well-situated state-owned land could be better earmarked for redistribution.

All of this is complicated by the potential impact of climate change on land and other resources, such as water, in South Africa.

V25. Immigration control and the intra-regional migration of people remain contentious, with migrants facing continued vulnerability and scapegoating in a context of the poverty facing many South Africans

Failure to implement effective immigration processes has led to increasing numbers of undocumented migrants and an exacerbated crisis in the asylum and refugee system. Ineffective policy responses and weak immigration control provoke further xenophobic rhetoric and tensions in communities. Underpinning these challenges are deeper structural inequalities facing South Africans, including unemployment – especially among unskilled and semi-skilled workers, and urban density in poorer socio-economic areas. Migrants to South Africa continue to be vulnerable, while economic crises and climate change in the region and continent make cross-border migration and displacement a necessity.

In addition, urbanisation is set to increase and even accelerate alongside suburban dispersal and high rates of rural poverty. An estimated 64% of South Africans live in cities, and thousands move to cities every year as rural areas suffer droughts, neglect and lack of economic opportunity. Despite multiple challenges, many people who move to urban

areas from rural areas can improve their incomes rapidly if they find employment. For example, twice as many people report having run out of money at least once a month to buy food in rural areas compared to cities. Rural South Africans were also nearly twice as likely to require and receive social grants. And about half of the workforce in the metros have completed secondary school, compared to roughly one-fifth in rural areas. Tertiary skills are scarce outside the cities.

South African spatial geography continues along apartheid and colonial demarcations: commercial farms, the former ‘homelands’, peripheral townships and city centres. To be confined to marginal spaces has a profound effect on one’s life outcomes. A legacy of apartheid spatial planning, South Africa has the longest commuting distances in the world and people living in the poorest households are also more likely to live far from centres of economic activity and carry the greatest burden of transport costs. The rate of urbanisation has outpaced the rate of development of new housing, and overcrowding in urban areas is increasing. Meanwhile, rural areas (particularly in the former homelands) have far higher levels of deprivation than elsewhere and continue to be the poorest places in South Africa.

Regional inequality is likely to become more entrenched, with stark inequalities between urban and rural areas. Nevertheless, many South Africans will continue to be characterised by ‘double-rootedness’, with households stretching between urban and rural areas and regular travel between them. Urban spatial inequality is likely to remain stark as infrastructure and transport struggle to keep pace, while economic activity remains as highly concentrated and as urban-centred as it was in 2019.

V26. New local and global security threats emerge

South Africans must be mindful of unconventional security threats such as disease pandemics, natural disasters, transnational crime, cyber-attacks,

human and drug trafficking, and mass migration. These types of new and less ‘conventional’ security issues have already begun to impact states internationally (with political, social and economic ramifications). For example, Costa Rica faced losses of US\$30 million a day after the Conti ransomware attack in 2022. Consider the impact on South Africa if a cyber-attack delayed or prevented payment of public service salaries, even for a short period of time? It took Costa Rica months to restore its systems, and the attack forced a change of government and a declaration of a state of emergency. One report captured the appalling impact on the country:

The initial attack on the Ministry of Finance used compromised credentials to install malware on its systems. The Costa Rican Ministry of Science, Innovation, Technology and Telecommunications and the Ministry of Labor and Social Security were also later attacked. The government was forced to shut down multiple systems, resulting in delayed government payments, slowed and halted trade, and limited services.³

South Africa’s health system could be targeted, as the United Kingdom’s National Health System was in 2017, causing significant losses. North Korean hackers used ransomware to demand payment from the UK and prevented much of the hospital and pharmacy systems from operating. Although no deaths resulted, other health services might battle to cope if faced by a similar threat. A major recent report assessed South Africa as having ‘a general lack of expertise and capacity in government agencies, insufficient cyber defenses in the public and private spheres, and a lack of awareness of online risks among the public...’⁴

Simultaneously, domestic threats to economic security, such as theft of transport and energy infrastructure and illegal mining operations, become commonplace, centring the risk of economic sabotage on the domestic security agenda. The costs to the economy and human

life of the July 2021 attempted insurrection will reverberate far into South Africa’s future. Over R50 billion in damages was inflicted on critical infrastructure and at 354 people lost their lives, with few consequences, thus far, for the perpetrators.

Internally, South Africa is now ranked seventh highest in the world out of 193 countries measured in the Global Organized Crime Index, produced by the Switzerland-based Global Initiative Against Transnational Organized Crime. Nigeria and DRC ranked higher than South Africa, but African countries took three of the top 10 slots, with Myanmar, Colombia and Mexico being in the top three. Alarming, the report states:

Foreign criminal actors, particularly from West Africa, South America, China, Pakistan, Israel and southern and eastern European nations, have a strong presence in South African criminal markets, especially in major cities. Rather than controlling specific markets, these foreign actors play roles as ‘interfaces’, exerting moderate to substantial degrees of economic and financial power.

³ Mary K. Pratt. 2023. ‘The 10 biggest ransomware attacks in history’, Techtarget, <https://www.techtargget.com/searchsecurity/tip/The-biggest-ransomware-attacks-in-history>

⁴ Global Organized Crime Index. 2023. ‘South Africa’, https://ocindex.net/country/south_africa.

The Indlulamithi 2035 Scenarios

DATELINE:
25 December 2035

From 25 December 2035, looking back over the past decade, we realise that there have been a number of global developments that have impacted South Africa.

The consequences of climate change are seen and felt everywhere around the world. From the early 2000s, scientists had warned of a 'red line' that humanity should not cross. They had referred to an increase in global temperatures of 1.5 degrees above pre-industrial temperatures. That red line was crossed earlier this year.

Food security is now a serious global problem, caused by several factors, including unsustainable agricultural practices that were focused on profits rather than the need to feed the world's population. The situation has been exacerbated by climate change, which has resulted in waves of crop failures in different parts of the world.

Globally, pandemics have become more regular and deadlier. The COVID-19 pandemic of 2020, which had sparked global social, economic and political crises, is now viewed by many as a mild practice run for what is now a more frequent and more serious phenomenon. Anti-microbial resistance has also increased, imperilling health across the world.

There have been huge technological advancements in the past decade. However, the benefits of AI, robotics, Internet of Things, automation, immersive tech and bioengineering have been uneven, creating winners and losers across regions of the world, as well as within countries. Impoverished nations have struggled to realise any gains from these technologies, while richer nations have strengthened their economic and political positions.

In terms of global geopolitics and geoeconomics, there has been a significant 'eastward' shift in power. China is now the world's largest economy; India is the 4th largest. China-US rivalry has escalated beyond intense economic competition and geopolitical posturing into 'hot' flashpoints in the Pacific. The USA preemptively blockaded the South China Sea in the late 2020s to prevent what it claimed was an imminent Chinese invasion of Taiwan. Or, as many saw it, more likely a White House-manufactured response blown out of proportion to appeal to domestic audiences. There are now much-too-frequent military engagements between the two states that also occasionally draw in their allies. There are fears that the terrain of these engagements might expand to other regions, such as Africa.

South Africa's population has steadily increased to 70 million people as at the beginning of 2035; 37 million of these were born after South Africa's first democratic elections in 1994. This means that of the 20 million South Africans who voted in 1994, fewer than 4 million are still alive. The youngest of them is now aged 58.

Around a quarter of South Africa's population lives in rural areas, compared to half of the population in 1990. Some 30% of South Africa's population, around 18 million people, live in Gauteng. Almost two-thirds of the population lives in three provinces: Gauteng, Western Cape and KwaZulu-Natal.

Based on this context, the Indlulamithi 2035 Scenarios consider three possible trajectories for South Africa from 2024 to 2035.





SCENARIO 1



Hadedda Home: The Recrimination Nation

Africa's loudest birds, the hadeda ibis are noisy foragers and opportunistic expansionists, always on the move. Often seeming anxious and skittish, their brash call warns of dangers, both real and perceived. They do all they can to survive. They build strong nests, returning to the same trees each year to remake their Hadedda homes.

Overview

As social trust broke down through the 2020s, South Africans retreated, pulling those close to them even closer. Now, in 2035, everyone's stance is defensive; walls are as high as money can buy. People are on edge as the blame game becomes the national sport.

The impact of climate change grows more obvious each day in South Africa, even while what is perceived as unjust transitional measures to renewable energy are resisted in parts of the country. Acid rain, power outages and wild weather threaten food production. The high hopes that roof-top solar and hydrogen energy would scale up sufficiently to prevent further economic downturns are fraying.

AI and automation have transformed the world of work and eliminated entire job categories.

After a decade of 'moving sideways', the South African economy is still under-performing. The overall unemployment rate is 37% while youth unemployment hovers around 55% in stark contrast to the global average youth unemployment of 12%.

In some areas – a municipality here, a province there – coalition governments battle entrenched corrupt networks and restore some good governance, but most coalitions are unprincipled and self-interested.

South Africans share few common goals beyond their sporting aspirations. As happened back in 2010 with the FIFA Men's Football World Cup, and when South Africa hosted the FIFA Women's World Cup in 2031, there are still occasions when South Africans raise their heads, work together and surprise themselves – and the world – by hosting events with panache, or winning tournaments.

South Africa's youth and artistic community do their best, using technological advancements to speak back to power and keep people's spirits up. Community theatres, poetry slams, creative writing competitions, talent shows, dance troupes help people imagine and work through organic visions for what better futures might be for all South Africans. Musicians capture both the alienation and the hope of a nation as they often do in times of stress and stagnation.

Strangely, even as South Africans are forced to retreat into enclaves protected by private armadas or defended with homemade weapons, the deep sense that being South African matters, and that South Africa matters, never dissipates. The South African hope persists, even as a sense of unease and foreboding grows and the noise of the hadedas coming home to roost grows ever louder.

Getting to Hadedda Home: South Africa's political trajectory since 2024

It is 2035, and a generational house-clearing is taking place. Those born before 1994 are now a minority; just 33 million of South Africa's nearly 70 million population are 40 years old or older. Those who were part of the great 'youth bulge' of the early 2000s are now aged between 37 and 57 –

supposedly in their prime in terms of experience and earning power. Almost 35 million people, half of the country's population, are yet to celebrate their 30th birthdays.

Urbanisation has finally slowed down. Rural South

It is 2035, and a generational house-clearing is taking place. Those born before 1994 are now a minority; just 33 million of South Africa's nearly 70 million population are 40 years old or older. Those who were part of the great 'youth bulge' of the early 2000s are now aged between 37 and 57 – supposedly in their prime in terms of experience and earning power. Almost 35 million people, half of the country's population, are yet to celebrate their 30th birthdays.

Urbanisation has finally slowed down. Rural South Africa, still struggling to deal with the effects of climate change and the lack of investment in regional and 'remote' economies, has already been drained of people. Only 25% of the nation is counted as rural – way down from half the population that was living in the countryside when Nelson Mandela emerged from prison in 1990. Cities are bursting: wayfarers from the hinterland have streamed into Gauteng's urban spaces unabated for 40 years. Travellers from outside South Africa join them, as they have since the late 1980s, in steady streams of chain migration. Now, in 2035, nearly 30% of the national population, almost 18 million people, crowd together in this small province, which remains South Africa's economic hub. The 'New York' of Africa, some say; to others, it will always be just a pimped-up gangster's paradise.

Greater Cape Town's population is also swelling and is now roughly 6 million, while the eThekweni City Region, with its 8 million inhabitants, is hustling and bustling. Amazingly, nearly 45% of South Africa's population lives in just these three megalopolises; another 15% live spread out in the three provinces that house these gigantic sprawling metros. South Africa is, as it always has been, an uneven estate.

Demography is not destiny, but as the ANC's support base shifted towards rural areas in the 2020s, other, more urban-centric, parties made strong claims to governing competence. This resonated with those who voted in the 2024 and

2029 elections, and some who could, but didn't. South Africa's rapid urbanisation, and the failure of city authorities and planners to create and maintain liveable spaces, has become a key feature of South African life. Just keeping the existing infrastructure working is tough enough. Expanding cities and towns upwards and outwards has stretched local government capacity to multiple breaking points.

South Africa's democracy had contained and moderated political contestation for 40 years. But trust in social institutions has plummeted. Some 50% of the population don't even have confidence in the courts any longer, and polls show that political parties of all stripes are distrusted by more than 70% of those of voting age. Only the disparaged SAPS and local councillors are trusted less than those in provincial and national governments.

The army, by contrast, is now the most trusted South African institution, partly due to successful foreign peacekeeping tours through the late 2020s and the early 2030s, along with South Africa's more successful sports' teams. If you can't trust a rugby prop, who can you trust, the saying goes.

Decades of unbalanced urbanisation have increased the number of people living in informal settlements, especially in the country's 'big three' city regions. Unemployment, poverty and crime flourish in the urban confluences of congested roads and overcrowded tenements. But people do not. Ongoing internal migration is amplified by millions of migrants from Africa and Asia, most of whom do not yet have citizenship due to harsh immigration laws, but all of whom need at least basic services. Five out of South Africa's eight metros are governed by long-standing, but constantly shifting, coalition governments whose lack of stability inhibits infrastructure development because of the persistent focus on short-term decisions.

But it is better than in 2024. After the messiness of the coalition politics of the late 2020s, 2030s

coalition-building processes have matured. While they have become a routine part of the political process, these concocted alliances don't always lead to strong government or stable administrations able to stand up to those with corrupt intent and violent smiles. But at least there is more continuity and the building of experience.

Many know that as much as they try to govern, outside forces linked to regional elites call the shots – and often pull the triggers too.

Only in the Western Cape, with partly-devolved powers wheedled out from national government as part of the 2029 post-election dealmaking, is local government able to consistently improve urban 'liveability', particularly for the wealthier sectors of the population. As it has done for three decades, the Western Cape is still attracting skilled and educated people from other provinces, as well as substantial numbers of less-skilled people.

- South Africa's democracy had moderated political contestation for 40 years. Now, political parties are distrusted by over 70% of voters.
- Over half the population no longer even trusts the courts; the army is the most trusted South African institution.
- A centrist, social-democratic coalition governs South Africa.
- Party leaders still control key processes. Everything is negotiated through backroom deals; decision making is slower than ever.
- 'Speed up!' is the frustrated cry of South Africans.

Governments of perpetual compromise

In 2035, South Africa is still governed by a broadly centrist social democratic coalition calling itself, 1994-style, a Government of National Unity (GNU). The predicted demise of political parties has not materialised; on the contrary, party backrooms control processes and progress, and everything is negotiated. The pace of government decision-making and policy formulation slows further as a result; implementation is equally unhurried.

Many in national cabinet's enlarged super-ministries do their best, but some ministers, provincially and nationally, seem to be marking time, blaming others, and eyeing the 2039 elections as the time when their respective parties in the GNU can

finally shake off the fetters of a decade or so of 'government by perpetual compromise' as some have demeaned it.

'Speed up!' is the cry pretty much from everywhere and everyone, as 70% of South Africans say they would happily suspend elections – and even some democratic freedoms – to see the back of these hastily glued-together 'composite governments' — if the replacement entities could just hurry along and do something, anything, to reduce poverty, attract serious investment, reduce crime, deliver services, and actually grow the economy. Better that, they say, than to have to constantly hear all these 'better tomorrow' slogans from the GNU.

Power shifts eastwards

South Africa's government-by-negotiation was unsuited to the geopolitics of the early 2030s. Beset with deteriorating socio-economic conditions, the country gained little from shifts in global power balances, despite long championing the more multipolar world that is now emerging. And despite South Africa's vital support role in key moments of decolonisation struggles, only crumbs flowed to the nation from BRICS+ and other Global South partners. But these all accrued to a small elite. BRICS+ builds enclaves; few benefits trickle down to the masses.

The AU has weakened too, unable to stem what has been a return to violent and unconstitutional regime change that continued unabated in the 2020s and 2030s. By contrast, countries that embraced the rule of law and prioritised political stability have prospered more than even their optimistic past leaders had expected. Namibia, Botswana, Kenya, Mauritius, Rwanda, Côte d'Ivoire, Ethiopia, and Tanzania have all doubled the size of their economies in the decade leading up to 2035. Partly due to the decreased capacity of South Africa's once-respected diplomatic corps and its famed 'rhetorical ambivalence', the country's AGOA benefits from the US were eventually severely restricted, leading to European countries and companies downgrading their local operations. A much-weakened Russia has become an unattractive trading partner, and while South Africa has invigorated its two-way trade with other African countries, and with China and India, geopolitics constrain trade and hamper inward investment.

With increased rivalry between China and the US, South Africa's policy of Strategic Flexible Ambiguity (SFA) has won it few friends on either side of the smouldering geopolitical divides.

These power shifts and South Africa's declining influence reinforced China's already-considerable ability to undercut South Africa's standing with

its continental neighbours via the success of its Belt and Road Initiative (BRI). By 2030, every African country was obligated to be involved in BRI projects, even though the programme had the effect of forcing African nations to compete against each other for China's largesse.

All this diminished South Africa's once-unrivalled role as a regional hegemon.

South Africa is still lamenting its inability to attract significant Foreign Direct Investment. The country is now ranked 62 out of 64 countries in the IMD World Competitiveness rankings for global economic competitiveness, only slightly worse than its 61st place in 2023. But it is not as if no-one will invest. Sleazy FDI did flow into South Africa as the country became the global crime headquarters for a range of transnational syndicates who set up 'hub-and-spoke' manufacturing and logistics' distribution. These malign multinationals employ thousands of unskilled and skilled locals across their complex but well-protected supply chains.

Despite the respect that the armed forces enjoy from ordinary South Africans, the decline in the country's defence capacity has resulted in its lower overall global standing as a nation. Strong positions on Palestinian rights give South Africa better views from the moral high ground, but don't shift the needle in terms of enhancing non-illicit Foreign Direct Investment. A surge in the number of coups and attempted coups in Africa meant there was just too much peace to try to keep – and too many fences to straddle while getting shot at by all sides.

Budget cuts and corruption have slowly white-anted the SANDF's capacity. Into the 2030s, the country can no longer 'talk softly and carry a big stick' as the old adage about diplomacy suggests. Some commentators joke that we don't even know where the big stick is stored.

- South Africa gains little from ‘West-to-East’ power shifts, despite having long championed a multipolar world.
- South Africa’s ‘rhetorical ambivalence’ has become costly. AGOA benefits have been restricted and relationships with the EU are strained.
- The AU is faction-riven, weak, and unable to prevent frequent coups that continue from the 2020s, even as some countries deepen democracy and grow their economies.
- Political stability allowed Namibia, Botswana, Kenya, Mauritius, Rwanda, Côte d’Ivoire, Ethiopia, and Tanzania to double the sizes of their economies since 2023.
- China undercuts South Africa’s standing in Africa through calculated strategic deployment of its Belt and Road Initiative (BRI).
- The steady erosion of South Africa’s defence capacity affects its global standing.

Climate change and food security

The world continues scrambling to develop effective responses to climate change, with the UN and other agencies trying to accelerate the transition away from fossil fuels and mitigate disruptions to food production. Across Africa, food insecurity has increased. In South Africa, higher temperatures and erratic rainfall in the west of the country, and regular flooding in the east, have degraded soil productivity and made water supplies unreliable.

This has led to decreased maize production, which still contributes 36 percent of the gross value of South Africa’s field crops. South Africa has lost a sizeable fraction of its arable land to climate change –down from 14 million hectares of arable land in the late-2000s to 13.3 million hectares in 2035. Despite farsighted farmers working with university researchers over many years to develop more resilient strains of maize that will be able to cope with the harsher environments of a heating planet, South Africa must import about a third of its maize needs by 2035.

Sadly, these prescient farmers were unable to attract government support for their proposed private-public partnership and thus sold the IP for their drought-resistant strains to a Brazilian agribusiness.

The country is also regularly importing up to three-quarters of its wheat, depending on the levels of rainfall each year. Soya beans and sunflower crop sizes were also much diminished as outbreaks of pestilence hit the fruit industry. Climate change has shifted plant and animal disease ranges, and this has directly impacted the cost of food, which has exceeded CPI every year in the past decade.

South Africa is ruing the lost opportunities to seize the possibilities promised by the Just Energy Transition. The world leading Just Energy Transition Investment Plan (JET IP) of the early 2020s had set South Africa apart as both an innovator and an early Global South recipient of massive investment to decarbonise the economy, while also embarking on a new wave of industrialisation based on green energy.

But looking back, it is clear that almost every aspect of this ambitious plan was poorly handled; only a small portion of those funds was allocated to the social aspects of the energy transition. Tens of thousands of people lost their jobs when eight of South Africa's 14 coal-fired power plants were shut down between 2024 and 2035, with no alternative being provided. Although some workers felt that they were too old to be retrained in 'green energy skills', more effort could have been made to explore alternatives.

