

Comment

Containing the crisis: what the ANC conference did – and did not do

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Logic suggests that deeply stressed organisations – and societies – are not miraculously cured because a backroom deal allowed one politician to narrowly beat another to the governing party presidency. But organisations and societies can achieve a semblance of normalcy that way. Which may well be what happened at last December's African National Congress conference.

The conference may be remembered as one of the most vivid political 'before and after' events in history. Before it, the ANC seemed in such deep crisis that it seemed unlikely that it would be able to hold the conference at all. After it, it appears to be at the beginning of a strong resurgence which will ensure its continued dominance of formal politics for years. Before the conference, the ANC's travails were clearly a consequence of deep-rooted structural problems in the wider society and so its crisis often prompted deep pessimism about South Africa's problems. After the conference, a new optimism seems to stretch from international bankers (Head 2018) through to citizens, or at least those who enjoy access to media.

This contribution will discuss how this transformation came to pass and will assess whether the conference really was the seminal event conventional wisdom believes it to be. It will argue that the conference did initiate a shift which may alleviate the crisis, at least for the next few years. But the structural problems which caused it were not addressed by the change in ANC leadership and it is not at all clear that they will be.

The crisis and its (apparent) cure

In the weeks leading up to the conference it became clear that the ANC would not be able to hold a contested election unless a deal between its factions sharply reduced the cost of losing.

This was a consequence of two realities. The first was the scale of the contest. The battle between the supporters of Nkosazana Dlamini-Zuma and Cyril Ramaphosa was not about loyalty to particular politicians – the divide was a product of South Africa's economic development trajectory since 1994; the two factions were located differently in the economy and had very different economic priorities. Development since 1994 has been heavily path dependent (North 1990) – a consensus between the new political and old economic elites held that the goal of post-apartheid South Africa was not to change the highly concentrated and exclusionary economy apartheid bequeathed but to incorporate black people within it. The result was the inclusion of those black people able to gain access to the formal economy – in effect, wage and salary earners – and the exclusion of millions who have been unable to gain entry (Webster 2013, Friedman 2015).

This division ran through the ANC. Ramaphosa's support was drawn from those who had been able to gain entry (including the trade unions) and whose economic prospects depended on the health of the market economy. Dlamini-Zuma's came from politicians whose prospects depended not on the market, but the state. They saw the public purse (and the resources of business people who sought access to public resources) as a means to acquire wealth and to distribute it as patronage to the excluded, one of whose survival strategies is to attach themselves to politics and politicians to secure the economic lifeline the market denies them (von Holdt 2013). While we might expect the latter group to win overwhelming support among the grassroots poor, election results suggest otherwise: the wage and salary faction may represent economic insiders, but most outsiders did not see the appropriation of public money by patronage politicians as a gain and so grassroots voters increasingly abandoned the ANC in protest at patronage politics.

For the ANC, this split also meant that too much was at stake in the election of a new leadership: whoever lost would lose the capacity to steer the economy and so the cost of defeat seemed extraordinarily high. This problem was sharpened by the second reality, the ANC's increasingly public internal malaise. ANC documents have repeatedly acknowledged

the internal crisis created by intense factional differences and the use of politics to gain access to resources. A discussion document for December's conference observed: 'The ANC faces declining fortunes. Internal squabbles, money politics, corruption and poor performance in government all conspire to undermine its legitimacy in the eyes of the broader public' (ANC 2017:4). As the congress neared, this manifested itself in repeated challenges in court to the election of delegates and to regional and provincial structures. Amid evidence of manipulation of internal elections, the ANC lacked an institution which enjoyed enough legitimacy to settle disputes and so it seemed inevitable that the faction which lost a 'winner takes all' election would challenge the result: given the disarray of its internal processes, it seemed likely that this would overturn the result. It was not even clear that an election could be held in these circumstances: conferences of the ANC's leagues and regions had been abandoned because no agreement could be reached on who was entitled to vote and this seemed a distinct possibility at the national conference.

Given this, the only way the ANC seemed likely to be able to choose a new leadership was a deal between the two factions to share posts. While that seemed implausible given the depth of the divisions between them, the alternative – the ANC constitution's stipulation that no leadership could serve for more than five years means that if no new leadership was chosen in December, the courts would be bound to declare illegal all ANC leaders – would be so debilitating that a deal seemed the only way in which the ANC could survive, making it an imperative whatever the factions thought of each other.

And so it proved. The elections produced a leadership split almost exactly between the two factions. The 80-member national executive committee, which runs the organisation between conferences, consisted of almost exactly equal numbers of members who appeared on the election slates of Ramaphosa and Dlamini-Zuma. Unless we believe that some 5,000 ANC delegates somehow contrived to vote spontaneously in the only way which could prevent internal war, we must conclude that the result was the outcome of a deal – probably one in which it was agreed that there would be an open contest for president and that positions would be divided evenly after that.

