



Political and Bureaucratic Corruption During President Jacob Zuma's First Term
in Office: Causes, Consequences and Measurements.

By

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Declaration

I, Godslove Zama Asanda Zindela, declare that:

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Dedication

I dedicate this dissertation to my precious daughter, Philasande Siphokazi Zindela; she has been a motivating factor throughout my postgrad studies.

My grandmother, Ms E Cele who by God's grace has lived to see me be the example she always believed I would be (Ngiyakuthanda salukazi sami).

I also dedicate this work, in loving memories, to my grandfather Mr B Zindela (*the late*), my aunt, Ms Fikile Zindela (*the late*), and my uncle, Mr Bonga Zindela (*the late*). I wish you would have lived to see me become the young lady I am today and be proud to call me your child (I will always love you).

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Abstract

Political and bureaucratic corruption is at the core of the South African political debate in the current juncture. The suggestion that there has been failure by government to deal with political corruption is popular and critics of the ruling party have been vocal in that regard. The effectiveness of the constitutional measures to curb political corruption has also been frequently questioned in South Africa. What triggers this research is the desire to ascertain whether corruption levels have changed during President Zuma's tenure. Using qualitative methods of research which involves examining, analyzing and interpreting various secondary data, this study focuses on current South African affairs, particularly President Zuma's tenure, exploring the root causes and examining the consequences of political corruption. Establishing the causes and consequences of corruption is of much importance in the study of corruption as remedies for reducing incidences of corruption stem from such studies. While measuring corruption has proven to be a challenging task in the study of corruption, the need to further interrogate the methods of measuring corruption is significant for understanding and testing theories related to corruption. To achieve its objectives, this dissertation looks into incidences or cases of political corruption in South Africa during President Zuma's tenure in order to establish the damaging effects of political corruption as well as the effectiveness of the government in dealing with such cases.

List of abbreviations and acronyms

ADS	African Defence Systems
AG	Auditor General
AIDS	Acquired Immune Deficiency Syndrome
ANC	African National Congress
ANCYL	African National Congress Youth League
APRM	African Peer Review Mechanism
ARF	African Renaissance and International Co-Operation Fund
BPI	Bribe Payers Index
CCB	Civilian Co-operations Bureau
CEO	Chief Electoral Office
CODESA	Convention for a Democratic South Africa
COSATU	Congress of South African Trade Unions
COPE	Congress of the People
CPI	Corruption Perception Index
DA	Democratic Alliance
DG	Director General
DIRCO	Department of International Relations and Cooperation
DOD	Department of Defence
DPW	Department of Public Works
DSD	Department of Social Development
EFF	Economic Freedom Fighters
ESCOM	Electricity Supply Commission
GCB	Global Corruption Barometer

GP	Gauteng Province
HIV	Human Immunodeficiency Virus
ID	Identity Document
HSRC	Human Science Research Council
IDASA	Institute for Democracy in South Africa
IEC	Independent Electoral Commission
IFP	Inkatha Freedom Party
INGO	International Non-governmental Organization
KZN	KwaZulu Natal
MK	Umkhonto WeSizwe
MP	Member of Parliament
NA	National Assembly
NCOP	National Council of Provinces
NDDP	National Director of Public Prosecutions
NEC	National Executive Committee
NGO	Non-governmental Organization
NIA	National Intelligence Agency
NP	National Party
NPA	National Prosecuting Authority
NYDA	National Youth Development Agency
NW	North West
PFMA	Public Financial Management Act
PP	Public Protector
PPPFA	Preferential Procurement Policy Framework Act
PSC	Public Service Commission

RDP	Reconstruction and Development Programme
SA	South Africa
SABC	South African Broadcasting Corporation
SACP	South African Communist Party
SANDF	South African National Defence Force
SAPS	South African Police Service
SARS	South African Revenue Services
SASSA	South African Social Security Agency
SCM	Supply Chain Management
SDPP	Strategic Defence Procurement Packages
SIU	Special Investigation Unit
TI	Transparency International
TRC	Truth and Reconciliation Commission
UDM	United Democratic Movement
UN	United Nations
UPF	United Peoples Front
WC	Western Cape
WFP	World Food Programme
YCLSA	Young Communist League of South Africa

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Chapter One: Introduction and Overview

1.1 Background and Outline of Research Problem

The subject of political and bureaucratic corruption is of international interest. Particularly in recent years, many publications have dealt with the issue of corruption. This may be due to the realization that there is a need to confront corruption worldwide as it has negative developmental and economic effects. Kalombo mentions that “bribery, extortion, fraud, kickbacks, and collusion have resulted in retarded economies, predator elites, and political instability” (2005: 03). Emerging democracies are most vulnerable to corruption due to the reconstruction of government institutions; additionally, leaders of liberation movement are inexperienced in the day-to-day running of the state. While corruption is a universal concern, Sub-Saharan Africa has been found to be the leading region in the world when it comes to corruption (Transparency International: Corruption Perception Index November 2012). The Africa Peer Review Mechanism confirms that corruption in South Africa is one of the country’s major challenges (Habtemichael et al: 2010). Additionally there has been an ongoing public outcry concerning corruption allegations within all levels (national, provincial and municipal) of government institutions.

