Shadows and Light: Reconsidering State Capture and Development in South Africa's Power Sector

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Abstract

State capture has had lasting relevance in South Africa, serving as a conceptual aid in diagnosing dysfunction in the power sector, notably in the public power utility Eskom Holdings. This paper proposes a novel characterisation of state capture as a form of regime contestation, drawing on socio-technical transitions (STT) literature (Frank and Schanz 2022; Fuenfschilling and Binz 2018; Fuenfschilling and Truffer 2014; Geels 2014; Kirshner et al. 2019). It uses this characterisation to understand state capture as a coherent process in which mutable networks of public and private actors employ an opportunistic mix of legal and illegal interventions targeting state organs to reconfigure the regime, enabling their control over the distribution of power and resources. This understanding builds on analyses that elucidate the form and function of state-capture actor networks (Fazekas and Tóth 2016; Godinho and Hermanus 2018; Grzymala-Busse 2008; Maina 2019; Swilling 2018; Valencia, Ansolabehere, Espinal, Luna, Ortiz and Serrano 2019; Wedel 2001). While this understanding avoids the binary distinction between a captured and uncaptured state (Hellman, Jones, and Kaufmann 2000; Hellman and Kaufmann 2019; Hellman et al. 2001), this paper posits that an analysis of state capture remains troubled by normative questions. To reintroduce this dimension with more nuance, this paper creates a heuristic framework to characterise and problematise the power system regime, with reference to four domains of change (signals of regime contestation): formal (formal and informal rules); material (pertaining to resources and technology); agentic (authority, influence and agency) and strategic (goals and objectives). The framework is applied to a provisionally demarcated capture period (2009–2018) relative to the preceding (1994–2008) and subsequent (2019–2025) periods. This leads to an approach to capture considered on a spectrum, in relation to unavoidable questions regarding the legitimacy of the rules, goals and distribution of power and resources.

Keywords: state capture, energy transition, socio-technical transitions, regime contestation, regime destabilisation

1. Introduction

State capture has enduring relevance in South Africa, serving as a conceptual aid for diagnosing dysfunction in the power sector, notably at the public power utility Eskom Holdings (Eskom), from 2009–2018. The concept made a dramatic public debut with the publication of the then Public Protector's (Thuli Madonsela) report, *State of Capture: Report No. 6 of 2016/17,* in the last quarter of 2016 (Public Protector of South Africa 2016). At the time, Eskom was South Africa's largest state-owned company, a vertically integrated, monopolistic electricity utility, and the custodian of the country's coal-dominated generation fleet. The phrase "state capture" articulated a growing sense that state resources were being redirected away from developmental aims through irregularities in processes, investments, spending and hiring and firing at Eskom, which the report mentioned 913 times.

Drawing on World Bank reports (Hellman and Kaufmann 2019; Hellman et al. 2000; Hellman et al. 2001; Jones, Kaufmann and Schankerman 2000), the Public Protector identified extensive corruption, together with patterns that appeared to exceed corruption and were qualitatively distinct from it. With subsequent investigations (Portfolio Committee on Public Enterprises 2018), what become visible was a network that stretched from the office of the President, Jacob Zuma, into state-owned companies, across government ministries and departments, into large and small (local, foreign and multinational) private companies, to financial institutions, auditing firms and law firms, and foregrounding the now infamous Gupta family and their emissaries (Callaghan, Foley and Swilling 2021; Godinho and Hermanus 2018; Hermanus and Godinho 2021, Portfolio Committee on Public Enterprises 2018).

