

ANC Conference 16 - 21 December 2007: Popular Renewal or Business as Usual

Thursday 13 December 2007, by [ASHLEY Brian](#) (Date first published: 12 December 2007).

The African National Congress, South Africa's ruling Party will hold its 52nd Conference in Polokwane, the capital of Limpopo province, one of the poorest in the country. A dramatic succession battle has been raging between the incumbent President of the ANC, Thabo Mbeki and the ANC's deputy President Jacob Zuma. Mbeki is standing for president of the ANC even though he is constitutionally barred from standing a third term as SA's President. Jacob Zuma was fired as the country's deputy president after being implicated in a corruption scandal related to an international arms deal. This battle has seen unprecedented infighting and division in the ANC which is likely to proceed well after the ANC Conference. Zuma, who looks set to win this battle, could be arrested and charged with corruption which would fuel accusations that Mbeki is using state machinery to defeat his political opponents in the ANC.

A frenetic media frenzy suggests that the outcome of Polokwane will impact on the shape of politics in South Africa for many years. Indeed it will, but the question is in which way?

In his organisational report to the ANC's eventful National General Council in 2005, ANC General Secretary Kgalema Motlanthe recognised that after 1994 patronage has become less about political influence and more about access to jobs, contracts and wealth. He stated with prescience that:

"the central challenge facing the ANC is to address the problems that arise from our cadres' susceptibility to moral decay occasioned by the struggle for control of and access to resources. All the paralysis in our programmes, all the divisions in our structures are, in one way or another, a consequence of this cancer in our midst"

In this way Motlanthe was knowingly or unknowingly placing the succession battle in the ANC in the context of its rapid bourgeoisification. Now that the genie of doing business and making money has escaped, what will it take to ensure the popular renewal of the ANC? Or is it likely that, regardless of the ANC Conference, it is going to remain business as usual?

While we could agree that at stake is 'the struggle for the heart and soul of the ANC', but which heart and which soul? Again, this cannot be reduced to a simplistic view of left versus right. Many currents, based on different viewpoints and anxieties, have converged to oppose the leadership of Thabo Mbeki. A common factor has been resistance to the way power has been concentrated in the office of the ANC President and in the Presidency of the country and the authoritarianism related to this process.

The centralisation of power by Mbeki has been particularly problematic in the context of an ANC made up of a range of different tendencies and currents. Important figures and leaders in the ANC have depended on their ability to provide patronage in building and maintaining their support base.

When, for example, the President exercises power by appointing provincial leaders and overturning decisions of local and provincial structures of the ANC it disrupts patronage networks, creates division and undermines local leaderships. Such centralisation of power and interference in local politics with its accompanying financial implications lies behind the resentment that has brewed and has eventually expressed itself as open opposition, with the firing of Jacob Zuma as the country's deputy president, acting as catalyst.

Concentration of power has also created a structural remoteness which has allowed dissent to grow. Branches and other local structures have become alienated from the overall leadership of the Party, which is no longer identified with the National Executive Committee but with the coterie around the President. The role of constitutional structures of the ANC has been hollowed out. Decisions perceived to have been made elsewhere are imposed on structures. In the process, thousands of working class members of the ANC only attend rallies: if they continue to attend any ANC events at all. Branches become the places to scout out jobs and money-making opportunities. It is rare for branches, outside of the build-up to Conference, to discuss key political questions facing the country, the working class or the Alliance. As Motlanthe notes in the same report quoted above:

"Membership levels, it should be noted, continue to reflect the cycle in which numbers grow in the run up to provincial and national conferences, and decline thereafter. ...The central question this raises is the extent to which ANC members are active participants in the political life of the movement."

A certain life returns to the branches in the run up to the Conference. But this life has returned in a context of sharp polarization, where the key decision of the branch is about which of the main protagonists to line up behind. Policy issues are defined in terms of where the main combatants stand. In depth analysis, assessment and debate of the policy issues at stake in any question, become subordinated to support for either Mbeki or Zuma.

Several key strategic questions have been subsumed under this leadership struggle: these include Cosatu's opposition to economic policy and the role of the Tripartite Alliance. They have lent Zuma's campaign more allure than might otherwise have been accorded such a controversial figure. But in the process an illusion is being created—not deliberately, but an illusion nevertheless—that such a leader will be like a new broom sweeping away the dust of the Mbeki era..

What is hardly discussed in this leadership battle is the fundamental shift that has occurred in the ANC since it came to power in 1994. Here, what is being referred to is not the shift from liberation movement to social democratic party, but the way in which the ANC has become the vehicle for the formation of a new bourgeois class and has become transformed to serve this elite's particular interests.