Long-established coal regions in Mpumalanga have become ghost towns. While South Africa invested heavily in green ammonia and green

steel and made a big push to become an exporter of green hydrogen and sustainable aviation fuel, projects were held up by construction mafias demanding 30% (or higher) of the budgets. Because this happened wherever companies sought to build new facilities, many were unable to get off the ground. After various accommodations were worked out to allow some of those projects to go ahead, most of those came onstream only in this year, 2035.

South Africa has done better with biotechnology, including reverse osmosis water purification systems and world-leading effluent management tools that benefit both rural and urban communities.

Clean Water Sinking Away

There are more than 6 000 abandoned derelict mines scattered across the Hadedu Home. Many of their owners have long gone to seed. As first seen in Khutsong in the 2010s, such unattended mines create sinkholes in townships across the West and East Rand. As troubling is the fact that old mines often cause water contamination. As happened in the Kromdraai coal mine near Emalahleni (Witbank) in the 2020s, water contamination became a deadly threat, even many decades after the mines were closed. High rates of cancer in areas impacted by mine-polluted water have caused the state to bear more and more clean-up costs.

In 2035, numerous deaths were linked to contaminated water, and prominent NGOs have angered the government by mounting legal challenges against municipalities and metros for not only failing to provide clean, safe water to the populace – a basic right enshrined in the Constitution – but also for being complicit in the deaths of so many.



- Climate change is real! Temperatures have been rising without mitigation; erratic, unpredictable, unseasonal rainfall is now the norm.
- Climate change has shifted plant and animal disease ranges, impacting the cost of food, which has exceeded CPI in every year in the past decade.
- Higher temperatures and erratic rainfall have degraded South Africa's soil productivity and led to poor crop yields and persistent water shortages.
- South Africa regularly imports up to 75% of its wheat.
- South Africa rues lost opportunities of Just Energy Transition Investment Plan. We received huge investments to decarbonise the economy (and industrialise through green energy), but only part of the funding went to the social aspects of energy transition.
- Thousands of workers lost their jobs when 8 of 14 coal-fired power plants in the national fleet were shut down between 2024-2035.
- Biotechnology successes, including reverse osmosis water purification systems and world-leading effluent management tools, benefit rural and urban communities.

AI and technological revolutions: Is it worse in the metaverse?

South Africa, like many industrialising countries, is battling to adapt, adopt and anticipate new technologies, particularly in advanced manufacturing, AgTech, SpaceTech, generative Artificial Intelligence (AI) and Neuromorphic Computing. After decades of hype and hope, by 2035, the weird 'liminal spaces' of the online metaverse, partially powered by AI's large-language models and near infinite datasets, are finally making Internet 3.0 a reality.

AI has proven to be the gamechanger it was predicted to be, upending all manner of professions, and starting to transform education in South Africa. This happened first in the private sector and, more recently, in government schools, helping replace,

in some fields, the provision of physical textbooks. But government vacillation and its inability to scale up enough of the investment required to extend digital access to all South Africans, despite the loud 2024 and 2029 election promises, saw digital inclusion policies implemented too slowly. A quarter of South Africans still had little or no internet access by the late 2020s. But with the declining cost of data and free access in many public places, the Internet is being used more and more for learning and teaching, and for remote working arrangements.

For the creative community, AI is a great tool once people learn to use it to turbo-charge ideation and to do repetitive tasks accurately and quickly. Editing

video, making movies more cheaply, mashing up music creates more opportunities than the work it replaces, even if access to top-end AI system is not something everyone can afford. But the arts

are also negatively affected by the encroachment of AI, stealing artists' original works, voices, images to profit shady and not-so-shady entities.

- Large-language model and generative AI have disrupted every profession and transformed whole industries. They have also started transforming education, mostly for the better.
- Government vacillation and underinvestment have seen digital access expand too slowly; a quarter of South Africans can still only afford to go online for less than an hour a day.
- Government has improved access in schools, colleges, and universities. The internet is increasingly the backbone of learning and teaching, and working remotely has become more common.
- 'Smart city' tech and facial recognition/biometric systems have improved service delivery and social grant payments and reduced crime, despite disquiet about South Africa becoming a 'surveillance state'.
- Mechanisation, and the spread of electric and driverless vehicles also bring mixed blessings to many industries.

Hadedda economy: Flying sideways since 2024

The deep structural malaise and slow growth rates of the South African economy remain unresolved in 2035. Since COVID-19 lockdowns in the early 2020s, South Africa has added only 3 million fulltime jobs, despite the population having increased to 70 million. Half the working-age population of 44 million is not in employment, education or training. The unemployment rate, using the narrow definition, is 37%; youth unemployment is 55%. The middle class has shrunk further, and South Africa's tax base continues to contract.

The real cost of electricity blackouts and other

infrastructural blockages in South Africa before 2025 is still disputed, but an estimated 2 million jobs that might have been established did not ever materialise. Those kinds of disruptions are now mostly in the past. In 2035, the economy's infrastructural engines, particularly Eskom and Transnet, are better run, mainly due to lower demand as users in-source their own provision, and due too to a variety of measures that have reduced crime and malfeasance.

Decades-old schemes to diversify energy supply, to better integrate solar, wind and nuclear power

into the national power mix, and facilitate greater investment from the private sector into large-scale energy generation began bearing fruit in the late-2020s. Changes to Schedule 2 of the Electricity Regulation Act back in the early 2020s helped by allowing private providers to supply up to 10GW of power from their generating operations, resulting in billions of Rands invested by otherwise investment-shy private companies. Municipalities were able to procure some of their own power too; by the early 2030s, more than 40% of municipalities across the country had taken up this opportunity, including all the metros.

Most of this investment has been in solar and battery technologies, greatly aided by the implementation of excess supply feed-in rates. By 2035, no major telecommunications company, sizable factory or large mining operation is still dependent on Eskom, apart from those running aluminium smelters. Corruption in the parastatal sector has been contained but not eradicated. After a 20-year

struggle, Eskom was finally protected enough from criminal syndicates, some of whom had been partly 'bought off' through deals to formalise their involvement in the business. So, while not squeaky clean, Eskom's transmission and distribution units are, at least, and at last, not losing money. The utility's generation business has only partly been able to break even, since much of the economy is now powered by privately-owned green energy generation.

Middle- and upper-class households have invested in alternative energy sources and battery storage. Batteries have become much more affordable; innovations in battery chemistry and manufacturing techniques have ensured lithium-ion batteries cost 40% less in 2035 than their 2024 prices. Power supply is stable and sufficient, and the energy produced is cleaner. The coal fundamentalists of the 2020s have been pensioned off by the younger generations that now run national government.

Rolling stock gets rolling

Transnet too, recapitalised twice through BRICS loans and direct assistance from India, is functioning at levels not seen since 2017. Microdot technology, crackdowns on scrap metal dealerships, and new restrictions on the export of scrap metal have made a huge impact. Electric and semi-

autonomous trucks have also eased the pressure on rail networks. SAA's partial privatisation in the mid-2020s was progressively converted to near-full privatisation in 2029, and ultra-low-cost airlines have made air travel available to larger portions of the South African population.

Spades in the ground

By the beginning of 2035, most sectors of the economy had pulled out of their prolonged decline or sideways movement since the 2020s. Some are growing again, in terms of employment and their contribution to GDP, but the structural reforms that government has tried to prompt have not yet materialised. Successive governments have not been able to meaningfully shift 150 years of

racially-patterned agricultural production in South Africa. Black farmers still produced less than 10% of farming output up until 2028; many farms were just too small and soils often needed a great deal of fertilizer to produce decent-sized crops. Larger commercial farms were and are, even in 2035, mostly white owned.

The challenges were tough. About a fifth of all workers in 2024 worked the land, but most earned a pittance and lived impoverished lives. Seeking to grow farm employment, the 2024-2029 government worked to improve macro planning for agriculture, with a keen focus on a new kind of compact between commercial farmers, government and farmer-workers/rural entrepreneurs. It was voluntary, supported by the state and better integrated into agricultural value chains.

Sustained efforts were made to revitalise land reform to give ordinary people more 'fungible' tradable security of tenure, with the consequent dialling back of the power of traditional leaders and rural powerbrokers. The District Development Model assisted in creating defined geographical areas where resources could be focussed and alliances built. The government also initiated processes to provide more generous financial support to the agricultural sector, as the apartheid government had done for 60 years for white farmers. Small-scale black farmers clearly held the key to diversifying the nation's food basket, and to increasing employment on South Africa's mostly arid lands.

South Africa's large-scale commercial farms have long given the country some buffer against climate

change. Fruit, sugar, and vegetable production are doing well, despite rising temperatures and water shortages. The 30 000-plus commercial farms across South Africa have also been better protected from the impacts of climate change. From 2031 onwards, there was a slow uptick in the number of agricultural jobs.

Some smaller farms, bolstered by significant state support that was largely absent until 2029, are now able to invest and grow. Cooler weather in 2031/32 produced what some are suggesting were South Africa's best crops in a decade, with the best quality red wines since the stellar vintages of 2009 and 2015.

Beef too had doubled in value since 2024. Exports of premium products, including nuts, apples, avocados, pears and citrus fruits grew for seven straight years until 2035. With Persian Gulf countries and other regions now satisfied with the safety of South African livestock, the country is exporting more beef and lamb than ever before. Agricultural exports now account for 14% of South African export earnings, i.e. almost a third higher than its contribution in 2024.

New mining lows

Agriculture is the only major primary sector increasing its contribution to GDP. From around 2004, South Africa's mining sector had been shrinking by about 1% annually, even as its major competitors in other parts of the world averaged growth of about 4% per annum over the same period. But by early 2035, both manufacturing and mining had stabilised and are no longer shrinking in terms of GDP shares, although automation continues to limit the creation of jobs.

South Africa's massive PGM reserves and valuable deposits of other precious and critical metals remain under-exploited because of a combination of ongoing policy uncertainty and extensive crime mitigation costs. In addition, before large companies began generating their own electricity, they had also been impacted by erratic power supply.

But at nearly half a million jobs, the mining sector remains a core of South Africa's economy. By



providing long-term policy stability, even with high levels of taxation, or by facilitating rigorous public-private partnerships, projects such as Botswana's long-term rough diamond partnership, Debswana, attract far more fresh exploration funding and

capital investment than South Africa. For years, Ghana, the DRC and Côte d'Ivoire had been attracting a greater proportion of global mining exploration expenditure than South Africa. Last year, in 2024, Burkina Faso did so too.

- South Africa's manufacturing and mining sectors have stabilised and are no longer shrinking as a sector share of GDP.
- Automation and AI have limited job growth in the services sector.
- South Africa's substantial Platinum Group Metal reserves and deposits of other precious and critical metals are still under-exploited because of policy uncertainty and the high cost of crime mitigation in mining supply chains.
- The mining sector still supports half a million jobs and remains the core of South Africa's economy. But from 2004 to 2035, the mining sector has shrunk by around 1% annually. Competitors, by contrast, have averaged growth of about 4% per year.
- Ghana, DRC, Côte d'Ivoire, Burkina Faso now attract more global mining exploration expenditure than South Africa in 2025.

Labour not working

Pondering the past, South Africans rue low economic growth rates, both before and after the COVID-19 shutdowns. Since the outbreak of the pandemic, South Africa has averaged annual growth of just 1.8%, which has meant the creation of only three million new jobs since the 2020 pandemic. The domestic workforce only regained its pre-COVID-19 size in 2024, and in 2035 it numbers just under 19 million. But sizeable population growth, aided by migrant inflows, means these workers are, in effect, supporting all 70 million people living in South Africa in 2035.

In an economy with one of the lowest labour absorption rates in the world, more than half of the

44 million working-aged people are out of work. Young South Africans have started thousands of their own businesses or have been cycled through one temporary job experience programme after another. But more than 60% still have no work or less work than they want and need. Shockingly, a few million still-youthful South Africans have had no regular, stable work since the COVID-19 shutdowns 15 long years ago.

But young people are not idle; the rates of community involvement through religious, sporting and mutual assistance groups have risen, as have the number of young people volunteering and doing some informal or gig economy work.

Vukuzenzele: Hadedu Hustles in 2035

South Africa's high unemployment levels persist into the 2030s, but the informal sector is growing faster than expected, as South Africans take a leaf out of migrants' and refugees' admirable ability to hustle and innovate. In the 2030s, under-utilised schools and local libraries are adapted to the needs of communities, providing the space and impetus for smaller-scale entrepreneurship.

Fewer than 8% of South Africans were running their own businesses in 2024. Eleven years later, that number has nearly doubled to 15%. Back in the 2020s, South Africa was ranked a lowly 49th out of 54 economies on Global Entrepreneurship Monitor's 'National Entrepreneurship Context Index' – with only 10% of people saying they were considering starting some kind of business in the next few years. The global average was then already 25%!

Now, in 2035, South Africans have mostly caught up, realising how crazy it was that the rest of Africa was so far ahead of Mzansi in terms of 'entrepreneurial intent' and what the economists call Total Early-stage Entrepreneurial Activity (TEA). Everywhere you go, young formally 'unemployed' people are getting into hustles that not only provide them with an opportunity to earn a living but also provide for people's day-to-day physical and mental health needs in innovative ways.

All kinds of service and entertainment businesses, helped by the expansion of digital connectivity and the skilled use of AI, are evidence of young South Africans giving meaning to the spirit of 'get up and do it yourself'. Vukuzenzele!



Several have turned to the arts, both as a way of earning a living and as a medium to express their dissatisfaction with the marginalisation that they face in society.

Many youth have returned to the classroom, taking advantage of recent widespread provision of highly-subsidised Internet, and are successfully drawing on global projects like the Khan Academy and AI-enabled teaching to enter the workforce. Self-paced learning and study groups allow some to develop exportable skills, working on customer service chatbots or AI-enabled coding. More than half of South Africa-based coders work for global clients. Self-sufficiency has become a survival mechanism in a harsh environment.

Over the past two decades, trade union leaders have eased their way into the political and economic elites; their political savvy and networks ensured that union leadership roles translated into senior government or private sector positions. With these leaders focusing more on their bank balances than their working-class constituencies, union membership has dwindled significantly over the years. Workers who remain in trade unions receive better wages and benefits compared to non-unionised workers, but this is often at the expense of non-unionised workers who are kept out of the workforce, resulting in a shrinking organised labour sector.



Borrowing from tomorrow

Given the inability of the economy to grow the middle-class tax base as much as was needed, getting all the Hadedu business done required South Africa to borrow from the IMF and the BRICS New Development Bank. The national debt now stands at almost R12 trillion. Much of this debt is a result of the high costs of rescuing and restructuring state-owned enterprises and from the need to repeatedly extend social welfare provisions post COVID -19.

Grants, desperately required to facilitate basic survival for many, pushes the 2035 debt to record highs. But it is still manageable since the debt-to-GDP ratio is 'only' about 110%. While this is no longer in the 'moderate' ratio of external liabilities to GDP that South Africa enjoyed in the 2020s, and while it now costs South Africa nearly R2 billion each day to service this debt, there is hope that the global upturn that is strongly evident in 2035 might yet bring some relief.

Deep and protracted global slowdowns that started in 2029, coupled with lower commodity prices had, after all, been a big part of the economic story and the debt trap that South Africa had started falling into. FATF grey-listing and South Africa's rating downgrades, which raised debt costs and

ultimately reduced disposable income for many, didn't help. But now South Africans wait and hope for favourable trade and commodity prices while the still-new GNU starts to get serious about structural reform, announcing yet another round of belt tightening.

- Structural constraints in the economy and slow economic growth remain unresolved.
- Since COVID-19 lockdowns in the early 2020s, South Africa has added only 3 million fulltime jobs, despite its population increasing to 70 million.
- Half the working-age population of 44 million is not in employment, education or training. The unemployment rate is 37%; youth unemployment is 55%.
- The middle class has shrunk, and South Africa's tax base continues to contract.
- Government borrows heavily from the IMF and the BRICS NDB.
- The national debt is R12 trillion. A GDP ratio of 110%. Debt repayments are now over R2 billion / day.
- SAA's semi-privatisation in the mid-2020s shifted to full privatisation in 2029.

Education: World-class, for 10% of pupils

The poor quality of South Africa's primary and secondary education continues to limit the prospects of the majority of young people. Globally, education is a key enabler of social mobility but in South Africa the 'escalator' to jobs and higher income is broken. Those who were born into impoverished families have only a five percent chance of moving up the wealth ladder in South Africa in 2035, mostly due to inadequate education. In many other countries, including South Africa's African neighbours, a more pupil-centric education system allows the industrious to move into higher social classes, often lifting their families with them.

Those whose children are able to get into fee-charging public schools, or who can afford private schools fees, have far better prospects

of getting jobs, or getting into good universities and developing expansive careers. Against this background, the wealthy continue their efforts to develop a stronger and better-resourced private school sector to counter what they perceive as inferior state education. They also successfully lobbied government to allow more private universities, which, in 2035, produce a larger-than-ever number of graduates, allowing some middle-class families the assurance of 'bankable' qualifications that some of South Africa's poorer and more regional universities are unable to guarantee.

By some measures, South Africa's private education is as good as any offered around the globe. But in government schools, despite incremental improvements, the situation remains bleak. Back in 2024, 1.1 million children started school for the first

time. This cohort should have, in 2035, completed its schooling. However, only about 800 000 pupils from this group of youngsters were able to write their matric exams, as many dropped out in Grades 10 and 11, in 2033 and 2034 respectively. Of those who did write their matric final exams in 2035, just over 650 000 passed – a little more than half of those who first put on their school uniforms 12 years ago.

In desperate attempts to escape the cycle of poverty, many poor families and communities have resorted to rough-and-ready ‘private schools’ in their communities. These, however, usually provide

a low-grade education and are often fly-by-night institutions that make little difference to the pupils, instead cheating impoverished families of their meagre and hard-earned savings. As the divide between the haves and have-nots yawns wider, the education crisis reinforces and entrenches it. But there is hope: the wider provision of cheap and free internet, particularly to lower quintile schools in the late 2020s, has seen students increasingly use intelligent tutoring systems that supply feedback in real-time. These systems allow teachers to play mentorship, rather than teaching, roles and to focus on knowledge integration.

- In the late-2020s, the wider provision of cheap, free internet, especially to lower quintile schools, resulted in pupils increasingly using AI tutoring systems.
- Poor school management and discipline meant that public education did little to improve the prospects for most young people.
- Private schools flourished for the rich.

Sicker, for longer: Health and health systems in Hadedda Home

South Africans are less healthy in 2035. Screen-time and sedentary behaviours have increased over time, and as combinations of hotter weather and fear of crime makes even walking unattractive, half of the population battles with being overweight or obese. The country still has the highest HIV burden in the world, but new infections have reduced to 400 per day, compared to the 1 500 daily new infections at the start of the 21st century. Some 95% of South Africans know their HIV status; 80% are on treatment, and of those on treatment, more than 90% are virologically suppressed.

Between HIV, TB and diabetes, South African health facilities are full, and many are failing. The

government reversed the partial and haphazard implementation of the NHI, given that more than half the doctors trained in South Africa since the NHI was formalised in 2024 left South Africa, as have 30% of nurses. Even the worst-case scenario for health worker flight has been exceeded since the start of NHI’s implementation.

South Africa had long spent a higher portion of its GDP on education and health compared to many similar countries, while achieving worse outcomes. The key impediments to progress and success have been a lack of capacity and corruption. In 2035, while still in its first year of office, the newly-installed GNU is belatedly exploring the public-

private partnership options left on the table in the 2020s. And, also on the upside, South Africa is finally getting serious about learning from and duplicating elements of its world-leading HIV

prevention programme to non-communicable diseases via education programmes, subsidised healthy eating schemes, and building community exercise programmes.

- The GNU is exploring more robust public-private partnership options for health care provision.
- South Africans are sicker than ever. Sedentary behaviour and higher costs of healthier food mean that 50% of the population battles with being overweight or obese.
- South Africa still has the highest HIV burden globally; new infections have stabilised at 400 per day.
- 95% of South Africans know their HIV status; 80% are on treatment; of those, more than 90% are virologically suppressed.
- The prevalence of HIV, TB, diabetes and other NCDs stretches all state health facilities; many are falling short or failing.
- Government has reversed NHI implementation, partly due to the large number of doctors and nurses who have left the profession or emigrated since NHI implementation began.

Pushing back on infrastructure collapse: Using the law to get maintenance done

Major retail chains have successfully sued the Johannesburg, eThekweni, Pietermaritzburg and Tshwane metros after massive rains of 2034 flooded the cities' streets, causing major damage to businesses that cost millions of Rands.