Political and bureaucratic corruption has existed for as long as politics, it not a new phenomenon. It is “a cancer that gradually destroys a cultural, political and economic fabric of the society, which has not just occurred only in developing countries but also in developed ones”, but it is mostly found in developing countries (Phy, 2009: 20). According to Kalombo “corruption in Africa is not only a big blow to democratic efforts but also probably the biggest factor that holds back economic growth and undermines the democratic nature of the society” (2005: 03). The consequences of corruption mostly affect the poverty stricken sector of society because the poor rely on the state to elevate them to better living conditions. A situation where billions of tax money that is meant to be utilized for service delivery purposes, is used to enrich certain politicians and public officials is a very unfortunate situation. Corruption-enriched leaders and officials are spitting in the faces of the working class and all those who suffer the consequences of lack of effective service delivery. Corruption devastates the prospects of economic development; the lack of growth in the economy affects all other levels of development. The

literature has shown that the consequences of corruption are more damaging for the socio-economic development of a country than any other developmental obstacle. To combat corruption in government, there is a need to monitor corruption in order to identify problems and monitor results. Kalombo (2005) correctly claims that after attaining democracy, South Africa was “expected to lead to more transparency and accountability on the part of public officials in contrast to the old apartheid regime” (2005:04).

Ideally, post-apartheid, democratic South Africa was meant, among other things, to facilitate the reduction of corruption, to have a free and independent media and an independent judiciary as well as strong opposition parties (Werlin, 2007: 361). There have been many headlines in various media reports on political corruption by prominent politicians who subscribe to the ruling party, the African National Congress. A specific example can be found in the case of the late Jackie Selebi, a former anti-apartheid activist and the former South African ambassador to the United Nations (UN) and the head of Interpol. Selebi went on trial on the 5th of October 2009 after a court delay of close to 2 years (Laing, 2010). This senior member of the African National Congress (ANC) was accused of accepting bribes of 1.2 million rands from a tycoon, Glen Agliotti (Laing, 2010). In general, reports of corruption are corroborated by outcries from the opposition political parties, particularly the Democratic Alliance. Public opinion also suggests that there has been a failure by the government to deal with this endemic problem. This may be due to either lack of political will or deficiencies in the government’s anti-corruption strategy.

In September 1999, a concerned ANC member of parliament sent a memorandum to Patricia de Lille implicating the then Deputy President, Jacob Zuma, and other ANC officials in what was later called the arms deal scandal (Crawford, 2009:332). According to Feinstein (2009) this scandal refers to an agreement in which internal companies, including BAE Systems, bribed government officials and politicians with an amount estimated to be \$300 million. More recently, the former African National Congress Youth League (ANCYL) president Julius Malema, was “accused of making nearly R4 million from corrupt activities. He is out on bail of R10, 000 and faces charges of fraud, corruption, money-laundering, and racketeering” (Mabe, 2013). This case was postponed by the Polokwane High Court to the 3rd of August 2015. It is in this light that Hyslop (2005) suggests that since South Africa’s 1994 political transition, a major feature of the

country's post-apartheid politics has been the centrality of issues of corruption in public discourse.

Compared to his post-1994 predecessors, President Jacob Zuma's first tenure in office was marred by allegations of corruption. Therefore, this research seeks to investigate whether President Jacob Zuma's term has served as a concourse for political corruption. To put corruption during Jacob Zuma's presidency in a proper historical context, this research will begin by examining corruption during the era of apartheid in South Africa as well as during Nelson Mandela's and Thabo Mbeki's presidencies.

1.2 The Purpose of the Study

The main reason for conducting this study is the importance of the subject of corruption in the international community. The study is also motivated by the national call for good governance and administration. The researcher's own interest in the South African issues pertaining to political corruption and President Jacob Zuma's administration is another reason for conducting the study.

In the international agenda, the study of corruption has become of great importance due to the implications of corruption, especially for the international economy. The global community, in its quest to combat corruption has joined forces and created international organizations that monitor and evaluate corruption. This has assisted states to evaluate the extent of corruption within their borders. The evolving concept of corruption and the contestation involved with the concept in terms of definition makes it a crucial area study. Studying the phenomenon is of assistance in developing the literature and finding common ground in terms of understanding and explaining as well as developing suitable strategies to strengthen the fight against corruption.

