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South Africa

South Africa: between corruption and neoliberalism

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Ajay, Atul and Rajesh Gupta are the three most famous brothers in South Africa. Two of them were arrested a few weeks ago in the United Arab Emirates. With the help of Jacob Zuma, South Africa's president from 2009 to 2018, they managed to siphon the equivalent of nearly 3.6 billion euros from the state and infiltrate the main administrations, to the point that we can speak of "state capture". This massive corruption speaks volumes about the state of the ruling African National Congress (ANC) and reinforces a sense of despair among the people, reflected in recurring waves of xenophobia.

Before coming to power in 2009, Jacob Zuma had already been charged for corruption during an arms sale by the Thales company. In 2016, he was accused of using public money, nearly 15 million euros, for the rehabilitation of his residence in Nkandla. But this was nothing compared to what would be revealed in 2018 by the commission of inquiry on his complicity in corruption with the Gupta siblings.

The latter have methodically penetrated all public companies. Judge Zondo's investigation report is damning. Eskom, the power generation and distribution company, paid hundreds of millions of dollars upfront for the purchase of low-quality coal from a Gupta company. They tried to influence the national railway company PRASA (Passenger Rail Agency of South Africa) in a locomotive purchase operation. South African Airways has come under enormous pressure to abandon the route to India in favour of Jet Airways, owned by the family. Again with Zuma's help, they had a key say in the appointments of ministers. Thus, with the help of a consulting firm Bain & Company, they managed to make the tax services, previously among the most effective in Africa, a structure that has become inefficient.

Jacob Zuma, who played a central role throughout his time in office in this state capture, has repeatedly manoeuvred to avoid answering to justice. Attempts to cover up cases, intimidation of journalists, refusal to appear before the anti-corruption commission of inquiry, use of violence to protest against his imprisonment with riots unleashed in particular in Johannesburg, with looting and more than 300 deaths. To end his incarceration, he has cited health problems.

The ANC in decline

While the ANC remains the dominant party in the country, its electoral results are eroding. Mandela's party has embarked on the path of neoliberalism and, if there have been some efforts in the social field, they are far from adequate. The system has amplified inequalities and above all benefited the party leaders who have become considerably richer. Most justify themselves by invoking the suffering and deprivation endured during the struggle against apartheid.

Upon becoming President in 2018, Cyril Ramaphosa promised to wage a firm fight against corruption. A difficult project given its generalization in the ruling circles. Judge Zondo advocates prosecution of more than a hundred people, including former ministers. Ramaphosa's probity was damaged by a case of theft in one of his properties. The burglars found the equivalent of 3.8 million euros, which raises legitimate questions about the origin of such a sum. During a speech at the Rustenburg stadium, northwest of Johannesburg, for Mayday, Ramaphosa was copiously booed by workers. The leaders of COSATU, the union federation close to the government, were unable to calm the crowd.

Dangerous exasperation

The emergence of Julius Malema's radical organization, the "Economic Freedom Fighters", is reinforced by a critique of the ANC's economic policy and corruption, but the country is riven by sometimes violent xenophobic demonstrations. The main targets are immigrants from Zimbabwe, Mozambique and Nigeria, as well as Somali refugees. The Operation Dudula movement – which could be translated from Zulu as "Force out" – makes undocumented immigrants the main cause of the country's misfortunes. They are accused of delinquency, drug trafficking and undermining the labour market. Pressure is mounting on businesses and small businesses to employ only South Africans. This type of movement is unfortunately not new but now it is taking root among the people and could degenerate into large-scale violence. Hence the urgency of building a political alternative.

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