



## Understanding the Phenomenon of “State Capture” in South Africa

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### **Abstract**

In recent years, South African newspapers routinely carry stories about corruption. Such corruption has become increasingly institutionalized leading to the phenomenon of state capture. This is where individuals or groups operating in the public and private sectors influence government policies for personal advantage. This paper provides instances of state capture and how this negatively impacts on broader governance as well as society at large. The fact that such state capture is occurring at a time when the South African economy is slowing down is particularly troublesome since it means that more people are getting less and is ground for concern for the future political stability of the country. The paper concludes with some key recommendations on how this dangerous trend can be reversed.

### **Introduction**

In recent times the concept of *state capture* has become very popular in the political and economic arena of South Africa. It was particularly the close affiliation between the President of South Africa, President Jacob Zuma and the Gupta family that stirred up great concern about the South African state facing a possible state capture. Many analysts, however, argue that the notion of state capture has long been part of the dealings of the ruling party, the African National Congress (ANC), but has been concealed by the fact that the South African state has not been regarded as a failed or failing state. This is primarily because the ANC government is still able to exercise full administrative control, maintain some degree of peace and is able to consistently provide public goods to its citizenry (Jonas 2016: 16). However, it has also become evident that South Africa, under the administration of the current government, is both internally and externally falling apart. Exports are falling, commodity prices are falling, and the rand has slumped. The economy shrank by 1.2 percent in the first quarter of 2016 alone: it is now only the continent’s third largest. Unemployment is at 26.7 per cent – an eight-year high – and business confidence is at its lowest for more than two decades (Hartley 2016: 1). Additionally, the assassination of political affiliates within the ANC during the municipal elections has shown that political power has become an important element in South African politics (Sutch 2015: 9). Moreover, political power is seen as a mechanism that can be used to extract financial benefits

from the state, and not necessarily to foster an environment where the needs of ordinary citizens are met. This indicates that power is interest driven, meaning that the South African economy is becoming increasingly centralised, where only a small segment of society is benefiting from it.

The emergence of debates, discussions and engagements pertaining to state capture and patronage networks in recent months, requires us to critically examine the potential effects that such networks have on the South African State, the economy and the society at large. Moreover, to understand the repercussions of not dealing effectively with issues of such nature should also be considered and should be dealt with in a coherent and direct manner. With this being said, the main aim of this study is critically analyse *state capture* in the South African context.

The first section of the study will consist of an introduction to the study, followed by a theoretical framework on state capture. Section two will briefly look at the ideological structure of the African Congress in the post-2008 era. Section three is the heart of the study, where various cases will be critically examined to highlight instances of state capture in the dealings of state affairs. Section four will discuss the future of the South African State pertaining to its political and economic landscape. Section five will discuss concrete solutions on how to reverse corruption and patronage within the South African state. The paper will end with the concluding remarks and a list of references

### **Theoretical framework: state capture**

According to Sutch (2015: 2), state capture can be defined as the actions of individuals or groups both in the public and private sectors, influencing the formation of laws, regulations, decrees and other government policies to their own personal advantage. It is important to note that when discussing state capture, the state and the economy cannot be conceived as two separate entities. Economic and political power is therefore fused. State Capture comes in many forms. Firstly, at one end of the spectrum, it can occur in terms of an individual or family that exert control over both the state and the economy. Other forms include the development of oligarchies with a quasi-feudal structure of dependents or a complex range of networks with more equal and reciprocal relations. This is especially the case where laws and institutions become the product of corrupt transactions so that what counts as legality is itself a function of corruption (Sutch 2015: 5).

It is apparent to note that state capture undermines the efficiency of the state, especially where there is a direct relationship between state capture and corruption. This primarily happens when a state is paying more than it is supposed to for outsourced goods and services. State capture also undermines the efficiency of the state. This happens through poor quality services and public goods being delivered by patronage networks but less than capable service providers, through fiscal resources being redirected away from public goods provision for the poor or from value-adding economic endowments towards servicing some or other patronage network; and by weakening state capacity through appointing pliable but less than capable people in key positions, especially in finance procurement and political bearers (Whelan 2016). Jonas (2016) asserts that the most important element state capture takes away from a state, is its legitimacy. This happens

through governance systems and rules being flouted with, leading to a lack of transparency and accountability within the structures of the state.