A decade after the Public Protector's report, this paper proposes a reconsideration of state capture, applied to Eskom and the power sector more broadly. While it acknowledges the useful provocation offered by the concept's originators, it eschews the implied binary distinction between a captured and an uncaptured state. Instead, it maintains, a context-sensitive focus on the form and function of state-capture actor networks, their institutional usurpation and distortion and the outcomes they produce (Fazekas and Tóth 2016; Godinho

and Hermanus 2018; Grzymala-Busse 2008; Maina 2019; Swilling 2018; Valencia et al. 2019; Wedel 2001). However, it proposes to reintroduce normative considerations into the analysis by reflecting on the consequences of capture on the sector's structure and outcomes. This is done by considering state capture as a form of regime contestation, drawing on socio-technical transitions (STT) literature (Frank and Schanz 2022; Fuenfschilling and Binz 2018; Fuenfschilling and Truffer 2014; Geels 2014; Kirshner et al. 2019).

To advance the conceptual approach, this paper develops a heuristic framework through which the process of state capture can be understood as regime contestation by identifying signals of regime change across four different domains. These are formal (rules, both formal and informal), material (resources and technology), agentic (authority, influence, and agency) and strategic (goals and objectives). These signals are read as indicative of a reconfiguring regime (regime signals). A comparative snapshot of the capture period (provisionally demarcated from 2009–2018) in relation to "pre-capture" (post 1994) and especially "post-capture" (the beginning of the energy transition) regime configurations lays the foundation for reconsidering state capture not as a binary (captured/uncaptured), but as a qualitative feature of infrastructural system regimes that can increase or decrease in magnitude or intensity.

2. A methodological approach and theoretical basis for conceptualising state capture

The approach followed in this paper is informed by empirical case studies that sought to characterise the form and function of state capture as a "political project" (Bhorat et al. 2017; Bracking 2018; Callaghan et al. 2021; Lodge 2018) of collusion by a dynamic, but coherent network of public and private actors colluding to control state structures and resources (Fazekas and Tóth 2016; Godinho and Hermanus 2018; Grzymala-Busse 2008; Maina 2019; Swilling 2018; Valencia et al. 2019; Wedel 2001). It builds on previous analyses of Eskom (Godinho and Hermanus 2018; Hermanus and Godinho 2021), but widens its analytical aperture to adopt a "system" view of the power sector as a functional whole, drawing on STT literature.

This paper uses the STT approach to conceptualise the "regime" and "regime destabilisation" (Frank, Feola and Schäpke 2024; Frank and Schanz 2022) to characterise the systemic shifts and consequences of the project identified as state capture. While there is no single understanding of the regime, it is broadly characterised as the resilient 'locus of established practices and associated rules' (Geels 2014, 23) and the 'grammar' (Frank and Schanz 2022, 254) that constrains and enables socio-technical systems and their policies, infrastructure, technology, actors, markets and more. While this emergent structuring may confer legitimacy, it is itself also subject to contestation of legitimacy (Sareen 2020; Sareen and Haarstad 2018). Increasingly, integrating power and politics into analyses has allowed for the conceptualisation of regime destabilisation as deliberately choreographed contests between incumbent dominant actors and others.

This paper understands state capture as a coherent process in which mutable networks of public and private actors use an opportunistic combination of legal and illegal interventions targeting state organs to reconfigure the regime to enable their control over the distribution of power and resources. This approach to state capture differs significantly from early uses, including initial uses in relation to the case of the South African state (Hellman et al. 2000; Hellman et al. 2001; Hellman and Kaufmann 2019; Jones et al. 2005; Pradhan 2000). These analyses rely on an uncaptured counterfactual against which capture can be juxtaposed, positing corruption as the goal of private actors unduly commandeering state organs by reshaping rules and norms. In contrast, this approach, understanding the regime as a structure or a grammar, identifies changes in rules and norms as falling within one category of regime signals—"formal"—that can be tracked in parallel to a consideration of corruption as one instance of another category of regime signal—"material"—also encompassing other resource flows, transactions and infrastructure investments. Given the centrality of the actor-network in the proposed approach, a third category of regime signals—agentic—is applied, most directly facilitating the tracing of the deliberate "project".

