



## ANC'S ELECTIVE CONFERENCE TO FAIL?

At the end of December the ANC of South Africa will elect a new party president who would lead the party into the national elections 2019. South Africans hope that President Zuma and his supporters will lose and that the new leadership would fight corruption and return the country on a path of economic growth. But the conference may fail because of the deep divisions in the party.

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## ANC's Elective Conference to fail?

South Africans are looking forward with huge expectations to the elective conference of the African National Congress (ANC) which will be held December 16 to 20 near Johannesburg. They hope that the party of Nelson Mandela would elect new leaders who will rigorously fight corruption and return the country on a path of economic growth. Most probably their hopes will be dashed.

At the centre of nation-wide corruption are the three Indian Gupta brothers who came to South Africa at the end of apartheid and who have since amassed fortunes making them the richest non-white family. Since May 2017 the amaBhungane Centre for Investigative Journalism reports continuously about more than 100.000 emails, bank statements and other Gupta-related documents which were leaked. The documents confirm the worst suspicions: the family is involved in the selection of cabinet ministers and the top management of state owned enterprises and through their numerous companies exploits South Africa's resources. The key to their "success" is the close connection to the Zuma family to the extent that they make decisions for the president. Former Deputy Minister of Finance Mcebisi Jonas stated in an affidavit that he was offered the post of finance minister and 600 million Rand (40 million Euros) by the Guptas when he visited them in their residence "Saxonworld".

Also international companies were drawn into the scandals. German software giant SAP was involved in kickbacks; had to apologize and finally removed its South African management. International auditor company KPMG "overlooked" the dubious nature of some funds for a Gupta wedding and had to clear out its top management. All South African banks have closed their business with companies belonging to the Guptas because of the suspicious nature of many of their financial transactions.

The Guptas hired Bell Pottinger, a public relations company from the UK, to start a campaign against the critics of President Zuma. They invented the slogan "white monopoly capitalism" which was used in many speeches of Zuma and his supporters. When this connection was leaked the company had to admit that the campaign was "likely to inflame racial discord in South Africa". Bell Pottinger's operations in South Africa and in the UK collapsed thereafter because many large clients withdrew their business.

Two recent books uncover the scale and depth of the erosion of political morality and destruction of important state institutions in South Africa. Investigative journalist Jacques Pauw's "The President's Keepers" became within weeks a global bestseller. "It is the most comprehensive picture of the rot at the heart of the Zuma presidency" writes one commentator.<sup>1</sup> Crispian Olver in his book "How to Steal a City" describes the political machinery of the ANC in Nelson Mandela Bay (Port Elizabeth) where nothing happens without offering jobs or tenders. For observers of this country it is heart breaking to see how fast corruption spread under Zuma's presidency and with which boldness state resources are plundered.

The financial data reflect the mismanagement of the economy. At the end of November 2017 S&P downgraded South Africa's local currency to junk and Moody's Investors Service on review for a downgrade. Last year's growth rate was the lowest in the past 16 years (apart from the 2009 recession) and the prediction for this year is between 0.6 and 0.7%; and for 2018 just 1.1%. Analysts cite as reasons for the bad investment climate political infighting, widespread corruption and the

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<sup>1</sup> Anton Harber: *Two books that tell the unsettling tale of South Africa's descent* in The Conversation, 07.11.2017

problems with loss making state own enterprises like SAA (South African Airlines) and energy supplier Eskom.

It is obvious that something radical needs to be done to reverse the decline of the country. The good hopes are pinned on Deputy President Cyril Ramaphosa who finally entered the race for the presidency of the ANC and during his campaign became an outspoken critic of President Jacob Zuma. If elected he would have enough power within the party to force Zuma to resign as state president before his terms ends in 2019, to fire the Zuma lackeys in the cabinet and to replace them with competent constitutionalists. But one has to remember that he had helped Zuma to become ANC president and by accepting to be his deputy secured his re-election. In all those years on his watch in the second highest office of the country he only recently spoke out against the abuse of power or the state capture by the Gupta family.

Nkosazana Dlamini-Zuma is the candidate of the Zuma camp. An ex-wife of Zuma, a minister in the cabinet of Thabo Mbeki and as the former chairperson of the AU (African Union) she is a competent woman. She cannot close her eyes about what is happening to the country and deep down knows that she has to take radical steps to save the country. But this means that she has to act against her biggest sponsors and supporters if elected. This scenario is very unlikely and she would not have the power to recall Zuma before the national elections in 2019. The corruption would continue unchecked and the economy would decline further.

As a compromise candidate ANC Treasurer Zweli Mkhize is discussed. He does not belong to the state capture circles and could run a clean administration. But being a compromise solution he would lack the necessary power in the party to be an aggressive cleaner of the corruption swamp.

But the elective conference most probably will not give the clear cut answers for the better or worse the nation is expecting. Former president Kgalema Motlanthe believes that the process of electing delegates for the conference is “flawed” and he hints at alleged manipulations and interference. He does not see himself attending because the outcome would not represent the collective views of the membership.

