

*It was the best of times, it was the worst of times, it was the age of wisdom, it was the age of foolishness, it was the epoch of belief, it was the epoch of incredulity, it was the season of Light, it was the season of Darkness, it was the spring of hope, it was the winter of despair, we had everything before us, we had nothing before us, we were all going direct to Heaven, we were all going direct the other way.*

**W**ITH THOSE OPENING LINES FROM CHARLES Dickens' *A Tale of Two Cities*, Tito Mboweni, who had just returned to the South African Cabinet as the fifth Finance Minister in under three years, opened his first budget speech in Parliament on October 24 2018. Echoing the "new dawn" promise of his boss, President Cyril Ramaphosa, Mr. Mboweni pulled no punches.

"For ordinary South Africans, it has become a difficult time," he said. "Administered prices, such as electricity and fuel, have risen. Unemployment is unacceptably high. Poor services and corruption have hit the poor the hardest. Under the leadership of our President, and much like the central character in *A Tale of Two Cities*, we have, as a country, chosen the difficult path of redemption," said Mr. Mboweni.

President Ramaphosa's narrow victory in the African National Congress' elective conference in December 2017 and his subsequent appointment as President in February was greeted with relief by business and the general public. But "Ramaphoria" quickly faded as the enormity of the task before him became apparent: repairing the moral and fiscal damage wreaked by a decade of policy uncertainty, corruption and scandal under former President Jacob Zuma. The country fell into a months-long recession in 2018, progress in meeting urgent societal needs remained slow and businesses worried about further credit rating downgrades and a shift to populist policies.

The new president immediately set about kickstarting investment, setting a target of raising \$100 billion in five years, with an eye to inclusive growth, vital for social stability and to give hope to young unemployed citizens. Other actions include rebuilding critical state institutions, cleaning out corruption and shoring up political power in the run-up to the 2019 elections.

Meanwhile brave whistleblowers, civil servants, researchers, jurists and journalists have continued

# A SHOT AT REDEMPTION

**A decade of corruption has left South Africa reeling. Its new leadership faces a massive task to restore trust and hope, says Brunswick's MARINA BIDOLI.**

to uncover details of an unprecedented embezzlement of state funds, with reports of eye-wateringly corrupt tenders and systematic political interference at critical institutions. Judicial inquiries and accounts of what's become known as "state capture" have gripped the nation. A Dickensian cast of villains continues to grow.

Once-respected businesses, including top tier multinational companies, auditing firms and consultancies, have been dragged into the quagmire with serious collateral damage to reputations. Media too has suffered. Even as tenacious journalists continue to uncover corruption, some of their peers appear to have been played, while others may have been complicit through biased reporting.

South Africans are crying out for justice. Suspicions are high and public trust is low; social licenses for politicians and business leaders are being challenged.

Rebuilding the nation will take strong moral leadership and a common vision of accountability, truthful, timely communications and willingness to do the right thing. For businesses caught up in the mess, their real test will be in demonstrating wider social value.

South Africa has previously proven resilient as a democracy that envisioned a better future for all. President Ramaphosa, in an op-ed in the *Financial Times* and in later speeches, reminded the world of the many in the early 1990s who were skeptical as South Africans across the political spectrum negotiated an end to apartheid, and pulled the nation from the brink of civil war toward a peaceful transition.

Now, through active leadership and genuine partnerships with the private sector, he hopes to translate political freedom into economic well-being. A new page has turned. It's up to all South Africans to write the final chapter. ♦

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