

Corruption and neoliberalism in South Africa

Saturday 13 August 2022, by [MARTIAL Paul](#) (Date first published: 22 July 2022).

Ajay, Atul and Rajesh Gupta are the three most famous brothers in South Africa. Two were arrested a few weeks ago in the United Arab Emirates. With the help of then-President Jacob Zuma, they managed to siphon off almost €3.6 billion from the state and infiltrate key government departments to the extent that it is referred to as 'state capture'. This massive corruption speaks volumes about the state of the ANC and reinforces a sense of hopelessness among the population, some of whom are swept up in recurring waves of xenophobia.

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Before he came to power in 2009, Jacob Zuma had already been pinned down for corruption during an arms sale by the company Thales. In 2016, he was accused of having used public money, nearly 15 million euros, for the renovation of his residence located in Nkandla. But this was nothing compared to what the commission of enquiry into his corrupt complicity with the Gupta siblings will reveal in 2018.

Large-scale corruption

The Gupta siblings methodically took over all state-owned companies. The report of the investigation conducted by Judge Zondo is damning. Eskom, the electricity generation and distribution company, paid hundreds of millions of dollars in advance for poor quality coal to one of the Gupta companies. They tried to influence the national railway company PRASA (Passenger Rail Agency of South Africa) in a locomotive purchase deal. South African Airways came under enormous pressure to abandon the route to India in favour of the sibling company Jet Airways. Again with Zuma's help, they had the upper hand in the appointment of ministers. With the help of a consultancy firm, Bain & Company, they managed to turn one of the continent's most efficient tax departments into an inefficient structure.

Jacob Zuma, who has played a central role in this state capture throughout his time in power, has made numerous attempts to avoid answering to the courts. Attempts were made to hush up affairs, journalists were intimidated, he refused to appear before the anti-corruption commission of enquiry, and violence was used against his imprisonment, with riots in Johannesburg. Scenes of looting took place and more than 300 people died. To lift his imprisonment, he cited health problems.

The ANC is losing ground

Although the ANC remains the dominant party in the country, its results are eroding during the elections. Mandela's party has embraced liberalism and, while there have been some efforts in the social sphere, it is far from being a success. The system has increased inequality and has mainly benefited the party leaders who have become considerably richer. Most of them justify themselves by invoking the suffering and deprivation endured during the struggle against apartheid.

When Cyril Ramaphosa came to power, he promised to wage a firm fight against corruption. This is difficult to achieve given the widespread nature of corruption in ruling circles. Judge Zondo is recommending prosecution of over a hundred people, including former ministers. Ramaphosa's probity has been tarnished by a case of theft from one of his properties. The burglars allegedly found the equivalent of 3.8 million euros, which raises legitimate questions about the source of such a sum. Speaking at Rustenburg Stadium, northwest of Johannesburg, on May Day, Ramaphosa was loudly booed by workers. The leaders of COSATU, the union close to the government, were unable to calm the crowd.

Dangerous exasperation

The emergence of the "Economic Freedom Fighters", Julius Malema's radical organisation, is strengthened by its criticism of the ANC's economic policy and corruption, but the country is riddled with xenophobic demonstrations, sometimes violent. 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 'turn back' - makes undocumented immigrants the main cause of the country's woes. They are accused of delinquency, drug trafficking and undermining the labour market. There is increasing pressure on businesses and small enterprises to employ only South Africans. Unfortunately, this type of movement is not new, but it is now taking root in the population and could degenerate into full-scale violence. Hence the urgent need to build a political alternative.

22 July 2022

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P.S.

• Translated by International Viewpoint from l'Anticapitaliste:
<https://internationalviewpoint.org/spip.php?article7771>