

National Planning Commission: Building State Capacity Working Group

Working Paper- Relational Governance as an
Approach to State Reconstruction
A Case study of the Presidential Climate
Commission



Authors

NINA CALLAGHAN AND MARK
SWILLING, CENTRE FOR
SUSTAINABILITY TRANSITIONS,
STELLENBOSCH UNIVERSITY



Stellenbosch
UNIVERSITY
IYUNIVESITHI
UNIVERSITEIT

CST
Centre for
Sustainability Transitions

TABLE OF CONTENTS

1.	INTRODUCTION	1
2.	TRANSITION IN SOUTH AFRICA	2
3.	CONCEPTUAL FRAMEWORK IN CONVERSATION WITH PCC CASE STUDY	4
	3.1 RE-THEORISING THE STATE	6
	3.2 THE STATE AND THE PCC	8
	3.3 POLITICAL SETTLEMENTS	14
	3.4 POLITICAL SETTLEMENTS AND THE PCC.....	15
	3.5 INSTITUTIONAL WORK AND STATE CAPABILITY.....	19
	3.6 CAPABILITIES AND INSTITUTIONAL WORK AND THE PCC	21
4.	CONCLUSION	24
5.	REFERENCES	26

List of Figures

Figure 1: Whole of Society Approach	9
Figure 2: Conditions for Successful Policy Making.....	17

List of Acronyms and Abbreviations

CAS	Complex adaptive systems
NDC	Nationally Determined Contribution
MEC	Minerals Energy Complex
NECOM	National Energy Crisis Committee
Nedlac	National Economic and Development Labour Council
PCC	Presidential Climate Commission
SRA	Strategic-relation approach

1. Introduction

“We will undertake our just transition in a way that opens up the possibility of new investments, new industrialisation and that, above all, creates new jobs. The Presidential Climate Commission is guiding much of this work, and, in doing so, building a new model for inclusive and collective decision making, incorporating the individuals, workers, and communities that are most affected in the transition.”
(The Presidency, 2023)

This study of the Presidential Climate Commission (PCC) was undertaken in order to better understand this “new model for inclusive and collective decision making”. It has revealed the dynamics of collaborative decision making across a diverse polity, the responses of key state actors and what agency for change looks like in practice. This study explores how the PCC enacts its mandate to facilitate a national social consensus on a Just Transition, as well as provide expert knowledge to plan and coordinate this massive national project. We are less interested in policy content of the work of the PCC – namely the Just Transition – and more interested in the governance modalities that the PCC has managed to pioneer. We are of the view that this is just one example of a number of initiatives that point the way forward beyond the ‘wasted nine years’ of state capture that has left many of our institutions more fragile, more ineffective and less able to respond to growing complexity (Callaghan, Foley & Swilling, 2021). Indeed, following on from this case study, our aim is to examine the reconstruction of state agency like SARS, the governance arrangements pioneered by intermediary institution like PPGI and the Western Cape Economic Development Partnership (EDP), and a SOE like the DBSA. This not about documenting ‘good practice’ that must be emulated. Rather, it is documenting learning practices that have resulted in positive outcomes that are suggestive of the relational governance approaches that will help rebuild pot-state capture institutions.

We make the case for relational governance as an approach that addresses growing institutional complexity and a loss of state capability in South Africa but also elsewhere in the world (Andrews et al, 2017). Governments will need to ensure that state institutions collaborate with each other via innovative partnerships that include diverse sectors of society. This is what is needed to ensure that the requisite ideas, skills, resources and relationships are convened to design development initiatives appropriate for context (Andrews et al., 2017; Boraine, 2023; Jessop, 2016; The Presidency, 2022). This governance project requires focused governance processes that are inclusive, adaptive, and reflexive (Preiser & Woermann, 2019). This focus complements efforts to improve the structural

arrangements of the macro-organisation of the state. An exclusive preoccupation with the structuring of developmental states will not be helpful in rebuilding the capacity of the state (Bowman, 2020). To address complexity, a relational approach to governance must complement structuralist approaches.

2. Transition in South Africa

Before delving into the conceptual framework, it is valuable to reflect on transition movements and dynamics currently underway in South Africa. Transition scholars like Fischer-Kowolski & Haberl (2007), Rotmans and Loorbach, (2009) and Swilling and Annecke (2012) characterize transitions as radical shifts in society driven by crises at different scales. Transitions are shaped by the innovations that follow that 'partially or provisionally resolved the crisis and, in so doing, destroyed the basis of pre-existing modes of existence, technologies and hierarchies of power' (Swilling & Annecke, 2012:54). Innovations that catalyse transitions are not organic events but arise from intentional investments and incentives that emerge from sets of networked and collaborative actors (Lundvall, 2007). Innovation, as a condition of problem-driven creativity and learning, create the state of flux and uncertainty where old ways are ill-suited to diagnose and manage for new outcomes appropriate to context. Innovations, however, are rarely just technical innovations or structuralist solutions - they are inevitably part of wider institutional and relational innovations that unfold into full-blown transitions. Statecraft is about learning to manage these complex dynamics of change and transition.

A 'disorderly energy transition' is underway in South Africa. Following Nelson et. al. (2023), a disorderly transition is a process where financing, policy, politics and projects do not neatly align because of the slow, complex and erratic nature of social, economic and technological change. Like elsewhere in the world, low carbon technologies like renewable energy and hydrogen present a challenge to the long-standing fossil-fuel regime. Energy is a socio-technical regime, meaning that there is more than just the technology that is changing. Instead 'social processes co-evolve with technical, infrastructural and ecological systems' (Avelino, Grin, Pel & Jhagroe, 2016:558). Rents, benefits, contracts, transactions, organisational and individual routines are affected.

The cumulative effect of evolving energy policy that underpins President Ramaphosa's attempts to steer through the energy crisis are beginning to have positive impacts. The Energy Action Plan (2022), Integrated Resource Plan (2019), Just Transition Framework (2022), Just Energy Transition Investment Plan (2022), the Nationally Determined Contribution (2021), the National Infrastructure Plan 2050 and the Low Emission Development Strategy (2020) are some of the policy frameworks that directly shape the national energy transition, but policy alone does not get the job done as the conceptual framework literature suggests. It is the relationships and coordination between institutions that are mandated to

design and implement these policies that really matter when it comes to implementation (Boraine 2023; Jessop 2016; Whitfield et al. 2015).

The President has initiated institutional innovations in his attempt to address the energy crisis by, among other measures, adding to his Cabinet a new Minister of Electricity (Kgosientsho Ramokgopa), establishing the National Energy Crisis Committee (NECOM) in July 2022 and establishing the PCC which he Chair, along with a host of other commissions and development initiatives, like Operation Vulindlela, who also report directly to the President. This paper accepts that organising and reorganising the state has its merits but does not necessarily solve the problem (The Presidency, 2022). What this paper emphasizes, are the ways these state institutions and political hybrid entities relate to each other in order to ensure implementation of policy mandates.



The preoccupation with structure to impact governance can be traced back to South Africa's post 1994 project that required a dis-entangling and reconfiguration of apartheid institutions and cultures to effectively construct the democratic state (Suttner, 2014). During this time the ANC adopted a state-centric approach that assumed it would enjoy a political monopoly for a long time. For many analysts this resulted in a weakening of state-society relations (Suttner 2014, Padayachee & van Niekerk, 2021). Suttner (2014:14) explains how the national liberation movement turned government 'did not conceive independent organs of civil society, sectoral organisations or social movements as contributing to its conception of the unfolding of democracy and building a new nation'. Implicit in this understanding of the state was that with the right institutions and processes (elections, legislation, policy and rule of law) the state could deliver a better life for all, based on social democratic principles reflected in the history of ANC policy evolution (Padayachee & van Niekerk, 2021). The National Development Plan gave expression to this paradigmatic intent. Relationality and rapport with social structures declined within this ideological construction of the state and invariably stunted the agency

of what used to be robust social movements (Suttner, 2014). By contrast, the National Planning Commission's Just Transition consultative process (2017-2018) that eventually led to the establishment of the PCC, represented an alternative more inclusive approach.

With hindsight, it is possible to argue that post-apartheid statecraft was inadequate for addressing the nested and interlocking challenges South Africa faced in a fast-changing world. The National Development Plan is a good example: it assumed effective implementation by a capable state when very little evidence existed that a capable state was, in fact, in place.