The retailers – aided by expert evidence from town planning and infrastructure specialists – proved that the flooding would not have happened had municipal services been rendered properly. They showed that drains had not been properly maintained in years, and were the proximate cause of flooding, not only of the streets, but of the businesses located in these streets.

Taking a leaf from the book of these retail giants, NGOs acting on behalf of numerous communities also took the municipalities to court after the deaths of many in flash floods in Alexandra in Johannesburg, Inanda in Durban, and Khayelitsha in Cape Town. These challenges further compound the many health challenges the nation is facing as a result of negligence and bad planning on the part of local governments.



2035: The hadedas come home to roost

Apartheid spatial planning stubbornly endures. Even in 2035, many suburbs are still largely white and well-off, as inter-generational wealth transfers continue their predictable paths. The South African middle class has slowly become more multicultural and mixed, but its relatively small size limits the impact of this integration on society. There are few public spaces in which to build social cohesion, and social trust remains low.

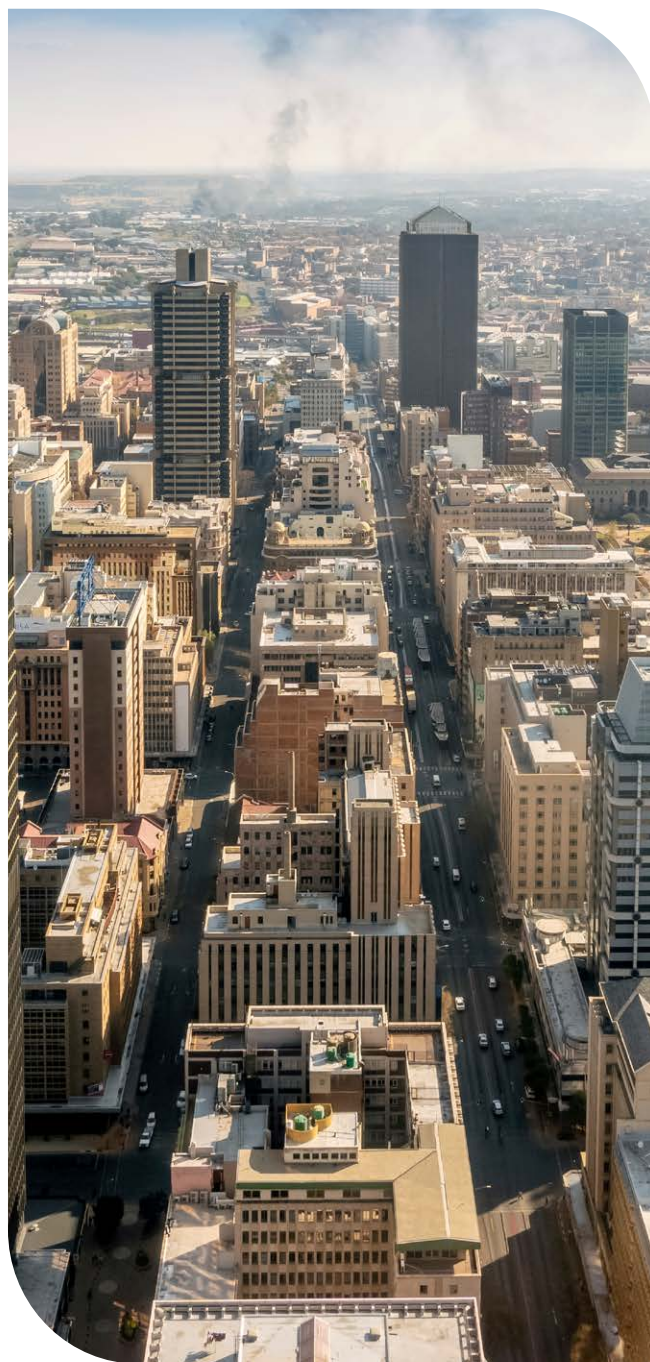
But South Africans' uncanny sense of fairness remains undimmed, no matter how many times they are bullied by 'thirsty' policemen, rapacious slumlords, taxi bosses, or by those who have captured public schools. The gatekeepers and rent-seekers are blamed by ordinary people, and with good cause. People want jobs and opportunities, and they know who is making the squawky shrill noises and who is lining their pockets.

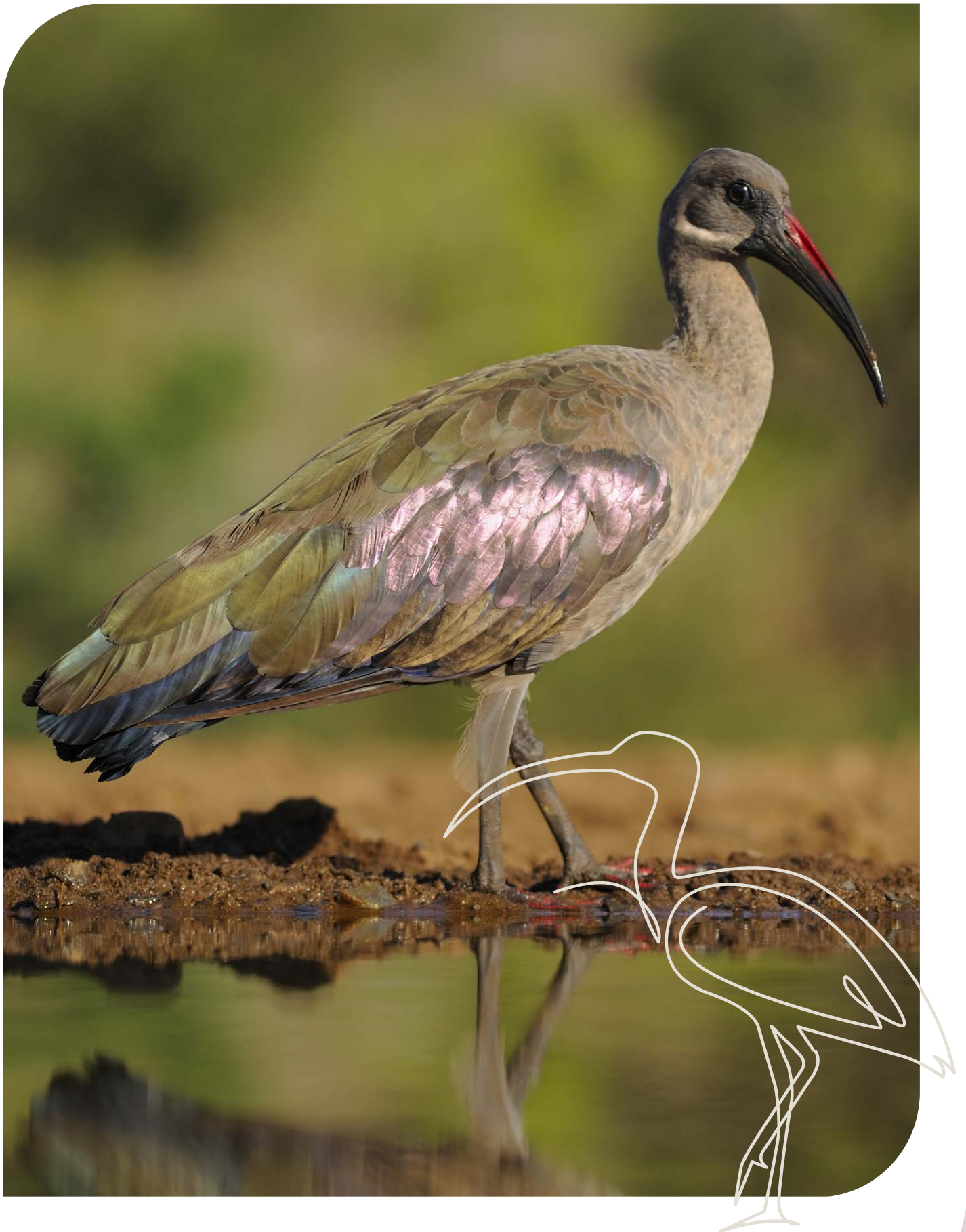
The political elite is, however, as evasive as ever, and deflects all criticism in what has become a recrimination nation. Everything, those in charge say, is either the fault of history, or attributed to fate, or labelled as someone else's blunder. The buck effectively stops nowhere.

Will that change with the most recent incarnation of the GNU led, as it is, by a far younger generation? Maybe hydrogen energy and ubiquitous AI-empowered workplaces and schools can feed these coalitions of the principled and pragmatic? There is talk of big oil and gas finds off the West coast. Most state-owned enterprises have been enterprising and competent, allowing for foreign investment to pick up. Although crime rates are not coming down fast enough, they are, at least, no longer relentlessly rising.

South Africans have proven that it is still possible to turn things around, even if it is a little at a time. The country can still inspire itself and the world. Sick of being known just for being 'resilient' and

long-suffering, people are more determined to go beyond the limited capacity of the political class. Maybe more South Africans will connect up across the high walls and long distances, and take more collective action to reclaim their birth rights? Perhaps the hadedas will quieten down too?







SCENARIO 2



Vulture Culture: The Desperation Nation

Vultures love a feast but will settle for scraps. Skilled, relentless, adaptive, their keen eyesight allows them to swoop in wherever opportunities await. They fight off other birds and lash out at smaller scavengers for what they consider theirs. There is little left when they're done.

Overview

South Africa's fragile government, led by a supersized cabinet designed to allow for representation from multiple coalition partners, has united the nation against it. Weak and unpopular, having collectively attracted the votes of only one out of every three South Africans in the 2034 national election, the current government is increasingly lashing out at critics and journalists, insulting migrants, and openly rubbing shoulders and wallets with criminals and regional warlords.

The 2030s have been harsh and hostile as South Africans have to hustle more than ever, with little protection from the dangers of criminal syndicates, nor from rising temperatures, contaminated water and political predators lurking behind every corner, waiting for their 'time to eat'. State coffers are bare, and more than half of all adults are jobless.

As nearly a third of South Africans go to bed hungry at least one night a week, one of South Africa's main exports has become its people.

Many of those who can afford to leave the ever-more dangerous Gauteng province do so, pushing south, or heading out to other African countries that are flourishing independently of South Africa. Others encourage their children to move to the booming economies of the Middle East, or to trek off to Europe, the USA, or other high wage-low unemployment countries. In 2035, South Africa's 50%-plus unemployment rate is 10 times higher than the global average of 5.1%.

The discovery and rapid exploitation of gas and oil reserves on the West Coast is looking ever-more likely to be a proverbial game-changer and has temporarily quietened loud voices in KwaZulu-Natal and the Western Cape that were seeking to opt out of South Africa's venal Vulture Culture. Even in an age when fossil fuels are on their way out, could this be the path to a more prosperous South Africa? Or will the vultures keep the spoils all to themselves?

How did we get to Vulture Culture? A tale of three elections

UPHEAVAL AND DISLOCATION: 2024 TO 2029

In the pivotal 2024 election, the ANC's votes dipped below the 50% mark, and it was unable to sustain a workable coalition on its terms. Instead, it was forced, after few years, to play a much-diminished role in opposition as a right-of centre coalition was cobbled together. Several smaller populist parties didn't formally join the coalition but lent their support to the government through 'confidence-and-supply' arrangements when they felt it expedient to do so.

To stamp its authority on government and society, the coalition pushed forward on two fronts: the

imposition of a fierce 'law and order' regime, targeting corruption and violent crime above all else, and trying to restore fiscal stability through sharply-focussed austerity policies. But its efforts to reduce crime – with what often became a 'shoot on sight' sledgehammer approach – reeked of authoritarianism and disproportionately targeted certain types of crimes and certain sections of the population. Though South Africa was in dire need of fiscal discipline, the unwise and unrealistic austerity programmes, viewed by many as 'anti-poor', saw the South African social welfare

system unravelling. The country's enduring triple challenges of unemployment, inequality and poverty worsened.

The observation that when you fight corruption, the corrupt fight back was never truer than in the late 2020s. Orchestrated protests, blockades of highways and ports, urban and rural uprisings and economic sabotage became even more frequent and violent, spurred on by powerful forces no longer able to rely on government employment, tenders or largesse. These protests were backed by the entrenched patronage networks in municipalities and provincial governments that those excluded by the 2024 political realignment felt had to be defended at all costs.

The national government was confronted in some provinces by ethnically assertive movements urging a return to 'communal' or 'cultural values' and tradition. These groups had become popular

enough to hold the balance of power in four provincial coalition governments and three metros. They often colluded with both criminal gangs and ex-state security insiders to foment a sense of ungovernability. 'No-go' zones sprang up across many areas, making the ruling coalition seem less legitimate and less in charge.

Shape-shifting coalitions in provinces and large metros frustrated voters, especially when it became clear that what was at stake was not so much deep policy disagreements as it was power and the perks of high office. Budget deficits widened and growth in the formal economy slackened; the Rand became a rude international meme for instability.

Some relief might have come from prosecuting kingpins inside and outside political party structures. Funding to expand capacity and prosecute complex corruption cases was budgeted for, but always whittled down at the last minute, or never delivered at all. The Directorate for Priority Crime Investigations, the National Prosecuting Authority and the specialised crime courts battled to fill half their posts. But full staff complements were needed to dent caseloads and deter future venality. Even universities, Chapter 9 institutions and the Lottery board became fair game for those looking for resources to pilfer. Despite clear evidence of wrongdoing, the best-case scenario was often to just get the stealing to stop, rather than jailing perpetrators or recovering stolen funds. By not adequately funding the Hawks, judges, prosecutors, financial crime units, government was fuelling corruption, as the country increasingly found out.

By the late 2020s, the coalition's more populist parties, seeing the writing on the wall, ditched the governing alliance and seized their opportunity, campaigning with a fiercely pro-poor rhetoric for the 2029 elections. Five years of vacillation and anti-crime crackdowns that often impacted on innocent bystanders with deadly violence, coupled



with increased rates of poverty, gave populist parties fertile ground for inflammatory campaigns to 'rescue' South Africa from the neoliberal, business-friendly government by promising speedier change and a proper reckoning with 'white monopoly capital'.

The slightly-right-of-centre alliance just could

not hold. In the bitterly-fought, violence-marred elections of 2029, breakaway factions from the out-of-power ANC, joined by populists of every other stripe, won just enough votes and seats in 2029 to eventually – after months of inter-party horse-trading. – form their own ruling coalition.

- Between 2024 and 2029, a dithering but principled liberal right-of-centre coalition alienated a hopeful South Africa with its combination of stringent austerity policies and heavy-handed anti-crime measures that made violent crime levels worse.
- Immunity and impunity for the corrupt expanded. Despite evidence and leads flowing from the Zondo Commission of Inquiry in the early 2020s, the Hawks were no match for the vultures.
- Promised funding for corruption busting never materialised, allowing many to operate with impunity at every level of government, particularly at local levels.
- Populist parties in the 2024-2029 patchwork of coalitions, at national and provisional levels (and in many local governments), eventually deserted their coalitions to exploit and channel people's fury and desperation.

Although some analysts described the new government as left-of-centre, a more accurate

description was that it was entirely centred on its own self-interests!

2029 to 2034: The race to the populist bottom

Despite having inherited a state running out of cash, the new populist government was not going to continue on any kind of programme of fiscal austerity. Its main promises to the electorate were to increase grants, an eventual basic income guarantee/grant, and steep rises in minimum wages. Before 2029 was out, all these policies were ramping up through uninhibited deficit spending. The Reserve Bank bullied and structurally re-organised to engineer a special South African brand of 'quantitative easing' and money creation,

lost credibility internationally as it was stacked with the populist coalition's apparatchiks.

Policy poor and power hungry, the new coalition government shifted resources to multiple bases of its different coalition parties, to shore up support and buy time to consolidate power. Resources went especially to sections of educated youth who saw the new coalition as a generational wedge that could potentially carry them more assuredly into the middle class.

Significant funds were therefore ploughed into youth business start-up loans and grants, and there was far more generous funding of selected students in higher education via a slightly more efficient NSFAS. These efforts strengthened support for the coalition from the 18-to-34-year-old demographic. In 2030, the establishment of the National Youth Service (NYS) by the SANDF and the enlarged Ministry of Higher Education provided some young people with the motivation and experience to propel themselves into the workforce. The NYS was well resourced and designed to be a positive, even fun, experience. Calls quickly grew to extend NYS from the initial nine-month stints to two years.

Despite South Africa's beleaguered balance sheet, the West Coast discovery of vast deep-sea gas and oil deposits in the early 2030s promised to change the national economic game. It also ultimately tipped the electoral balance in the lead-up to 2034. Notwithstanding a global momentum to decarbonise, and in the face of fervent protests by Namibia that South Africa was 'drilling sideways' into its carbon-rich fields, South Africa's close

relationship with multinational oil companies, as well as China and Saudi Arabia, quickly capacitated the newly discovered mega-reserves of gas and oil.

Before the gas discovery and the massive investments that followed it, corporate and personal taxes had increased sharply, as had VAT. Despite a longer list of exemptions of basic commodities from VAT, and large anti-VAT protests in 2030 and 2031, anti-coalition activists' hopes of reversing their political fortunes did not play out as they had expected. As had been the case with many recent protests, furtive masked figures attacked protesters, often on their way home from marches and pickets, while police looked on or took suspiciously long to respond.

After the gas field fortunes started coming on stream, partly as a result of advances from long-term investors such as Russia's Gazprom, South Africa's jubilant coalition was determined to secure its power, the niceties of the constitution be damned. The 2029 election was the most violent in South Africa's history.

Party like it's 2034: The consolidation of populist power

The 2029 coalition's leading populist parties felt constrained by the conflicting needs of its alliance configuration and looked eagerly to 2034 to tighten their grip on power and jettison some of the smaller parties. Critically, divisions within the ANC undercut its promised post-2029 renaissance and regrouping, despite many old hands coming out of retirement to rebuild the Congress tradition. The centre held less well when pushed to the margins; many found it far colder than expected outside the corridors of power. Defections to the populist coalition increased as it became clear that the ANC and its allies were unlikely to stage their hoped-for comeback in 2034.

In any case, the coalition's ability to deflect blame, vilify big business and White and Indian 'haves' for their economic dominance, as well as to blame 'foreigners' for grime and crime, proved popular enough for its narrow re-election in 2034. Its success was sealed especially when electioneering included a promise of larger cash infusions and a true Basic Income Grant funded from new oil and gas income.

The ruling coalition was helped by the spoils of incumbency, firm control over the SABC, pre-election crackdowns on NGOs, and sophisticated

social media-driven voter suppression tactics, which (some say) was partially coordinated by its Russian allies. Opposition parties tried to initiate some court cases, especially around the independence of the SABC, but those didn't get far.

Elected on a brash populist platform, and partly on the coattails of recent 'big name' defectors who brought a veneer of technocratic competence, the coalition's slim advantage at the 2034 polls did not inhibit its insistence that it had the mandate for even

more serious reform. As such, it set about enacting policies that reached deep into public and private life. Rhetorically hostile to both private health care and independent schooling and committed to appropriating the commanding heights of the economy – supposedly to end domination by WIMPS (White and Indian MonoPolists) – the coalition proved surprisingly popular with younger voters, many of whom had never voted before 2034.

Coalitions of capture

With the enlarged flow of funds from gas and oil, and the resurgence of mineral exploitation after deals with India and China, the looting of state coffers became more widespread and systemic, albeit with the pretentious label of 'returning the people's wealth to the people'. But no such return took place in practice.

Much of the pillaging was unabashed as those in the 102-person national cabinet, including 60 deputy ministers, pretended not to notice or care. Like provincial cabinets, also bursting out of their assembly chambers due to their enlargement, politics everywhere has become, in 2035, more dramatic and explosive.

In one of the earliest pieces of legislation government and parliament, dominated by parties that had amped up a sense of national emergency and scapegoating of 'foreign ideologies', passed punitive laws to curtail media freedom, and to harshly regulate civil society. This included NGOs with a history stretching back to the 1980s, in a country still reeling from the External Interference Act of 2033 which shut down or curtailed some of the most prominent NGOs and outlawed the 'foreign funding' of journalism. The government had systematically targeted the SABC and by 2035, the SABC board and management had again become faithful lapdogs of the ruling coalition,

barking out directives given to them in late night calls from politicians 'providing guidance' on what issues to cover, and how.

Starved of information, and beset by censorship, ordinary South Africans find it harder to know what is going on in their own country.

It became even more critical for the coalition to control the narrative and shape the national discourse as SOE boards were packed with its allies, and SARS was weaponised to extract more wealth from those High-Net-Worth Individuals not aligned with the ruling elite. It has rapidly become clear that the 'states of capture' of the old days were dress rehearsals for what has become a far more sophisticated project of corralling the country's most productive resources to benefit a few dozen highly connected families.