### **The African National Congress’ ideology in the Zuma era**

For over 100 years there were moments in which South Africa’s ruling party, the African National Congress (ANC), and its leaders, were able to speak to and for the nation with the resonance and moral authority that comes from matching the right words with the right actions at the right time. And where there was a lack of political innovation, the party’s organisational strength enabled it to absorb much of what had been achieved by independent initiative. This in many instances allowed the ANC to renew itself and to sustain its vitality and connection to present and moral authority.

However, by the end of 2015, the ANC’s claim of representing the nation had rapidly eroded, with the President of the ANC, Jacob Zuma, becoming a particular liability. It was the debacle around the dismissal of former finance minister, Nhlanhla Nene that influenced many South Africans to conclude that the president is unashamedly willing to place his own interests before that of the nation’s (Whelan 2016: 4). The situation in the country has since worsened in which the first half of 2016 was marked by a floundering economy, an escalation in popular protests, declining trust in the president and entrenched conflict within the ANC with the upcoming local elections. The ANC’s ideological principles of non-racialism and the National Democratic Revolution (NDR) have often been criticised for being an empty rhetoric. These principles basically entail the establishment of national democratic revolution which will overthrow the colonial state and establish an untied, democratic and non-racial South Africa. The main content of this revolution is inspired by the national liberation of the African people, and has become the cornerstone of South Africa’s democracy and a core principle of the ANC (O’Malley’s 2014). However, analysts concur that such principles carry very little weight as these are routinely spurned by the very individual(s) that are supposed to uphold them (Cordeur 2016).

It also became evident that as much as the ANC’s National Development Plan highlighted a new long-term macroeconomic path, which received much optimism, the real issues such as corruption and the high levels of unemployment are not directly dealt with. This point is reiterated by Pithouse (2016), in which he argues that no sense of adequate measure had been taken of the country’s situation, difficult decisions made and new commitments affirmed. In other words, the ANC remains subtle about the necessity of increasing funding for territory education and the growing public refusal to overt expressions of racism amongst others. The ANC’s National Development Plan therefore remains an empty rhetoric.

According to Pithouse (2016), the cynical conflation of state power with people’s power is a clear indication that the ANC remains committed to containing the escalating crisis by centralising power rather than seeking to resolve it by dispersing power. This directly contradicts with one of the core ideological principles of the ANC, where governance should uphold the values of democracy, in which power is centred on creating a better life for all South Africans.

## **State capture in the South African context**

According to experts observing the political and economic situation in South Africa, there is nothing new about the state capture – it has always been the ANC’s openly proclaimed and profoundly unconstitutional policy to capture the state, with the aim of promoting the party’s own political and ideological interests (Claymore 2016). To a great extent, the ANC has diligently pursued this goal and succeeded in seizing virtual control over all levers of the state, with exception of the Judiciary, the Office of the Public Protector and perhaps the Independent Electoral Commission (IEC). What alarms the broader society, however, is the extent to which the elements of the state have been captured by President Jacob Zuma and those who surround him, for the promotion of their own personal wealth, and not that of the African National Congress nor the nation at large.

## **Loyalty over competency**

The capturing of the economic and political segments of the state became institutionalized when Pres. Zuma took office in 2009. The availability of various vacancies served as a golden opportunity for Zuma to seize control over key state institutions by placing political loyalty above competency. This point is not an empty rhetoric, as it speaks directly to the various high profile jobs given to some of his most loyal cronies. For example, Siyabonga Cwele was appointed as the then intelligence minister, with Bheki Cele as Commissioner of police in July 2009. Moreover, another loyal lieutenant Menzi Simelani, was appointed as national director of persecution. Shortly before taking office in 2009, Zuma publically stated that the status of judges of the constitutional court needed to be renewed because *they are not God* (Business Times 2009). Even here Zuma showed optimism to capture the Constitutional Court, and this too is not an empty rhetoric. Incidentally, Zuma overlooked Dikgeng Moseneke as Chief and Justice, in favour of Sandile Ngcobo, with the aim of oppressing state powers leaving no room for independence and freedom of speech (Hartley 2016: 11).