We are now faced with the worst period of loadshedding (Steyn et al., 2022), the highest levels of unemployment at 32,9 % (Statistics South Africa, 2023), the highest levels of inequality (World Bank, 2022) and state institutions that are a drain on the public purse instead of engines of development (Makgetla, 2021). A high degree of coordination, collaboration, institutional plurality and broad participation of democratic actors is what is required to nurture capabilities for innovation and learning to navigate the complexities of the current context. But what does actually mean in practice?

Based on the literature review and the case study of the PCC, we argue for a relational approach when building state capabilities. Since there is no one body of literature that provides a typography of relational governance, this working paper will provide a brief overview of literatures that can contribute to a useful conceptual framing of the meaning and application of relational governance. This framing is used to elaborate the case study based on in-depth qualitative interviews with members of the PCC, including Commissioners and members of the Secretariat. The synthesis of the literature and case study will then point to a set of findings that show what the work of state reconstruction and state craft looks like within a relational paradigm. The picture that emerges is a mode of intervention that is not about political or sector interest 'lobbying', but change processes shaped by individual agency, collective institutional work and specific problem solving through partnerships and relationships (Boraine, 2023; Lawrence & Suddaby, 2006).

This study aims to surface possibilities for institutional rebuilding and statecraft that could result in a pathway towards post-state capture modes of governance.

3. Conceptual Framework in Conversation with PCC case study

This paper proposes a scaffolding of governance approaches for framing an approach to relational governance and transformational leadership in South Africa. These frameworks are as follows: the 'strategic-relational approach' developed by Jessop and reinforced by Mazzucato (Jessop, 2016; Maz-

zucato 2015), political settlement making (Khan 2010; Whitfield, 2015), building state capability (Andrews et al., 2017) and institutional work (Lawrence and Suddaby, 2006). They are cutting-edge relational approaches that point to ways we may improve coordination, partnering and implementation that is responsive to transition needs.

The first level in the conceptual scaffold deals with the retheorisation of the state for the task and time of transition. Mariano Mazzucato¹ (2015; 2021) recentres the state as the convenor of powerful actors and coordinator of financing to achieve social missions. Her view is that the minimalist state of the neoliberal era is unfit for the task of creating public value in partnership with business and civil society. But what kind of state is appropriately organised to be able to play this role? Jessop (2016) challenges the traditional understanding of the state as an absolute, coherent, cohesive singular institution. He suggests that by its nature, the state is much more fragile, dispersed and only presents as a unified whole at the level of ideology rather than reality. This perspective presents the state as an amalgam of diverse institutions that is tentacular, responsive, fragile, porous and has the ability to coordinate and partner with others for a diversity of outcomes. Jessop (2016) theorises the state as an assemblage of complex relationships and the act of governance as managing that complexity. Jessop's 'strategic relational approach' (SRA) proposes that political power consists of the ability to direct and steer this amalgam of state institutions. Political power is not the structure of a state reinforced by the exclusive right to deploy force. This implies the rise of new institutions, a shift in the balance of power and a change in our understanding of statecraft. The SRA and Mazzucato's work is, however, unhelpful when it comes to understanding what this entails in practice. This is where the second level of the conceptual scaffold comes in, i.e. the literature on political settlements. The political settlements literature theorises the re-alignment of political coalitions to create 'pockets of excellence' that enable development to happen, whether or not the state as a whole is deemed to be a strong or capable state (Behuria, Buur & Gray, 2017; Khan, 2010; Swilling & Mebratu 2021; Whitfield et al., 2015). The focus of this literature is on the dynamics between institutions and how power and risks are shared to agree on common interests and benefits. The theory helps to explain *why* political and economic effects are more likely than others because of the distribution of power, the configuration of coalitions, and the quality of institutions. However, it provides little detail on how to implement these political settlements in favourable developmental environments. When a pocket of efficiency emerges between bureaucrats and the ruling elite – what then? When mutual agreements are arrived at between ruling elites and capitalists, how are those interests made tangible in the world? Setting

¹ . Mazzucato is a member of President Ramaphosa's Presidential Economic Advisory Council

the direction for development and the implementation of policies, programmes and projects, organisations require the “necessary institutional capacities and capabilities that can deliver such change” (Mazzucato et al, 2021:1). The literature on building capacities and capabilities needed within the state and the network of governance actors convening around missions tries to answer these questions. Economic and social outcomes are results of sound implementation and strategic action that pursues and achieves organizational objectives (Andrews et al, 2017; Boraine, 2023; Mazzucato et al, 2021). But still, this approach does not grasp the granular detail of agency. Who facilitates and enacts capability building is what the literature on institutional work addresses by studying the agency of individuals, or “the purposive action of individuals and organizations aimed at creating, maintaining and disrupting institutions” (Lawrence & Suddaby, 2006). This literature – the fourth level in the conceptual scaffold - shows an appreciation for the role of individuals in institutions and how they shape dynamics and directionality. This multi-level conceptual scaffold of the relational governance framework moves through from the apex of the state all the way to the level of individuals to present a set of ideas that link together to create an arena for study and intervention.

This working paper does not present a traditional literature review first and then the case study and findings after. It takes the approach of discussing each scaffold of the relational governance framework and directly relating the case study and interviews to that scaffold. This approach enables the reader to make the connections directly instead of referring to the literature in a different section. It is intended to make the connections between theory and evidence more explicit.

3.1 Re-theorising the State

Theorising the state has value for the way we understand the dynamics of institutional change. Jessop (2016:16) theorises the state as a complex social relation that is ‘messy, polymorphic and polycontextual’. This contrasts with the idea that the state is a homogenous, complete, intractable concept. Instead of a unified, coherent and coordinated whole, Jessop (2016) invites an understanding of the state as more of a tentacular organism, an assemblage of institutions with uneven resources, capabilities and objectives:

‘It is a complex ensemble (or, as some scholars put it, assemblage) of institutions, organizations, and interactions involved in the exercise of political leadership and in the implementation of decisions that are, in principle, collectively binding on its political subjects. These institutions, organizations, and interactions have varying spatiotemporal extensions

and horizons of action and mobilize a range of state capacities and other resources in pursuit of state objectives' (Jessop, 2016:16).

Jessop (2016:18) suggests that the lack of discernment as to the true nature of the state holds us ideologically captured, blind to the 'fragmentary and fragile arrangement of institutionalized political power'. The result is that this obscured view of state as bulwark, as structured hierarchy and as rational bureaucracy, often masks what it takes to formulate practical interventions that make a difference. The utility of this perspective is that it allows us to think about the state's abilities and powers beyond the idea of the state as a stand-alone entity (Jessop, 2016). Jessop's (2016:16) conceptualisation of the state as an 'assemblage of institutions' aligns more with the idea of approaching and solving for wicked problems 'that are interlinked and the outcome of multiple complex causal chains, and that therefore cannot be decomposed according to traditional methodologies' (Preiser & Woermann, 2019:38). If we need different ways of knowing the world, we cannot be content with classical formulations of problems, or of states as sole central actors in those problems (Preiser & Woermann, 2019).

Jessop's (2016) theory of the state as a set of social relations leads to what he call a 'strategic-relational approach' (SRA) to governance. The SRA is not concerned too much with structure but rather with the results of what state power may facilitate through the ever-changing and contested forces inside and outside of the state that agitate for and against the state (Jessop, 2016). It is this assemblage that gives rise to a 'state project' that is an 'emergent, contradictory, hybrid and relatively open system' (Jessop, 2016:84), a conceptual compliment to engage complexity. The value of the SRA is multiple fold. The first and strongest impulse is that the state becomes approachable, and that state apparatuses and collaborative networks can be deployed for specific ends without complete consensus. It intimates a 'looseness' or an opening, presenting the possibility for setting and driving direction, expressing agency and adaptivity (Jessop, 2016; Preiser & Woermann, 2019).

The second impulse is to accept that state institutions cannot solve for complex problems on their own (Boraine, 2023; Preiser & Woermann, 2019). Contrary to normal practice which is characterised by competition between state institutions, what is really needed is partnering between state institutions and between these state institutions and non-state actors at various scales. Only in this way will it be possible to mobilize the ideational, material and institutional resources and capabilities to deliver on development and other state objectives (Boraine, 2023). The result is a 'de-hierachization of the state', along with a 'recalibration of state power' because coercion is no longer an efficient or strategic way of governing (Jessop, 2016:174). Using the language of complex adaptive systems (CAS), the ability to forge new partnerships and relational configurations is an indicator of resilience.

Adaptation enables the system to continue its functions in a context of change and flux while resilience points to a system's ability to remake itself (Preiser & Woermann, 2019). From this perspective, strategic-relational governance is a more resilient mode of governance where power is de-centred thus creating space for a multiplicity of political forces to play more substantial roles to combine resources and decision making powers for system transformation.