While this paper eschews the particular normative commitments of early state-capture diagnostics, it retains a concern with the normative implications of identifying state capture as illegitimate. It does so, first, by adding to its prioritised regime signals of the sector's widely accepted and observed goals, targets and plans, and by questioning the relationship between these and the developmental role of the state. Second, this systematised approach enables a wider normative assessment regarding the legitimacy of the regime, across all four domains: formal (formal and informal rules), material (control over resources and technology), agentic (authority, influence and agency) and strategic (goals and objectives) (see Table 5.1). It is possible and may suit other applications of this heuristic to add other regime signals.

Table 5.1: Description of categories of regime signals

Regime signal	Description
Formal	Rules and norms, as reflected in policies, institutions, legislation, regulations, standards and other conventions
Material	The stocks, state and distribution of financial and other resources flows, infrastructure and technology
Agentic	Actors, relationships and the distribution of power and influence
Strategic	Accepted and observed goals, targets and plans

Process tracing is used in the current paper to map the development of this project in Eskom over time, identifying changes in relation to these regime signals. This is divided into three successive periods: pre-capture (1994–2008), capture (2009–2018) and post-capture (2019–2025). While the capture period is the primary focus, its precise demarcation is not. There was a significant increase in corruption (material signals) and in network penetration and political interference (agentic signals) at Eskom in 2010. However, many of these are directly or indirectly connected to former President Jacob Zuma, who was elected in 2009 and resigned in 2018. The 2009–2018 period is used somewhat expediently for the first iteration of this heuristic. The same demarcation may not apply to other state institutions, and it retains ambiguity (as does the designation of state capture).

While this analysis is not focussed on arguing for the illegitimacy of the capture network's project, it does identify idiosyncratic rule-breaking, bending and blurring, as well as grand corruption dwarfing the amounts recorded between 1994 and 2008. The characterisation is clearly not neutral, problematising the capture network's process and outcomes. This problematisation, however, does not imply that what preceded or followed it is, by comparison, neutral, good or uncaptured. Instead, three comparative snapshots of the power system concretise changes indicative of a reconfiguring regime, the legitimacy of which can be interrogated over each successive period.

The empirical content of the current paper draws significantly on research conducted between 2017 and 2020 and revisits, revises and adds to the analytical work from this period. It draws on interview transcripts, field notes and supplementary materials (for example, legal judgements, media reports, government documents, company reports and monitoring and evaluation documents). Supplementary materials analysed extend to 2025, with these materials carrying less weight in the characterisation of state capture. Additionally, the author's experience working on electricity, just transition and sustainable development governance has been used to corroborate and synthesise analytical insights, rather than as the primary evidence for analysis.

3. Contextualising and tracing Eskom's capture from 2009–2018

3.1. Eskom's place in a democratising South Africa from 1994–2008

At the onset of South Africa's democracy, the newly elected African National Congress (ANC)- led government inherited Eskom. The vertically integrated, monopolistic public electricity utility had played a central role in the apartheid government's national political-economic project. In 1994, Eskom's form, function and purpose were still inextricably entangled with the colonial and apartheid racial extractivist projects, morphing from the Electricity Supply Commission (1923–1985), into Escom (1985–1987) and Eskom (1987–2002). The coal-reliant utility is characterised by several scholars as the heart of the Minerals-Energy Complex (MEC) (Baker 2015; Fine 2010), a powerful capital-accumulation network connecting public energy investment to corporate interests in mining (coal and other metals and minerals) and other heavy industry. The MEC still looms large in South Africa's political imagination, reflecting Eskom's perduring enmeshment with corporate power (Baker 2019; Baker et al. 2015).

The ANC had to wrest Eskom from the shadows of its self-governance, a challenge even for the apartheid administration. The country's new Constitution required that energy policy shape the sector to serve the nation, improve lives and pursue greater sustainability. That demanded a fundamental reorientation away from primarily serving the country's white minority, as well as developing and sustaining industry and enriching and fortifying white industrialists. Accordingly, government established the National Electricity Regulator (NER) in 1995. Eskom was also placed under the direction and oversight of the Department of Energy, the Minister of Energy, the Cabinet and Parliament. It was subject to policy prescriptions, including energy access increase targets (from 36 per cent to 64 per cent of households, and eventually aiming for universal access), Free Basic Electricity (FBE) access (Republic of South Africa [RSA] 2003, 2007), environmental controls and socio-economic performance parameters. Relatedly, Eskom was required to comply with the Broad-Based Black Economic Empowerment (BBBEE) Act (Act 53 of 2003) and the Preferential Procurement Policy Framework Act (2000), using public procurement and employment as levers to enable Black participation in a white-dominated economy.