More recently, the President has taken a somewhat feudal approach to South Africa’s political and economic landscape. The reality is that for some time now, South Africa has been under the management of a powerful and wealthy family, the Guptas. According to Shivambo (2016), the Guptas have established a solid network in the ANC with disproportionate influence in the procedures of the ruling party and that of the state at large. Moreover, the Guptas run South Africa’s state machinery in a manner that benefits not only themselves, but also their alliances, commonly referred to as the *Premier League*, at the national and provincial levels of the state. The Premier League consists of Premiers in the North West and Free State provinces among others, Ministers and Chief Executive Offices of state-owned companies (Cordeur 2016). The Guptas have emerged as one of the latest capitalist oligarchies seeking to capture tenders in the state, especially in state owned enterprises in the country (Hartley 2016).

The replacement of Ngaoko Ramatlhodi with Mosebenzi Zwane as Minister of Mineral Resources in 2015 was strategically influenced by the Guptas. Purportedly, Zwane is involved with the Gupta family which has extensive interests in the mining sector (Business Times 2015).

In his previous role as MEC in the Free State, Zwane served the Guptas interests through a dairy project which the provincial government paid millions for, but never materialised (Shivambu 2016). Since his appointment, South Africa’s once-vaunted mining sector has been destroyed by clumsy state intervention implemented by the Guptas aimed at benefiting the family and rewarding Zuma’s cronies (Hartley 2016).

In December 2015, Zuma shocked the entire nation, including the internal structure of the ANC, when he dismissed former Finance Minister, Nhlanhla Nene from office, and replacing him with Des van Rooyen. In order to make sense of the President’s decision, it becomes crucial to understand the connections between Van Rooyen and Zuma, prior to his decision. Mr. van Rooyen and Pres Zuma worked together in the Mbokodo exile camps in the late 1980s as *Umkhonto we Sizwe* (MK) operative and soldier. Additionally, van Rooyen is not an elected leader of any organisation, but a political extension of North West Premier, Supra Mahumapelo, who is as corrupt as Ace Mangushule and Jacob Zuma himself. According to Winkler (2016), this was a strategic move by Zuma, because just like Mangushule, Zwane and Mahumapelo, it became critical for van Rooyen to extent into a senior cabinet position, with the aim of strengthening their criminal syndicate. In defence of appointing a new finance minister, the President asserted that Van Rooyen is a loyal *comrade* and was the most qualified individual for this position (Marrian 2016).

The President’s decision however had a dire impact on the economy; the rand plummeted against the dollar and European currencies. It emerged that Zuma’s business connections with the Gupta family influenced this decision. Initially, Zuma was approached by Russia to build a 9,600 MW nuclear procurement programme in South Africa, by which the Gupta’s would supply the uranium. The nuclear programme’s estimated cost was between R800-billion and R1.6-trillion (Business Times 2015: 16). The Treasury Department greatly opposed this initiative, as it became evident that this nuclear programme was glowing with controversy. It became clear that Zuma assumed personal control of the nuclear programme, which has been characterised by secret meetings; undisclosed documents and classified financial reports, deceit and aggressive campaigning (Rand Daily Mail 2015). Former Minister of Finance Nene, described this initiative as a *national suicide*, arguing that it will make no sense to have a nuclear plant while the economy is growing at less than 2 percent per annum, and the unemployment rate at 27 percent at the time (City Press 2015). Additionally, tensions between Nene, and the South African Airways Chair, Duduzile Myeni, a close ally of the President, also influenced Nene’s dismissal after he rejected a proposal from the SAA board to restructure a re-fleeting transaction with Airbus. The Gupta’s purportedly orchestrated this move behind the scenes, with the aim of capturing South Africa’s airline (Shivamba 2016). It can thus be argued that Nene’s dismissal occurred due to his reluctance to comply with illegal instructions made by Zuma’s and his alliances both in business and state-owned enterprises.

It was these incidences that brought Zuma’s strategies of bending state institutions outside of the security realm to his own will to the fore, and it became evident that his shadow security state came into conflict with SA’s constitutional democracy. Moreover, analysing these incidents

indicates how Zuma aimed at cowing the security, economic and political apparatus of the state, closing down the space for free expression and subordinating state institutions to his own political will. Corruption and patronage is thus at the forefront of Jacob Zuma's Presidency.