The country's low credit ratings also mean that interest bills keep climbing, but the government remains undeterred, as many in the coalition keep their eyes on the ultimate prize: unfettered control of the treasury and the nationalisation of the Reserve Bank, which had been promised, after many court battles, to occur soon.

- Inconclusive 2029 electoral results led to months of horse-trading. A reconfigured populist coalition finally took power and immediately started funnelling resources to its core constituencies to consolidate its voting blocs.
- Many educated young people embraced the coalition's fiery rhetoric of radical economic transformation and a racial rebalancing of economic power.
- Defections to the populist coalition emanate from all parties, including the ANC – especially after the discovery of deep-sea gas and oil deposits in 2031. Gas means cash, tipping the balance in the lead-up to the 2034 elections.
- Skilful in dishing out tenders and food parcels, vociferous in vilifying business, and relentless in pinning crime and decay on 'foreigners', the coalition is narrowly re-elected in 2034.
- After what the Mo Ibrahim Foundation described as a 'highly problematic' 2034 election, South Africans slipped on the Mo Ibrahim Index of African Governance from sixth (in 2022) to 13th place in Africa. This was mainly due to ever more severe media restrictions and a long streak of 'accidents' that seemed to befall leading lights of the opposition.
- In 4 provinces and 3 metros, ethnic movements urging a 'return to traditional values' hold balance of power. Positions and power trump policy and governance across much of South Africa.
- Coalition narrowly re-elected in 2034 by skilfully dishing out tenders and food parcels, vilifying business and targeting what they derisively called WIMPS – White/Indian MonoPolists - while also relentlessly blaming 'foreigners' for crime and decay.

Exodus and exile

There is resistance. Brave artists fight back against censorship, but unlike the apartheid-era censor boards and bureaucratic machinery, creative workers now get knocks on the door or bricks through windows late at night. But new laws are planned too: insulting those in government, from the President downwards, or causing alarm, or 'harming the country's reputation' have been discussed as potential crimes. The constitution and the Bill of Rights stand strongly in the way of many of these proposed 'social harmony' laws, so

ways of circumventing these obstacles are very much on the post 2034 agenda. This includes ensuring that new judges are more compliant or scared, which the new coalition is determined to make sure happens.

Many South Africans leave. Many African professionals who had filled voids in South Africa's skills hierarchies until the early 2030s, across many sectors, leave too, as much in fear of yet more xenophobic attacks as in response to

closing of democratic space in South Africa. Many in the upper levels of the middle class also decide enough is enough. Fewer people are coming into South Africa – including from other African countries. They would rather, like many South Africans looking for opportunities to get ahead, seek out a wider world that has more capacity to absorb their skills and entrepreneurial zeal.

As such, the local export of skills become a flood. Spurred in part by the initial implementation of National Health Insurance scheme (NHI) which was disorganised and inefficient enough to sow uncertainty and become the last straw for many in the health sector. Migration agents from rich countries lurk around hospitals, clinics and medical campuses, offering seminars that showcase the boost in earnings that health workers and, indeed, professionals and artisans of all stripes, could receive from plying their trades overseas.

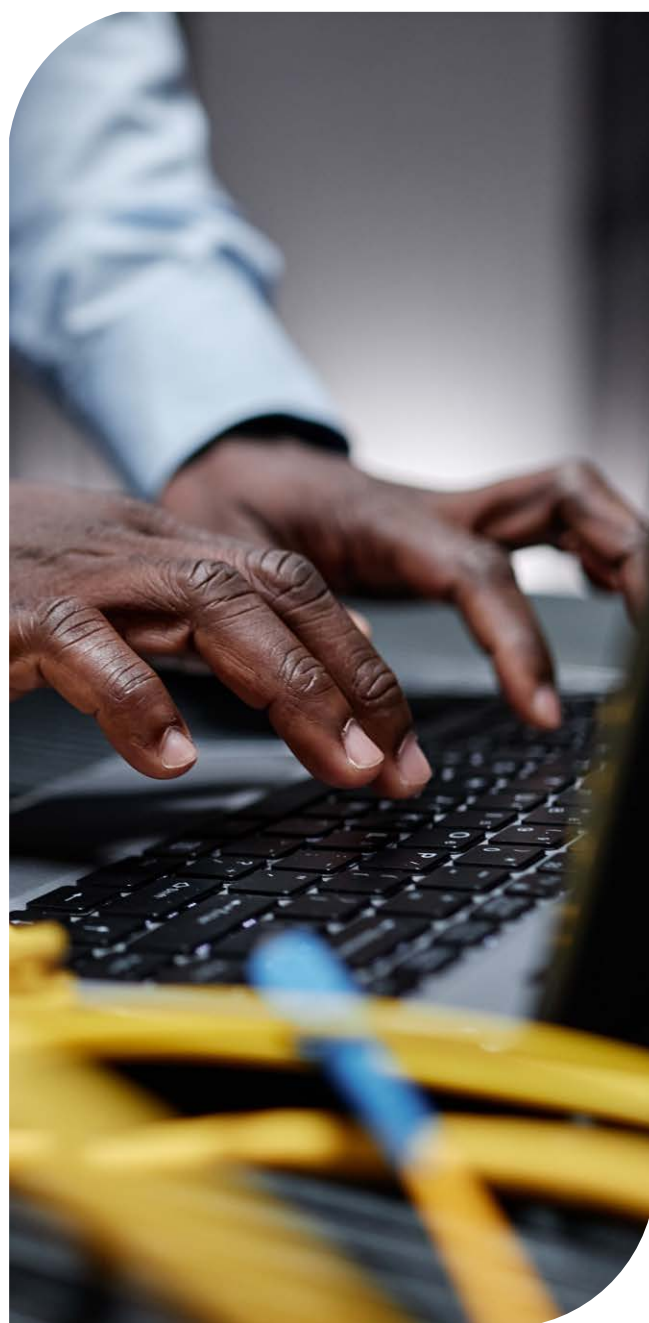
Many South Africans decide to try it out for a year or two, fully intending to return to the country they love, but are surprised at how well their skills are remunerated in the ageing wealthy world. As the planned returns home are postponed or cancelled, the skilled exodus grows as the word spreads. Plumbers, electricians, welders, and IT professionals are sorely needed across South Africa, but these skillsets are less and less available.

At slightly more than 10% of the population, or about 7 million people, many ‘immigrants’ have now, in 2035, been in South Africa for more than a generation. Xenophobic ‘othering’ is a shameful part of political and everyday discourse pushing some to return home permanently.

Given the strong growth in the SADC region, fewer Africans are prepared to brave the humiliation of Home Affairs formal immigration practices. Life is often dangerous for newcomers, who are blamed for taking jobs, but who either are doing low-paid work for employers who are keen to inflate their profit margins or are in fact creating jobs through

starting new businesses.

No-one ever thought that South Africans would have to go into ‘exile’ again, to attempt to fight for the restoration of South African democracy from afar. But that has become the political reality, as the Vulture Culture ethos of ‘our way or the highway, (and you go on foot!)’ allows for little dissent, as authorities resort more readily to extra-judicial tactics and violence.



Populism

As Vulture Culture takes root in South Africa, the country joins many other nations where, when nation-building projects fail, populists and ethno-nationalists take over. This happens both in long-established democracies like the USA and UK, and in newer democracies like Brazil, Hungary and Venezuela.

In Vulture Culture, there is a resurgence of race or ethnic-based identity-centric groups that style themselves as activists whose reason for being is the preservation of whatever cultural interests they claim to represent.

In South Africa in 2035, the populist national ruling coalition asserts a supposedly-Africanist perspective and a radical economic agenda of appropriation, in the name of 'completing' what they see as the stalled transformation of the economy post 1994. A big part of the national coalition's appeal is that it uses the familiar language of nation-building: 14 parties in the 2034 election had National or Nation in their names. But its notion of 'the nation' is narrowed, expressed through a combination of grievance and blame and with self-important elites claiming to stand for the good of all, i.e. to represent the national interest.

But populists by definition never do: there is always an agenda of graft and elite accumulation, albeit by a different set of elites.

To rally voters, every populist party scapegoats non-citizens, most attack the imperialist 'west', many forefront the supposedly anti-African LGBTQI+ agenda 'preying' on our children, and many target various notions of 'monopoly capitalism' or what they paint as neoliberal extremism. Sophisticated use of social media, often aided by authoritarian countries, drives divisions and helps explain South Africa's dire economic and social circumstances in ways that resonate with large numbers of South Africans.

In the 2030s, a variation on this theme is populists who want to create entirely new micro-nations or self-governing enclaves. Numerous groups purporting to speak on behalf of Afrikaners have installed themselves in different parts of the country, agitating for the creation of 'Republics' where Afrikaans-speaking people could resettle.

One group claiming to celebrate amaZulu royalty and traditions is now campaigning for the secession of KwaZulu-Natal, ostensibly to 'restore the sovereignty and pride of the Zulu nation'.

In the Western Cape, some secessionists claim to represent the interests of the Khoi and the San people, while others use liberal arguments about 'meritocracy' and 'efficiency' to agitate for the secession of the Western Cape, where Africans make up to 40% of the population.

In the Northern Cape and parts of the Eastern Cape, some groups call for the creation of a Griqua state; and the amaMpondo want their kingdom to be restored and to be independent of the Eastern Cape province.

As the quality of life in South Africa deteriorates, many of these calls for independence are accompanied by aggressive rhetoric as the supporters of the various causes go out of their way to attack that which they believe causes their 'oppression'.



Vulture economy: Stagnation nation since 2024

Various laws and policies, such as employment equity laws, the National Water Act, the National Health Insurance Act, and various mining and manufacturing charters had been well-intentioned and aimed for greater equity in society when they had been passed or adopted. They were, however, poorly implemented for many years and manipulated by the 2029 coalition in order to serve the interests of those in or close to power, rather than the population as a whole.

This self-serving abuse of laws that had aimed at de-racializing the economy further inhibited local investor confidence and all but stopped Foreign Direct Investment in its tracks. Ironically, by not investing in South Africa, global capital played an outsized role in creating the conditions for the opposite of an investment-friendly government

to emerge in 2029. The authoritarian populist coalitions of 2029 and 2034, which had thumbed their noses at neoliberal orthodoxy and 'western' capitalist logics, might never have won elections had South Africa been able to attract more FDI in the first third of the 21st century.

But the wheels came off South Africa's economic engine in the early 2020s when COVID-19 hit, exposing and exacerbating all the economic fragility of the rapidly de-industrialising country, still very dependent on mining and agriculture and falling behind the advanced manufacturing learning and investment curve that other countries are going through. South Africa was again unable to benefit from the unexpected surge in the world economic performance as European wars were resolved, and China reinflated its economy.

Mining sinks further

In 2035, South Africa's mineral extraction reached levels even lower than in 1995. Missing yet another commodity super-cycle that began in 2026/7 was partly what propelled the change in political power in 2029. The very long lead times - and gargantuan capital required to build mines - were not appreciated deeply enough by those in government. Investors in mining are especially risk averse, so if long-term stability and the prospect of profits are too distant and uncertain, investment will not materialise. In the early 2030s, as the shortcomings of the new coalition government became clear, the brief 'wait and see' period ended, and capital flight accelerated. There was little interest from global investors in an economy and government unprepared to protect property rights.

Outside of oil and gas investments, which were massive but made mostly by Middle Eastern and Chinese partners, South Africa's mineral extraction levels are similarly lower than they were in 1995. Whereas South Africa's mining sector once attracted 5% of the total global mining exploration budgets back in 2004, this slumped in 2034 to just 0.3% of global prospecting funding, despite the country's mineral abundance.

The little non-oil and gas investment that still trickles in is destabilised by policy uncertainty and demoralised by procurement vultures or 'mafias' that circle any new manufacturing, mining or agricultural deal announcement, ready to confront executives - at their homes if needs be - to extort the rents and tolls of their protection rackets. South Africa's share of global FDI had dropped to

its lowest level ever in the late 2020s, just before the 2029 election, even as billions of dollars were pouring into Botswana, Namibia, Mozambique, Zimbabwe, and elsewhere in Africa.

Taking firm control of the treasury, the coalition copied China's fiscal expansion by borrowing big (including from China and the BRICS+ New Development Bank) as the social grants portion of the budget, growing public service wage bills and the early costs of implementation of National Health Insurance (NHI), saw South Africa max the country's corporate credits cards.

Ratings' agencies downgraded South Africa's debt rating to Cs and Ds. The USA and the EU are loudly considering sanctions and travel bans on those in government and the private sector most obviously

involved in corruption or enforcing the assaults on freedom of expression, artistic endeavour, and the growing raft of media restrictions. South Africa's journalists are fighting back as much as they can, but South Africa is now 55th on Reporters without Borders' (RSF) World Press Freedom Index, 30 places lower than the country was rated in 2023.

The message to international investors has been loud and clear: don't go there; there is actual risk of sovereign default! Fortunately, China and Saudi Arabia are willing to keep lending, especially since their loans are collateralised by South African land, mineral reserves and, more recently, the gas and oil bonanza. Their loans are also starting to re-ignite some mining development, with a post-war Russia also eager to invest in South Africa's vanadium and chromium.



Hard labour: The decline of unionisation in South Africa

With the economy slipping further and further into the doldrums and unemployment increasing, membership of trade unions has been steadily decreasing in the past decade-and-half. Across all federations and unions, fewer than 150 000 workers are unionised. In addition, too many union leaders have become part of the tainted elite, with office-bearers amassing small fortunes for themselves in crooked deals with business or with government. Even shop stewards have become part of patronage networks. They serve their own and their employers' interests rather than those of the workers they claim to represent.

Organised labour has thus become almost irrelevant, and its leaders have neither the will nor the capacity to address retrenchments or unemployment, let alone big questions of South Africa's economy.

Collusion between unions and employers has also resulted in bodies such as the Council for Conciliation, Mediation and Arbitration (CCMA) – which once had a sterling record for protecting workers' rights - and the Nedlac becoming non-entities, serving no role except, ironically, to create employment for members of the elite.

Black and Brown out: Power returns.... But sometimes the distribution grid just 'falls over'.

After resisting for years, government finally permitted widescale private power provision. Solar and wind-generated power, complemented with battery and gravity storage, have produced positive results. All these initiatives have eased the burden on the national grid. When the inflows of cheap oil and gas from its own deep-sea fields are added, South Africa can at least say that loadshedding has become a rarity – even though it is mostly the well-heeled members of society who have been able to move off the grid and invest in power-generating

alternatives. The more impoverished sections of the populace still rely on a centralised electrical power supply that still burns too much fossil fuels.

South Africa has also been hindered by the high initial investment required for hydrogen technologies and diverted from this focus by weak government chasing easier pickings. It has been slow to implement plans to exploit its natural advantage in the hydrogen economy. Another obstacle is its inability to attract the engineering skills needed to kickstart hydrogen production plants across the country.



- Self-serving implementation of laws and policies such as employment equity laws, water laws, NHI, revised mining charters, have collectively inhibited local investor confidence and deterred international FDI.
- Budget deficits widen dramatically in the late-2020s, as growth in the formal economy falters.
- Rating agencies downgraded SA to Cs and Ds. Message to international investors: don't go there!
- Entrenched path dependencies still see the vast majority of SA's wealth in white hands.
- By not investing in South Africa, global capital inadvertently helped an investment-unfriendly government to emerge in 2029; authoritarian coalitions of 2029 and 2034 thumbed their noses at 'western' capitalist logics.
- China and Saudi Arabia are happy to keep lending to SA. Loans collateralised by South African mineral wealth, and, from the mid-2030s onwards, by recent gas and oil discoveries.

Unemployment and inequality

Unemployment has become deeply entrenched and systemic; by 2030, half of all unemployed South Africans have never had a job before. For the younger unemployed cohort, those aged between 15 and 34, more than 70% have had at best, a taste of 'work opportunities'. For the first time in its history, unemployment in South Africa (in the narrower definition) stands at between 43% and 44%. Youth unemployment is 20 percentage points higher.

The only major growth in employment post-2029 has been in the state. Its ranks swelled by an astonishing 400 000 'full-time equivalents'. Nearly 80 000 of these FTEs were added each year, bringing the total number of state employees to 1.7 million. When extra-budgetary institutions in municipalities and universities are added, the total number of people now depending on the public purse is just over 2.5 million. In 2033, this made

up 16% of those who were employed; public sector workers earned 40% of all wages paid across South Africa.

In the face of warnings from global institutions and economists that the country faced economic collapse, politicians in the multiparty coalitions dug in their heels to protect jobs in the public sector in a desperate attempt at ensuring continued support and protection of their political careers.

A great deal of energy goes into understanding the persistence of unemployment in South Africa. Some blame laws that reduce workplace flexibility and provoke strikes and stoppages, others cite onerous regulatory hurdles imposed on small, medium and large businesses. Schools do not properly train students for work in a complex tech-driven economy; low-skilled work is still needed but is poorly paid and precarious.

The premise of the populist parties running South

Africa is that greater state involvement in the economy can save the day. They have long called for state-owned banks, state provided-health service, state-owned mines, and state-run farming projects. Even though no one knows the mirrors from the smoke in Vulture Culture, plans for all these SOEs and interventionist 'centrally planned' policies are tabled in 2035. The re-nationalisation of Telkom is planned to be first off the block.

Part of what does drive unemployment is the persistence of de-industrialisation, where South Africa is either making fewer products locally, or 'outsourcing' the manufacture of such projects in ways which bring some jobs, but which require substantial carveouts from South African labour law, and other concessions.

When a major car manufacturer from Europe left South Africa in 2029 with unseemly haste, some Chinese companies saw a gap. China's car manufacturers moved into South Africa eagerly taking up the space left by European car manufacturers in Gqeberha, and quickly bringing in more of its own skilled labour and advanced robotics.

The weak trade union movement feigns putting up a fight, but many of its leaders prefer self-enriching deals, and government is all for any new 'investment'. It is clear that more and more of South Africa's manufacturing future will operate under the direction and control of China.

- Unemployment is deeply entrenched and systemic – and highly racialised. In 2035, narrowly-defined unemployment hits 44%. Youth unemployment is 63%.
- Half of all unemployed South Africans have never had a formal sector job.
- 70% of unemployed youth under 35 have had, at best, 'work opportunities', often short-term.
- The only major employment growth over the past decade has been in government – 80 000 'full time equivalents (FTEs)' have been added to the payroll each year. In 2035, this totals 1.7m FTEs.
- When those employed by municipalities and universities are added, more than 2.5 million employees are dependent on public purse (earning 40% of all wages paid across South Africa).

Inflation Nation

Before 2029, and especially after, government borrowed heavily to keep the system going. Recapitalising Transnet, fixing Eskom (again), funding the NHI, extending social grants, funding youth development loans and gifts and the expensive National Youth Service in 2031, and

recapitalising NSFAS all helped to push borrowing to record levels.

Government flooding cash into the economy causes inflation to spike, while drought induced shortages of basic foods and the prolonged

high global oil prices, also add to producer and consumer price hikes. The prices of cooking oil, bread, milk, and less expensive proteins like chicken have skyrocketed.

Given South Africa's high rates of joblessness, this contributed to an increase in hunger and malnutrition. One-third of South Africans say they

are hungry at least some of the time. By 2035, cost of living/CPI increases exceeded wage increases every year for a decade. In 2035, South Africans are effectively 25% poorer than in 2020. More South Africans are out of work than those in it, forcing the unemployed to ever-more desperate strategies, legal and illegal, to hustle in order to eke out an existence.

Geopolitics and South Africa

Throughout the 2020s, despite the enlargement of the EU, the growing strength of NATO, and the diminishing power of Russia, the world saw a seemingly irreversible shift from West to East. In 2035, the Asia-Pacific (APAC) region, including China and Japan, accounts for 44% of the global economy – almost double its share in 1994. The EU, which once produced a third of the global GDP, now contributes about 15% to global GDP - still reflecting the aftershocks of Brexit and the decline that started with the war in Ukraine. The cataclysmic reverberation of Brexit reduced the UK's economic clout far more than even Brexit's most ardent foes could have imagined.

2035 is a seismic year in terms of the global Top 10 economies. China has officially become the world's largest economy, with the USA relegated to second place for the first time since 1890. India is also crowing about its newly-acquired third position, having pushed past Germany, a feat that brought down the German coalition government. Japan, despite its eventual emergence from three decades of stagflation and sluggish growth, rounds out the top five.

This shift eastwards rapidly changed the global game for African nations, including South Africa. China has long been South Africa's main trading partner, on both the import and export side of the ledger, but this has resulted in its relationship with India and Indonesia remaining underdeveloped. This has proven costly as those

countries' economic growth has been steady and occasionally spectacular, just as China entered a decade of sluggish growth.

