South Africa: Corruption scandal threatens Ramaphosa's presidency and the ANC's grip on power

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A damning parliamentary report into the theft of a vast sum of cash at President Cyril Ramaphosa's game farm recommended an investigation by parliament. It could lead to his impeachment, if two-thirds of the legislators vote against him, making him the first South African president to face impeachment.

It threatens both his grip on power, just two weeks before he is due to be re-elected as ANC leader, and that of the ruling African National Congress (ANC) which faces elections in 2024. Last year's local elections saw the ANC lose its majority amid increasing anger over its corrupt rule.

The report published on Wednesday concluded that Ramaphosa may have broken the law over a scandal that has been simmering since June. It involves the circumstances surrounding the theft in 2020 of at least $500,000 stashed away, supposedly in a sofa, at his Phala Phala game reserve.

It raised questions about why he was keeping such a large sum of money—variously estimated at between $500,000 and $5 million—at his farm; whether he was holding undeclared foreign currency and evading taxation; why he had failed to inform the police about the robbery and whether he had misused official resources by asking a senior bodyguard to track down the culprits, who then appeared to have been paid off. Ramaphosa faces two other investigations, one by the national prosecutor's office and another by the public protector, a corruption watchdog.

It has prompted calls from the main opposition parties as well as the faction within the ANC supporting the former President Jacob Zuma for him to step down. The National Assembly is due to meet Thursday to discuss the report and decide whether to move an impeachment hearing. This would require at least 30 ANC members to vote with the 170 opposition members from 13 different parties. That is not inconceivable, given the opposition to Ramaphosa from the Radical Economic Transformation (RET) faction, which is close to Zuma, who was forced to step down in 2018 over allegations of corruption and nepotism.

Zuma faces corruption charges relating to a 1999 arms deal in a trial scheduled for next year. Last year he served two months of a 15-month prison term for contempt of court for a separate legal matter before being released on medical parole, since rescinded by the high court.

Ramaphosa, a former leader of the National Union of Mineworkers of South Africa (NUM), the country's largest and most powerful trade union, had played a key role in tying black South African workers behind the ANC's cynical slogan of "black empowerment" which is aimed at creating a thin layer of black capitalists. In 1991, he was elected General Secretary of the ANC and together with the South African Communist Party worked to suppress workers' struggles and prevent them taking a revolutionary approach to ending the hated apartheid regime, thereby ensuring the survival of South African capitalism.

Ramaphosa was one of the chief beneficiaries of black empowerment, becoming one of South Africa's richest men and a director in a major mining corporation. It was in this capacity that he demanded a police clampdown on striking miners, precipitating the Marikana massacre of 34 striking miners, shot dead in 2012 at a mine owned by the Lonmin group. It was in the aftermath of this murderous action, carried out with the full backing of the Congress of South African Trade

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Unions-(COSATU) affiliated NUM, that “the butcher of Marikana” was elected again as the ANC’s general secretary in 2017. He was elected amid widespread disgust with the ANC that had presided over one of the most socially polarised countries in the world, with an unemployment rate then recorded at 28 percent.

His election promises to root out corruption were a feeble attempt to restore the flagging fortunes of the ANC that has now been blown apart. The South African economy had tanked after years of looting by the corrupt Zuma regime. With the selection of Ramaphosa, a former union leader, the ruling class cynically expected that the working class would welcome him with enthusiasm.

Since then, Ramaphosa has done everything he could to prop up South African capitalism, cutting corporate taxation as he drove down workers’ pay, reneging on public sector wage deals and slashing living standards. Inflation is at its highest rate since the rise in global food prices in 2008-09, running at an annual rate of 7.7 percent in October with basic foods prices increasing by 12 percent over the last year. A loaf of white bread now costs 16.18 rand compared with 13.55 a year ago and the price of fuel has risen by 56.2 percent from last year.

The rand has fallen from 15 to the US dollar in December 2021 to 17 this week as the South African central bank, along with its counterparts across the world, discussed further interest rate hikes—a move that will exacerbate the economic crisis engulfing the already heavily indebted country.

South Africa is the most unequal society on the planet. A staggering 33 percent of workers have no jobs, the third-highest unemployment rate in the world, while 30.3 million of the country’s 59 million population live in poverty and 13.8 million face food scarcity. The government’s response to the COVID-19 pandemic that saw more than 102,000 people lose their lives—if official figures are to be believed—served to exacerbate social and economic suffering.

All this has earned Ramaphosa the undying hatred of South African workers, to the extent that hewas booed off the stage by striking gold miners at Sibanye-Stillwater at this year’s May Day’s rally in Rustenburg, the centre of the country’s mining region, where he was COSATU’s guest of honour. There have been strikes and protests over the skyrocketing cost of living, power outages for up to 10 hours a day and widespread unemployment that have made living conditions intolerable, forcing COSATU and the South African Federation of Trade Unions, two of the largest trade union federations, to call a “mass stay away” of non-essential workers in August demanding the ANC take action.

Ramaphosa was initially set on resigning following the scathing outcomes of the parliamentary report on the game lodge cash, but made a U-turn, apparently after discussions with his legal team and close allies, who fear both a social explosion and the loss of their own privileged positions if he is ousted.

Even if he survives a parliamentary vote, his position is widely seen as untenable, precipitating elections for a new leader at the ANC meeting later this month and for the presidency by the National Assembly. The South African rand has fallen sharply amid fears of the instability that could hold back the “reforms” demanded by the international financial institutions and markets as the country’s debt rises to 84 percent of GDP.

The entire trajectory of the ANC, and its trade union and South African Communist Party partners, serves as a devastating indictment of “black economic empowerment” and their programme of pro-capitalist and anti-working-class politics. It demonstrates the need for an entirely different political perspective and programme as workers around the world come into struggle against the capitalist class.

The International Committee of the Fourth International (ICFI) urges the construction of rank-and-file committees in workplaces, coordinated nationally and internationally through the International Workers Alliance of Rank-and-File Committees to give political and organizational expression to the developing global movement of the working class, and the building of a South African section of the ICFI to give political leadership to the international struggle against capitalism and for socialism.

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