### **State capture at the municipal level of government**

Patronage networks and illegal dealings have infiltrated the local government so much so that it becomes impossible not to believe that Zuma intentionally appoints people with criminal knowledge and expertise to perform his illicit dealings and run patronage networks, and in turn not face the consequences of their actions, because they have the president in their corner. Free State Premier, Ace Magashule is one of Pres. Zuma's most important and consistent allies. He has been allowed to run the Mangaung Municipality as his own private empire, in return for loyalty to the president (Mail and Guardian 2015: 16). In addition, Magashule has been associated in a catalogue of corruption cases, most notably the R 570 million Vrede Dairy Project and the Letlaka Media scandal, in which millions of taxpayer's money was used to fuel his patronage networks (City Press 2016).

More recently, South Africa's Minister of Water Affairs and Sanitation, Nomvula Mokonyane, is being investigated by the Public Protector after delaying the South African Lesotho Highlands Water project. Allegations of the Lesotho Highlands Water Project being captured by politically connected businesses has gained ground earlier this year. The minister is said to have personally intervened to delay the project by a year to enable the involvement in the lucrative project of LTE Consulting, a company with which she has a long-standing relationship and which is a generous funder of the ANC (City Press 2016: 14). This firm has been awarded R 5 billion worth of tenders in the past year, funded by South African taxpayers. From these cases it becomes apparent that power is not captured to build a home for the millions of people living in informal settlements, provide water nor to invest money into territory education, but to benefit from state coffers. As result, millions of ordinary citizens at grassroots level suffer dire consequences.

As noted earlier, the capturing of power, whether in terms of the economy or state institutions, is for self-enrichment and not necessarily for serving the people of the country. This phenomenon has become very problematic within the structures of the ANC, so much so that members have killed each other for the acquisition of power. In the 2016 local elections, for example, 14 ward councillors (ANC members) were assassinated, not by their opposition, but by other ANC members (City Press 2016: 17). Analysts concur that the control of resources such as municipal vacancies, and tenders are at the heart of these killings. Additionally, the Business Times (2016) noted that these murders are also as a result of councillors running for positions within the ANC to mobilise themselves and overthrow the current leader of the ANC, as such, these councillors are seen as a threat to the patronage networks of the state, and therefore eliminated. Even more problematic, if ANC members and its alliance partners speak out against state capture, they risk their lives. Consequently, it is therefore not so much the external variables such as civil participation within local government that will determine the future of South Africa,

but rather the internal variables such as corruption and patronage processes that will determine the fate of the country. As Pithouse (2016), noted earlier, the ANC remains committed to escalating issues of corruption due to centralising power, rather than seeking to resolve it by dispersing power. It is therefore safe to say that South Africa has emerged from a peace economy where economic, political and cultural institutions functioned together to resolve conflict and inequality, to a war economy where corruption, illicit dealings and patronage networks have become the order of the day. South Africa’s war economy is sustained by one individual, Jacob Zuma, who has successfully captured the entire apparatus of the state. As such, Jacob Zuma will stay in power, as he has secured his position by appointing his most loyal allies in top positions in state institutions who are benefiting immensely from his rule. It can thus be argued that unless Jacob Zuma steps down as president before his term ends in 2019, South Africa might face a possible state failure.

### **How long will the South African state survive?**

The patrimonial nature of the ANC has dramatically shifted in the past two decades, with two major factors playing a pivotal role. Firstly, the increasing salience of ethnicity within the ANC becoming more rooted in KwaZulu-Natal through its absorption of much of the IFPs peri-urban support base. Incidentally, Zulus constitute the largest voting bloc at ANC conferences and occupy key ministries in Zuma’s cabinet (Malan 2015). And secondly, is the fact that since the high-point of the party’s electoral successes, its erstwhile support base in major metropolitan areas, including Tshwane, Johannesburg, and Port Elizabeth, as revealed in recent provincial and local elections, has weakened (Business Times 2016: 14). With this being said, it becomes increasingly crucial to understand these trends, and what repercussions they might hold for the future of the South African state.

