

Government's best laid plans

Doubts as ministers take different routes on economy

By Ethel Hazelhurst

The country still does not know who is in charge of economic policy, despite important announcements by President Jacob Zuma on Friday.

Zuma said that ministers were in the process of signing performance agreements with the presidency, which would be "cascaded down to deputies and directors-general to ensure the entire government reads from one script".

At the same time he announced the names of the members of the National Planning Commission (NPC), chaired by Trevor Manuel, the Minister in the Presidency responsible for national planning.

Heading the list of names are high profile businessman Cyril Ramaphosa, who will be deputy chairman, Bobby Godsell, the former Eskom chairman, and Elias Masilela, Sanlam's head of policy analysis. Experts in critical technical fields are among the 25 people appointed.

Manuel said on Friday the NPC would produce a "national vision" to put to the cabinet within 18 months.

However, Econometrix chief economist Azar Jammine said there was still no clarity on policy direction, given that Economic Development Minister Ebrahim Patel and Trade and Industry Minister Rob Davies had separately produced policy documents and were known to differ from Manuel on economic policy.

Davies announced an industrial policy action plan in February, aimed at promoting "long-term industrialisation and industrial diversification".

Patel tabled a strategic plan in March to "promote the coherence and alignment of the state's and state entities' economic plans and foster South Africa's growth path and need for substantial job creation".

Iraj Abedian, the chief executive of Pan-African Capital, identified a problem of integrating "medium to long-term planning into annual and short-term, budget-driven planning".

He said it would not be easy to "merge the two paradigms". There was also a problem aligning the roles of government departments, state-owned enterprises and the private sector.

Union federation Cosatu expressed concern "at the over-representation of business people" on the commission. Cosatu said the "overall balance is skewed against the trade union and progressive movement. We are concerned that... civil society is under-represented."

Cosatu welcomed the appointment of three people nominated by the federation: Chris Malikane, an associate professor of economics at Wits University; Vivienne Taylor, who teaches social policy and development planning at UCT; and Karl von Holdt, whose speciality is social cohesion and fragmentation.

Other members of the panel include: Mike Muller, a civil engineer and a former water affairs director-general; Anton Eberhard, an energy expert at the Graduate School of Business at the UCT; Miriam Altman, the executive director of the Centre for Poverty, Employment and Growth at the Human Sciences Research Council; and Vincent Maphai, the former chairman of the Presidential Review Commission, a body set up by then president Nelson Mandela to look at government restructuring and service delivery.

Abedian said the panel's composition "is technically appropriate".

Manuel said on Friday 1 280 names had been submitted and the challenge had been to "understand the skills set of each of them. It is not just the individual strength but the way in which they can be combined".

And he stressed the importance of planning expertise and "experience in managing vast amounts of information".

Goolam Ballim, the chief economist at Standard Bank and a member of Patel's ministerial advisory panel, said the signing of the performance agreements "would help avoid process failures".

Published on the web by Business Report on May 2, 2010.

---

© Business Report 2010. All rights reserved.