It also sought to transform power sector governance in line with wider economic liberalisation efforts. To this end, two policy White Papers (the first step towards legislative reform) were published: first, the *White Paper on the Energy Policy of the Republic of South Africa* in 1998, and then the *White Paper on Renewable Energy* in 2003 (RSA 1998, 2003). These White Papers proposed transforming energy planning and governance, facilitating government-led policy development and oversight, and implementing structural reforms aligned with the standard model (separate generation, transmission and distribution) to break Eskom's monopoly by introducing independent power producers (IPPs) and renewable energy. Several laws were enacted to formalise aspects of these White Papers:

- The Eskom Conversion Act, 2001 (Act No. 13 of 2001) established Eskom Holdings SOC Ltd as a wholly state-owned publicly listed company.
- The National Energy Regulator Act (Act 40 of 2004) created the National Energy Regulator of South Africa (NERSA).
- The Electricity Regulation Act (Act 4 of 2006) provided the primary legal framework for the sector.

Notwithstanding these legal interventions, by 2008, Eskom had evaded all attempts at comprehensive reform, remaining vertically integrated and retaining monopolistic control of transmission and generation and more than half of distribution and sales (alongside municipalities). Lagging investment and ongoing corruption (as defined under public procurement law and Eskom's own policies) led to the commencement of load shedding (scheduled blackouts) and the declaration of an emergency. The ANC party was the direct beneficiary of the largest corruption scandal of this period (USD19 million). However, opportunities to manipulate procurement would soon mushroom as plans accelerated for two large coal power plants, Medupi and Kusile (each with a capacity of 4 800 MW) (Rafey and Sovacool 2011). The resignation of then-President Thabo Mbeki, who oversaw most of this complex political transition, would come to signify a sea change as Mbeki's Vice President, Jacob Zuma, ascended to the Presidency.

3.2. Nine years of choreographed commandeering of offices, processes and public procurement from 2009–2017

From its earliest diagnosis in the Public Protector's report and ensuing public discourse, state capture in South Africa was presented as a mutable networked project comprising public and private actors. It spanned companies, the presidency, different levels of government, national ministries and departments (including the National Treasury), State Owned Companies (SOCs), parliament, the National Prosecuting Authority as well as Chapter 9 Institutions meant to safeguard democracy (Portfolio Committee on Public Enterprises 2018). Its members played interchangeable intermediary, executive, implementation or beneficiary roles at different times. While consistently figural and often designated as the leader, President Zuma was often on the periphery of specific strategies. Zuma's leadership and network strategies in generation were framed as defiance of the illegitimate, enduring economic dominance of the country's white minority and 'white monopoly capital' (Callaghan et al. 2021). In private interviews and public testimony, this political project appeared simultaneously disingenuously deployed and sincerely held, sometimes by the same people.

In 2009, in a move welcomed by many pro-reform policy advisors, Zuma split the Department of Minerals and Energy into two departments with two ministries. The Department of Energy (DOE) led the first public Integrated Resource Plan (IRP) process, implementing a pivotal proposal of the long-outdated 1998 White Paper. Contradicting this move toward public accountability, testimony from the former Minister of Public Enterprises (May 2009 to October 2010), Barbara Hogan, reports that Zuma would thwart her crucial oversight role, notably pertaining to major procurement (Hogan 2019). Hogan was replaced as head of the now-dissolved ministry and its department, which had been a critical entry point for intervention in all state-owned companies. Malusi Gigaba (then Minister of Home Affairs) was Hogan's successor, having recently enabled the notorious Gupta family's unusually expeditious naturalisation. This pattern of deploying aligned actors to strategic offices would continue across key ministries and Eskom leadership through 2016, blurring, bending and breaking norms, and redefining functions and perceived mandates.