According to Johnson (2015: 14), South Africa is no longer governed – at least in any reasonable sense of the term, and certainly not well governed. Moreover, he argues that the consequences of the ills committed by the South African government are likely to result in a major economic crisis, which will need bailing out from the IMF. Such a bailing out will have a dire impact on the lives of those citizens at the margins of the state. As earlier established, the source of South Africa’s woes, if they can be called that, lies within the structures and history of the ANC. It is no secret that the ANC is highly regarded for the pivotal role it has played in the Liberation Struggle of the country. Yet two decades later, the party is labelled in the words of Arts Bishop Tutu, *twice the giant it once defeated... the ANC has failed the people of South Africa* (Mail and Guardian 2015: 17). Furthermore, Johnson (2016: 24) asserts that the ANC is no longer a party sold out for justice and prosperity for the people, but one that is drenched in corruption, rent seeking and inevitably squabbles over the distribution of patronage.

A major factor that will determine whether the South African state will survive or not, is the growing patronage networks within the ANC and the inefficient non-meritocratic behaviour that commonly operates within the party. More worrying, is how the leader of the ANC, Jacob Zuma, has weakened the independent powers of the state as seen earlier. According to Johnson (2015:

40), a string of warlords and patronage lords are running the provinces, and below them, a new class of black businessmen and government mandarins who work together to divert state resources into their pockets. This predatory elite can feed its voracious appetite only by redistribution away from others, in the process impoverishing everyone but itself. This phenomena as it already stands at this point in time, is the main cause of many societal problems within the South African state.

Many economists agree that the distortions within the South African labour sector have impeded both economic growth and the alleviation of poverty in the country (City Press 2015: 17). The creation of a *labour aristocracy*, whose members are beneficiaries of the crucial political support their unions provide to the ANC, has made it extremely difficult to generate employment for the society at large. The rise of the unemployment rate and the lack of economic growth, is one off the major factors that will determine the fate of the South African state. Echoing on this point, Johnson (2015: 45-48) suggests that South Africa, under the governance of the ANC, the country is slipping backwards, and the possibility that the country falling into a possible civil war, cannot be overlooked. According to Johnson (2015: 87), the outbreak of a possible civil war is triggered by factors such as the shrinking of the manufacturing and mining industries due to incompetency and corruption. The only sector that is still showing growth is the public one, where civil servants earn large salaries, and do little in return. This is primarily the case in terms of South Africa's education system. Surprisingly enough, South Africa's education system is funded at the highest level in the developing world, but produces the second poorest math and science results on the entire planet (Business Times 2014: 18). More devastating, South Africa's tertiary institutions are barely surviving, receiving government funding at 0.8% of GDP, which is below global standards (Business Day Live 2016). As a result, the feasibility and sustainability of universities are at risk, and, according to Jansen (2016), if the government continues showing reluctance in investing more money into this sector, by the year 2020 some of South Africa's prestigious universities, will be mere education colleges. In addition, the millions the government is spending on social grants and civil servants salaries, is not sustainable in the long term, especially with economic growth at zero percent and unemployment rate at 27 percent. The future of South Africa doesn't look so bright.

Analysts assert that the only possible solution for South Africa at this point in time is the appointment of a new governmental structure. South Africans can either choose to have an ANC government or choose a modern industrialised economy, they cannot have both. Economic growth cannot be conducive or be sustained in an environment crippled by corruption, cronyism and greed (Daily Maverick 2016).

### **How can state capture be reversed in the South African state?**

It has become clear that Jacob Zuma has extended power by employing loyalists to control all state institutions in order to put his own interests ahead of that of the nation's. The rationale is that when the network (loyalists) keeps Zuma in power, he will protect and reward them in office. Eventually all state institutions have become tools in the hands of the ruling network, including



the judiciary, prosecuting authorities, the police and the army. Instead of protecting citizens against the abuse of power, these institutions become an extension of the president’s corrupt rule. This is the very reason why South Africa’s constitutional democracy of South Africa has failed tremendously. A need therefore arises to put strategies in place to reverse, if not, fix the problem of state capture in the South African state.