South Africa long lost its reputation for punching above its weight in global affairs or having a voice that anyone particularly wanted to listen to. Populist anti-Western rhetoric has alienated many in the 'Western bloc', but China has also been unappreciative of the xenophobic attacks directed at its citizens who are, in the 2030s, far more integral to South Africa's retail, clothing and electronics industries. In 2035, Pakistan and Bangladesh, likewise, are still furious about assaults on their citizens in the Eastern Cape. Nigeria has, in the past seven years, twice issued demarches to the South African embassy in Abuja, and subjected South Africa to a public barracking for an anti-Nigerian hip-hop song that was, unfortunately, incredibly popular on some South African streets and radio stations.

Reverse globalisation

Some of these eastward shifts have benefitted South Africa, but other structural shifts in the global economy have been less beneficial. Globalisation has effectively been reversed by the geopolitical insecurities caused by the aftermath of the COVID-19 pandemic of the early 2020s, the Russia-Ukraine war that started in 2022, and the series of mini-pandemics from the late-2020s that forced every nation to reconsider its industrial capacity, medicinal supply lines and domestic manufacturing capacity. The upsurge of protectionism and the reintroduction of tariffs to regrow and, to some extent, re-industrialise economies across the world has slowed global trade and significantly reduced it as a portion of global GDP.

The trend towards non-alignment among countries of the Global South has strengthened. The biggest beneficiary of this trend was the BRICS bloc which expanded into BRICS+ and went from a

club of five states to a bloc of two dozen states, mostly from the Global South. This resulted in a new multilateral global order with its attendant political and diplomatic restructuring – including in multilateral fora such as the UNSC – and economic reform.

But by the early-2030s, this had not worked in South Africa's favour. The country had become a minor player in BRICS+, overtaken by several new entrants whose power on the global stage was bolstered by the bloc and which used their membership in it to strengthen their economies. South Africa, once the fiercest and most articulate champion of the idea of a permanent African member of the United Nations Security Council, was no longer considered the front-runner for a seat on the enlarged – though less authoritative – Council, approved by the UN after the resolution of the long European War.

Trading places

Over decades, South Africa had built better trade relations with its neighbours, but now finds itself in a peculiar position where some of the more democratic countries around it, like Zambia and Botswana, host South African exile groups, and a large number of economic migrants are drawn to Botswana's fiscal stability and high economic growth rates. The mining industries of Botswana, northern Mozambique and a revitalised Zimbabwe all attract record investment for prospecting and mining.

South Africa's people and skills are welcomed and, ironically, South Africans encounter little hostility when they work or move permanently to increasingly prosperous African states.

The AU, more powerful than in the past, and led by democratic Nigeria, Senegal, Kenya and

Ethiopia, is in the political dogbox with South Africa's authoritarian elite. The continental body had questioned the integrity of South Africa's 2034 elections, finding them to be 'mostly fair' and 'only partially free'. Everywhere there is concern that South Africa, once the champion of democratic reform and energy in Africa, has become a laggard just as a new wave of African democratic resurgence takes hold.

- Though global economic and political power has shifted eastwards, 'the West' remains vital to South Africa's economy.
- Globally, there have been increased protectionism and tariff wars as nations sought to regrow domestic economies.
- China is still South Africa's main trading partner, but the power imbalance causes resentment as debt increases.
- By 2030, South Africa had become a minor player in BRICS+, now a bloc of over 20 mostly Global South players.
- South Africa is no longer able to 'punch above its weight'.
- Relations with AU have become frosty after democratic Botswana, Nigeria, Senegal, Kenya and Ethiopia questioned the integrity of South Africa's 2034 elections.
- South Africa is no longer a contender for the African seat on an enlarged UNSC.

Automating unemployment

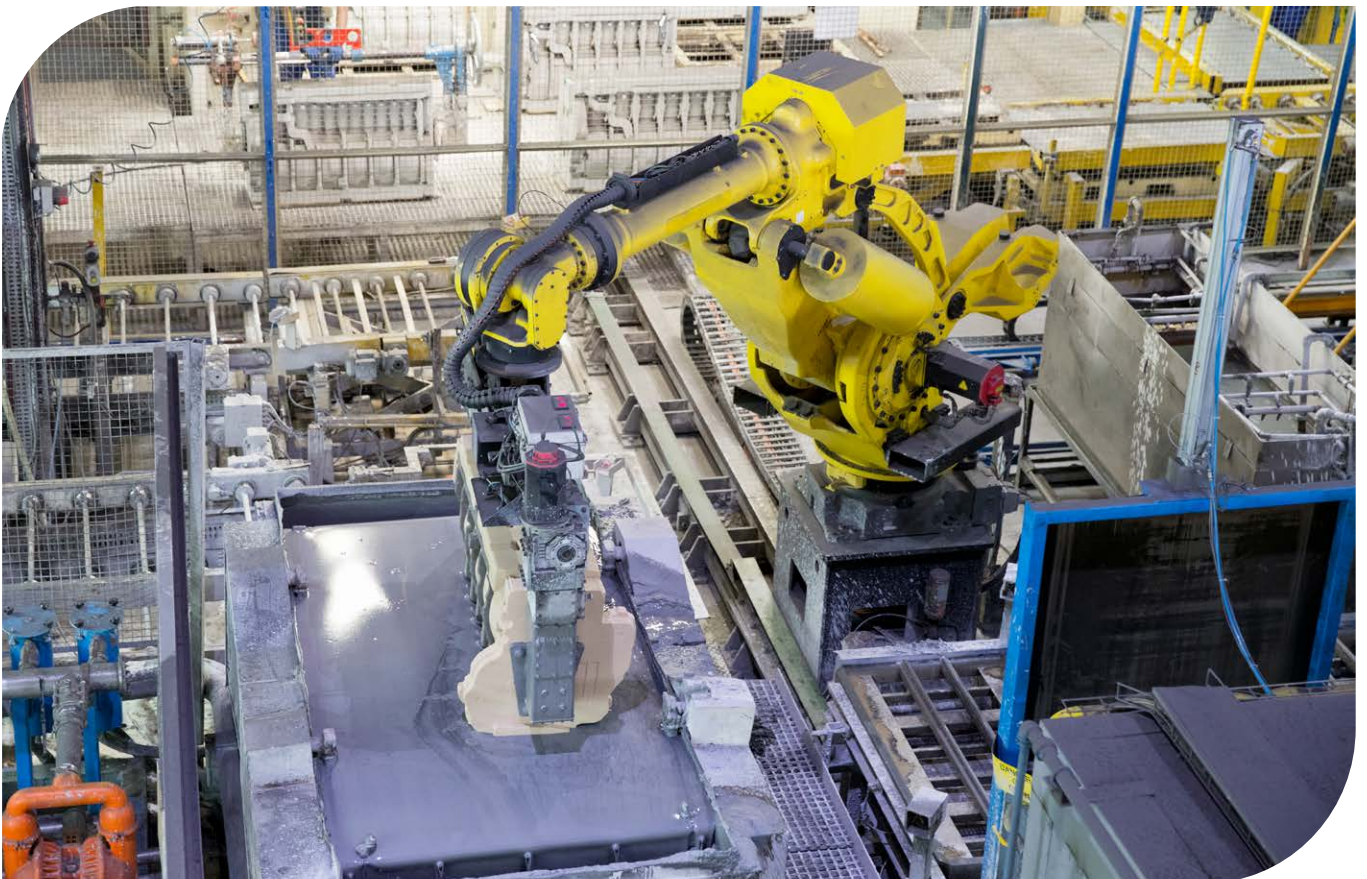
'Reverse globalisation' held the promise of reindustrialisation for many countries, as trade barriers increased and economic nationalism took hold. But this 'onshoring' of manufacturing has not led to a significant rise in manufacturing as it's been accompanied by mega waves of automation. This is also the case in South Africa. All along the supply chain, and deeply embedded in new manufacturing processes, AI-powered robotic manufacturing enables more cost-effective output over the long run in a wide variety of manufactured goods, accelerating all the trends of the early 21st century. For the past 15 years, the adoption of intelligent robots, automation and predictive analytics, all underpinned by AI, and the 'Internet of Things' (IOT) via high-speed communication networks, ushered in a new era of intelligent and collaborative robotics.

Almost all this technological advancement is through the private sector, which uses it to improve its production, marketing and other processes.

However, the South African government too has seen the benefits of using AI and 4IR technologies for their surveillance and repressive potential, not only against dissidents but against all residents of South Africa.

Although strongly resisted, automation in the retail sector has seen many fast-food outlets, especially in the more affluent parts of the country, shedding jobs. Between 2024 and 2034, society learned that the same AI applications entailed significant risks for the work environment, especially if applied with the singular motivation to cut costs. But, on the upside, AI has helped add impetus to the spirit of entrepreneurship in the country.

- Large-language model generative AI is now embedded across most supply chains and all new manufacturing processes.
- More cost-effective, especially when combined with robotic mechanisation, the technology has spurred super-profits – and job losses as South Africa battles recession.
- Intelligent robots, automation, and predictive analytics, underpinned by AI, increase global inequality as nations race to keep up with new technologies and help workforces retool.
- Private businesses benefit most, but many government processes have also been transformed; South Africans get passports renewed in 48 hours.
- Many governments, including South Africa's, also embrace AI and other 4IR technologies for surveillance, repression, and control.
- On the positive side, AI is transforming South African education and self-study options, and helping to rekindle entrepreneurship.



Climate Change: The heat will get us first

By this year, 2035, the impacts of climate change have escalated to catastrophic levels. This poses severe challenges to ecosystems, societies, and economies around the world. Having breached 1.5 degrees Celsius above pre-industrial levels – the red-line threshold that scientists had been screaming about since 2000 – it becomes clear that more than half of carbon credits are fictitious, based on crediting mitigation measures that would have happened anyway, or based on offsets never constructed. Seas have risen only 20cm by 2035, but for South Africa, this has been enough to degrade beaches, which are also hit by intensifying extreme weather events. There are more droughts and more unseasonably heavy rainfall events, which speed up biodiversity loss, and impact crop yields across the continent.

But it is the heat, everyone agrees, that will ‘get’ South Africans first. In some areas, heat-related illnesses, air pollution, and the spread of diseases like malaria and dengue fever, South Africa’s first outbreak since 1927, show just how significant the health risks are to populations, particularly in vulnerable regions.



- With temperatures increasing, ice caps melt, bush fires rage, air pollution intensifies.
- Over half of all known human pathogenic diseases are aggravated by higher temperatures.
- South Africa has its first outbreak of dengue fever since 1927.
- Droughts and/or unseasonable rainfall sped up biodiversity loss, causing a huge drop in crop yields across Africa.
- South Africa is unable to mitigate these swift changes because of a lack of infrastructure development or maintenance.
- Climate refugees stream southwards across Africa.

Health and human happiness in 2035: There shall be Houses, Security and Comfort – at some point

In June 2035, on the 80th anniversary of the adoption of the Freedom Charter, which some South Africans still tearfully remember, few of the hopes and promises of that stirring document ring emptier than the lines ‘food (shall be) plentiful and no one shall go hungry; a preventive health scheme shall be run by the state; free medical care and hospitalisation shall be provided for all, with special care for mothers and young children’.

In 2035, the soaring cost of protein, fresh food, and all the staples of life have seen South Africans living the worst of all health worlds, where a massive number of people are hungry while many are overweight. The lack of micronutrients and the early onset of adult diabetes, due to excess carbohydrate consumption, are filling up clinics and hospitals.

Despite decades of the best HIV testing regimes and education programmes, and some of the most widely available treatment options in the world, there are still hundreds of new infections every day. Approximately 15% of the population is taking chronic HIV medication and will need to do so for the rest of their lives. COVID-19 never went away and, in some seasons, combines with the flu to create localised deadly outbreaks.

The NHI, despite lofty promises and a 20-year gestation, is a mirage mostly effective in alienating medical professionals and degrading the pockets of excellence that had provided some with adequate health care, albeit at great cost to their pockets. The ruling coalition continually denigrates the idea of individuals choosing to spend their own money on their health care. This has, ironically, spurred the exodus of some of the wealthy to the very nations which inspired the NHI in the first place – countries

that have all carefully calibrated the coexistence of their public and private systems to complement and support each other.

South Africa never really recovered from the dreadful years of the COVID-19 lockdowns and has not once been able to provide the population, on aggregate, with more than 1 doctor per 1,000 people. There have always been fewer than five nurses per 1 000 people, well below the 8.5 nurses per 1 000 people that the World Health Organisation says is the bare minimum.

With at least R200 billion needed to maintain health and hospitals across the country in the late 2020s, the system risks complete collapse.

In 2035, SA is also beset with a plethora of unusual pandemics: diseases that have come about because of antimicrobial resistance (AMR) caused by the overuse of antibiotics in the food chain, particularly beef and chicken, and over-prescribing for human illnesses. Because warnings were not heeded, AMR now kills about 10 million people globally each year in 2035, edging out cancer as a cause of premature deaths. Many first-line antibiotics don’t work anymore; expensive second-line treatments are also failing. Both HIV/ Aids and tuberculosis are worsened by the waning power of antibiotics.

South African public hospitals are short of beds, and little has been done after 2029 to rectify this. Patients are made to sleep on pieces of cardboard on the ground, or under beds and in corridors. All this was made worse in early 2035 by hundreds of deaths linked to water contamination.

Before they were designated ‘Foreign Funded

Entities' and banned, health NGOs had mounted legal challenges against various local governments for not only failing to provide clean, safe water to the populace – a basic right enshrined in the Constitution – but also for causing the cholera deaths. After the hasty closure of those NGOs, academics are now raising the alarm. In

Mpumalanga and the East Rand, researchers have seen an upsurge in the number of people dying of different kinds of cancer that have been linked to people's exposure to toxic water. Streams and rivers in towns where there had been mining activities have also proven to be toxic.

- NHI is a mirage. Corruption tainted its implementation and alienated medical professionals. South Africa now has fewer than 1 doctor per 1,000 people.
- Over R200 billion was needed to maintain the health infrastructure by 2030. Five years on, the system risks complete collapse.
- South Africa is beset with pandemics. Many first-line antibiotics no longer work; expensive second-line treatments are also failing.
- New HIV medications are available, but South Africa can't afford them.
- Before government banned 'Foreign Funded Entities' in 2033, health NGOs had legally challenged local governments to provide clean, safe water and prevent deaths.
- Average life expectancy stalls, dropping below Senegal's.

NHI Impunity and immunity – criminal sophistication in the desperation nation

Vultures feel able to act with impunity. For the first time in South Africa's history, the average daily numbers of homicides number exceeded 100 per day in the first half of 2035. Apart from 'ordinary' crime such as theft and street mugging, organised crime too is seemingly accepted as a permanent feature of South Africa's landscape. Trafficking in drugs and humans, and forced prostitution are the mainstay of organised crime affecting all cities and towns, and even small villages and townships. With corruption rife among police, many police

stations appear to be entangled in these criminal webs – with some illicit activity happening in the cop shops.

Crime has evolved from the disorganised and the contingent to the systemic and the structured. The country has become a magnet for global crime syndicates whose ability to infiltrate the state and even well-run businesses has started overwhelming the system. South Africa's weak border controls and ineffective policing – and the near collapse of

police intelligence services – allow well-organised syndicates to become more embroiled in every aspect of the South African economy. There has also been a substantial increase in mass murders, a la Mexico as drug gangs vie for territory and control.

Hitting business hard at every level is the reality that few construction projects can proceed unless protection money – of at least 30% of the budget – is paid to local mafias. Previously targeting the public sector and large commercial projects more often, extortion and intimidation has spread more and more to the private realm. Everybody wants their cut – or you will be cut!

Protection rackets are one of the oldest forms of crime in the world, and one of the hardest to eradicate. Companies try to protect their new mines or factories with small armies of armed guards, but their supply deliveries can be attacked along the way if they don't pay up. The syndicates, of course, are in fierce competition with each other, and many work in cahoots with corrupt elements within the police.

In Vulture Culture there is a steep rise in bribery, and endless euphemisms of 'thirsty' officials, shaking down people wanting state or private services.

Rackets, Hostages and Gardening Services

Kidnappings have become common place in South Africa's Vulture Culture. No longer aimed just at wealthy businesspeople, it seems that anyone whose families might have quick access to cash, can become a victim. Kidnappers are more brazen and merciless, often killing hostages if payment is not swiftly made. Kidnappings drive fear, desperation and even emigration.

Protection rackets are similarly common: gangsters extort regular payments from businesses in exchange for not damaging them, under the guise of protecting them from gangs. Those companies that fail to comply or keep up with these 'insurance premiums' are hit hard.

By the early 2030s, these protection rackets have even been replicated for private property with thousands paying for 'gardening service', a thinly disguised protection scam. Non-payments can mean getting firebombed - or worse.

The impunity of criminals is increased by the fact that the judicial system cannot handle even the load that manages to get to it. Prosecutors, magistrates, and judges all face unmanageable caseloads, and also have to contend with threats and even assassination attempts. The result is injustice on a massive scale. Of the murder cases that are investigated and brought to court, 94% result in no

convictions. Similarly, 98% of armed robberies and vehicle hijackings face the same fate. And only 3% of reported rape cases produced jail sentences in 2034.

South Africa: A narco-state?

As drug use soars, the spectres of a Glenn Agliotti, who helped lay the foundation for the narco-state some say South Africa is long becoming, can be seen everywhere. While the 'average per capita' consumption of alcohol was the highest in Africa in the 2020s, it has remained relatively stable, but the number of people who abuse alcohol has doubled by the 2030s. (On the plus, more than half of men and 75% of women had abstained entirely from alcohol over the previous 12 months in 2035; this is only slightly down from the 2020s). But drug use has surged, and debate now rages about whether

South Africa now meets the criteria for being classified as a narco-state. These criteria include close relationships between the political elite and drug cartels; high internal demand as more and more South Africans 'self-medicate' to deal with poverty, joblessness, and South Africa's sky-high levels of inequality; and widespread 'lower-level' corruption among police and prosecutors and even some magistrates and judges. More than 100 known drug cartels use Gauteng and Cape Town as key parts of their African and global supply lines, including the largest 10 global cartels.

- Construction mafias' are the norm in the industry, and demand protection money.
- Crime evolved from disorganised and contingent to systemic and structured.
- Kidnappings-for-ransom have increased dramatically.
- Syndicate turf wars sparked regular Mexico-like mass casualty events.
- For the first time, the average daily homicide number exceeded 100 in the first half of 2035.
- The criminal justice system – police, prosecutors, and courts – can't cope with the volume of cases.
- 94% of murders and 98% of armed robberies and vehicle hijackings result in no convictions. Only 3% of reported rape cases produce jail.



Vulture culture: Living in the desperation nation

For the first time in its history, South Africa's population growth has stalled. Over the past five years, despite earlier strong inflows of migrants from elsewhere in Africa, about two million South Africans, and many migrants, left the country in the wake of steep economic recession after the 2029 election and revulsion at the repression of opposition, artistic and media voices that has become the norm. By some counts, 20% of doctors and 15% of nurses have left in just the past five years to 2035. South Africa's smallish pool of 50 000 doctors and specialists in the late 2020s was never sufficient, but the drop in this number to well below 40 000 is causing a huge strain on the health system in every province.

The sharp decrease in the number of nurses and allied health workers has even caused some clinics to close permanently. Electricity grid blackouts make people long for the good old days of scheduled 'loadshedding' in the 2020s.

And according to Independent Regulatory Board for Auditors, 27% of its members left since 2030; their departure was celebrated by the vultures who loathe auditors.

High inflation, a recent severe drought, and careless implementation of the NHI, as well as steep rises in kidnappings and other violent crime all factor into the long list of reasons for the high rates of departures. Almost all who leave the country say they will return – if the vultures and their cruel culture can be contained.

Despite the government's rhetoric about rural development, the pace of urbanisation has quickened, and rural infrastructure collapsed. Several municipalities have become derelict. South Africa's birth rates have fallen as the economy shrunk; hunger and malnutrition have worsened. By the beginning of 2035, the cost of

living/CPI increases had exceeded average wage increases every year for a decade: South Africans are effectively 25% poorer in real terms than they were in 2020.

Hunger stalks South Africa. People are desperate. Bob Marley's 1974 hit song seems prophetic in the Vulture Culture nation.

*Cost of living get so high
Rich and poor, they start to cry
Now the weak must get strong
They say, 'Oh! What a tribulation'
A hungry man is a angry man
I gotta yoke but the yield no nuff
A rain a fall but the dirt, it tough
A hungry mob is a angry mob*

*Them Belly Full (But We Hungry)
Bob Marley & The Wailers*







SCENARIO 3



Weaver Work: The Cooperation Nation

Kalahari sociable weavers build largest tree nests in the world! Built cooperatively, each nest houses up to 100 bird-families. Weavers' cooperative nature allows them to thrive and recover from disruptions and disasters.

