

Press Release

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South African Institute of Race Relations
The power of ideas

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SA's corruption perception worsens

The perception of corruption in South Africa has deepened over the past two decades.

This is according to data featured in the 2018 edition of the *South Africa Survey*, published by the South African Institute of Race Relations (IRR).

The data shows that:

- South Africa's ranking on the Corruption Perceptions Index dropped from 21 to 64 between 1995 and 2016.
- During the same period, the country's score fell from 5.6 to 4.5 (a score of 10 means highly clean while 0 means highly corrupt).

The Corruption Perceptions Index is compiled by Berlin-based Transparency International and reflects the perception of corruption among resident and non-resident business people and analysts.

According to IRR analyst Kerwin Lebone, the decline in South Africa's ranking is informed by various factors. In 1995, for example, only 41 countries were surveyed — by 2016 the number of countries included in the index had risen to 176. The inclusion of more countries with better corruption perceptions scores would affect the ranking of the rest.

However, Lebone points out that South Africa's corruption perceptions score appears to be largely affected by developments on the domestic front. The last time the country registered a score above 5.0 was in 2000, after which its decline may have been the result of revelations arising from the arms deal scandal of that time. The lowest score yet registered by the country, of 4.1, was in 2011, in the aftermath of disclosures of possible corrupt activities surrounding the construction of former president Jacob Zuma's private residence at Nkandla in KwaZulu-Natal.

Perceptions of corruption significantly influence investor sentiment, Lebone says, and countries with better corruption perceptions scores tend to earn greater confidence among domestic and international investors.

Lebone adds: 'This is especially significant for South Africa at a time when it must rely on investment to boost economic growth in order to meet the growing demand for jobs and services.'

Ends.