### **The decentralisation of power**

The centralisation of power and the capture thereof by the president of the ANC and the country, has been highlighted throughout this study. The ANC has held power for more than two decades and failed tremendously in effectively implementing it into concrete solutions for the many societal problems that the country has faced in the post-Apartheid era. As noted by Pithouse (2016), the ANC instead confused state power with people’s power which led to escalating crises, as power became centralised within the governing structures of the state. The outcome of the recent local elections might be a solution to this phenomena as parties have shown great anticipation to opt for coalition governing structures in South Africa’s most strategic economic hubs (Hunter et al. 2016). Consequently, the focus will not so much be on centralised power, but the decentralisation of it. In this way, power will not just be vested in the ANC, but in a number of parties, to deliver services, enhance economic growth and provide employment to the people. Accountability and transparency is therefore more likely in a denaturalised democracy than a centralised one. It can also be argued that the one party system is not sustainable in the long term, especially given the fact that the country has emerged from such a brutal past which makes such a party almost impossible. South Africa has again come to a crucial point where political parties have to put their differences aside and work together in creating a conducive environment where the needs of ordinary South Africans are met.

### **Combatting state capture from the inside out**

It is no doubt that Jacob Zuma and his Premier League are the rotten apples within the ANC. It has become evident that Jacob Zuma has successfully institutionalised corruption within the core structures of the state. Moreover, his voracious appetite for power and control has crippled both the economic and political levers of the state. His close affiliation with the Gupta family and his strategic moves of patronage in capturing the state, have been rejected by the ANC and the nation at large. It has already become apparent that the nation is not too optimistic about Zuma’s position as president of the country and the ANC and this is reflected in the growing decline in support in the provincial and municipal elections respectively. The resultant crisis that the country was plunged into was clearly an indication that the removal of the Former Finance Minister, Nhanhla Nene, was not about the interests of the people. Echoing this point, ANC elder and Rivonia trial survivor Ahmed Kathrada, published an open letter appealing to President Zuma to submit to the will of the people and step down as president of the country (Fin24 2016). In addition, the increased tensions and discontent within the ANC implies that an *inside out approach* needs to be followed to fight corruption and patronage from the inside. The role of

Deputy President of the ANC, Cyril Ramaphosa, Finance Minister Pravin Gordhan and perhaps the Secretary General, Gwede Mantashe including the ANC National Executive Committee (NEC) will play pivotal role in forging the removal of Zuma and his cronies from power before the 2019 National Elections. Moreover, the party should embark on numerous internal programmes to reverse the decline, including tackling corruption and stabilising state-owned enterprises. Collective action from the internal structures of the ANC is crucial in combatting state capture and corruption. As reiterated by Johnson (2015), the removal of Mr. Zuma is not a matter of choice, it is a necessity. No country can thrive economically in an environment marked by institutional decay. The internal structure of the ANC thus have to choose between an industrialised economy or a corrupt leader that is running a criminal syndicate with state resources .If the ANC wishes to stay in power, it has to work together with the people of South Africa, by pressurising the internal removal of politicians and leaders that indulge in corrupt behaviour and unashamedly steal from the poor.

### **Creating structures outside the state to reverse state capture**

The World Bank and the International Monetary Fund (IMF) have played a pivotal role in assisting countries in constructing structures and institutions outside the state to combat corruption. The purpose of such structures is to enjoy administrative autonomy to prosecute offenders, investigate crime, review judicial processes, and charge judges and courts of justice for penal law infractions (IMF 2015). However, these frontiers must be approached with great caution and with careful monitoring of implications on the ground.

In South Africa, for example, Corruption Watch has been established in 2012 as an independent non-governmental organisation, with the purpose of combatting corruption with the assistance of the public (Corruption Watch 2015). The importance of such apparatuses is crucial in South Africa, as it has become apparent that the government is not a reliable structure to eradicate corruption. Additionally, policies of anti-corruption and active enforcement is important for the means of deterring and ending corruption. There is certainly a vacuum for such structures and policies in the South African society to mobilise and act against state capture. Such institutions can demand openness and inclusive governance at all levels of the state, as the secrecy of law enforcement and the capturing of state institutions by powerful leaders initially created a fertile ground for financial crimes to be committed in the first place. Independent organisations combatting corruption should not entirely focus on creating transparency within governmental institutions but similarly those intermediaries such as law and accountancy firms in the private sector as well as cooperate service providers who work directly with government institutions, as it has become evident that these actors too facilitate financial crimes.