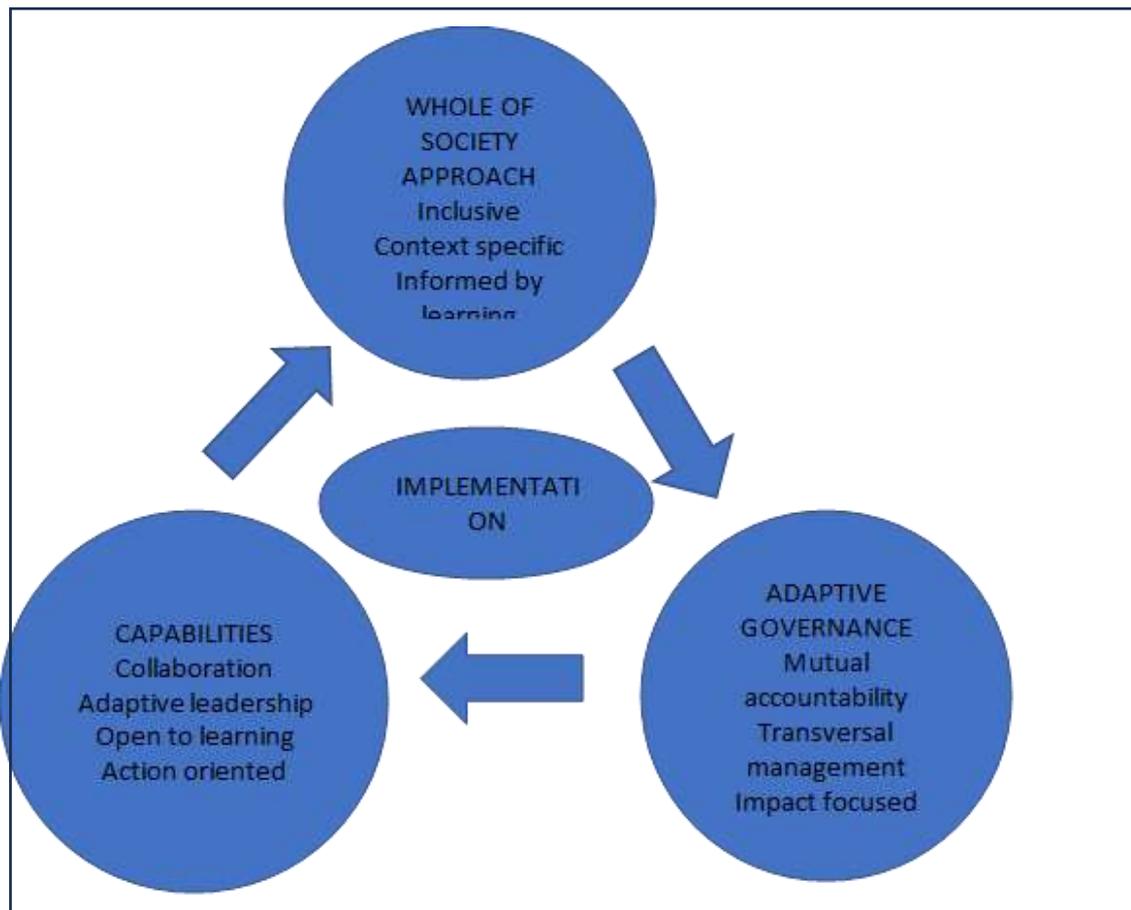
3.2 The State and the PCC

The PCC emerged out of the multistakeholder Presidential Job Summit in 2018 after a long process of consultation facilitated by the NPC. Stakeholders resolving that a structure was needed to manage the social and economic consequences of climate change in South Africa. Business, labour and civil society representatives at the summit wanted to ensure that the transition was just, picking up on the momentum of the just transition discourse initiative by the labour movement (Commissioner 2, 2022) and articulated during the NPC-facilitated stakeholder consultations. Emerging out of this summit, the multi-stakeholder PCC was officially constituted by President Cyril Ramaphosa and Cabinet in December 2020 (The Presidency, 2022b). The Commission is made up of a total of 34 commissioners, the President being the Chair, a Deputy Chair, eight Ministers and 24 multi-sectoral commissioners. The PCC is managed by a Secretariat of 16 staff, overseeing operations and various work streams. In the ways it has been constituted, the PCC can be considered a political hybrid, having strong state representation in the President and Ministers, multi-sector and society representations from industry, labour, environmental and other civil society organisations.

The Commission can be considered as a 'new generation state institution' that sits in the interstitial space within government, facing both the state and society to build consensus, vision, plan and implement development for the just transition. With this broad constituency, the PCC is able to facilitate and mobilise resources beyond the state for a 'whole-of-society' approach, which ideally should inform all state action, but is particularly pertinent to the just transition which is premised on social inclusion. Partnerships within this approach can bring a coherence to policy, information sharing, action and financing (Boraine, 2023) to make the transition more orderly.

"So you know, you've got these components that we have embedded in our terms of reference, we gather the science, we consult stakeholders, not just our commissioners, we consult broadly, and then we make recommendations" (Commissioner 2, 2022).

Figure 1: Whole of Society Approach



Source: Boraine (2023)

The multi-stakeholder constituency was critical to the PCC's constitution, understanding that the transition underway will affect different sectors of society differently and that some communities would be most vulnerable to the outcomes of transition (Hermanus & Montmasson-Claire, 2021; The Presidency, 2022). It was critical to get the concerns and interests from these domains of society to advocate for, co-design and work towards just outcomes.

“For the case of South Africa, our commission had to look the way that it currently looks. Because of the inequities that have prevailed in our society previously, and because other processes of transition didn't benefit anybody outside of the private sector so there was a real need to transition but to also do the work of reducing inequality, and increasing employment opportunities” (Commissioner 3, 2022).

This formulation is a departure from how some political theorists have characterised the post democratic South African state. Suttner (2014) argues that the ANC-led government's expression of statism and state power post 1994 maintained the politicisation of power to effect a state that was non-relational.

‘The insufficiently articulated alternative was to see power as a relational concept, where the political party ‘in power’ would have to engage with other sites and relationships of power and transform relationships with their distinct class bases, such as big capital and labour, in order to achieve its goals’ (Suttner, 2014:8).

This reinforces the literature on re-theorising the state for complexity where one actor is not able to have the answers and resources to adequately solve for the nested and interconnected problems we face (Jessop, 2016; Preiser & Woermann, 2019). The quote above from Suttner invites the state into relationship with the rest of society as an enabler of development, rather than a deliverer. The PCC achieves this: it reactivates the role of society in governance, from passive recipients of this development to active co-designers and governance actors of development (Boraine, 2023). It is not just about the political rhetoric of ‘putting people at the centre’ but an active relating and partnering with diverse societal actors to forge a common agenda for a just transition.

Several commissioners have remarked how an inter-ministerial-only commission would likely have worked towards trying to fulfil their ministerial mandate rather than seeking consensus. This more administrative approach to governance would not have required the capabilities for more adaptive and relational governance approaches (Commissioner 1, 3 and 4, 2022).

The diversity of representation in its most ideal form aims to arrive at a robust and full consensus among commissioners, and not have interest groups assert their own narrow agendas for narrow gains. Commissioners were nominated by their respective organisations that were in turn identified by the PCC Secretariat. Commissioners are expected to represent and make decisions on behalf of their respective organisations, while working towards a position of consensus.

“We as the Secretariat have to make sure that the Commission rises above its sectoral interests and comes to a collective decision that’s in the national interest. So I’m accountable ultimately, to all the commissioners. But I’m not accountable to individual interests in the commission. And at the end of the day, my and the rest of the Secretariat’s responsibility is to make sure that the Commission delivers on its collective mandate and isn’t captured or prey to any particular interests” (Commissioner 2, 2022).

Commissioners are appreciative of the freedom to learn by doing, the freedom to represent their constituency without being bound to the formal mandate of that constituency in the ways that are prescriptive in the National Economic and Development Labour Council (Nedlac) for example. Commissioners feel it circumvents the possibility of one stakeholder dominating the PCC (Commissioner 2, Commissioner 3, 2022).

The PCC has purposefully made its convenings and meetings public in order to mitigate this capture, offering full transparency of its discussions and processes. It is an attempt to build trust in low trust environments, especially within the state and with society still wracked by the experience of almost a decade of state capture under the Presidency of Jacob Zuma. Those occupying leadership within the PCC are very aware of the potential of forming lobby groups or factions. Their approach is to make the need for factions redundant, which also points to a deeply relational ability to maintain an equal playing field, to listen and respond to all commissioners.

