

## THE LENS

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Amid energy crisis, difficult decisions with broader social implications, lie ahead for the South African government

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## AMID ENERGY CRISIS, DIFFICULT DECISIONS WITH BROADER SOCIAL IMPLICATIONS, LIE AHEAD FOR THE SOUTH AFRICAN GOVERNMENT

Access to reliable electricity supplies is crucial for emerging economies to narrow the gap between their living standards and those of developed nations. South Africa, with its high levels of structural poverty, inequality and unemployment, is no exception. Not only does it sustain economic activity, it is also critical to effect the provision of basic services. As a result, the quality of energy supply remains an important criteria for the evaluation of the quality of governance in South Africa.

TheAfrobarometer Survey, a Pan-African comparative survey on governance, which includes South Africa, provides valuable public opinion insights into the state of electricity access, connection, and reliability across the country. South Africa's unique context, with its mix of urban and rural areas and socioeconomic disparities, presents specific challenges in ensuring widespread access to electricity. The findings from the latest round of the survey that was conducted by IJR, Afrobarometer's Southern African regional Core Partner, in November and December of 2022, provides instructive insights in this regard.

The results, contained in a recent policy dispatch by IJR staffers, Preston Govindasamy and Asafika Mpako, show that although South Africans feel that progress has been made in expanding access to the electricity grid, substantial concerns remain regarding the cost, reliability, and government performance in providing a steady power supply. Furthermore, in light of the country's persisting energy crisis, characterised by intermittent black outs, public opinion indicates a growing desire for alternative approaches, including privatization and the involvement of other actors in the electricity sector.

The survey reveals that access to the electricity grid is not a significant challenge for the majority of South Africans. As of 2022, an impressive 95% of citizens lived in areas served by an electricity grid, indicating a significant increase from 86% in 2006. This highlights the success of government efforts in expanding access to the grid. However, disparities persist between urban and rural areas, with urban dwellers experiencing higher access rates (99%) compared to their rural counterparts (90%). Additionally, economically well-off individuals are more likely to live in areas served by the grid (99%) than those facing poverty (88%).

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While access to the electricity grid has improved, being connected to the grid does not guarantee a reliable supply of electricity. The survey findings indicate that over 90% of South Africans live in households connected to the national grid, with urban residents and economically well-off individuals having higher connection rates. However, the reliability of electricity supply remains a concern. Nearly 70% of respondents who reported being connected to the grid stated that their electricity works "most of the time" or "all of the time." However, approximately 30% indicated that power is available only "about half of the time" or less. This highlights the need for ongoing efforts to ensure a consistent and reliable electricity supply for all South Africans.

Public opinion reflects a recognition among citizens that higher prices may be necessary to improve the quality of electricity services. When asked about paying more for electricity in exchange for better services, a slim majority of South Africans (51%) agreed or strongly agreed with the proposition. However, regional variations were observed, with higher support found in KwaZulu-Natal (66%) and lower support in the Eastern Cape (37%). Additionally, support for higher prices in exchange for better services increased with respondents' economic status and education level, emphasizing the role of socioeconomic factors in shaping public opinion. The Afrobarometer survey also shed light on the government's performance in providing a reliable electricity supply. The provision of electricity ranked as the third most important problem for South Africans, following unemployment and crime/security. However, the government's performance in this area received low ratings, with an overwhelming 87% of respondents considering it to be poor. Dissatisfaction was further highlighted by 69% describing the government's performance as "very bad." Only 12% perceived it as "fairly" or "very" good, indicating a strong call for improvement and accountability in the electricity sector.

Looking to the future, South Africans expressed varying opinions on the ideal electricity supply system. Approximately 59% of citizens believed that privatizing Eskom, the national electricity utility, would ensure an effective supply of electricity. Support for privatization varied across regions and economic groups, with the Western Cape registering the highest support (73%) and lower support among poorer citizens (50%). A more significant majority (76%) of citizens supported ending Eskom's monopoly and allowing other actors to generate and distribute electricity in South Africa, indicating a desire for increased competition and choice in the electricity market.

These findings that reflect public sentiment need to be taken seriously. Overcoming the shortcomings in electricity provision is crucial for sustainable economic development, social cohesion, and political stability. By investing in infrastructure, fostering competition, and prioritizing inclusive policies, South Africa can navigate the path towards a more resilient, efficient, and equitable electricity sector that meets the needs and aspirations of its citizens. Failure to address these challenges could, however, result in prolonged economic stagnation, declines in public trust in the country's democratic infrastructure, and persistent social instability. In light of this, much more than economic growth hinges on improved planning and implementation of the South African state.

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