



SA's sad, sad state



More than a decade has passed since my family and I relocated from South Africa back to the UK.

My wife and I originally met in London and our daughter was born in Blighty, so it has always been home to us. But if you ask our now teenager about her loyalties, Springbok rugby, biltong, BOS ice tea, Table Mountain and fried calamari on the stoep at the Chapmans Peak Hotel will all feature highly.

Even though I'm thankful for our life in the UK, I will always love South Africa and I truly want the country to prosper. There are many reasons for this: all my siblings are there, most of my good friends still live there and our firm has a large number of clients based there. More than anything, I love spending time with my wife and daughter at the southern tip of Africa.

It is against this background that the three of us made the pilgrimage back to Cape Town over Christmas. The place was good to us, the weather was most enjoyable, and even load-shedding spared us for the most part. But, after two enjoyable weeks, I left the Mother

City with a profound sense of sadness. And it was largely based on one conversation that I had in the early part of our trip.

Truth hurts

First, some background: one of my daughter's school friends from London as well as her parents and brother were also in town over December. This is not a South African family at all: dad is originally from continental Europe and mom grew up in the US. For the past 15 years, though, they have spent every Christmas in the Western Cape, simply because they love it so much. I guess it helps that the boy is a keen surfer who prefers Long Beach in Kommetjie to Kimmeridge Bay in Dorset.

The father is a senior executive at a multinational investment bank and has made regular business trips to Joburg over the past two decades. He has also spent time in Cape Town, lost his heart to the place, and the rest is history.

The banker shared his story with me the first time I dropped off my daughter at their beautiful guesthouse. Much as he also loves the country, as an outsider he brought a clinically honest assessment of the status quo to the conversa-

tion.

More than anything, he lamented the dismal electricity situation, quoting from an interview with Eskom CEO André de Ruyter in the Financial Times in November: how coal bound for power stations is loaded onto trucks which are then hijacked, with their tracking systems being jammed. The high-quality coal they were carrying makes its way overseas, where it gets sold for a multiple of the South African price. It is then replaced with discarded coal as well as some rocks and scrap. As the FT concluded: "When this detritus is fed into power stations it causes havoc."

The worst part of the story is that there is no sanction whatsoever: every layer of law enforcement up to ministerial level just turns a blind eye, making all of them complicit. How can anyone expect a CEO to fix Eskom when corruption runs this rife? It is clearly an impossible job, not merely a difficult one (as President Cyril Ramaphosa described it when De Ruyter resigned).

With this in mind, I found the words of ANC secretary-general Fikile Mbalula particularly galling when he said, after the party's conference in Mangaung in January: "The ANC-led government must move decisively to implement conference resolutions to end load-shedding and stabilise electricity supply. Priority must be given to speeding up the resolution of the energy crisis, in particular undertaking critical maintenance at Eskom so we return existing generation capacity to reliable service."

Am I the only one shaking my head at such hollow words?

And let's not celebrate it when load-shedding goes from stage 6 to a lower one: as economist Kevin Lings said at a recent conference, that's like saying your partner used to abuse you six times a week, and it's now down to only twice – it's still no reason to celebrate!

I'm just hoping we'll see my daughter's school friend and her family back in Cape Town again this December. **X Gouws is chief investment officer at Credo, London**