“If whoever is the authority is not listening to you or you're not going to be able to influence unless you group together with other people in whatever you may call it, let's call it a faction. But if there's no need for that, if you're going to be listened to just as well, whether you're in a faction or not, then you make it redundant, you know, for people to need factions as such” (Commissioner 4, 2022).

Another relational approach to the process of building consensus is that the PCC decisions are non-binding, meaning that Commissioners have the freedom to publicly disagree with the joint decisions taken in the PCC (Commissioner 4, 2022).

Many of the commissioners are seasoned in political processes due to their respective roles during the struggle against apartheid and the immediate period of reconstruction post democracy. They understand the value of true plurality and diversity not only in the culture-setting of the commission, but also for efficacy, getting the work of the commission done without being restricted by a rules-based approach. Here is evidence of the de-hierarchical and de-politicised approach where efficiency and action are possible even without true consensus, where agreed consensus is sufficient (Jessop, 2016).

“You've gotta have that, that room for flexibility. You can't have rigidity on these things. If you want to build consensus, you don't build consensus by rigidity, you know, you can't build consensus by practising democratic centralism where the leaders take a decision and that's that. You know, when you can't talk outside of the structures” (Commissioner 4, 2022).

These hallmarks of relational governance, of managing a set of complex relations both inside the PCC, with the state and society points to the likelihood of making decisions and recommendations that prioritize the public interest rather than narrow political agendas.

The role of the PCC as facilitator, as a type of collaborative intermediary comes into focus. This can be discerned in its ability to influence and steer government and to reconnect the state to society. What matters are the results that the exercise of state power may enable as the emergent outcome of

evolving contestations inside and outside of the state. The PCC is able to facilitate a more generative role for state institutions and key policy makers, which does not imply an expectation that government is obliged to accept and implement every recommendation it makes.

“When we make a recommendation, we’ve now gathered the science, and we’ve built consensus amongst our stakeholders about a position, you can obviously as government still disagree with what the commission says. But you need to give very serious thought to what the commission says and why you disagree with it. And to date, government’s accepted everything we’ve recommended. I mean, when we make a recommendation, we plan for it to stick” (Commissioner 2, 2022).

It is a delicate dance for the PCC to understand just what kind of recommendation will stick. It needs to be a finely crafted proposal understanding that it serves a diplomatic function within a fractious state and low trust environment (Boraine, 2023). Commissioners have articulated part of their purpose as “unblocking the political deadlock within cabinet around renewable energy in particular” (Commissioner 1, 2022). There have been explosive accusations of corrupt coal interests holding the energy transition hostage, as suggested by former Eskom CEO, Andre de Ruyter in numerous media interviews (Ajam, 2023; Creamer, 2023; Merten, 2023). While these accusations must still be tested and verified, the arguments for and against coal and renewables have reached stalemate proportions within the ruling elite (Swilling, 2023). The PCC’s job then is to make the case for a low-carbon transition pathway that does not generate a retaliatory response and that does not overtly offend high ranking politicians. Out of a robust and contested deliberation between PCC commissioners, the secretariat needs to reflect the most accurate position that stays true to the consensus reached.

“We have to be very precise, we’ve got to listen carefully, understand the consensus that’s formed and give expression to it. If we are biased in one way or another and we don’t give adequate expression to the consensus, then we lose trust” (Commissioner 2, 2022).

Some commissioners believe the PCC is tasked with supplementing poor functions of the state. Commissioner 1 (2022) goes on to say that the commission’s work is:

“...not landing in a neutral space. We have a massively dysfunctional local government so I think there’s an important degree to which the commission is stepping into spaces that are underserved. But having said that, the commission itself doesn’t have local government on it.”

These local state structures are critical actors, facilitators and implementors of the just transition. Commissioner 1 (2022) is clear that the PCC must look for ways to supplement capacity and capability to help local government manage the transition but feels ill-equipped to grapple substantially with

this question without representation on the commission. This omission is a glaring weakness as local government does not get to represent its own concerns and shape consensus. Making a recommendation about the just transition implementation plan without their deliberation is a concern given the PCC's commitment to broad representation and deepening its knowledge about how to forge partnerships with these local structures. For Boraine (2023), local government is in crisis, beset by crippling debt, fragile coalitions in hung municipalities and poor service delivery. A severe lack of relational governance capability is also highlighted by 'inexperienced councillors, a harsh 'winner-takes-all' political culture or inability of those in political power to work with those on opposition benches' (Boraine, 2023:11) posing a real threat to collaboration.

When they find themselves in communities doing consultative stakeholder work, the PCC often encounters people's grave disillusionment with government around long-standing service delivery issues, and a sense of being abandoned by the state (Commissioner 1, 2022). This sense is particularly acute when recognising that information flows to communities around the just transition is sketchy at best and does not happen at all in some places. Here again the PCC fulfils a role of bridging relations between society and the state, facilitating information transfers and also receiving the complaints of those communities. It can be derailing for the PCC-specific work they intend to do around the just transition, but progress cannot be achieved without first acknowledging what is real, immediate and painful for so many poor constituencies.

"When we go to communities, they don't see us as the climate commission, they see us as the face of government, which is a little bit of a mis-recognition" (Commissioner 2, 2022).

"Nobody in government comes to them and says to them, this is what's going to happen to you, or we're going to shut down the power stations and this is the plan. Nothing, we are the people doing that. So now we come there and people will talk about their lack of service delivery, they will talk about the way local government is corrupt and captured, they will talk about how they've been abandoned by government" (Commissioner 1, 2022).

The literature on the need for mission-driven states and development pathways (Mazzucato, 2015; Mazzucato et al., 2021; Bowman, 2020) supports the view that stronger states are needed to steer transitions and co-create public value through partnerships. The formulation of 'the mission' in Mazzucato's (2021) words, or the 'state project' in Jessop's (2016) words, is what galvanises energy to be in productive relationship across spheres of society. This is the critical work the PCC is undertaking as the key generator or animator of 'the mission' with respect to the Just Transition. The theory of assemblage, of the state as a more tentacular organisation, can be clearly seen in the role and function the PCC performs in communities, as a collaborative intermediary and a translator of 'the

mission'. Yet, at the same time, it is noteworthy that the central role of the state has been echoed all through the interviews with PCC commissioners, despite the current sense of deep fracture and incoherence. Counter-intuitively, by animating mission-led multi-stakeholder governance, the state's legitimacy is being enhanced rather than subverted.

"I've seen how transitions have unfolded elsewhere in the world and it's very much an automated process, very technocratic, throw in investment, throw in the private sector, and this thing can work. For us, the involvement of the state, especially for the social elements of the transition, and the justness of the transition, the state is vital" (Commissioner 3, 2022).

3.3 Political Settlements

Political settlements can be described as the territory of governance, the often unspoken, insidious meta-logic of the landscape in which agreements about power sharing are made, influencing strongly the directions of socio-economic change, how institutions work and who they work for. Behuria, Buur & Gray (2017); Khan (2010); Singh & Ovadia, (2018) and Whitfield et al. (2015) all examine political settlement making through a development and industrial policy lens to show how political settlements shape economic fortunes or misfortunes and produce and reproduce inequality especially in developing countries. The concept has valuable utility in the ways it helps describe a cascade of political settlement consequences in South Africa that have impacted and shaped the economy and the social fabric of the country (Padayachee & van Niekerk, 2021; Schneider 2018; Suttner, 2014). This body of the literature review proposes answers for the following questions: Why are conditions for development stubborn to shift? Why are the rules of the game engineered for the outcomes we have? What holds policy together and directs finance for development? What enables political coherence?

The political settlements literature helps explain the direction of change, brought about by formal and informal agreements between any configuration of state actors, bureaucrats, civil society and finance actors (Khan, 2010). The framework grapples with the notion of power, its distribution, its supportive institutions and financiers to create congruent conditions for long-term development. It is a framework that appreciates social contestation and what Jessop (2016:18) calls the 'fragmentary and fragile arrangement of institutionalized political power' to produce particular economic and political effects. We can begin to better understand the logic and purpose of institutions beyond the 'good governance' maxim and gain insights into the rules for directionality.

A political settlement is a brokered or negotiated agreement around a common interest, the distribution of benefits, risks and costs (Khan, 2010; Whitfield et al., 2015). When sets of actors are in alignment with each other 'pockets of efficiency' open up (Whitfield et al., 2015). This space of possibility is dependent on a few characteristics and capabilities:

- the technical ability (relevant industry knowledge and experience) to do the job
 - a degree of political savvy to be able to ‘read’ what is of interest and benefit to each other and to modulate behaviours or desires for power and benefits
 - the ability to fend off or mitigate conflicts that could derail the formation of a political settlement
 - the ability to learn from past experience
- (Khan, 2010; Whitfield et al., 2015).