The DOE-led IRP 2010–2030 was developed nonetheless, published in the same month Hogan left, and promulgated in March 2011. Despite various critiques, this still represented a major shift in governance and the initiation of a process by which different constituencies could influence national policy through transparent channels. It also laid the foundation for an equally significant institutional change in the Renewable Energy Independent Power Producer Procurement Programme (REIPPPP) and the IPP Office.

Contrary to national policy changes, Eskom's procurement was subject to network plans. As the sole offtaker of IPP generation, Eskom regularly undermined REIPPPP by failing to finalise offtake agreements with IPPs who had succeeded in state-run auctions. Its massive coal procurement contracts came into the capture network's crosshairs, challenging the dominance of the so-called "coal majors", Anglo Coal, Glencore, South32 (previously BHP Billiton) and Exxaro (majority Black-owned until 2016 through a BBBEE shareholding scheme). The

result was an accelerating pattern of irregular decisions (an early example being a tender that was awarded in March 2010 to the Chinese company Dongfang despite its high price). This was further enabled by the centralisation of Eskom's budgeting and procurement within the new Group Commercial Business Unit in September 2010. As irregular activities triggered pushback, further institutional engineering followed, with Gigaba overhauling the Eskom board in June 2011. The then-Chief Executive Officer (CEO), Brian Dames, would later testify that Gigaba's appointees set up improper parallel communication channels connecting Eskom procurement to political officials. Network-aligned executives and board members complicated, obfuscated and reinterpreted rules to enable politically predetermined outcomes. More generally, Eskom's internal governance became deeply conflictual, with executive and non-executive positions often changing suddenly and amid controversy.

In 2011, Zuma's Cabinet initiated a highly contested nuclear power procurement process. It was contradicted in 2013 by the DOE's still-unratified update to the IRP, which found that renewable energy was preferred over the proposed new large-scale nuclear energy (Montmasson-Clair and Ryan 2014). In this opacity, Zuma would continue to pursue nuclear procurement, evading public and parliamentary scrutiny. A reinforced network furthered this and other deals in 2014, with the re-elected Zuma (with Cyril Ramaphosa as his deputy) appointing Lynne Brown as the Minister of Public Enterprises. In parallel, control over Eskom's internal procurement was consolidated under Eskom stalwart Matshela Koko, who was promoted to head of the Group Technology and Commercial division in May. Reports of political influence over internal governance would continue over this time, concomitant with a slew of irregular and illegal procurement decisions and processes. In September, Zuma signed a controversial nuclear procurement deal with the Russian state-owned company Rosatom.

The coal power fleet was ailing under the strain of mismanagement and the loss of skilled personnel. It had become a strategic battleground in which the agents of the network were deployed through management consultancies, auditors, coal companies, Eskom's staff and its board and other service providers to divert planned procurement to its chosen Gupta-affiliated companies. Tshediso Matona, appointed Eskom CEO in October 2014, would testify that his tenure was abruptly truncated in October 2015 due to his resistance to the reshaping of resource flows from Eskom to Gupta-linked challengers of incumbent coal majors and service providers. While Eskom's spending swelled, the national fiscus strained, diverting ZAR83 billion to remedial bailouts, away from other urgent development priorities. Brian Molefe (appointed April 2015) and Anoj Singh (appointed August 2015) would, as CEO and CFO, respectively, transplant corporate state-capture agents from Transnet (the national rail freight company) through McKinsey and the Gupta-connected Regiments and Trillian (officially McKinsey's BBBEE partners). Irregular and illegal procurement ballooned in financial value and increased in its disregard for established norms and development goals. Molefe set the events central to the Public Protector's report in motion in May 2015, subsequently forcing Optimum Coal Holdings into business rescue, which eventually enabled it to be bought by the Gupta-owned Tegeta using public funds (ZAR659 million) illegally provisioned by Eskom in January 2016.

