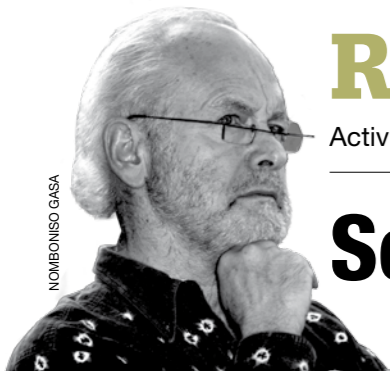


OPINION

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South Africa 20 years on: a state in crisis



NOMBONISO GASASA

As the 20th anniversary of post-apartheid democracy draws to a close, South Africa is marked by a deep sense of crisis. It applies to state governance at all levels: to key institutions that are under attack and being rendered dysfunctional; to growth prospects dimmer with high levels of unemployment; and to violence in society, much of it at the instance of the state and the ruling African National Congress (ANC).

President Jacob Zuma, who rose to power in the wake of the suppression of hundreds of fraud and corruption charges, has been implicated in fresh scandals since taking office. Patronage and corruption are present at every level of government, and they are closely tied to Zuma and other ANC office-bearers.

How has South Africa arrived here, and is there a way out that can restore some of the hope that many cherished 20 years ago? Democratic rule in April 1994 inaugurated the first legitimate and democratically elected government in South African history. Many held high expectations related to the leadership of Nelson Mandela and the constitutional checks and balances put in place to provide safeguards against the abuse of power.

The new government had pledged to provide 'a better life for all', but to realise transformative goals required resources that were hard in coming. The context within which the new government had to operate was not conducive to a developmental agenda. Considerable international financial pressure was exerted to open up markets, reduce tariffs and deregulate labour markets, supposedly leading to investment and jobs. The new government adopted conservative macroeconomic policies in 1996 through the Growth, Employment and Redistribution (GEAR) policy.

Although GEAR did not lead to increased investment and employment, substantial state funding was devoted to social spending, notably in education, healthcare, water, electricity and social grants to the indigent. Insufficient, slow in coming and often inadequately maintained as it was, it nevertheless brought fundamental changes to the lives of many.

Achieving transformative objectives posed challenges in terms of state capacity. Until 1994, the state had been geared to meeting the needs of a minority of the population. Existing state departments had weak institutional capacity and were unable to address the needs of all citizens.

One of the ways that capacity was augmented was through contracting skilled people with technical know-how, while simultaneously building the capacity of the new state. Entrepreneurs and others outside state employment were drawn into state activities, providing what was lacking within the state in order to meet its socio-economic goals.

However, contracting and tender systems are vulnerable to abuse. As the process developed, those granted tenders were often substantially enriched, while state capacity remained weak. Contracts to

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undertake work for the state also opened up possibilities for patronage networks tied to powerful individuals. Very often, contractual agreements were not honoured. Previously mainly related to political goals, patronage increasingly came to ensure personal enrichment and also corrupt dealings, at the expense of the state and the poor.

It is in this context that the rise of President Jacob Zuma may be understood. His fortunes were linked to corrupt activities in relation to state tenders awarded to businessman Schabir Shaik. When Shaik was convicted of fraud and corruption in 2005, the court found that Zuma had benefited. In consequence, President Thabo Mbeki dismissed Zuma as deputy president.

Instead of dismissal being seen as strong action against irregularities, a groundswell of support arose around Zuma among those who were aggrieved over the centralisation and austere macroeconomic policies associated with Mbeki. Leftist forces, marginalised under Mbeki, and a range of business leaders formed a coalition with the expectation of benefiting from the displacement of Mbeki and the rise of Zuma. Some



of those businesspeople had connections to the underworld. Zuma himself faced hundreds of fraud charges, but these were controversially suppressed, paving the way for him to become president in 2009.

Zuma's presidency has maintained similar macroeconomic policies to those of Mbeki, contradicting the supposed reason why the left had advanced his candidacy. His tenure has been marked by extensive violence, already a marked feature in South African society. At the level of the state, law enforcement agencies have not hesitated to open fire on protesters, notably in the 2012 Marikana massacre. But there has also been political violence against ANC opponents and violence including murders within the ANC itself. The latter is connected with competition for office in provinces and local government.

One of the features of this period is that remilitarisation has tended to erase the possibility of negotiating differences or debating grievances. When communities protest, they are not met by officials who can resolve their problems. Instead they tend to be treated as a 'mob' that should be dispersed by police and gunfire.

A series of new and old scandals surround Zuma and the consequences have spread to many state institutions. Most notorious is the R246m (\$21.3m) in 'security' improvements made to his private home, for which the public protector has recommended that he pay back a reasonable proportion. Zuma,

supported by the ANC majority in parliament, has refused to engage with the public protector's report and will not pay back any monies. His failure to answer questions in parliament led to disruptions and the entry of riot police on two occasions in late 2014.

In this atmosphere of lawlessness, graft and institutional dysfunction, the climate for business is clearly unstable. Yet business has not been very vocal in expressing opinions on the current situation, preferring, it seems, to use personal access to the leadership to secure its interests.

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Another reason why business and other stakeholders may be reserved is a quiet hope in some circles that the new deputy president Cyril Ramaphosa, who is seen as a potential successor to Zuma, could remedy many of the ills associated with Zuma.

The difficulty arising from vesting such hopes in any individual is that the problems encountered at the moment are not attached to one individual but comprise a series of relationships affecting all levels of government and political life. Any sustainable restoration of a democratic and transformative agenda requires systematically addressing the various points where the rule of law and clean government are being subverted. ●