Relationships of trust form when most of these conditions are in balance, to enable the political settlement to ‘reduce investment risks, increase time-horizons, control rent-seeking, and enforce resource allocations and institutional shifts’ (Whitfield et al., 2015:17). The convergence of conditions for optimal implementation in political settlements compliments Mazzucato’s notion of mission-led governance that recommends programme implementation based on partnerships rather than building large bureaucracies (Mazzucato & Dibb, 2019). Mazzucato and Dibb (2019) are particularly clear on the role of civil society to drive innovation and the direction of industrial policy for public value. ‘Public value is value that is created collectively for a public purpose – this requires citizens to engage in defining purpose, nurturing capabilities and capacities, assess the value created, and ensure that societal value is distributed equitably’ (Mazzucato & Dibb, 2019:1).

3.4 Political Settlements and the PCC

‘The PCC’s core mandate is to build a social compact to support a just transition, with the aim of facilitating a shared perspective on what it means to achieve a just transition and what it will take to get there’ (The Presidency, 2022b:8).

‘The PCC’s mandate is twofold: we are required to give expert, independent advice on all matters relating to the climate transition, and we are charged with facilitating consensus around pathways and bringing stakeholders together around key decisions’ (The Presidency, 2022b:10).

Reviewing the PCC’s mandate, there are at least three primary objectives the PCC is tasked with:

- facilitate a national consensus on a Just Transition
- socialise that consensus
- coordinate and plan the Just Transition
- make recommendations to the President

(PCC Commissioner interviews; The Presidency, 2022b)

From these primary tasks we can discern that the PCC is setting a common agenda amongst a diversity of social actors, across sectors and spheres of society often with opposing interests to agree on the goals and outcomes of an energy transition.

“I don’t think there’s a 100% trust amongst us, but I think at a principled level, just looking at the Just Transition Framework, we do have broad consensus” (Commissioner 3, 2022).

It is an agenda that agrees on the eventual phase out of coal, a massive renewable energy build out financed mostly by the private sector, directing investments to new industries like green hydrogen and electric vehicles for a reindustrialisation programme that creates decent jobs, especially for former workers in the coal value chain (The Presidency, 2022). It is an agreement about the social and economic development power of energy that can also result in justice for the environment and justice for historical harms done to South Africans through the extractive and exploitative systems of colonialism and apartheid (The Presidency, 2022).

When viewed from the lens of political settlements, this undertaking is forging a new national political settlement around a low carbon energy future.

“This is such a big transition, a mega-scale once-in-a-lifetime transition. So this is a unique commission that brings together the social partners on an equal basis to find agreement on this thing” (Commissioner 4, 2022).

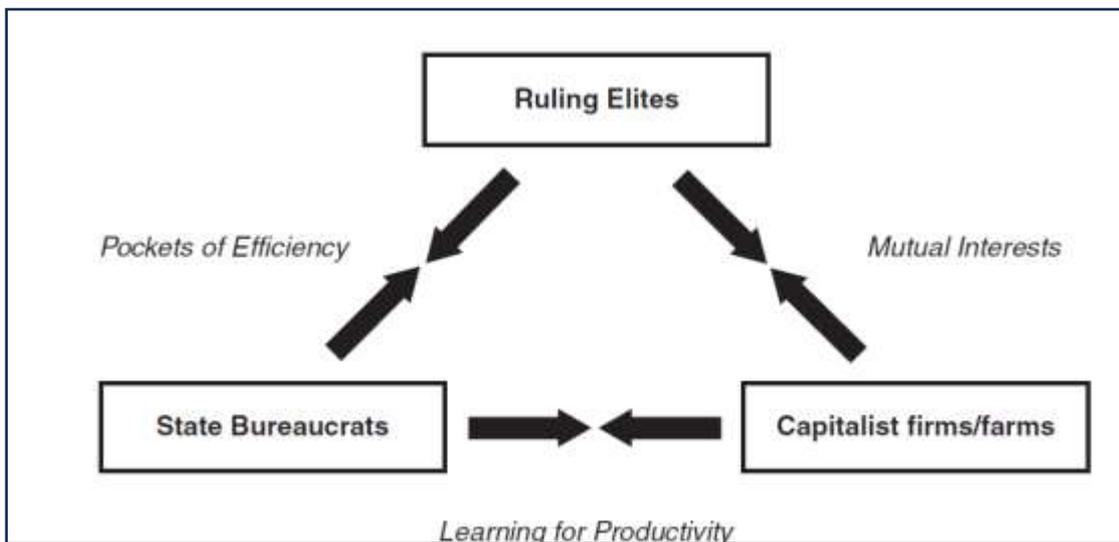
Accepting its convening power, the PCC is also generating a cache of new research around multiple aspects of the transition in its bid to provide science-sound advice. These expert reports are used to formulate national recommendations for the transition and socialised through consultative processes with spheres of society.

“We must make sure that we bring back the issues that matter to black people, poor black people, not only poor, but black people in affected areas, and particularly women. So to raise the issues, but then also to create spaces for those same people to be part of the Commission's processes (Commissioner 1, 2022).

The achievement of a more ambitious Nationally Determined Contribution (NDC) is an example of common agenda setting all commissioners are particularly proud about, to have facilitated agreement on a more ambitious target than government had initially proposed. This recommendation was ratified by cabinet to become South Africa’s position at the Conference of Parties (COP)26. It could be argued that this more ambitious carbon saving (398 - 440 Mt CO₂ e q for the 2030 target range)

(Republic of South Africa, 2021) was a strong enough climate outcome to have attracted finance, in the form of the \$8.5 billion pledge from the International Partner Group (IPG). This dynamic illustrates the classic virtuous cycle posited in the political settlements literature where bureaucrats were able to mobilise the state, who in turn mobilised a finance pledge, creating a pocket of efficiency and common interests between them (Whitfield et al., 2015).

Figure 2: Conditions for Successful Policy Making



Source: Whitfield et al.(2015)

The achievement was also in the ways commissioners from business and industry supported the new recommendation. This signalled that the commission could indeed achieve its work of consensus building when commissioners could align with a national agenda that was not always aligned with an assumed sector agenda.

Not all interviewed commissioners were convinced about the PCC’s ability to broker a new political settlement that had deep transformational impact in the ways benefits, risks and power would be distributed, as the literature suggests (Khan, 2010). Some commissioners were satisfied with the adoption and use of a common language to talk about change, an expression of solidarity with those most impacted by the transition.

“How do we use this opportunity to move us away from the widening inequality gap? We're not going to fix it in the Just Transition, I think that would be naive. But the fact that we've

got people within the Commission and the Secretariat, saying “nothing about us without us” is mainstreaming civil society language. That’s something!” (Commissioner 1, 2022).

This common language and common agenda setting has helped realign the splintered relationship between the ‘green’ and ‘red’ alliances. Not since the shared concerns of the political transition in the 1990s has the environmental and labour movement seen eye to eye in South Africa. The call for climate action that prioritised the environment above people, created a binary that had split the coalition and weakened the political struggle for nature to be a political ally and ‘an indispensable condition for labour’ (Rathzel, Cock & Uzzell, 2018:504).

“The commission has opened up conversations between people that never existed before. Labour and civil society used to work quite well together in the 90s early 2000s particularly. Those conversations are opened up again, both within the commission and outside the commission” (Commissioner 1, 2022).

In political settlement speak, growing consensus between stronger contesting factions could bode well for setting directionality in a more coherent manner (Khan, 2010; Whitfield et al., 2015). A red and green alliance is a renewed pressure against vested interests and could likely influence commissioners and other governance actors reluctant to take more radical outcomes for justice. It unites climate and jobs in the way a just transition needs to be articulated.

At the heart of the mainstream South African political settlement based on a coal regime sits powerful economic players that have a long and racist legacy in South Africa’s extractive industry and financial sector (Fine and Rustomjee, 1996). The Minerals-Energy-Complex (MEC) has been described as a core set of industries that have enjoyed economic advantage since the earliest days of our mining-centred economy. At least one commissioner believes this extractive and finance alliance will not be undone or displaced by the transition. Instead, these interests will adjust and accommodate the transition in ways that remove the potential for challenging the legitimacy and power of these vested interests.

