

75 YEARS AFTER THE END OF THE SECOND WORLD WAR: PART II 1994 - 2020

By Dave Steward, Chairman of the FW de Klerk Foundation

This article will consider the factors that have determined the course of events during the past 26 years of ANC rule. They include jockeying for position between the various factions within the Alliance; the contest between ideology and pragmatism; and the temptation to translate political power into personal enrichment.

The first two years of ANC rule represented the golden (but perhaps false) dawn of the new era. South Africa won the Rugby World Cup; Nelson Mandela used his immense charisma to promote reconciliation and national unity. The country was ruled by a Government of National Unity (GNU) that represented 90% of the electorate.

However, by the middle of 1996 clouds were beginning to obscure the rising sun:

- Ministers from the minority parties in the GNU had very little actual power. New National Party criticism of GNU (ie ANC) policies led to furious confrontations in the cabinet. The final straw came with the ANC's refusal to include even the most modest proposal for power-sharing at the executive level in the 1996 constitution. So, in June 1996, De Klerk extricated the NNP from what had become a gilded cage.
- The Truth and Reconciliation Commission – whose 17 commissioners did not include a single representative of the old National Party or the IFP – produced a report that endorsed the "struggle" version of South African complex history to the cost of all others.
- It emerged that the ANC did not view the 1994 transition as the final resolution of South Africa's problems. According to its Strategy & Tactics documents "...*The notion that South Africans embraced and made up (after the 1994 settlement), and thus erased the root causes of previous conflict, is thoroughly misleading. April 1994 was neither the beginning nor the end of history.*"
- Instead, it viewed 1994 as a "bridgehead" from which it would be able to secure control of the levers of state power. In what would be the first of series of attempts at 'state capture' it resolved "*to strengthen the hold of the democratic movement (i.e. the ANC) over state power, and to transform the state machinery to serve the cause of social transformation: The levers of state power include the legislatures, the executives, the public service, the security forces, the judiciary, parastatals, the public broadcaster, and so on.*"

The first major shift within the Alliance came in 1996 with the replacement of the Reconstruction and Development Programme (RDP) – supported by the SACP and COSATU – with the Growth, Employment and Redistribution (GEAR) strategy – which advocated a much more orthodox macro-economic approach. Under the leadership of Thabo Mbeki and Trevor Manuel GEAR achieved economic growth exceeding 5% between 2005-2007; the national debt was slashed from 46% to only 23% of GDP; there was a budget surplus and the economy began to create the jobs that South Africa so desperately needed.

On the negative side, the first seeds of state corruption – in the form of the arms deal – began to sprout during the Mbeki presidency. The first attempts to interfere with supposedly independent

state institutions occurred when President Mbeki decided to fire Vusi Pikoli – the National Director of Public Prosecutions – over the prosecution of Jackie Selebi, the Commissioner of the SAPS. President Mbeki also led the process of AIDS denial that contributed to the unnecessary deaths of hundreds of thousands of HIV sufferers.

At its 9th Congress in 2006 COSATU – still smarting from its 10-year exclusion from economic policy - launched a battle for the ‘heart and soul’ of the ANC at the forthcoming National Conference in Polokwane in December, 2007. It resolved that *“the working class must re-direct the NDR towards socialism and jealously guard it against opportunistic tendencies that are attempting to wrest it from achieving its logical conclusion, which is socialism...”* It formed a coalition that included the SACP, the ANC Youth League and Jacob Zuma, the former Deputy-President whom Mbeki had recently fired over his alleged involvement in arms deal corruption.

To Mbeki’s surprise, the coalition won the support of 60% of the delegates at Polokwane. In the most significant development since 1994 it seized control of the ANC and was able to dictate who should be ‘deployed’ and ‘recalled’; which policies should be adopted by Parliament; and finally, to oust Mbeki as President. Significantly, one of its first actions was to abolish ‘The Scorpions’, the highly effective anti-corruption unit within the National Prosecuting Authority.

The SACP used its newly-regained influence to strengthen its position within government. By 2014 it controlled most of the ministries dealing with economic policy, agriculture and property. By 2015 it was able to report that there had been a *“considerable strengthening of the left’s ideological positions on government economic and social policies and programmes.”* It had played a leading role

- in neutralising the pragmatic National Development Plan;
- in cancelling bilateral investment treaties with EU countries;
- in introducing several bills that seriously diluted property rights; and
- in launching the second phase of the NDR – which was intended to achieve ‘economic liberation’.

It boasted that its interpretation of the NDR was now *“shared by the whole Alliance”* ...and *“was at the centre of the programme of our government.”*

Combined with the 2008 global economic crisis, the government’s new approach resulted predictably enough in sluggish economic growth, higher unemployment, the doubling of the national debt and the discouragement of investment.

However, to the SACP’s consternation, President Zuma turned out to be a far more wily politician than they had anticipated. While it was trying to capture the state for the NDR and socialism, he almost succeeded in capturing it for himself and his friends. The National Prosecuting Authority, important elements in the Police and intelligence services were soon under his control. The country lost tens of billions of rand in rampant and unrestrained corruption.

Fortunately, the institutions that had been included in the Constitution were resilient enough to defeat Zuma. Resolute action by the former Public Protector, Thuli Madonsela, investigative journalists, civil society, the courts and ANC stalwarts ultimately led to President Zuma’s downfall.

However, there was nothing new in Zuma’s actions. He was tapping into a process of elite enrichment that had begun as soon as the ANC had assumed power – particularly through cadre deployment to key positions within the state, the SOEs and the private sector. According to

Intellidex R317 billion was transferred, quite legally, from private companies to black South Africans in BBEEE deals between 2000 and 2015. Almost R200 billion of this went to strategic partners – i.e. the ANC elite. The perception grew that political power brought with it an entitlement to enrichment.

The largesse was extended to the public service which by 2019 consumed 14% of GDP – R550 billion – per annum – and included 30 000 employees receiving more than a million rand a year.

Government had brought the ANC elite great good fortune – and, as De Rochefoucauld observed, it takes much greater strength of character to deal with good fortune than with bad.

At the ANC's National Conference in 2017, Nkosazana Zuma, President Zuma's chosen successor as President of the ANC, was narrowly defeated by Cyril Ramaphosa.

Since then, President Ramaphosa has taken some significant steps to restore the integrity of key government institutions and to restructure state-owned enterprises. He has recommitted himself to the implementation of the pragmatic National Development Plan – and to economic growth fuelled by increased levels of investment. Nevertheless, doubts persist: How can he attract the investment and achieve the economic growth that South Africa so desperately needs, while remaining committed to expropriation without compensation; the ruinous National Health Insurance plan – and Radical Economic Transformation? Will he be able to face down the trade unions and the powerful Zumaite elements in the ANC leadership?

More recently, the President has won widespread respect for the dignified and statesmanlike manner in which he has dealt with the COVID19 crisis. However, success in combating COVID19 may come at the cost of economic collapse. It may be an unwinnable situation.

Whatever happens, it is likely that South Africa's post 1994 story will in future be divided into the pre- and post- COVID19 eras.