Overview

South Africa experienced multiple instances of hitting rock bottom in the 2020s. Even when things seemingly couldn't get worse, they did get worse, until... well, until they started to get better. At the time, it was, of course, impossible to predict just when the performance of Eskom, Transnet, and two-thirds of municipalities across the country would actually stop deteriorating. Or when inequality and unemployment rates would peak - and start going down. Given that South Africa needed to create more than half a million new jobs each year just to absorb school leavers entering the labour force, turning around employment was always going to be a massive challenge.

It still is, even if the economy is now in a sharp recovery phase. Some are calling it a return to normalcy; some believe it is a miracle that SA's prayers have been answered; others believe it might yet turn out to be another false dawn. But as investors are returning, local business and private households are betting on a better future by expanding, building, extending and deepening. Cranes and cement mixers are impossible to get hold off in 2035, given how much construction is taking place.

From the vantage point of 2035, some believe we first glimpsed the 'rocks beneath' – that things changed only when South Africans finally got so

gatvol that they moved through the disappointment and disillusionment that had been felt so keenly in the early 2020s to a more constructive and clarifying anger after the 2024 elections. That anger, so long inwardly directed, demanded root and branch reconfigurations of government services at every levels. A country that can't coordinate traffic lights (or keep them working) is never going to be able to marshal a modern economy, so coalitions of NGOs, faith-based organisations, lawyers, universities and businesses of all sizes had to step up and confront government at every tier. Finally, this appears to be paying off.

Others are now, with the benefit of hindsight, suggesting the growing optimism, and evidence of real economic growth had its roots in younger urban South Africans finding each other as the 2020s progressed, helping to break down some of the racism, ethnic chauvinism, and class segregation of previous generations, in a search for some way out of South Africa's overlapping 'poly-crises' (the decade's favourite buzz word). Artists and journalists, often working for little material reward, kept information flowing and ideas of how things could and should be different bubbling up. Some in government listened; many in hospitals, provincial government, education, and in SARS and Treasury and the Reserve Bank, would just not be defeated, despite the violence and threats they often faced.

The long flight paths to Weaver Work

Despite the government elected in 2024 being tentative and indecisive, economic growth improved by 2026, mainly because of structural reforms introduced in the early 2020s. But these green shoots rapidly increased people's expectations. Seeing some growth, and sharper improvements in the performance of Eskom and Transnet, waves of optimism followed not long

after the 2024 election, as favourable commodity cycles boosted South Africa just when it needed it most.

But hope once again started to outstrip progress, partly because of early snarl-ups in the roll out of the National Health Insurance, partly due to the constant drama at municipal level as coalitions

played musical chairs with power and positions. More overt corruption sparked fury; people picketed the homes of those implicated, peacefully trying to raise the levels of shame that too few of those robbing from public coffers felt. Still seeing too little competence and capacity in every sphere of government, and too little progress in dealing with the wide gap created by income and wealth inequality, people realised that they had to do something, anything, to lock in the gains made in the mid-2020s, and to prevent what some called a 'dead cat bounce'.

Slowly at first, people joined or started social movements, community-based organisations, activist faith-based organisations, and extra-parliamentary political groups. More and more South Africans attended protests, and leading sports people also found their way to the frontlines, going on marches, wearing regalia that indicated their support for change. It didn't matter what people did - made protest art, started new businesses, or just vented on social media – as long as they did it with a sense of seizing the opportunity for deep change to South Africa's trajectory.

Angry but focused, people demanded more and better jobs, an end to the impoverishment millions faced, that government deal with criminality, an end to the corruption that was eating away at the nation's wealth. People could see that small efforts combined could bring big results, but trust between established parties and ordinary people was at an all-time low - and there was no confidence that change could come from government or parliament.

Previously unconnected agendas seemed to find each other in a shared sense of being gatvol with the way people had been treated and the country ruined. What really stood out is how people mobilised across political affiliations, and across race, faith, and class to demand the construction of a more just, safer and fairer society, and then to do the work to make it happen. Women leaders

in academia, trade unions, the private sector, and faith-based organisations stood out in the fight to be heard, and to have their views taken seriously. Artists and sporting celebrities got involved too, harnessing, and feeding the energy on the streets, community centres and social media. A recharged creative economy seemed to spread out everywhere, all at once.

The private sector, already concerned about the risks for it of a potentially insurrectionary atmosphere, saw an opportunity in the burgeoning creative arts sector and the manner in which it has been embraced by the protest movement. It's contribution to popular arts initiatives increased steeply and by 2028, government too felt that it is providing funding to the arts sector might help deflect young people's anger at their bleak prospects in a land of plenty.

Substantial funding was made available through the Department of Arts and Culture and the National Youth Development Agency. These boosts helped produce an array of creative works all over the country, including in many rural areas – poetry, novels, plays, dances and so much music – that carried and extended the calls of social justice, urged people to get up and stand up for basic human dignity, with every message a variation on the theme of 'building a new South Africa ourselves'.

Rather than easing pressure on government, social, sporting, artistic, and journalistic force was ramped up.

As the 2020s came to a close, these groundswells of a more involved and critical citizenry coalesced into a broad but principled movement. In the run-up to the 2029 election, parties were forced to take notice of this groundswell, or be made irrelevant. The range of parties cobbling together a coalition that campaigned on a platform of a 'listening government', presenting itself as responsive to the incessant demands from the streets. Some

of the parties even recruit into their leadership some prominent social movement leaders, trade unionists and artists. The ‘listeners’ were given the national mandate by the electorate and were faced with the challenge of making good on their promises.

The post-2024 government felt it didn’t get the credit it deserved, sandwiched, as it had been, between reforms initiated by the 2019 government and the 2029 government that was buoyed by the protest movement. In truth, the 2024 administration had been too slow and too mired by poor leadership, particularly in terms of building on earlier reforms and reviving mining, agriculture, and manufacturing. It had, however, succeeded in stabilising Eskom and Transnet, and stemming at least some of the tide of corruption and crime, all of which impressed local and foreign investors – and even the usually dour ratings agencies.

The post-2029 government, with a stronger popular mandate and a leadership influenced by the vibrancy of determined protesters, was able to implement even bolder reform packages – in the economy, governance, and social transformation. It targeted corruption and violent crime with massive investment in specialised policing/prosecuting units, externally trained anti-gang combat teams, and via filling every single vacancy in the NPA. As

had been done during the 2010 World Cup, access to far more courts, through more magistrate and judges, was prioritised.

The new government boosted AI-aided, learning-focussed education, focused relentlessly on near-term job creation, and ensured that the 2029 post-election euphoria was translated into a sharp uptick in private sector investment. This was done based on cast-iron guarantees of greater policy certainty, backed up by step changes in government efficiency.

Having been convinced that the new government was finally, genuinely committed to proper partnership that would include the private sector, real-economy direct investment and total entrepreneurial activity perked up. This appetite for increasing investment was also built on what people could see were improvements in sections of public service. It was slow, but as SARS had done, government focusing department by department incrementally rebuilds its capacity and competence through stricter performance management regimes, AI-driven anti-corruption surveillance, and the imposition of more objective meritocratic appointment rules, all while continuing to value diversity and representativity in workforces.



This easing of a 20-year mindset of ‘global diversification above all’, which had seen people and capital stream out of South Africa, was also a pivotal transition. Sharp rises in local developmental spending set the stage for an initial slow but at least sustained growth in capital inflows and Foreign Direct Investment through the late 2020s and early 2030s.

As South Africa had so much rebuilding and fixing to get done in terms of infrastructure, and because there was much unrealised potential in agriculture and tourism, there was wide agreement that opportunities abounded. There was also much to be done to develop South Africa’s green energy supply and tools. Investors piled in; there was – and is – a lot of money to be made.

These capital inflows were helped by the partial resolution of the European wars, greater stability in the Middle East, the revitalisation of the Indian

and German economies, and, to some extent, the relative revival of the USA and Chinese growth engines.

The investment influx also buoyed South Africa’s renewed commitment to its green transition, which in turn helped South Africa play a key role in ensuring wider regional prosperity: Botswana, Namibia, Kenya and Mozambique’s economies are all performing well above expectations.

Now, in 2035, as the country notches up a fifth straight year of strong economic growth, people are amazed at how immigration to South Africa has increased, with many in the diaspora ‘reverse migrating’ home. Despite falling, but still unacceptably high, levels of unemployment and inequality, South Africans are now working together more closely in a cooperative nation, with brighter days ahead.



South Africa's political trajectory since 2024

The 2024 national and provincial elections and the 2026 local government elections saw more coalition governments quarrel and cooperate their way into collective power. Mostly, these coalitions were fraught with rivalry and often overwhelmed with self-interest. However, the increasing levels of protest, and sustained citizen action convinced some sections of the political elite that the only viable path was one of strong and stable alliances.

While many young people had long been enthusiastic and knowledgeable voters, a large minority had become dispirited and cynical, seeing little hope for meaningful change. Getting some of this cohort to reverse what had been a longstanding political abstinence, and to at least register to vote and vote regularly, has improved the legitimacy of government, and its standing across the generations.

By 2029, genuine political competition between parties raised every party's game. A 'clean-hands alliance' as it was dubbed, had worked for years to drive up voter registration and sell a single-minded proposition of 'give us just a single five-year term – and boot us out if you don't like our changes'. The idea of trying something different took hold for the first time: election participation rates picked up sharply, building on the good turnout seen in 2024, as people started to see more clearly how their votes could reward performance or be used to usher in alternative parties and slates with different approaches and policies.

A broad coalition was formed, committed to responding to the needs of the people, tackling corruption and maladministration, completing the restructuring of energy supply and freight logistics, rebuilding and repairing mega-projects infrastructure, and the dramatic acceleration of

energy transitions tied to South Africa's ability to capitalise on developing and exporting 'green tech' and know-how.

After the 2029 elections, coalitions forged between larger parties were able to cooperate more comprehensively and create enduring alliances. South Africa continues to seek ways to create thresholds for participation in collaborative government that increase accountability and reduce the brinkmanship and political expediency of some coalitions, particularly at municipal level.

Social media has played a positive role, amid all the disinformation: it has made accountability more immediate and feasible at scale. It is easier to 'rate and review' performances, and easy to figure out which leaders who communicate authentically and even seek advice and direction when needed from those who don't. Something deeper has also shifted: South Africans now feel they are extending a mandate to those they give their votes to.

Between 2028 and 2034, citizen action – carried over from the pre-2029 era – forced the government to address various accumulated problems in a more participatory manner, and to really listen to the people beyond the limited 'consultations' of yesteryear. The elusive 'social compact' that many had urged as a bedrock for South Africa's future start emerging more organically, often led by partnerships between smaller businesses and civil society groups.

South Africans approached the 2034 national election even more energised and hopeful than in 2029. Voter turnout records were broken partly in celebration of the 40th anniversary of democracy. Commentators agreed they had not seen such long queues – and genuine excitement – at voting stations since 1994.

The 2034 election produced an unexpected result: the major parties in the 2029-2034 governing coalition saw their respective voter tallies and support increase. Now, a year after that election, the newly reconfigured coalition is made up of three major parties that signed a comprehensive 'Concord Agreement' that parcelled out responsibilities in ways that each party could live with, and which most voters saw as equitable.

The Concord parties are now more able to convince the world that South Africa is open for business, as trust seeps back into its global ratings and rankings.

There was dissatisfaction in some quarters, and strong challenges to the Concord coalition from left and right, but within months of taking power, it was already proving to be more stable and focused than the alliance that had governed from 2029 until 2034. The new government has been able to continue what has been a necessarily relentless focus on good governance, reducing poverty, clean audits, crime reduction, narrowing inequality, and growing the economy by any means necessary.

- By the mid-2020s, South Africans had become frustrated by a weak and indecisive government, limited economic growth, and only marginally improved service delivery.
- Shifting from disappointment to defiance, people mobilised across sectors, demanding government and business deliver. The great step up had begun.
- Often led by women, new organisations were started and older organisations revitalised as people networked to amplify voices rather than just rinse and repeat. Broad fronts had to be built, and hope restored.
- The 2029 election ushered in an ideologically diverse coalition, campaigning on a platform of radical accountability and 'listening to the people'.
- The new government quickly set up the cooperative structures demanded by a mobilised civil society, with private sector enrolled to even out and shift structural imbalances in the economy.
- Genuine political competition changed politics. South Africans felt confident they were extending real – and recallable – mandates to those they voted for.
- After the 2034 election, the three major parties signed the elaborate 'Concord' agreement, outlining a principled path to consolidating the gains of the early 2030s, and, so far, this has helped sustain the 5% economic growth rate that South Africa had achieved in 2031.

Divergent economic growth paths since 2024

Despite talk from the 1990s about South Africans being the ‘rainbow people of God’, in Archbishop Desmond Tutu’s words, and Nelson Mandela’s attempts at reconciling the nation, less than a decade later, South Africans began to feel increasingly disappointed – even betrayed – by democracy as it played out, and as joblessness, poverty and inequality increased relentlessly.

By many metrics, South Africa’s economy had never fully recovered from the triple whammy of the 2007/2008 global financial crisis, the decade-long era of overt state capture of SOEs and government departments from 2008 to 2018, and the COVID-19 economic sledgehammer and attendant global supply-chain malfunctions. A sharp increase in South Africa’s economic growth rate in 2026, the first real term growth in per capita GDP in 16 years,

did little to change this mood, as many citizens got little tangible benefits from somewhat abstract GDP growth rate numbers. But improvements in the provision of social services and the ramping up of infrastructure rebuilding, although tentative at first, were more popular. The poly-crises in education, housing provision, health and crime also needed to be tackled head-on: far too few young South Africans completed the mandatory 13 years of schooling. Far too few houses were built. Far too few criminals were arrested, or crimes prevented.

Likewise, South Africans were less healthy than ever before as both under-nutrition and obesity rates continued to rise in post COVID-19 South Africa. Long COVID-19 and non-communicable disease rates climbed steadily. Big ideas and real change were needed.

Helping Eskom and Transnet find the bottom and start the climb out

Despite all it had inherited, the 2024-2029 government was able to add to the structural reforms put into place by the previous government and give effect to reforms already in place. As with the plans of the 2019-2024 government, the 2024-2029 administration also set the building blocks for reforms whose dividends would be realised after it had office.

Reshaping and stabilising Eskom was the lynchpin of the recovery plans from the mid-2020s. Through aggressively prying every component of the utility out of the hands of criminal syndicates, and partly though accelerating the private provision of power and renewable energy, loadshedding became rarer from the middle of 2024. That took longer than expected but as government allowed

municipalities and private companies to generate 100MW (and, later, 200MW) per entity and feed it into a much-expanded national grid, demand became more manageable.

The new electricity transmission company spun out of Eskom raised over R140 billion in loans and investments to replace ageing transmission infrastructure and expand the network, which, by 2029, had significantly extended the grid’s reach and reliability.

Transnet’s free-fall was also arrested. Recapitalisation of key freight routes, and ruthless drives for operational efficiencies, especially in the rail and ports facilities that serviced coal, iron ore,

manganese, chrome and magnetite exports, as well as those of forest and agriculture products, started to pay off. That too took years, but at least the bottom was reached in 2024/5 and the hard road to operational and reputational recovery could continue.

The grand political realignments in South Africa in the late 2020s shifted the trajectory of the country out of its low-growth trap. The two-year swell in growth rates between 2025 to early 2027 showed it was possible to grow again, but the challenge was to make growth both sustainable and job-rich, rather than another period of mostly jobless growth.

As the Concord Government was partly based on an 'agreement to disagree', it took steps to damp down the fierceness of a long-running war of economic ideas that had bifurcated the roles of private and public sectors in ways that had inhibited South Africa's economy. Reaching a broad agreement that no successful economy in the world had been

able to grow fast enough to meet its people's needs without the participation of both state and private actors, the coalition parties set about emulating the state-led but private capital-fuelled (and social compact-enabled) models of post-World War II Germany, post-civil war South Korea, and, more recently, the strategies of economies as diverse as Indonesia, Singapore and Estonia, all of whom have committed to circular economies and investment friendly policies.

This required judicious blends of incentives and protections led by an even-handed state able to enhance its own capacity and competence. As everyone had agreed in the mid-2020s, not growing quickly enough and not being able to lift people out of poverty creates cycles of stagnation, debt and discontent that can become nearly impossible to break.

Investment in digital capacity and infrastructure, delayed by policy uncertainty, proved to be one of many pivotal moments in South Africa's long road to



recovery as, in the early 2030s, 90% of household connectivity was achieved. By no longer focusing exclusively on enhancing schools' and libraries' digital access, state-backed loans that had been extended to Telkom and to private operators had enabled the rapid rollout of bandwidth and subsidised mobile devices to provide the kind of digital access that wealthy South Africans had long enjoyed (but had paid a high premium for). It is estimated that now, in 2035, the investment in universal broadband has added 0.4% to the GDP every year since 2030.

Invest in the best!

It became increasingly clear that half of the municipalities created in the 1990s settlement were just too small to attract and pay for the kind of top-level project management required for them to function optimally. From 2029 onwards, provincial governments addressed this anomaly more forcefully, developing cross-regional municipality task team implementation units to attract and deploy core skilled management and experienced project managers to monitor tenders and ensure compliance and value for money. Together with police and crime intelligence, and sophisticated tender management systems, graft and corruption were reduced.

South Africans were surprised to learn – although the consequences were seen everywhere – that for three decades South Africa invested only 3% of its GDP as public investment, ie. about 5 percentage points lower than most East Asian countries and

In the five years after the 2024 elections, and especially after the 2029 election shakeup, the state accelerated its investment into new infrastructure, and into the repair and restoration of older capital goods of every stripe. Paying particular attention to digital connectivity and by working closely with the private sector, government was able to reach the ambitious target of ensuring that 95% of the population was 'digitally included' by 2033.

almost ten times less than is done every year in China. If you don't invest in your own economy, why should others? Spurred by the population to go for big fixes, government and industry started to focus on the revitalisation of local government infrastructure after years of poor maintenance and low capital investment.

Slowly at first, but more quickly once police and crime intelligence and sophisticated tender management systems were able to reduce graft and corruption, billions started to flow to fixing things and building new physical stocks of public good.

Little of the economic expansion and growth going into the 2030s would have been possible with this reinvigoration of local infrastructure. Local public investment also created thousands of jobs close to where people lived, allowing many to commute more easily.

Green profits and growth

The government partnered with domestic and international investors to ensure substantial investment in decentralised green energy solutions such as smaller-scale solar plants and wind farms, and more energy storage facilities, including

battery parks and molten salt thermal storage. This has greatly reduced demand on Eskom's ageing power stations and allowed South Africa to productively use international funding and global support for accelerated green transitions.

Special by name, special by nature

As South Africa moved beyond the interests of certain powerful businesses and narrow bands of employed industrial workers, South Africa's 11 special economic zones (SEZs) finally became 'special' in meaningful ways. These spaces, where companies were afforded lower corporate taxes and agreed to pay lower, but living, wages, especially to previously unemployed youth, were expanded.

The result was the establishment of hundreds of low-end manufacturing projects in the late 2020s. These enterprises also absorbed large numbers of young semi-skilled and unskilled workers and helped prepare them for entry into the broader

workforce – and higher paid jobs – later in their careers.

Of course, all this had to be carefully calibrated. The new special youth wage packages had to be combined with state-provided transport and rental assistance for young people, allowing hundreds of thousands of South Africans to gain the work experience to transition into better-paid work outside SEZs later. It was a bargain that people were prepared to accept, even if unions took more convincing to accept it. Small-scale manufacturing, particularly in the clothing, leather, and craft sectors, has expanded exponentially.

Global value chain integration

One of the biggest sea-changes was the work done to shift South Africa from being one of the world's least-integrated emerging economies to fuller integration, mostly via the African Continental Free Trade Area (AfCFTA) networks, and partly through BRICS+ (the club of countries that had consisted of Brazil, Russia, India, China and South Africa until it was expanded in 2023 and again in 2028). AfCFTA benefitted from South Africa's internal investment in its rolling stock, and local

power, roads, rail and digital connectivity. As it had done in the early 2000s, South Africa was able to offer more to Africa and work more closely with its neighbours near and far to help insert the continent's resources, and value-added products in the world economy on a surer footing. In the late 2020s, after the resolution of the Ukraine-Russia war, this integration became more targeted, with South Africa strengthening its trade networks in Europe.