In 2015, the nuclear deal reemerged as ministerial co-option extended to the Minister of Finance, with Nhlanhla Nene usurped for less than a week by Des van Rooyen, plucked from obscurity, to rubberstamp the process, and then rapidly replaced by Minister Pravin Gordhan. The Constitutional Court would be an institutional barricade against the deal, employed by civil society to uphold rules and policies eroded through administrative distortion and undermining. Large-scale corrupt procurement continued well after the Tegeta scandal, the publication of the Public Protector's report, and even after the 21 June 2017 resolution of the Portfolio Committee on Public Enterprises (the Committee) to institute an oversight inquiry (Inquiry) into allegations of state capture. Outside the Committee, a different kind of network of researchers, civil society, business, and Eskom insiders (past and present) rallied to support this reassertion of institutional integrity.

3.3. An electricity sector in crisis: 2018 onward

In February 2018, Zuma resigned as president and was replaced by his deputy, Cyril Ramaphosa. The first of many more investigative commissions, the Zondo Commission, began its own inquiry into state capture in August 2018. The Inquiry report was adopted, revealing the level of damage. This was the beginning of an unprecedented era of blackouts, each one dealing a blow to the South African economy, shuttering businesses and bringing public services to a halt. Households, businesses and some more capable municipalities could improvise solutions from paraffin to inverters and embedded solar, without clarity on when supply would be stabilised. Others were left in the dark. These years, having undermined REIPPPP, also undermined the policy mechanisms it entailed to stimulate localisation of renewable energy supply chains and employment. To address this crisis, Ramaphosa established a centralised emergency task force, the Eskom Sustainability Task Team (Task Team), on 14 December 2018.

4. Characterising outcomes across four regime signal domains: Formal, material, agentic and strategic

4.1. Identifying key implications for South Africa's power system transition from 2019–2025

Ramaphosa repeatedly promised to fix Eskom, prioritising breaking its monopoly. Furthering this cause, the now-dissolved Department of Public Enterprises developed a *Roadmap for Eskom in a reformed electricity supply industry 2019* (RSA 2019). It resurrected key proposals from the moribund White Paper on Energy, with some of the same policy advisors involved in both. The foregrounded challenge was to access finance to manage Eskom's now crippling debt levels. It could not cover operating costs, nor undertake much-needed investment to maintain and expand generation, transmission and distribution. Public pressure was high, as the cost of keeping this dysfunctional system going was increasingly passed on to energy users, including the poorest households. The captured state came to be caricatured in juxtaposition with private sector efficiency. The former was associated with the MEC, Zuma's nuclear deal and corruption in general. The latter was connected to renewables and "energy democracy" (Szulecki 2017). Public discourse sketched these alternatives in blunt, unhelpful terms, leading to discursive impasses. The crisis narrative appeared to preclude sober public debate on the appropriate role of the state in an economy still marked by 'persistent and obscene inequality' (Mohamed 2024 17).

The state capture network's operations had undeniably destabilised the pro-coal power sector regime, creating a window for the implementation of the beleaguered renewable energy policy. In line with the Roadmap, Eskom's financial situation led to internal and external pressure to open the generation industry (the source of most of Eskom's debt) to private investment beyond REIPPPP's tightly controlled public procurement processes. Within this window, the Presidency advanced a just transition policy agenda, a participatory approach to a managed transition away from coal power, in line with national climate commitments, environmental legislation and techno-economic assessments of technology options. The newly established Presidential Climate Commission (PCC) brought together different stakeholder constituencies to consult and inform policy, including the country's just transition framework (Presidential Climate Commission, 2022; Secretariat of the Presidential Climate Commission 2021). This was leveraged to produce a Just Energy Transition Investment Plan (JET IP) (RSA 2022), the first of its kind multilateral financial support package from donor countries linked to decarbonisation commitments. The main success of the JET IP was to raise finance for an otherwise unfundable Eskom, an essential intervention to support the impending increase in renewables.