This outcome literally kept the ANC in one piece, but seemed to do little else for it or the country. While Ramaphosa's win should have signalled a clear victory for the wage and salary faction, it seemed unlikely

to change much. Before the conference, the ANC had been engaged in trench warfare – a continuing battle between the factions for advantage which produced small victories for both but little movement. It seemed inevitable that this would continue under the new leadership, given the even split the conference produced. And this seemed to mean that the wage and salary faction would be unable to do what the evidence suggests much of the country wanted it to do – prevent the colonisation of public institutions by private interests.

The patronage faction melts into air?

Events since the conference have confounded expectations that the ANC would continue an inconclusive internal war, probably as public support melted away.

In only a few weeks, the new leadership has ensured the appointment of the judicial inquiry into ‘state capture’ – control by private interests of public resources and institutions – recommended by former public protector Thuli Madonsela. It has appointed a new board for Eskom, the country’s largest and most lucrative state enterprise, which seems united in its opposition to the use of the power utility for private gain. Police who found repeated excuses for not investigating links between public officials and private money began zealously investigating politicians and officials accused of colluding in state capture, including a raid on the office of the Free State premier and new ANC secretary-general Ace Magashule, a key figure in the patronage faction. The new leadership successfully pressured Jacob Zuma to leave office, apparently with significant support from the ANC national executive (NEC) (Nhlabathi et al 2017). The attack on alleged state capture and corruption which was expected had Ramaphosa’s faction won control had begun to happen anyway.

This may have been unexpected, but it is not an illusion. Power does seem to have shifted decisively from the patronage faction to the wage and salary group, from Zuma to Ramaphosa and his allies. There seems little prospect of this reversing soon. How was this political conjuring trick achieved? The change was helped by the fact that the ANC was in danger of losing its majority in 2019 if it did not change tack – this may have influenced Dlamini-Zuma supporters concerned about their political futures. The attack on state capture – or at least the version currently on offer – is popular with economic and cultural power holders as well as grassroots citizens and this may be a further incentive to switch sides. But

the chief reason lay in a political reality which ANC documents and rhetoric routinely question (Gerber 2017) but which is not less real for being challenged by the governing party – the power of government in general and the presidency in particular.

The entire ANC leadership knew that Ramaphosa would become state president. This, of course, gives him the power to make cabinet and other appointments which shape – or end – the careers of ANC politicians. And so there was good reason for members of the new NEC who supported Zuma and Dlamini-Zuma to switch sides to ensure they would remain in office. There were members of their faction for whom this was not an option – they knew they would lose office if Zuma went and so their only option was to doggedly defend him. But a sizeable section of the Dlamini-Zuma slate had reason to believe that joining the Ramaphosa train could yield rewards and they have done just that. Similarly, prosecutors and police who did Zuma's bidding because they wanted to keep their jobs are now beginning to do what they think Ramaphosa wants.

The great irony of the unexpected sea change since the December conference is that it is not the product of some deep rooted social force or of the will of citizens to hold power to account. It has a much more prosaic source: the power of the state presidency and of government over that of the party.

Back to 'normal'?

It is important to place this change in perspective.

The beginnings of an assault on politicians and business people who try to turn the state into their personal instrument is not trivial. Fighting the current version of 'state capture' and corruption is a necessary condition for social and economic progress: patronage politics erodes the living standards of the poor and makes progress against poverty and inequality impossible. The changes Ramaphosa and his allies seem likely to bring are essential if South Africans are not to be thrust into even more severe poverty than many currently endure. But the changes are, thus far at least, not a cure for the structural crisis which made patronage so effective.

If patronage politics is a symptom of path dependency, its longer-term antidote is an assault on that dependency. Unless the ANC can generate proposals for structural economic and social change and can negotiate these effectively with private economic power holders (Webster 2013),

the propensity to patronage will remain, even if, as seems likely, the government tries to fight it rather than encouraging it. Here there is little sign of change. Media reports insist that the ANC has embarked on a 'radical' new direction on issues such as free higher education and expropriation of land without compensation. Closer examination reveals that there is no new ANC economic thinking. The higher education change was a theatrical gesture which may not be sustainable beyond 2018: it was certainly not the product of a new analysis of the economy's ills. And the land resolution has been thoroughly misreported – it says it will not be implemented if this has any negative effect on the economy, which seems to rule out change (Friedman 2018). This measure too shows no new thinking which would suggest a recognition of current realities – neither do ANC documents (ANC 2017a).

This does not necessarily mean that an attempt to negotiate a new approach to the economy is excluded – pressures may make it a possibility. But for now, the agenda is consumed by the perceived need to restore the status quo *ante* Zuma. That may be a necessary step towards the health of the ANC and the society but it is not sufficient. Until a serious attempt to negotiate a more inclusive economy begins, the immediate danger has been averted, but its cause remains lurking in the shadows.

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