“In terms of a new political settlement, frankly I don’t think we can build the kind of huge industrial green economy without some of the major players, their capacities and capital. So we can’t just abandon these big MEC players. They may not do it in such an exploitative way as previously but they’re still large monopoly capital” (Commissioner 2, 2022).

3.5 Institutional Work and State Capability

In this section we bring together the literatures on institutional work and state capability building. A brief explication of each framework will be followed by its application to the PCC.

‘Crises can act as critical junctures and be a spur for long-term social and economic change.’
(Mazzucato et al., 2021:1).

“Never let a good crisis go to waste” (attributed to Winston Churchill)

These two quotes offer the idea that there is opportunity in crisis. If one were to extend that into how to actually capitalise on the opportunity and manage the crisis, we get into the realm of doing things we do not usually do under ‘normal’ circumstances and that it would require a form of statecraft that is courageous, leads change and has the necessary capabilities to handle complexity. What we are aiming for – the mission - is only part of the answer. How we achieve it is the other part - animating the directionality of policy implementation means having the “necessary institutional capacities and capabilities that can deliver such change” (Mazzucato et al., 2021:1).

The previous section on political settlements explained *why* specific political and economic outcomes emerge in terms the distribution of power, the configuration of coalitions, and the quality of institutions. However, when a pocket of efficiency is enabled by specific agreements between bureaucrats and ruling elites – what happens then? When capitalists and bureaucrats collaborate around innovations, how is this learning used to best effect? When mutual interests between ruling elites and capitalists result in agreements to implement specific programmes (e.g. massive investments in digital infrastructures), how do they organise themselves to make this happen? This section discusses the capacities and capabilities needed within state institutions and the network of governance actors that coalesce around specific strategic missions (Andrews et al., 2017; Mazzucato et al., 2021).

The notion of capability building is often associated with capacity building. Individuals are usually the recipients of capacity building in the form of training or professional development to improve knowledge, skills and competence. But how does this translate into organizational capability? Capacity building for individuals is often presented as the solution when what is really required is organizational (i.e. more collective) capability building. For Andrews et al. (2017), organisational capability is the extent to which agents (individuals) within an organisation are able to undertake actions (according to their capacity) to pursue collective organisational objectives. When those objectives can be achieved, we can say that the organisation has the required capabilities (Andrews et al., 2017). This

means individual or technical capacity is not the deciding constraint, nor does the sum of it add up to capability. The collective tacit and explicit agreements about how to work together matters more than the individual capacities of each individual member of the organisation. This is why leadership matters – leadership is about always building this qualitative relational way of building capabilities.

When Andrews et al. (2017) talk about state capability they mean doing the tasks that bring policy to life in the real world of implementation. This implies that the lives of citizens will change when actions are taken to solve a specific problem. Capability, in short, is the competence to implement. They argue that a country is only as developed as its ‘capability for implementation allows’ which is what will ensure that that country remains ‘economically prosperous, socially inclusive and politically well governed’ (Andrews et al., 2017:10). Andrews et al. (2017) contend that desired outcomes, like achieving societal goals, have little to do with policy, programme or project design but more to do with how these activities are organised and implemented. The question to answer for practitioners of relational governance becomes: *who* does the work, and *how* do they do it? These questions are critical to potential success or failure but are ones that are often omitted (Boraine, 2023).

‘While there are many reasons for this lack of implementation, including institutional self-interest, state capture, corruption, and a hollowing out of state capacity, a crucial factor is often the absence of an explicit partnering approach, which pays attention to who needs to work together to get things done, and how state and non-state actors can work together in practice’ (Boraine, 2023:9).

Institutional work as conceptualised by Lawrence and Suddaby (2006) appreciates individuals and their agency in the life of institutions. Their interest is in answering the *who* question. Individuals matter because of the ways they perform their leadership and influence to transform, disrupt, create and maintain institutions, understanding that institutions ‘are the product of specific actions taken to reproduce, alter or destroy them’ (Lawrence & Suddaby, 2006:216). This framework is highly relational as it hones in on the area of practice, otherwise described as the ‘internal life of process’ (Brown & Duguid, 2001). It can be described as the pre-formative work to process, the work that makes process and its outcomes happen. Institutional work speaks to how processes are animated, who drives them, resists them, and creates the environment for process to happen. Institutional work is the most granular ‘unit of measurement’ in the relational governance scaffold. It has relevance for the ways constellations of institutions are required to partner to implement the just transition, and for how institutions need to be restored following the ruinous state capture period.

Institutional work has value for this inquiry into the PCC for the ways it characterises individuals doing the institutional work to effect change. The literature describes individuals as using:

- ‘expertise and legitimacy to challenge the incumbent order’;
- ‘their inherent social capital and skill to populate the field with new actors and new identities’;
- ‘introducing nascent new rules and standards’;
- and managing ‘the use and reproduction of social capital within a field’ (Suddaby & Viale, 2011:423).

3.6 Capability Building and Institutional Work - learning from the PCC experience

The convening and formation of the PCC reflects a deeply relational and adaptive practice. It was quite unlike traditional, administratively dominated formation processes that start with a mandate, a description of the work to be undertaken, budgets and roles of responsibilities. Rather, the PCC coalesced around the mission:

“It really doesn't matter to me too much whether or not we are a state organ. My orientation is let's see what is it that we are supposed to achieve, rather than what do the rules say. How should we work? It took a bit of a leap, I think, for many commissioners to work in that sort of way, because people want to know how are we constituted, what are the terms of reference. Why don't we just ask what do we need to achieve? What should the outcomes be? And we do mind you, have Terms of Reference now, but it was good to start off rather with the work rather than start off by making rules” (Commissioner 4, 2022).

It is noteworthy that the commissioners on the PCC were nominated by their organisations, suggesting that there is a high degree of faith in their ability to represent the organisation at such a high level, and that they will be able to articulate the positions of their respective organisations. It is also noteworthy that most of the commissioners and members of the secretariat that were interviewed for this study, have a long history of participation in political movements through the years of struggle against apartheid, and the formation of the democratic government post 1994. There is among them, a political savvy and an awareness of needing to work strategically.

“This is all from the 90s, people in the first Mandela cabinet that you're dealing with. There is history amongst all of these people. But do people realise the importance of that? I mean I think South Africans are quite relationship driven, generally and there are people who carry things who are champions for things. I believe in institutions, that we should defend the

integrity of institutions that humans come and go. That would be my preference but I can't pretend the personality and relationships don't affect all of that.” (Commissioner 1, 2022)

There is also a confidence of opinion and a deep commitment to their primary constituents, especially for the commissioners from environmental, community and labour sectors. This commitment does not just come from a sense of being ‘mandated’ by their organisation, but from a deeper premise of being accountable to broader civil society and working to improve the lives of ordinary people.

“So we regard ourselves as mandated to the commission, even though we were invited and nominated, we certainly regard ourselves as mandated. And so not just by our organizations but also by civil society more broadly. So we go and report back to civil society. I go to meetings, I say, this is what's happening at the commission” (Commissioner 1, 2022).

This deeper commitment to civil society serves the PCC well. It receives benefits from this purposeful flow of information, of brokering an even wider potential consensus and participation in the debate. In the language of institutional work, these commissioners are engaged in purposeful action that helps to create and maintain (Lawrence & Suddaby, 2006; Suddaby & Viale, 2011) the PCC, even when this may not be the commissioners’ deepest intent. Confidence of opinion and commitment to issues was evident across all the commissioners interviewed. It was described as an especially motivating source of personal agency for the ways some commissioners from civil society engaged in the PCC.

“For me, it's around the desire to fundamentally change the way in which the structures of the current economy looks like, doing something about those parasitic structures. If we were to deal with that we would unlock that unemployment question, if we were to deal with that we'll deal with the poverty question. So for me, that's where I derive my agency”. (Commissioner 3, 2022)

Some commissioners who come from environmental and community NGOs went further to use their agency to directly exert pressure to influence the PCC’s position to set more ambitious NDC targets, which proved successful. This particular example of influence is considered a strong relational governance skill and capability, that depends on a high degree of solidarity, a coalition of sorts within the PCC to agitate for a real and ‘transactional’ outcome (to use Jessop’s terminology [2016]). In the framing of institutional work, this also reflects “purposeful effort to manipulate some social-symbolic facet of the context in which they operate”. (Phillips & Lawrence, 2012:224) Using their collective agency, the commissioners enacted what the literature refers to as ‘disruptive action’ (Lawrence, Leca & Zilber, 2013) that actually led to a real political outcome.