The second course of action was a programme of dramatic legal and regulatory reform. Two successive amendments were made to the Electricity Regulation Act in 2021 and 2022, removing licensing requirements for private generation, and enabling direct transactions and energy wheeling between IPPs and private offtakers. Eskom and local governments worked to develop regulations to enable small and medium embedded renewable energy generation and wheeling (Hermanus, Scholtz and Kritzinger 2022; SALGA 2023). The utility's legal restructuring also continued, establishing a more independent National Transmission Company of South Africa (still a wholly owned subsidiary of Eskom Holdings) in 2024. In the same year, renewable energy generation reached 18 per cent of installed capacity, with private investment overtaking REIPPPP's contribution. Policy and regulation had to play catch-up, with NERSA adopting the Regulatory Rules on Network Charges for Third-Party Transportation of Energy in South Africa in March 2025. As electricity tariffs steadily climbed, load shedding finally ended. However, challenges remained, including unaffordable energy for most South Africans, persistent energy poverty, inadequacies in the transmission and distribution systems, questions about market design, unmanaged spatial impacts of a declining coal sector and Eskom still determining, in many aspects, its own pace and scope of change, contradicting national policy.

4.2. Comparative assessment

Table 5.2 creates a foundation for understanding state capture as a form of regime destabilisation and contestation. This table provides a snapshot of regime signals across three time periods: the dawn of the political transition from 1994–2008, 2009–2018 and the beginning of the energy transition from 2019–2025. In line with the approach in Section 2, it traces regime signals across four domains to show how the state capture network deliberately destabilised and contested the regime, with lasting consequences, formal (formal and informal rules), material (control over resources and technology), agentic (authority, influence and agency) and strategic (goals and objectives).

Table 5.2: Selection of salient formal, material, agentic and strategic regime signals

Regime signals	Pre-capture regime signals: 1994–2009	Capture regime signals: 2009–2018	Transition regime signals: 2019–2025
Formal	Government sought to reconfigure and replace apartheid era rules, establishing an independent regulator. Wholesale reform proposals were made and mostly resisted, and Eskom remained a vertically integrated monopoly. Nonetheless, a series of laws were introduced to change its internal governance and accountability to government.	While Eskom remains a vertically integrated monopoly, the first IRP with public participation was driven by the state and published between 2009 and 2011. The country was left without a formal plan for eight years, before an official update gazetted by Cabinet. In the interim, the REIPPPP is successfully introduced. The liberalisation agenda was suspended. Eskom's governance, and the norms defining its relationship to government (especially public enterprises) are variably blurred, bent and broken.	Eskom's crisis is used as an opportunity to reintroduce proposals for unbundling, repackaged and tabled with strong support and opposition. The just transition is advanced as a policy agenda and the JET IP, in parallel, sector reform is pushed through, liberalising the generation industry. Eskom's unbundling into three separate generation, transmission and distribution subsidiaries is implemented, however, resisted as slowed at times.
Material	Eskom resists attempts to diversify its coal generation to include renewables. Its coal dependence sustained significant employment, but still largely benefitted a handful of coal majors most, while externalising social and environmental costs. Eskom's procurement became subject to economic transformation imperatives, and in parallel, irregular procurement sought to redirect resources to the ruling party, notably through deals with foreign actors. Investment lags lead to load shedding and a national emergency.	South Africa remains dependent on coal, with limited inclusion of renewable energy through the REIPPPP, IPPs. However, the REIPPPP is consistently undermined, while a nuclear deal with Rosatom is unsuccessfully pursued. The coal majors remain entrenched, with contestation to this dominance advanced through irregular and illegal procurement implemented through the state capture network. Consequently, Eskom experiences an unprecedented financial crisis. Load shedding continues.	The liberalisation of the generation market sees the share of renewables climb to 18 per cent in 2024. The JET IP is used to draw investment into Eskom, however, fails to enable the scale of network investment needed. The state absorbs significant Eskom debt. There are continued reports of irregular procurement at Eskom, but at a reduced pace and scale. Irregularities persist at the distribution levels too. Load shedding continued until 2024. Electricity tariff restructure and increases aim to recover costs, passed onto users that cannot afford it.
Agentic	The ANC inherited and works to open, a sector closed from view, dominated by rich interconnection between mining, energy and industrial interests (the MEC), operating beyond government oversight and accountability. The coal majors dominated Eskom's coal procurement, with only one company having majority Black ownership (51 per cent). Eskom's internal power was evident in its capacity to avoid government reforms. As Zuma takes office, he intervenes directly in Eskom's governance.	The network uses BBBEE to move some of the old actors (deemed white monopoly capital) out and replace them with Gupta-linked companies that are not Black-empowered. In concert, key positions in Eskom's executive and Board, as well as ministerial positions are filled with capture-aligned appointees. Outside Eskom, the IPP Office advances the REIPPPP despite resistance. The states and Eskom's roles in the sector are widely questioned and contested.	The energy sector is profoundly reconfigured, as the generation market is liberalised. REIPPPP's mechanisms to advance economic transformation through public procurement conditionalities are replaced by a multistakeholder approach to energy industrialisation under the South African Renewable Energy Masterplan (SAREM). The renewable lobby grows in power and prominence.
Strategic	The sector is actively repositioned as a means of supporting the new democratic state, by creating opportunities for Black business, employing Black professionals, and powering the homes of more South Africans, especially Black and poor households. The expansion of energy access is a visible manifestation of the ANC-led government's development reorientation of the South African state.	The ability of the sector to support democracy is eroded as electricity costs and debt are subordinated to the moving of resources from the state into the network of Gupta-linked and Zuma-linked companies in South Africa and abroad. The increasing unaffordability of electricity undermines the developmental role of the sector.	The significance of electricity to national development through access, as well as industrial integration is broadly acknowledged in just transition processes. However, private energy investment is market-driven, as opposed to developmentally anchored. Additionally, increasing unaffordability of electricity remains a serious challenge.