In recent years the structures in the ANC have been unable to solve their internal differences through democratic procedures. Members take more and more the legal route to challenge the legitimacy of those who were elected. Judges for example ruled that the election outcome of the last provincial conference in 2015 in Kwa-Zulu Natal must be annulled. Still today there is a fight in the party over whether that order should be implemented now or only after an appeal is being heard. Another recent example: on November 29<sup>th</sup> the High Court in the province Free State ruled that several branch meetings held in the run-up to the Provincial General Council had not been properly conducted. The council could not meet and elect a new leadership whose mandate ran out already in August; neither could the council develop directives for the position of the province in the elective conference. Many court cases are still pending when the conference takes place implying the danger that the conference itself could be challenged in court and declared null and void. The mandate of the current national leadership has then expired while the legitimacy of the new leadership is challenged leaving the party in an uncertain state which would fuel the already deep engraved factionalism.

Former ministers Trevor Manuel and Tokyo Sexwale predict that the conference would collapse on or before the third day when elections start. Sexwale said the party is thoroughly divided but still continues with the preparations for the conference and that no contingency plans are in place. But a

delay of the conference would most probably not help, it would complicate matters and “more blood would be spilled.”<sup>2</sup>

The ANC had to extend the deadline to November 25<sup>th</sup> for the party’s branches to hold nomination meetings because many could not be held as planned amidst accusations of manipulations, violence and interference. In an internal paper for the conference the ANC admits “that slate politics and vote buying have resulted in the election of leaders who can’t drive ANC campaigns and garner respect from society.” The paper identifies “social distance, corruption, nepotism, arrogance, elitism, factionalism and abuse of state power” as contributing factors to the decline of the party.

The conference document also mentions “violence and killings” as challenges that plague the organisation. Reference is made to Kwa-Zulu Natal where the Moerane Commission in September this year heard that 90 people have been killed in what is believed to be politically motivated crimes. No arrests were made. Since then another eight persons have been killed among them elected delegates for the conference.

If the conference should go through without disruptions and elections would take place the outcome is at present very difficult to predict. By December 4<sup>th</sup> all nine Provincial General Councils of the ANC had their nomination meetings at which branches voted for their favourite candidate. Ramaphosa was voted for the presidency of the ANC by 1862 branches while 1309 backed Dalmini-Zuma. The branches account for 90% of the delegates while the rest comes from the leadership structures and youth, women and veterans leagues. But these numbers are just an indication because bigger branches have more delegates and finally individual delegates are not bound by provincial directives and are voting in secret. This leaves open opportunities for last minute lobbying and even bribery. “Up to 25% of the delegates votes are unknown and this could alter the race in a substantial way.” explains Professor Susan Booysen from the University of Witwatersrand.<sup>3</sup> 5240 voting delegates are expected at the conference and the winning side would need a simple majority of more than 2620 votes.

A split of the party is possible during and after the congress and the leadership knows about this danger. Proposals are brought forward to change the voting system. In the past, the vote for the top six positions in the party were held at the same time meaning that slates were pitted against each other. That happened at the Polokwane conference (2007) when the Zuma camp won all positions and the Mbeki supporters were left out. It is proposed to vote for leaders one after the other and to leave time in-between for negotiations to arrive at a balanced composition of the top leadership of the party. It is also suggested to have two deputy party presidents in order to accommodate the loosing candidate. At first glance this seems to contribute to the unity of the party but in the end the winning candidate could be stalled by such a diverse leadership to implement clear policies for structural reforms and anti-corruption drives.<sup>4</sup> According to some sources the proposals came from Zuma himself. It could be an indication that he fears that Ramaphosa would win and that he needs to secure positions and influence for his supporters.

The forced resignation of President Mugabe in Zimbabwe and the generous retirement package he received including impunity from prosecution fuelled again discussions in South Africa about a similar

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<sup>2</sup> Political analyst Bheki Mngomezulu in Kailene Pillay: *Stewarts predict conference collapse* in Cape Times 15.11.2017

<sup>3</sup> Derek Alberts, Paul Vecchiatto and Sam Mkokeli: *Ramaphosa wins most endorsements in South Africa leadership race* in Bloomberg, 05.11.2017

<sup>4</sup> Stephen Groote: *Analysis: ANC’s new election leadership plan - a bold move with little real significance* in Daily Maverick, 28.11.2017

scenario for Zuma. There is no provision for presidential impunity in the constitution of South Africa and to grant Zuma this would very likely be challenged in courts. There is the real danger that he would be prosecuted or at least that he would be a witness in trials concerning state capture and the possible prosecution of the Guptas. The ANC certainly does not want this to happen, especially not before the national elections 2019. If the anti-Zuma camp wins the best option for the party and most probably also for Zuma himself would be if he leaves the country. Unlike former president Mbeki who serves Africa in various functions as a “roving president”, Zuma has no future as an elder statesman.