What is however extremely difficult in South Africa, especially in the role citizens play in reporting corruption is that they risk their lives when they do so. This point is reiterated by SACP second deputy general Solly Mapaila, when he asserted that members of the public, the ANC and its alliance partners who speak out against state capture may be risking their lives (News24 2016). Moreover, he accused "factions" in the ANC for fuelling attacks on the party's members

and on ANC meetings. As such, many citizens are discouraged to speak out against corruption. With this being said, it becomes a necessity for effective laws to be articulated and implemented to protect whistle-blowers from potential threats. Chairperson of Corruption Watch South Africa has similarly placed emphasis on this point, and asserted that it becomes extremely difficult for such laws to be implemented when those orchestrating and institutionalising corruption need to give authorisation for such processes to occur (Corruption Watch 2016). As such, it becomes important for organisations outside the state to work hand in hand with the Office of the Public Protector to cooperate and exchange information to deter and detect corruption and state capture. Moreover, establishing sectoral coordinating structures and a national coordinating structure (the National Anti-Corruption Forum) to coordinate, monitor and manage the national anti-corruption programmes in the country. As it stands, the Office of the Public Protector is one of the few state institutions that still operates independently from the influence of Jacob Zuma and his criminal syndicate.

## **Conclusion**

From the above it is apparent that state capture has to a great degree infiltrated into the core structures of the state. It is also apparent that corruption has become institutionalised within the ANC, with the president, Jacob Zuma, taking the lead. This is reflected in the fact that Zuma has appointed some of his most loyal cronies in strategic state institutions with the aim of suppressing the independence of these institutions. Moreover, the Premier League, as it is commonly referred to, supports the ANC in exchange for Zuma’s support, and in turn steals state resources. The presence of the Guptas and their close relationship with President Zuma has been highlighted with great discontent. It has become evident that this family has systematically benefited from Jacob Zuma’s rule in which their own private interests have significantly influenced the state’s decision-making processes. This point directly speaks to the following incidents: Appointing Zwane as Minister of Mineral Resources and the dismissal of Nene and strategically replacing him with van Rooyen. The Guptas have thus emerged as one of the latest capitalist oligarchies seeking to capture tenders in the state, especially in state owned enterprises in the country

The behaviour of cronyism and greed has infiltrated to the Municipal sphere of government. The capturing of power here, whether it in terms of the economy or state institutions, is for self-enrichment and not necessarily for serving the people of the country. This phenomenon has become very problematic within the structures of the ANC, so much so that members kill each other to benefit from government tenders and contracts. This variable implies that South Africa has successfully emerged from a peace economy into a war economy marked by increased patronage networks. As a result the political and economic landscape has been tainted. The economy is in decline, unemployment rate is above 27 per cent and the first half of 2016 has been marked with protests in the public sector. The public sector is the only one that is currently in growth, however this growth is not sustainable due to incompetency and corruption. The outbreak of a possible civil war is hovering over South Africa and according to Johnson (2015),

all variables for the outbreak of such a catastrophe are present in the country and that it is only a matter of time.

It is no doubt that the source of South Africa's woes lies within the internal structures of the ANC. It is also becoming increasingly evident that the ANC's ideological principles of non-racialism and the National Democratic Revolution carries little weight when the very same individuals that are supposed to uphold them routinely trample over them for self-enrichment. It therefore becomes crucial for aggressive action to be taken to ensure that those benefiting from state offers to be removed. Moreover, the ANC has to come to terms with the reality that Jacob Zuma and his criminal syndicate is not effective nor sustainable especially when ordinary citizens are bearing the consequences. Moreover, the party has to appeal to building an industrialised economy and provide employment for the vast masses, or appease a leader and his loyalists who stand in the way of a better future for all South Africans; they can unfortunately not have both.

However, reversing State Capture within the South African State remains a priority, but it is also important to note that it is extremely difficult to overcome state capture especially because it has been institutionalised in the core structures of the state. It is therefore an ongoing process that needs to be approached with caution and needs to be carefully monitored.

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