

# South Africa's ANC taps multi-millionaire ex-union chief Cyril Ramaphosa as leader

Eddie Haywood  
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South African multi-millionaire tycoon and former union leader Cyril Ramaphosa has been elected to lead South Africa's ruling party, the African National Congress (ANC) for the next five years, setting the stage for his expected run for president in the 2019 election. On Monday, at an internal party conference held in Johannesburg, 5,000 ANC party delegates voted 2,440 to 2,261 in favor of Ramaphosa over his rival Nkosazana Dlamini-Zuma, giving him a slim 179-vote margin of victory.

The election comes amid dimming prospects for the South African economy and widespread disaffection with the ANC government, which has overseen an unprecedented transfer of wealth from the working class to the top layers of society.

The country has experienced a precipitous economic downturn over the last several years under the ANC President Jacob Zuma, with a shrinking of South Africa's GDP to 0.5 percent, with a corresponding rise in unemployment.

As Ramaphosa's sole rival, Dlamini-Zuma—the ex-wife of President Zuma, and his chosen successor—sought to cover over the wealthy elite's responsibility for South Africa's economic crisis with a dishonest campaign against “racial economic inequality.” Her central platform of claiming to fight “big business interests” is belied by her immense wealth and the fact that her campaign was underwritten by powerful interests in the South African business elite.

For Ramaphosa's part, he campaigned on a platform to end “systemic corruption,” which he cast as a barrier to international capital investment in South Africa. The former union leader and wealthy businessman is perceived as providing a face-lift on the world markets for South African capitalism, which has taken a severe

hit under the administration of the corrupt Zuma government.

Upon receiving the news of Ramaphosa's victory, South African bank stocks responded with a sharp rally. Ramaphosa's victory has boosted the confidence of the South African financial aristocracy, who view the wealthy businessman as the best choice for carrying out “policies aimed at putting the economy on a stronger footing” in South Africa, as Reuters reported.

After Ramaphosa's victory, the South African rand rallied 4 percent, the highest level since March, before retreating slightly on Tuesday.

The souring economy has resulted in a sharp increase of strike activity and protests by workers and youth across the country. The mass social anger has been directed against the ruling ANC, which, since coming to power in 1994, has represented a corrupt layer of the black elite at the expense of the masses of workers and poor. As a result, South Africa has become one of the most economically and socially polarized countries in the world.

With South Africa's official unemployment rate at 28 percent, with one in two young people not employed, and social inequality at astronomic levels, the ruling class is extremely concerned at the prospect of a massive social explosion.

The social antagonisms between the wealthy aristocracy and the impoverished masses have only sharpened under the government of Jacob Zuma, an administration which has been characterized by corruption and a series of scandals since he assumed office in 2009. The pro-capitalist program advanced by the ANC under post-apartheid President Nelson Mandela of “black economic empowerment” has continued unabated under Zuma, benefiting a thin layer of black businessmen, while the South African masses

face deepening social misery.

In the 1990s, with the social anger of black South Africans against racial apartheid reaching a fever pitch, threatening to explode into a full-scale insurrection against the country's capitalist social order, the white ruling class initiated the end to racial apartheid and oversaw the formation of an enriched black upper class as a means of preserving their fortunes.

Ramaphosa is a principal beneficiary of this political arrangement. He began his career as the head of South Africa's largest union, the National Union of Mineworkers (NUM), and was elected ANC general secretary in 1991, playing a central role in the multiparty negotiations that resulted in an end to legal apartheid, while leaving capitalist interests intact. He, above all, used his influence as a union leader to promote the ANC, an anti-working class bourgeois nationalist party, among South Africa's black workers.

He was richly rewarded for his services. In the post-apartheid era he has become one of South Africa's wealthiest figures, with a net worth valued at \$675 million. He is the former chairman of South African telecom giant MTN and has interests in a variety of corporations and banks across the country and internationally.

The ANC's political odyssey from a repressed political movement to cementing an alliance with South Africa's white capitalist ruling class was dictated by its bourgeois class character and its explicit renunciation of socialism. Mandela spoke of the ANC's aims in 1956 in which he promised not to introduce socialism, but instead advance the interests of an aspiring African bourgeoisie: "For the first time in the history of this country, the non-European bourgeoisie will have the opportunity to own in their own name and right mills and factories, and trade and private enterprise will boom and flourish as never before."

The ANC's program of "black economic empowerment" was promoted by both the Stalinist South African Communist Party and the trade union leadership, with Ramaphosa playing the pivotal role in coordinating these political forces.

Underscoring the utter bankruptcy of the South African trade union bureaucracy, Ramaphosa received a blanket endorsement in his bid for ANC leader from these anti-working class scoundrels, including from the Congress of South African Trade Unions (COSATU), a

federation made up of 21 affiliated trade unions, and the National Union of Mineworkers (NUM).

These organizations have provided political cover for Ramaphosa, who played a direct role in the events that led to the massacre of striking mineworkers at the Lonmin mines in Marikana in August of 2012.

At the time, Ramaphosa was a Lonmin director and owned a 9 percent share in Marikana. He used his position as a high-ranking ANC leader to pressure the authorities to take "action" against what he called the "plainly dastardly criminal acts" of the strikers. The security forces obliged, shooting down the strikers, killing 34 and leaving dozens more wounded.

As the WSWS reported, the principal aim behind the formation of the Farlam commission to investigate the massacre was to whitewash the ANC's role, and that of Ramaphosa in particular.

The celebratory mood of the financial oligarchy with Ramaphosa's election as ANC leader is indicative of their expectation that he will be able to assist in the extraction of even greater profits off of the exploitation of South Africa's impoverished working class. The ratings agency Moody's has considered boosting the credit rating for South Africa after Ramaphosa's win, after recently threatening to downgrade it to junk status. The agency said that his victory opened prospects for a "shift in policy" leading to a rise in business confidence, adding that "[Ramaphosa] could reverse the gradual deterioration in South Africa's credit fundamentals."

The history of the ANC serves as a powerful indictment of the program of "black economic empowerment," of which Ramaphosa is a key proponent, and a confirmation that class, not race or other categories, is the fundamental division within South African society.



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