“So here's government putting up a very conservative proposal [NDC] that gets accepted as an aggregate position. We even wrote to the commission saying we accept that this is the aggregate position, but we don't think that this is good enough. And we wrote outside in the media, we said that because we could see the thing had to shift, we could see it was progress, but we couldn't associate ourselves with that position”. (Commissioner 1, 2022)

These same commissioners have been noted by a member of the secretariat, as using their inherent social capital, moral and politically-based arguments to insist on a particular process for community consultations for the PCC (Commissioner 2, 2022). Prior to the institutional work of this set of commissioners, the PCC had a very different formulation for socialising their commissioned research, content with the idea that hosting national dialogues was sufficient social consultation.

“You know, I need to give them credit for a lot of this insistence on a community level dialogue. Commissioners X and Y, you know, insisting that you can't just have these national conversations, you've got to get that out there on the ground. Commissioners had to make a big input into that process...I have not had one politician come to a single community consultation”. (Commissioner 2, 2022)

This civil society collective within the PCC used their social-political expertise and skill to ‘populate the field with new actors and new identities to introduce nascent new rules and standards’ (Suddaby & Viale, 2011:423). Indeed, this process of social consultation has become a legitimating standard for the PCC for its work in brokering a national consensus around a just transition. It is important for the PCC to be seen to do the challenging work of having difficult and robust engagements with all constituencies, especially communities who are often excluded from state and state-like decision processes. It is also critical for the PCC to be able to stand for and practice its commitment of procedural justice as articulated in the Just Transition Framework to grow and maintain its own social capital (The Presidency, 2022). This new norm of community consultation, however imperfect, could be considered a form of internal implementation, a capability that expresses an important value of plurality and inclusion for how we expect a just transition to unfold.

There is, however, a heavier burden on the collective of civil society organisations for the different kinds of institutional work they undertake on behalf of the PCC as has been described, especially leading and facilitating the community engagements. There is also personal and organisational cost to them, with commissioners from this collective noticing that many participants have unequal access to organizational resources, finance, time, infrastructure and organisational support from their primary places of work.

“It's placing a huge logistical burden on us, where if you work for Sasol you've got all the money and staff to support you and your job, we don't work like that. Some of the commissioners can't even join meetings because they don't have enough data”. (Commissioner 1, 2022)

Without acknowledgement or support for these commissioners, their work for the PCC may not be viable in the long term.

So far, much of the PCC's work has been in the realm of agreeing to sets of principles as reflected in the deliberations and decisions for the NDC and Just Transition Framework, both accepted and ratified by Cabinet. While the process was robust, there was not much disagreement which meant reaching consensus was not too strenuous. As the PCC's recommendations move into more contested terrain, coalition building might become more challenging. The drawing up of an implementation plan for the just transition as well as making inputs into a national energy mix bring into focus more fundamental differences.

“I expect those two to be a little bit more controversial, because we're going to be digging into a lot more of the technical stuff. And we're going to be confronting some fairly entrenched stakeholder positions”. (Commissioner 2, 2022)

While these two matters for recommendation will challenge the incumbent order, the resulting dialogue could create new possibilities for the energy transition. The implementation plan will likely focus on a joint plan of action requiring a high level of coordination between the state and society, with partnerships between stakeholders who may not have worked together before to accelerate institutional learning (Boraine, 2023).

4. Conclusion

The National Development Plan clearly articulated the need for concerted efforts to build a capable state. This emphasis was necessary because the core body of policies and plans proposed by the NDP assumed that capable state institutions would be in place to ensure the formulation, adoption and implementation of these policies and plans. While some progress was made during the Mandela and Mbeki Administrations, many state institutions – in particular SOEs – were never significantly strengthened which set them up to be hollowed out during the ‘nine wasted years’ that followed. Although much emphasis was placed on rebuilding the capabilities of state institutions during the Ramaphosa Administration, many state institutions – SOEs and local governments in particular – have either continued to deteriorate, or struggled to meaningfully recover. The strategic focus on the Macro-Organisation of the State is a welcome response to this challenge. However, as argued in this paper, on its

own this structural solution will not fully address the problem. The primary conclusion of this paper is that this structural solution needs to be complemented by the kind of relational statecraft that continuously facilitates the building of effective collaborations and partnerships within each state institution, between state institutions, and between state and non-state institutions.

This conclusion is based on a literature review and a case study. Four cutting edge literatures were reviewed that all deal with the institutional capabilities that are required to handle the complexities of contemporary governance. These include the 'strategic-relational approach', political settlements theory, state capability building methods and the granular perspective on 'creating, maintaining and disrupting' institutions provided by the literature on institutional work. All four emphasize the need for relational governance to complement structuralist approaches to institutional change. In summary, from the macro-systemic to the granular-individual level, the propositions were as follows:

- Strategic-relational approach: accept the complex tentacular polymorphic nature of the state, and therefore the need for 'collibration', i.e. collaborative strategic calibration of transformative action over time;
- Political settlements: unless key ruling elites, bureaucratic managers and business leaders reach specific mission-oriented concrete agreements to empower and mandate specific pockets of expertise to implement change, policies and plans will get formulated but never implemented;
- State capability building: capability building in complex ever-changing environments where destinations remain opaque can only take place when officials learn to collaboratively solve specific problems in ways that build system-wide capabilities over time – there are no top-down quick fixes;
- Institutional work: support the agents of change who 'create, maintain or disrupt' institutions in context-specific ways.

Although the key actors involved in the PCC were unfamiliar with the four literatures that were reviewed, a remarkable discovery was that they all used a relational governance narrative of some sort that was similar to that which pervades the four literatures. Numerous quotations have been included that substantiate this observation. This suggests that the challenges and complexities of the South African context is generating appropriate responses that go beyond the formal structures of public administration.

The literatures that were reviewed together with the case study substantiate the argument that much can be learnt from institutional innovations like the PCC by those who are interested in building state capabilities. The learning here does not suggest a return to the state-centricism that underpinned the

strategic vision of the original NDP. Nor does it suggest the need to give up on the state in favour of market-based solutions. Instead, the learning is that mission-led partnering and collaboration is the key to state capability building and, therefore, effective implementation. There are other public sector examples that will be documented in the near future to substantiate this argument – as mentioned at the outset, this includes the rebuilding of SARS, the facilitation roles played by institutions like PPGI and EDP, positive examples of one or two local governments, and how an SOE like the DBSA has managed to consistently build capabilities for effective implementation.

To conclude, the evidence from this paper is sufficient to justify a much wider and more ambitious project which includes more case studies, followed by a synthesis that captures what is already emerging from the complexities of South Africa's governance imbroglios.

5. References

Ajam, K. 2023. 'Corruption is deeply rooted in Eskom,' says André de Ruyter who calls for 'extraordinary effort' from law enforcement [Online]. Available: <https://www.iol.co.za/saturday-star/news/corruption-is-deeply-rooted-in-eskom-says-andre-de-ruyter-who-calls-for-extraordinary-effort-from-law-enforcement-f1177f2c-64e6-4000-a818-bc9da0e74b3d> [2023, June 14].

Andreoni, A., Creamer, K., Mazzucato, M. & Steyn, G. 2022. How can South Africa advance a new energy paradigm? A mission-orientated approach to mega projects. *Oxford Review of Economic Policy*. 38(2): 237-259. DOI: <https://doi.org/10.1093/oxrep/grac007>

Andrews, M., Pritchett, L. & Woolcock, M. 2017. *Building State Capability: Evidence, Analysis, Action*. Oxford: Oxford University Press.

Avelino, F., Grin, J., Pel, B. & Jhagroe, S. 2016. The politics of sustainability transitions. *Journal of Environmental Policy and Planning*. 18 (5): 557-567. DOI: <https://doi.org/10.1080/1523908X.2016.1216782>

Behuria, P., Buur, L. & Gray, H. 2017. Studying political settlements in Africa. *African Affairs*. 116(464): 508-525. DOI: <https://doi.org/10.1093/afraf/adx019>

Boraine, A. 2023. Just transition partnering implementation model: From ideas and policies to effective action. Unpublished Draft Report- For Consultation. Western Cape Economic Development Partnership.