Informally powerful

After much debate, everyone now agrees that the development of the informal economy, which had been far smaller than even those of most other African countries, has made the world of difference in terms of the number and quality of South Africa's entry level jobs. Better support and training for those working in the informal economy, and, as importantly, better protection from criminal syndicates, has helped the informal sector to grow

and become more semi-formal as time has gone on.

These enterprises have become pathways between highly localised start-ups and the micro enterprises that are established enough to attract various subsidies and mentoring. Around 15 years ago, at the beginning of the 2020s, South Africa also found itself way out of step with the

trends in industrialising countries regarding direct involvement in the informal sector. In 2022, for example, the norm in industrialised countries of the proportion of wage employed to informally employed to unemployed was 45:45:10. In South Africa, it was 50:16:34. Now, in 2035, after the late 2020s when South Africans had decided to rely on themselves rather than on the state or big business, and after the 2029 government made growth of the informal economy a priority, that proportion of wage employed to informally employed to unemployed has reached 44:38:18. Not quite at the global norm yet, but we are getting there!

Apart from the pressure from the citizenry, the other factor that motivated the government to

grow the informal economy was that South Africa had realised that it needed to grow its tax base, both in terms of small and medium enterprises and in terms of individuals meeting tax thresholds, and had thus invested significantly in reshaping the entrepreneurial environment so that starting one's own business made far more financial sense than it did in the 2020s.

District development

Economic growth in rural areas also reignited in the late 2020s. This was largely a consequence of the early-2020s District Development Model finally paying off, via a system which allowed people to leverage their ownership of land, even when in communal form, as security for raising capital. With stronger measures to prevent the alienation of land from the poor, the system allowed people to partially exchange the inherent value of their assets for the resources needed to develop those very assets. This had been sorely lacking in South Africa's rural and peri-urban development until the mid-2020s.

This restructuring led to substantial development, even in some of the most remote rural parts of South Africa. A determined focus on an export strategy that foregrounded South African's real agricultural strengths allowed South African products to compete with countries like New Zealand and Botswana more effectively which had moved earlier to exploit the growing middle classes of the east, and the growing appetite for more sophisticated and complex forms of protein.



Getting to the mines on time

To benefit from possible future commodity booms, South Africa focussed on easing regulatory complexity and providing better process and policy certainty. With long lead times and high capital loads, mining exploration and operations require precise regimes of certainty and steadiness. Instead, entrepreneurs and investors had previously been forced into long and expensive processes. Corruption had compounded the enormous amounts of red tape for what were much simpler processes in other countries, making them almost impossible to navigate in South Africa.

Even with minerals accounting for more than 60% of South African exports, the resultant tax

revenues for the state in the early 2020s were only about two trillion Rands. Fortunately, from 2029, the responsibility for this regulation was transferred to a large unit located within the South African Revenue Services, designed to produce predictable and quick outcomes. A clear and transparent appeals' process made for firm decisions that were better able to withstand legal appeals. The process was so successful that most state tenders now use an expedited approvals mechanism with AI compliance checks of all necessary regulations, environmental restrictions, risk management protocols and value-for-money criteria being met.

Tourists flock to weaver world

As crime slowly came down from the mid-2020s, mining, agriculture and manufacturing all benefitted from the can-do coalition's post-2029 investment attraction drive. Two decades of mining houses playing a waiting game ended with the substantial investment now ongoing, and the establishment of new mines in eight provinces. Many operations that had been financially doomed before Transnet's revamping were also resurrected.

Despite climate shifts, South Africa has seen the growth of both small and medium farming operations in the market garden and sugar cash crop space, and significant new investment in agribusiness. As elsewhere, consolidation of agricultural operations and economies of scale are the main ways that countries are to ensure the viability of their agricultural sectors and national food security. This is complemented by small-scale but productive farms in communal areas.

The steep drop in crime since 2030 eased the fears of many tourists who are now booking longer and

longer trips to South Africa. South African-based airlines, Europe's main carriers, the Middle East's 'big three', as well as Ethiopian Airlines, Kenya Airlines and RwandAir all continue to compete for extra landing slots, snapping up flight capacity even at smaller South African airports. Four South African resorts were named in the 2035 Condé Nast Traveller Top 50 Hotels of the world, and South Africa added 220,000 tourism jobs in the first five years of the 2030s. Tourism and related industries such as conferencing have ramped up their direct contribution to GDP to 4.5%, adding nearly one million direct jobs and much more indirect employment.

Foreign visitor spending is now 10 times that of all domestic tourist spending, even though domestic travel has increased in recent years as South African unemployment dropped.

Balancing rural and urban economic growth

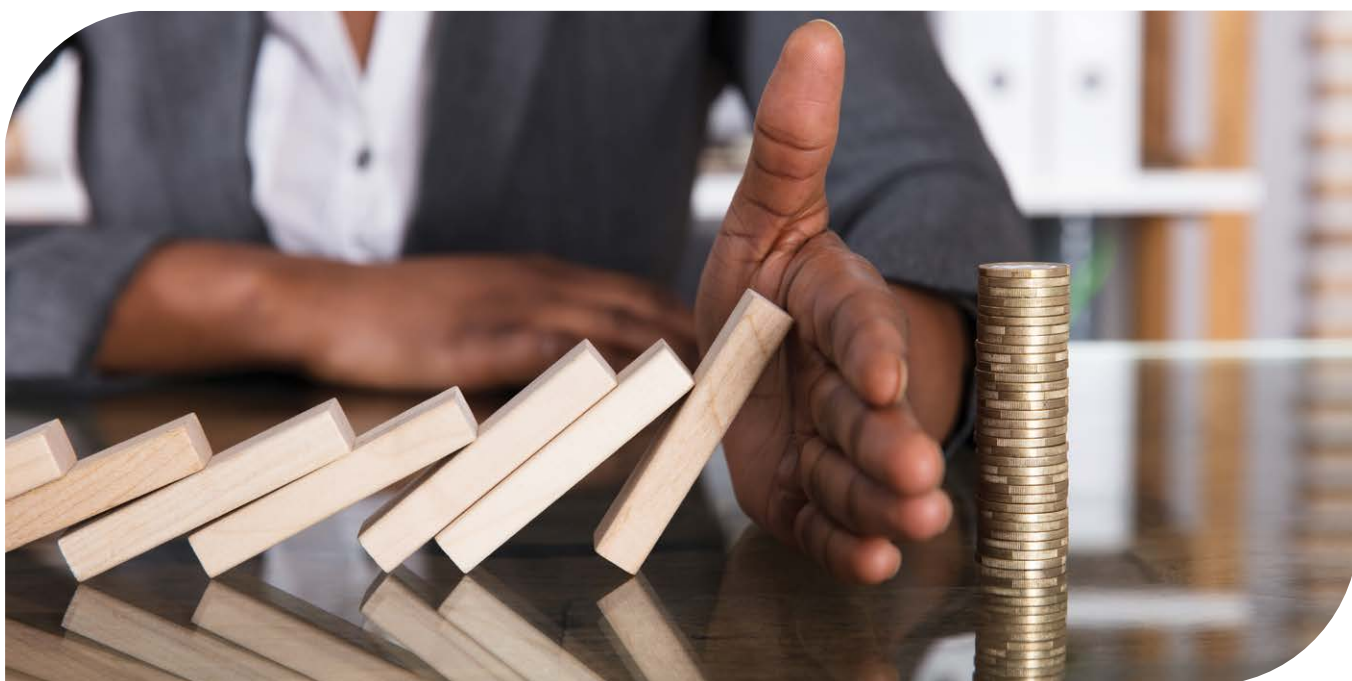
All of this has allowed urbanisation and rural-urban migration to slow in the early-2030s due to sustained focus and real investments in the agricultural and tourist sectors in rural areas. Household size has stabilised partly because of the ongoing construction boom that has extended beyond commercial property to embrace social and affordable housing. Most households are still headed by grandparents or single mothers, and

while over 60% of children still grow up in homes without their fathers, that figure is declining quickly as more jobs are being located closer to where people live. Women outnumber men in every demographic band, but especially in the older age ranges and, in common with much of the world, young adults are staying at home that bit longer as they battle to establish themselves in long-term employment, and in stable relationships.

Rebuilding the engines of job creation

The economy grew at 5.4% in 2035– and looks to do even better in 2036. While still high by global standards, unemployment has halved since 2024; it now stands at 18%. Youth unemployment has dropped 20% since 2024, but one-third of those under 24 who are able to work and who want to work cannot find a job. Importantly, the higher growth rate has been matched by decreased

levels of poverty and inequality. Immigration to South Africa has increased, with tens of thousands in the diaspora ‘reverse migrating’ home. There are hopes that this migration and South Africa attracting capital skills closer to home could sustain economic growth and eventually see unemployment and poverty levels conform more to those of other middle-income countries.



- Smart and substantial increases in investments in the nation's infrastructure, with an emphasis on digital technologies, green energy, freight, and logistics.
- Substantial increase in provincial/local partnerships to direct local infrastructure investment.
- The development of special economic zones (SEZs) that were special in character and not just in name, attracting businesses with permitted deviations in remuneration levels, and low corporate tax rates.
- Reconceptualisation of the role of agriculture, and basing this in formal land ownership and access, allowing more people to use land as a productive asset which boosts rural employment.
- FDI flows propelled the most sustained period of economic growth in South Africa since early 2000s.
- Better access to fast, cheap internet facilitated creativity, e-commerce, music, arts innovation. 'Gig' economy enabled people to market goods and generate income above subsistence levels for the first time in decades.
- Construction boom extended beyond infrastructure and commercial property to social housing.
- Urbanisation and rural-urban migration have slowed due to increased investments in agricultural and tourist sectors.
- With strong focus on informal sector, proportion of wage employed to informally employed to unemployed has begun to approach global norm of 45:45:10.
- Immigration has increased, with 10s of 1 000s 'reverse migrating'.

Geopolitical shifts

South Africa's hard-fought policy of 'non-alignment' and its role in the expansion of the BRICS+ bloc allowed the country to play a strategically ambiguous role in the multi-polar world of the 2030s. Despite China and Russia's hesitance, most BRICS+ members pushed for the restructuring of multilateral institutions, including the UN Security Council. And while the US dollar remained the largest global reserve currency, BRICS+ members increasingly traded with each other in their own currencies. The bloc was also

leveraged to strengthen pacts such as the African Continental Free Trade Agreement (AfCFTA), a determined effort to merge 55 economies into a single market of more than a billion people. South Africa, attempting to walk the fine line that its proclaimed non-alignment required, was able to balance its economic interests between BRICS+, the African continent and its traditional western trading partners.

Broader forces were also at play. Following steady

growth in right-wing authoritarian populism in many democracies, both Europe and the US became embroiled in internal political battles that redefined their national identities and made many countries more parochial and isolationist. This created the space for Global South states to become more assertive, including in pushing for a 'just transition' as a core part of climate mitigation initiatives. The nature of South Africa's relationship with China, long its largest trading partner, changed after the 2029 coalition came to power.



The South African government became more assertive about its needs, interests and ability to benefit its raw materials. Thus, after four years of talks, fairer tariffs were negotiated in 2034 to protect South Africa's important textile and clothing manufacturing industries and strengthen local steel manufacturing. South Africa also strengthened its beneficiation of precious gems and minerals by leveraging and expanding local diamond beneficiation through the local jewellery industry, and creating high security gold and platinum design hubs, thus ensuring a significant growth in the export of finished products rather than of raw materials to countries in Europe, India and Israel.

The post-2029 Concord Government also prioritised extending the capacity and impact of its foreign affairs department, renamed (again) to Department of Foreign Affairs (DFA). South Africa

expanded its diplomatic representation, particularly in Africa and south and central America, through the early 2030s. Contrary to the predictions of critics, stronger relations with its BRICS+ partners, bilateral and multilateral, have not weakened South Africa's associations with western countries, particularly the EU, UK and USA. Furthermore, both the US and China seem to value, although they would never say so out loud, the role that South Africa played, especially in the early-2030s, in quiet shuttle diplomacy to reduce tensions in the South China Sea.

After hosting the BRICS expansion meeting in 2023, South Africa also focused on two other multilateral groups that it was part of: India-Brazil-South Africa (IBSA) and the Indian Ocean Rim Association (IORA). Collaborations between South Africa and Brazil strengthened in the late 2020s, especially in the chemical, pharmaceutical, sugar and media industries. Brazil consolidated its role as South Africa's largest Latin American trading partner.

New partnerships with India in the technology and automotive spheres saw increased investment in South Africa in the manufacturing sector, with the country also gaining important intellectual capital in the technology sphere.

With private-public partnerships being more prominent with the post-2029 government, a deeper focus on trade with India, Indonesia and Pacific Rim countries was spearheaded by businesses and via local diasporas connected to their home countries, especially Bangladesh, India and Pakistan and thus able to build organic connections between economies.

South Africa's sometimes-maligned efforts at the International Court of Justice in 2023 and 2024 to hold Israel accountable to international treaties paid off in the long term, with it being recognised as a champion of international law. South Africa has also been able to play a positive role in working towards resolutions of conflicts in the Middle East,

including the Palestinian-Israeli issue, often with a nod from the USA. This assisted in reviving a form of global multilateralism that has balanced out power centres more evenly across the globe. Ironically, considering its earlier threats to withdraw from the Rome Convention, it also came to be seen as a defender of multilateral institutions.

In Africa and the SADC region, South Africa continues to vie, with Kenya and Mauritius especially, for primacy as staging grounds and entry points for investment into African markets.

South Africa's stellar economic growth in the first half of the 2030s helped spur growth in other regional economies and coupled with the country's intense anti-xenophobia campaigns, has elevated its role in the AU, and made its leadership role in Africa more certain and assured.

With South Africa regarded globally as a champion of African interests, and African states largely supporting that role, it is again the frontrunner for the soon-to-be-established permanent African seat at the UNSC.

- From 2024, SA balanced its diplomatic 'non-alignment' and its economic interests between BRICS+, the African continent and western trading partners.
- BRICS+ was leveraged to strengthen regional pacts, including the African Continental Free Trade Agreement, with benefits for South Africa.
- The US dollar remains the largest global reserve currency, but BRICS+ members increasingly trade in their own currencies.
- BRICS+ members push to reform global institutions, including UNSC, despite Chinese-Russian initial hesitance.
- After BRICS expansion, South Africa focused on IORA and IBSA, with resultant economic benefits.
- African support and deeper ties with ASEAN and Middle East allies cement South Africa as frontrunner for permanent African seat at UNSC.
- Europe and USA, embroiled in internal political battles, escalated by rise of right-wing, that redefined their national identities. Global South became more assertive.

Global Climate catastrophe: Bringing a hotter, drier world back from the brink

Despite post-Paris Agreement implementation of ambitious carbon-reduction programmes all over the world, it was too little, too late. In 2031, as global warming passed 1.5°C above the pre-industrial average much earlier than anticipated, fury and recrimination dominated global discourse. In South

Africa, the higher temperatures and erratic rainfall impacted every crop to some extent, forcing the importation of higher amounts of cereals and grains. Floods in some parts of the country have become perennial.

In response, South Africa spearheaded AU food security plans from 2031 onwards which saw more sensible allocations of capital and resources so that countries could play to their agricultural and horticultural strengths. African states farmed what was most appropriate for their conditions, and African bourses were established for different agricultural products, facilitating greater intra-African agricultural trade and enhancing food security on the continent. From some 60% of global agricultural land lying fallow at the turn of the century, this had declined to about 40%.

Government also became more serious about enforcing more sustainable use of water through stringent policing and monitoring. Water demand, particularly in the western parts of South Africa, is exceeding supply by 40%, as average annual rainfall in these parts shrinks further. As dire, by 2030, South Africa was losing almost 50% of its fresh water due to poorly maintained infrastructure. But this too is now turning around in a typical Weaver Work way; public-private partnerships – in all municipalities and metros – have established

pipe replacement and leak repair ‘rapid response squads’ that are reducing water waste dramatically. And public good investment has ramped to 6% of GDP, closer successful economies that South Africa is trying to emulate.

In addition, the Concord Government also supports several ventures by universities and agricultural research institutes to develop new strains of maize and wheat that can withstand harsher climactic conditions.

The great overshoot in temperatures has provoked much more concerted global action to phase out fossil fuels more quickly. Seeking to exploit South Africa’s high solar radiation levels, with more than 2 500 hours of sunshine per year, the post-2034 government directs foreign funding, both loans and investments, into the green hydrogen industry. As part of its ambitious ‘just transition’ programme, and drawing on its copious supplies of platinum and iridium, South Africa is on track to add 100 000 new ‘green jobs’ across the hydrogen energy value chain by 2038.

The slow goodbye to coal

Despite the fear in the mid-2020s that South Africa would have to prolong the life of its coal-fired fleet, Eskom was able to close the Kendal, Lethabo and Matimba coal stations in 2034, earlier than scheduled. Tutuka is slated for closure early in 2036. The more efficient Kusile and Medupi power stations will remain operational, but both these mega stations were, a few years ago, properly equipped to mitigate atmospheric damage from their emissions. Both are still scheduled for a 2060 closure (and the start of the long hard work of site rehabilitation).

This required renewable energy technologies to be cleverly leveraged to address the energy shortfall and energy inequity. Baseload is partly provided by a combination of large-scale mega-arrays with

expensive mono-crystalline silicon solar panels, complemented by cheaper polycrystalline plants in areas with lower average sunshine, and massive battery farms. Wind and wave power electricity generation has also been expanded, as have more localised battery storage facilities.

Gratifyingly, South Africa has now become a world leader in the production and utilisation of green hydrogen and fuel cell technologies.

- Global temperatures far exceed the Paris Agreement goals. In South Africa, higher temperatures and erratic rainfall impacted crops across the board, forcing importation of higher amounts of cereals and grains through the 2020s.
- SA spearheaded AU food security plans: better allocations of resources ensured countries could leverage agricultural and horticultural strengths.
- 60% of agricultural land lay fallow at the beginning of the 20th century in Africa; now around 40%.
- Government enforced more sustainable water use. Water demand, particularly in western parts of South Africa, exceeds supply by 40%. Average rainfall there shrinks further.
- By 2030, South Africa was losing 50% of fresh water due to old and poorly maintained infrastructure. After 2031, there was increased investment in water and sanitation infrastructure.
- Government supports ventures by universities and agricultural research institutes to develop strains of maize and wheat to withstand harsher climate.
- South Africa adds new 'green jobs' across the hydrogen energy value chain by 2038.

Less crime over time (and more doing time for crime!)

The focus on the criminal justice system and the judiciary, and on reinvigorating the coercive power of the state was, in retrospect, central to many successes the new government has had in reducing crime from the absurd level of the 2020s. No country can allow the sabotage of its critical infrastructure, supply lines and export routes and hope to even survive, let alone prosper. To this end, the state went all out to disrupt, interdict, arrest and prosecute those who were white-anting SOEs and national assets, often with the help of powerful insiders. It also pursued those who were terrorising poor and well-off people alike with rampant criminality and disregard for the value of human life.

The Concord Government bolstered the investigative and intelligence-gathering capacity of the Special Investigative Unit, the Hawks and the prosecuting authorities. The 'new Scorpions' (the Directorate for Priority and Organised Crimes) was established in 2032 and its sting was as effective as, if not more than, its famed predecessor. Special courts with expertise in financial crimes were established to take up more cases and speed up judgements, and additional judicial capacity was complemented by a more assertive Assets Forfeiture Unit.

Like many other reforms since 2029, the renewed focus on the criminal justice system by government

and parliament partly had its origin in the protest movement of the late 2020s, when state corruption and state capture became an important part of the package of grievances raised by the citizenry. The report of the Zondo Commission of the early-2020s seemed to have found new resonance around 2028, and its recommendations were included in some of the lists of demands made to government. Government even built a new 880-bed prison, exclusively for those found guilty of financial crimes; the 2029 government promised to fill it via resourcing prosecuting authorities properly, including hiring of private counsel as prosecutors.

At the height of the 2020s state capture drama, attempts had been made to also neutralise and capture judiciary. Judges themselves had resisted and had saved it (and, arguably, the country). Civil society and a feisty media fraternity had fought back, and reclaimed ground lost to state capturers. That narrative was revived in the late-2020s, and people were mobilised around it.

The 2029 parliament, dominated by parties from the 'listening coalition', saw this issue as an opportunity to demonstrate their bona fides. It passed a raft of laws on corruption and, using its oversight powers, forced executive to focus on security sector reform, and upskilling of the police.

The impact was felt not only with respect to corruption but across the criminal justice system. Crime has not yet been brought under control, but its levels are far below those of the mid-2020s. In particular, large syndicates are being systematically investigated and prosecutions of those involved in organised crime escalated in the past three years. Gender-based violence remains a scourge, but new women's and LGBTQI+ organisations that arose in the late-2020s had formed 'self-defence units' to try to minimize such violence, especially in public places, and to pressure police to act.