While the illegitimacy of Eskom's capture has been articulated (Godinho and Hermanus 2018; Hermanus and Godinho 2021), what is clearly illustrated is that this is not against a neutral counterfactual. All three periods show patterns that contradict the developmental and democratic vision for the power sector, first articulated in the 1990s, with benefits accruing to a connected group (tightly networked or otherwise). This warrants a nuanced alternative to a binary distinction (captured/uncaptured). State capture could, instead, be understood as a qualitative description that can increase or decrease in magnitude or intensity, and in which one state-capture network can supplant another. The legitimacy of the pre- and post-capture regime configurations was and remains actively contested by many.

Conclusion

This analysis goes beyond earlier work (Godinho and Hermanus 2018; Hermanus and Godinho 2021) to characterise state capture as a coherent process in which mutable networks of public and private actors use an opportunistic combination of legal and illegal interventions targeting state organs to reconfigure the regime to enable their control over the distribution of power and resources. Additionally, the legitimacy of this reconfiguration is problematised, with reference to rules and norms, resource distribution (not limited to corruption), power and agency, and the developmental role of the infrastructure system (in this case, South Africa's power system). It thus avoids the need for an idealised neutral position from which to objectively identify and evaluate state capture, while making explicit the normative dimensions implicit even in case studies that focus on the network-driven form and function of state capture. The implied normative judgement, however, is raised again *as* a problem rather than a prescription.

This paper begins to characterise state capture as a particular form of regime destabilisation and deliberate contestation. It does so by analysing provisionally demarcated state capture years (2009–2018) in relation to the preceding and subsequent periods. Understanding the political project of state capture as regime contestation demands a compatible approach to capture, conceived as a spectrum. While this does not logically preclude an uncaptured regime, to the extent that any regime is politically questioned, the possibility of capture remains, and the legitimacy of the regime is open to interrogation. For the 2019–2025 period, this interrogation is both necessary and beyond the scope of this paper.

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