Bowman, A. 2020. Parastatals and economic transformation in South Africa: The political economy of the Eskom crisis. *African Affairs*. 119(476): 395-431. DOI: 10.1093/afraf/adaa013

- Brown, J. & Duguid, P. 2001. Knowledge and Organization: A social- Practice Perspective. *Organization Science*. 12(2): 198-213. DOI: <http://www.jstor.org/stable/3086055>
- Callaghan, N. 2022. Personal interview with Commissioner 1, Presidential Climate Commission. 12 October. Johannesburg.
- Callaghan, N. 2022. Personal interview with Commissioner 2 , Presidential Climate Commission. 12 October. Johannesburg.
- Callaghan, N. 2022. Personal interview with Commissioner 3 , Presidential Climate Commission. 12 October. Johannesburg.
- Callaghan, N. 2022. Personal interview with Commissioner 4 , Presidential Climate Commission. 12 October. Johannesburg.
- Callaghan, N., Foley, R. & Swilling, M. (eds.). 2021 *Anatomy of State Capture*. Stellenbosch, South Africa: African Sun Media, SUN PRess.
- Creamer, T. 2023. *De Ruyter continues to draw link between corruption and loadshedding in damp squib Parliamentary appearance* [Online]. Available: <https://www.engineeringnews.co.za/article/de-ruyter-continues-to-draw-link-between-corruption-and-loadshedding-in-damp-squib-parliamentary-appearance-2023-04-26> [2023, June 14].
- Fine, B & Rustomjee, Z 1996, *The Political Economy of South Africa: From Minerals-Energy Complex to Industrialisation*, Witwatersrand University Press, Johannesburg.
- Fisher-Kowalski, M., & Haberl, H. 2007. *Socioecological Transitions and Global Change. Trajectories of Social Metabolism and Land Use*. Vienna: Klagenfurt University.
- Hermanus, L. & Montmasson-Clair, G. 2021. Making sense of jobs in South Africa's just energy transition: Managing the impact of a coal transitions on employment. *Trade and Industrial Policy Strategies (TIPS) policy brief*, (3) [Online]. Available: https://www.tips.org.za/images/Policy_Brief_Making_sense_of_jobs_in_South_Africas_just_energy_transition_Managing_the_impact_of_a_coal_transition_on_employment_April_2021.pdf [2023, June 14].
- Khan, M. 2010. Political settlements and the governance of growth-enhancing institutions [Online]. Available: https://eprints.soas.ac.uk/9968/1/Political_Settlements_internet.pdf [2023, June 14].
- Lawrence, T. & Suddaby, R. 2006. Institutions and institutional work. In S. Clegg, C. Hardy, T. Lawrence & W. Nord (eds.). *Sage Handbook of Organization Studies*. 2nd Edition. London: Sage. 215-254.

Lawrence, T., Leca, B., Zilber, T. 2013. Institutional Work: Current Research, New Directions and Overlooked Issues. *Organizational Studies*. 34(8): 1023-1033. DOI: 10.1177/0170840613495305

Lundvall, B. 2007. National innovation systems-analytical concept and development tool. *Industry and Innovation*. 14:95-119. DOI: <https://doi.org/10.1080/13662710601130863>

Makgetla, N. 2020. 'The crisis at the state-owned enterprises'. Trade & Industrial Policy Strategies (TIPS) Policy Brief: 1/2020.

Makgetla, N. 2021. *Governance and the Just Transition*. Trade & Industrial Policy Strategies (TIPS).

Mazzucato, M. 2015. *The Entrepreneurial State: Debunking Public vs. Private Sector Myths*. United Kingdom: Anthem Press.

Mazzucato, M. & Dibb, G. 2019. Missions: A Beginner's Guide. The UCL Institute for Innovation and Public Purpose policy brief, (09) [Online]. Available: https://www.ucl.ac.uk/bartlett/public-purpose/sites/public-purpose/files/iipp_policy_brief_09_missions_a_beginners_guide.pdf [2023, June 14].

Mazzucato, M., Qobo, M. & Kattel, R. 2021. *Building state capacities and dynamic capabilities to drive social and economic development: The case of South Africa*. UCL Institute for Innovation and Public Purpose, Working Paper Series (IIPP WP 2021/09). Available: <https://www.ucl.ac.uk/bartlett/public-purpose/wp2021-09>

Mazzucato, M. 2021. *Mission Economy: A Moonshot Guide to Changing Capitalism*. Penguin Books Limited.

Merten, M. 2023. *Tight-lipped De Ruyter rejects ANC claims of Eskom corruption inaction — points to Gordhan, Mufamadi for answers* [Online]. Available: <https://www.dailymaverick.co.za/article/2023-04-26-tight-lipped-de-ruyter-rejects-anc-claims-of-eskom-corruption-inaction-points-to-gordhan-mufamadi-for-answers/> [2023, June 14].

Nelson, T., Moola, N., Brouwer, A. & Mahtani, S. 2023. A disorderly transitions: Averting chaotic disorder in a transition to net zero [Online]. Available: <https://ninetyone.com/-/media/documents/insights/91-a-disorderly-transition-averting-chaotic-disorder-in-a-transition-to-net-zero-en.pdf> [2023, June 14].

Padayachee, V. & Van Niekerk, R. 2021. *Shadow of Liberation: Contestation and Compromise in the Economic and Social Policy of the African National Congress, 1943-1996*. Johannesburg: Wits University Press 2019. (check dates of this in text)

Phillips, N. & Lawrence, T. 2012. The turn to work in organization and management theory: Some implications for strategic organization. *Strategic Organization*. 10(3): 223-230. DOI: 10.1177/1476127012453109

Preiser, R. & Woermann, M. 2019. Chapter 3: Complexity, philosophy and ethics, In V. Galaz (ed.). *Global Challenges, Governance and Complexity*. United Kingdom: Edward Elgar Publishing Limited. 38-62.

Räthzel, N., Cock, J. & Uzzell, D. 2018. Beyond the nature-labour divide: trade union responses to climate change in South Africa. *Globalizations*. 15(4): 504-519. DOI: <https://doi.org/10.1080/14747731.2018.1454678>

Rotmans, J. & Loorbach, D. 2009. Complexity and Transition Management. *Journal of Industrial Ecology*. 13(2): 184-196. DOI: <https://doi.org/10.1111/j.1530-9290.2009.00116.x>

Statistics South Africa 2023. *Media Release: Quarterly Labour Force Survey (QLFS)- Q1:2023* [Online]. Available: <https://www.statssa.gov.za/publications/P0211/Media%20release%20QLFS%20Q1%202023.pdf> [2023, June 14].

Suddaby, R. & Viale, T. 2011. Professionals and field-level change: Institutional work and the professional project. *Current Sociology*. 59(4): 423-442. DOI: 10.1177/0011392111402586

Suttner, R. 2014. Popular Power, Constitutional Democracy and Crisis: South Africa 1994-2014. *Strategic Review for Southern Africa*. 36(2):7-30.

Swilling, M. & Annecke, E. 2012. *Just Transitions: Explorations of sustainability in an unfair world*. South Africa: UCT Press.

Swilling, M. 2023. The gamechanger for SA energy in the Budget Speech – and the fight we have on our hands. *Daily Maverick*. 28 February. Online: <https://www.dailymaverick.co.za/article/2023-02-28-the-game-changer-for-sa-energy-in-the-budget-speech-and-the-fight-we-have-on-our-hands/>

Singh, J. & Ovadia, J. 2018. The theory and practice of building developmental states in the Global South. *Third World Quarterly*. 39(6): 1033-1055. DOI: <https://doi.org/10.1080/01436597.2018.1455143>

Schneider, G. 2018. The post-apartheid development debacle in South Africa: How mainstream economics and the vested interests preserved apartheid economic structures. *Journal of Economic Issues*. 52(2): 306-322. DOI: <https://doi.org/10.1080/00213624.2018.1469855>

The Presidency. 2022. *A Framework for a Just Transition in South Africa*, Presidential Climate Commission report [Online]. Available: <https://pcccommissionflow.imgix.net/uploads/images/A-Just-Transition-Framework-for-South-Africa-2022.pdf> [2023, June 14].

The Presidency. 2022b. *The Presidential Climate Commission's First Annual Review* [Online]. Available: <https://www.thepresidency.gov.za/sites/default/files/Presidential%20Climate%20Commission%20Annual%20Report%202021-22.pdf> [2023, June 14].

The Presidency. 2023. *President Cyril Ramaphosa: 2023 State of the Nation Address* [Online]. Available: <https://www.gov.za/speeches/president-cyril-ramaphosa-2023-state-nation-address-9-feb-2023-0000> [2023, June 14].

Whitfield, L., Therkilsden, O., Buur, L. & Kjaer, A. 2015. *The Politics of African Industrial Policy*. Cambridge: Cambridge University Press.

World Bank. 2022. *Inequality in Southern Africa: An Assessment of the Southern African Customs Union* [Online]. Available: <https://documents1.worldbank.org/curated/en/099125303072236903/pdf/P1649270c02a1f06b0a3ae02e57eadd7a82.pdf> [2023, June 14].