This is probably not what the majority of the ANC leadership intended. However, once the decision was made not to confront capital but instead to create a stable environment to attract foreign (and by implication domestic) capital to invest in SA, the die was cast. And in a sense the rest is history. The logic of capital accumulation then takes over: capital became the engine of growth. Consequently the political logic shifted from containing or constraining capital to building alliances with capital to create a black capitalist class. Given the monopolisation of the South African economy and the lack of economic diversification, especially in manufacturing, the route to acquire capital for aspirant entrepreneurs was through the state and via political connections. White capital needed greater access to the new ruling party and the most effective way to obtain that was through creating a space for black economic enrichment.

Of course the process is more complex than what can be outlined here. It includes the myriad

connections between capital and the state—from the need to develop trade policy through work with the business community—to the linkages with capital as the big users of the services provided by state enterprises. This created an enabling environment for black capital to emerge and the ANC became the important vehicle to facilitate this. There were counter tendencies in the ANC and in the Alliance but these have lost ground, first under the leadership of Mandela and more dramatically under that of Mbeki.

The shift to 'growth economics' and the adoption of the Growth, Employment and Redistribution (GEAR) strategy as a home grown structural adjustment programme, the facilitation of private capital accumulation, and the consequent bourgeoisification of the ANC provide the context for the tensions, divisions and competition for positions within the organization.

This was well illustrated in Carol Paton's article in the *Financial Mail* earlier this year. She explains:

"ANC national leaders, with their clear accomplishments and talents, provided a ready recruiting ground for white business, wanting to deracialise their leadership and management and, to a lesser extent, their ownership. In many cases, senior ANC members did not detach from the party in order to take advantage of such opportunities. Today, most of the senior leadership at the ANC's Luthuli House headquarters are involved in business. In parliament, 40% of ANC MPs are directors of companies, many owning them outright. Such interests are often in construction and mining." (*Financial Mail*, 19 January 2007)

A number of conflicts between ANC heavyweights have their roots in competition for lucrative business deals and tenders. The sale of a 15% stake in Telkom was a case in point where the Leopard Consortium led by Smuts Ngonyama (Head of the Presidency in the ANC) was competing against former Department of Communications boss Andile Ngcaba's Lion Consortium. Only the intervention of ANC's Treasurer-General Mendi Msimang, which led to a joint bid being put forward, prevented a major fallout between comrades of the same organization. In the Western Cape, deep divisions in the ANC have their origins in the sale of Somerset Hospital, worth hundreds of millions of rands, given its location next to the Waterfront. Allegations exist that ANC Provincial Secretary Skwatsha had his responsibility for managing the Province's property portfolio removed when it came to light that he was negotiating with disgraced businessman Brett Kebble for the sale of the hospital. Similar conflicts were involved in the Grand West Casino licence and various fishing contracts. Increasingly, these examples are becoming the rule rather than the exception.

The growing links between the ANC and big capital derives not only from its status as the ruling party of a capitalist state but from two other needs. Firstly, ANC membership accounts for a miniscule fraction of what the ANC spends on salaries, offices, other infrastructure and campaigns. Its current salary bill is over R5 million a month. This necessitates the cosyng up to business to ensure a constant flow of donations. Often donations buy political favours. A second dimension of the ANC's need for cash is its attempts at making money through business deals. The latest saga is quoted in a recent issue of the *Mail & Guardian* (November 23-29 2007) where Chatham House, a business front of the ANC, and part of a consortium with the Japanese multinational corporation Hitachi, has won a multibillion rand tender to supply steam generators to Eskom. It is not just an example of potential conflict of interest between state and ruling party, but also of the links between the ANC and multinational capital. Questionable deals were highlighted in the case of Imvume in the so-called Oilgate saga. The dangers were highlighted by another leading 'empowered' ANC NEC member Saki Macozoma, when he admitted, "The huge cost structures of the ANC, inevitably leads to all kinds of adventurism". (*Financial Mail*, 19 January 2007)

Is it possible for the ANC to return to a more popular mandate where mass mobilization against inequality and market apartheid becomes the mission of the organization? The fact that this will not

even be discussed at the Conference tells us the likely answer.

There are enough cases in history that caution against never saying never, but the path of popular renewal seems most unlikely. Regardless of who leads the ANC, the organization as the ruling party of the country is now prisoner of a powerful social force, namely capital, both in its local and international dimensions.

It is difficult to see a scenario where the ANC can be a vehicle for resisting the consolidation of post-apartheid capitalism. As long as the ANC is not the party of big capital it will attempt to ameliorate the worst excesses of racial or neo-apartheid capitalism. Nevertheless, it is now so intertwined with capital that anti-capitalist forces inside the ANC itself and in the Congress of South African Trade Unions (COSATU) and the South African Communist Party (SACP) will continue to be frustrated by the stubbornness with which the ANC will continue along its current path.