- Concord government bolstered investigative and intelligence-gathering capacity of the SIU, Hawks and prosecuting authorities.
- 'New Scorpions' (Directorate for Priority and Organised Crimes) was established; its sting was more effective than its predecessor.
- Special courts with expertise in financial crimes were established; additional judicial capacity complemented by a more assertive Assets Forfeiture Unit.
- Special jails for white-collar criminals reduce impunity and deter future malfeasance.

Reviving the creative soul of the nation

The revitalisation of the creative soul of South Africa is a key feature of the Weaver Work World of 2035 South Africa. Partially built on artistic enterprises, several of which started in the late-2020s, and

partially on the sports fields where South Africa has been holding its own against larger and better resourced national teams, South Africa is jiving to new beats, new voices, new sights, new sounds.

The creative industries were given a big boost via greater support for arts festivals from government and the private sector and the focus on creative arts, drama, and dance in schools across South Africa. This has had the additional benefit of providing South Africa with a space to explore and contest difficult ideas, and to grapple with the ongoing fault lines of race and class, and the persistence of intergenerational trauma.

The healing power of the arts has played an important role in everything from prisoner rehabilitation programmes to the incorporation of provincial festivals and facilities that have allowed a much wider range of people to explore, develop and share their own and the nation's creativity.

Greater access to faster and cheaper internet connectivity facilitated both creativity and an array of e-commerce initiatives, in addition to

innovation in the arts and music spheres. The rise of a localised 'gig' economy has enabled people to market creative goods and generate income above subsistence levels for the first time in decades.

With our international profile as a preferred investment destination restored, the creative industries have made their mark internationally too, with government in a facilitative role. The sector has been an important stimulus to economic activity and growth, doubling its contribution to GDP from 2020 to almost 4%, and creating hundreds of thousands of jobs.

This also led to an increase in art tourism – both domestic and foreign. Many of our national theatres now have multiple long productions running for years and ensuring stable jobs in the industry.

Creative Dialogue

South Africa's success in many global creative industries, particularly music and film, has been a major spur for the re-establishment of provincial arts councils in the late 2020s. These have created more secure work for actors, dancers, musicians, playwrights and others in the artistic value chain. They have enabled the creation of productions which have toured internationally, generating much-needed foreign exchange.

Even in this age of AI and online everything, all the time, the productions have gotten South Africans going to the theatre once again, providing some common social space for South Africa as happened in the 1990s. They have gotten people talking across racial boundaries. Social cohesion is not something that happens overnight.

However, the innovative approach of the Department of Arts and Culture has helped add impetus to creating much-needed dialogue aimed at achieving a more cohesive and common culture that goes beyond a shared love of sports. Substantial regional and national investment in festivals, arts councils, book fairs, and poetry slams, is now widely seen as not just investing in the arts and building a common artistic culture, but also investing in an emerging South African identity and heritage.



More than ounces of prevention: The making of a healthier nation

Compared to a decade ago, South Africa in 2035 is a healthier country by many measures, although significant challenges remain. The NHI was refashioned by the Concord Government into a multi-layered partnership of provision between state and private providers, run jointly by the Department of Health and an alliance of medical schemes and professional medical bodies. To bolster the health skills base, South Africa's universities and nursing colleges are producing significantly more health professionals, and the government is getting better at facilitating their absorption into the industry.

After the 2034 elections, a good number of health professionals who had left the country began returning to South Africa, and many from other countries are seeking opportunities here. But South Africans face many health challenges

from both communicable and non-communicable ailments; the national waistline is still expanding.

Despite wider provision of grants and aid-in-kind, malnutrition-induced stunting and the later-in-life propensity to obesity is still playing out in South Africa. Many South Africans cannot understand how people are starving while South Africa's agricultural exports increase.

Some 20% of South Africa's children are overweight, as are 55% of adults, although obesity levels are finally starting to stabilise due to a renewed focus on education about non-communicable diseases and primary health care across the country's health systems and schools. Major retail chains are also involved, focusing on helping people, even those on low budgets, to eat more healthily, and exercise a little more.



Stubbing out smoking

Only about 10% of the population smokes in 2035, but that still totals up to seven million people, not much different in absolute terms from the early 2020s. Smoking often accompanies alcohol consumption, and over consumption of alcohol remains something of a national crisis. Despite crime crackdowns and border control measures, around 30% of all tobacco sales are illicit, with cigarettes manufactured in non-regulated underground factories or smuggled into the country. The government, long a world-leader restricting the marketing and promotion of

tobacco, has adopted an aggressive campaign to reduce both alcohol abuse and smoking. These initiatives have started showing signs of success.

The country is also doing better in caring for its older persons. In 2034, nearly five million older adults receive social pensions and other grants, which significantly reduce vulnerability among adults and their households. But the mental health of older people – and mental health more generally – requires more urgent attention.

Aging in place: South Africa's elderly in 2035

Just over 5% of South Africa's population was over the age of 65 in 2024; in just the 12 years to 2035, that number has almost doubled, to 9%.

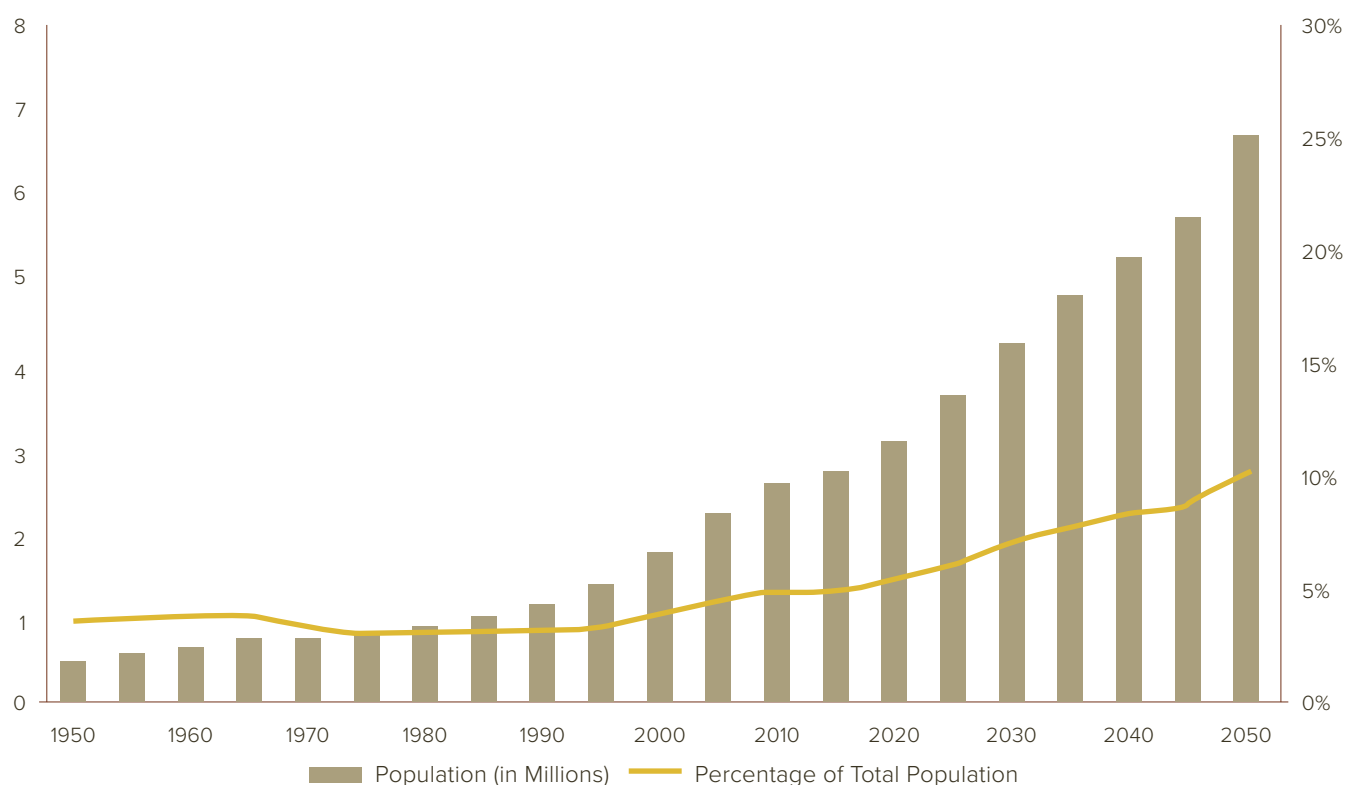
In line with the National Development Plan 2030 to increase life expectancy from 61 to 70 years, South Africans are now living longer and healthier lives even though health services still struggle with inadequate funding and, in rural areas, with attracting and retaining qualified staff.

Depending on who is counting, the 67 million people living in South Africa, well below the expected 70 million forecast, are getting older, faster. The average age of South Africans is, in 2035, nearly 31, a full decade older than Africa's collective average, but the proportion of the population over 60 has doubled in just two decades. Two-thirds of those over 60 are women; South Africa is clearly no country for old men.

Household sizes have also increased, reversing previous trends, as more and more people have little option but to share living space across generations, or 'perma-crash' with friends and relatives.

South Africa's Old Age grants have at least been increased from R2,090 per month in 2024 to nearly R3,800 per month in 2035. That is still too little to live above the official poverty line, but at

least keeping up with inflation, which was not the case in the 2020s. Almost 20% of elderly South Africans also receive a small grant-in-aid for those regularly needing caregivers to attend to them.



South Africans 65 and older

Today, South Africa's population age 65 and older is equivalent to just one-sixth of the population ages 0 through 14. The percentage of the older population is projected to just double to reach 10.2 percent of the total population by 2050, a pace of change about one-third slower than other upper-middle-income countries.

Source: oecd, world bank, un population division

<https://www.aarpinternational.org/initiatives/aging-readiness-competitiveness-arc/south-africa#:~:text=With%20just%205%20percent%20of,upper%2Dmiddle%2Dincome%20countries.>

But things are improving: the vision of the National Development Plan 2030 is to increase life expectancy from 61 to 70 years has largely come to fruition, even if Non-Communicable Diseases remain stubbornly high.

The new President's strategy of holding occasional 'walking cabinet meetings' - doing laps around the Union Building to the horror of blue light protection services - has seen even many in the executive improve their health.

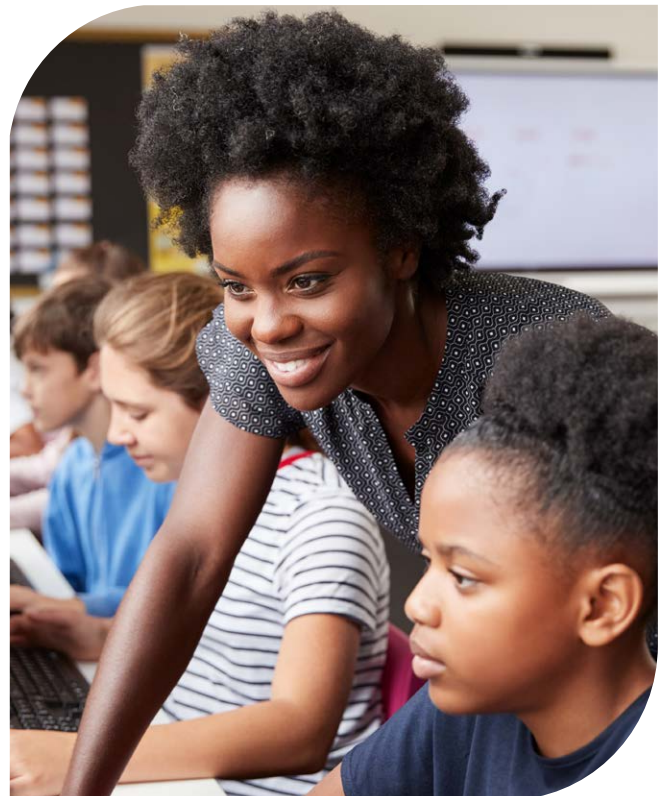
By 2035, more than half of those over 65 years of age are taking chronic medication, and about a third of older South Africans have diabetes, but these numbers are stable. Those who are educated, and therefore more knowledgeable about preventative health measures, and those who can afford what remains of private health care are doing far better than the poor.

- SA doing better in caring for older persons. 5 million older adults receive social pensions and other grants which significantly reduce vulnerability in households.
- But the mental health of older people – and more generally – needs urgent attention.
- 20% of children and 55% of adults are overweight, but obesity levels slowly start to stabilise with a renewed focus on education about non-communicable diseases and primary health care.
- 10% of the population smokes. This is 7 million people. The 2034 government adopted aggressive advertising and health campaigns to reduce both alcohol abuse and smoking.
- Clampdowns on corruption and strong economic growth allow the NHI to finally start delivering in 2032 as intended. There is, however, still a way to go.

Turning the corner on learning: The path to solving the education equation

Aided by the expansion of internet connectivity, better teacher training and shifts in the languages of teaching, South Africa's education system has made great progress in bridging the gap of inequality. South Africa has become animated by scholarly research and decades of experience and experimentation and has been illuminated by Ngugi wa Thiong'o's assertion that 'language, any language, has a dual character: it is both a means of communication and a carrier of culture'. People have come to grips with just how difficult it was for the vast majority of learners to make the linguistic leap to English early in their lives. Most of those forced to make this transition did not have sufficient proficiency in English by age 10 or 11, the age at which many schools switched to English-dominated instruction.

International students, especially those from Africa, saw much new and worthwhile on offer at South African schools and universities.



Through concerted research, teacher training, and materials development, the country has slowly changed to a more mixed-language model, moving away from what was increasingly seen as an exclusionary monolingualism in the classrooms.

The transition to English instruction in secondary schools was more carefully calibrated, as South Africa began to lift itself from the bottom of global tables of educational attainment.

- By 2035, better-trained teachers across the system, working with redesigned foundational and primary education, started to make a world of difference to South Africa's youth. With a population nearing 70 million, unemployment is declining, despite mismatches between the workforce skills' base and the nature of jobs on offer.
- A focus on research, teacher training, and materials development has seen South Africa slowly change to a more mixed-language model; parents and learners got to decide the medium of instruction at school level, and many opted for a longer transition to English.
- Universities and other higher educational institutions have been working overtime to train young South Africans, as are many private companies via in-service coaching and sponsored programmes.
- Increased internet access accelerated South African students' ability to work around the education system's deficits. They organised themselves into AI-facilitated study groups to make better use of new digital technologies and expanded connectivity.
- By 2035, better-trained teachers, working with redesigned foundational and primary education, started to make a difference to South Africa's youth. In the late 2020s, a revival of technical schools boosted artisanal skill supply pipelines.

In service of the nation

By the early 2030s, following the era of citizen action in the late 2020s, volunteerism had become a rite of passage for students before they entered the job market. Taking its cue from that mood, the 2029 parliament reintroduced the long-standing idea of national youth service, and, after consulting widely about it, the Youth National Service Act was passed in 2031. Deciding it was important to stress its non-military nature, great effort was put into placing youth in active service teams with South

Africans from all backgrounds, thus enabling youth from different parts of the country to interact with each other, including rural with urban counterparts.

Moves were also made to encourage those from wealthier backgrounds to participate; many do because of the strong involvement of banks and financial service institutions, national retailers, Telkom, and media companies. More and more companies and SOEs stress that CVs that include

participation in the Youth National Service are keenly sought.

As it evolved, the programme's emphasis on digital literacy, building a desire and curiosity for continuous learning, and the 'soft skills' of empathy,

teamwork, and development of leadership skills come to the fore. Importantly, as automation takes over many routine tasks in the workplace (and life more generally), creative, critical thinking and complex problem solving are strongly focussed on.

Reweaving the fabric of the nation

With no single dominant party ruling the roost in 2029, a radical pragmatism and sensible managerialism began to drive the country's politics. Social democrats, liberals, even conservatives and communists, simply had to find ways to cooperate because of matters of common interest and shared agendas, particularly when it came to increasing the capacity of the state and stabilising the capacity of society for democratic participation.

After 2029, as the time of coalitions was felt across all tiers of government, a key part of the success of the compacts was that they found ways for the state and private sector to work together far more effectively. As the country's largest employer, the state's role in every sphere of government, in every part of social life, and, via SOEs, in all South Africa's infrastructure provision, required profound changes in task execution, starting with the ability to ensure that the right people were in the right jobs.

This required precise project management and a clear-eyed productivity focus. The managerial and HR capacities that are the bread and butter of private companies, combined with the vision and heft of the state, were able to pull South Africa out of the snares of low investment and the low-growth economy that it had been trapped in.

Fusing the power, capital, and size of the state with the managerial expertise and systems of the private sector came to be seen as the heart of the Concord parties' success.

One of the earliest alliance agreements after 2029 was a protocol designed to ensure that the

SABC was committed and capable of the highest standards of journalism production and of meeting its democratic mandate. Based on consistent investment in the SABC's digital capacity and multimedia storytelling, the public broadcaster was resourced to reach people in the language of their choosing and on the devices and media that they preferred. It was able, after many fits and starts, to transform itself into the digitally savvy entity it has become, while retaining a basic set of linear broadcast radio and TV assets. Interference in journalistic standards reduced, and South Africa was able to re-enter Reporters without Borders Top 20 rankings for media freedom.

The combination of strong economic growth, lower crime, strong civil society and citizen activism, the flowering of the creative industries, and South Africa's sporting prowess (despite many up and downs) have all helped create more a sense of common purpose among South Africans. We talk more, across generations, and across the barriers of ethnicity, class, race and education. Social cohesion is not something that has happened overnight, and it is very much a work in progress. But led by more cooperative leaders who are able to compromise and put aside short-term thinking, South Africans seem determined, finally, to make their country and nation really work for everyone. Getting here required co-operation between a strong, assertive civil society, a far more active citizenry, and a political elite prepared to find common ground across what were, previously, vast ideological chasms.

For the economy to finally be back on a positive

trajectory, for the green and just transition to be seen to be happening, and for social justice programmes to be given their true meaning, the government has had to lead the country in partnership with business, civil society, community structures and the citizenry as whole. After half a

decade of collaborative government at national, provincial and local levels, and of industrious Weaver Work by numerous unsung heroes, many have come to believe that 2036 might be South Africa's best year ever.



CONCLUSION

While the three scenarios allude to the role politics are likely to play in what a future South Africa will look like, it is important to note that this is no endorsement of a spirit of resignation. They serve as a reminder of shared responsibility that we all have in shaping the future. Moreover, every effort has been made on our part to remove any ideological positioning from the phrasing of the variable descriptors. First, these scenarios examine the extent to which South Africa can disentangle itself from the low economic growth trap it is mired in. Chronically low economic growth and a stubbornly high unemployment rate are now increasingly made worse by a deepening fiscal crisis. Crumbling infrastructure and the enduring devastation of the COVID-19 pandemic on livelihoods invite us to ask more urgently how we should tackle the persistence of poverty and inequality. In addition, we need to ask with equal urgency how we might yank ourselves out of negatively reinforcing cycles that leave the country at the mercy of an increasingly uncertain geopolitical and international trade environment.

Second, the scenarios invite us to look at the extent to which the capacity of the state and accountability and efficacy can be rebuilt. With the state and its functionaries already playing an outsized role in every sphere of life it would be remiss of us to overlook the value South Africans

place on democratic institutions. Weaknesses in leadership and a lack of accountability across all levels of government hobble decision-making and policy implementation. A further risk is that this contagion has likely spread to other social spheres. We are already witnessing signs of low levels of accountability in the private sector and a sometimes fractious and insular civil society.

With these scenarios we also hope that meaningful conversations could be had on how we can overcome deep-seated feelings of distrust, insecurity and the high levels of violence that continue to plague our society. We are invited to sincerely ponder on the extent to which South Africans can find each other in a country where there are multiple polarising factors. With a history such as ours, a genuine quest for social cohesion remains among the noblest causes.

It is certainly our hope that those in leadership across all spheres of South African society will make use of this book as a strategic guide on how to look beyond the nearer-term horizons as they try to re-infuse capacity in their spheres of influence. Their choices today are likely to play a decisive role in defining national life in 2035 – whether it will be a life of recrimination, desperation, or cooperation, as these scenarios outline.



Appendices

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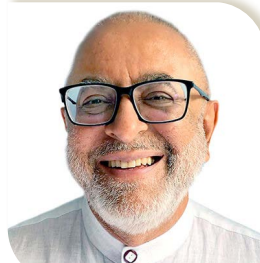


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1. Heidi Brooks (Research Lead)
 2. MISTRA researchers, HSRC researchers and DPME
-

Writing Team

1. Harry Dugmore (Editor)
2. Fred Khumalo
3. Na'eem Jeenah



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