In South Africa, corruption is rife as expressed in the CPI and APRM. What raises this researcher's interests in the subject includes the headlines about corruption on daily news feeds. Interest is also raised by the manner in which the cases that involve politicians and civil servants are handled. Apart from questioning the morals of those involved in corruption, one also questions the driving factors behind such acts of corruption. Moreover, there is not much scholarly literature on political and bureaucratic corruption in South Africa from the period of 2009-2014.

1.3 Objectives of the Study

Restricting itself to post-apartheid South Africa and to President Jacob Zuma's first term in particular, the objectives of this research are to:

1. Explore the causes of political and bureaucratic corruption.
2. Examine the consequences of political and bureaucratic corruption.
3. Explore different ways in which corruption is measured.
4. Ascertain whether corruption levels have changed during President Zuma's tenure.

1.4 Research Problems and Questions

These are the central questions for the study:

1. What are the root causes of political and bureaucratic corruption?
2. What are the consequences of political and bureaucratic corruption?
3. How is political corruption measured?
4. Has the magnitude of corruption changed or has it remained constant during President Zuma's tenure in office?

1.5 Research Methodology

In social sciences, qualitative and quantitative research methods of study are traditionally used. According to McMillan and Schumacher "the terms quantitative and qualitative are used frequently to identify different modes of inquiry or approaches to research" and recently "many researchers used mixed methods which combines characteristics of both quantitative and qualitative approaches to research" (2010: 11). There are fundamental differences in these approaches; however, they are both useful methods and a combination of them is more advantageous. The quantitative approach of study is based on some form of positivism, which assumes that there are stable, social facts with a single reality, separated from the feelings and beliefs of individuals. The quantitative approach to research "seeks to establish relationships and explain causes of change in measured outcomes"; it is also "an established set of procedures and steps to guide the researcher" (McMillan and Schumacher, 2010: 12). On the other hand, the qualitative approach "is based more on constructionism, which assumes that multiple realities are

socially constructed through individual and collective perceptions or views of the same situation” (McMillan and Schumacher, 2010: 12).

This study uses a qualitative research method which entails the systematic collection of information from both primary and secondary resources. Document analysis is particularly the approach that the researcher uses as a “systematic procedure for reviewing or evaluating printed and electronic documents (computer-based and Internet-transmitted) material” (Bowen, 2009: 27). According to Bowen “document analysis involves skimming (superficial examination), reading (thorough examination), and interpretation. This iterative process combines elements of content analysis and thematic analysis” (2009: 32). This means that the researcher mainly reviewed existing research, survey data, press releases, and relevant official public reports. This process ensured that historical insight and background information of the study is sufficiently established, while for the focus point of the study the researcher relied mainly on journal articles, survey, official reports and newspaper articles published within the 2009-2014 time frame.

The qualitative method of study ensures that the researcher collects adequate literature which will provide complex textual descriptions of political and bureaucratic corruption in South Africa during president Zuma’s first term of office. With regard to the study of corruption in South Africa, Kalombo explains that a qualitative research method is important because “it aims at establishing a historical background of political corruption and it provides an insight into how senior officials of both the apartheid state and the new administration were involved in dishonest practices resulting in large scale misappropriation” (2005: 21). The researcher went through the process of finding, selecting, making sense and synthesizing data contained on various documents. Thereafter, the data is “organized into major themes, categories and case examples specifically through content analysis” and described by Bowen (2009: 28).

MacMillan and Schumacher suggest that “qualitative research is more concerned with understanding social phenomenon from the participant’s perspective” (2010:12). Even though this method allows the researcher to include participants through conducting interviews, surveys and focus group, this particular study specifically uses corruption indices such as the Corruption Perception Index, Bribe Payer Index as well as the Global Corruption Barometer for comparative reasons. Corruption indices such as the Corruption Perception Index, Bribe Payer Index as well as the Global Corruption Barometer are used for comparative reasons. These indices are

produced by Transparency International, an international non-governmental organization that deals with political corruption. In addition, this study uses public reports from government offices such as Auditor General (AG) and the Public Protector (PP) to provide insight as to the number and nature of irregularities within public offices. These sources are supplemented by newspaper reports.

1.5.1. Data Analysis

In terms of data analysis Mouton explains “that qualitative analysis focuses on understanding rather than explaining social actions and events within their particular settings and contexts and that it focuses on contextual valid accounts of social life rather than formally generalizable explanation” (1996: 168). Mouton further explains that “qualitative researchers have had to develop new methods and strategies of analyzing, interpreting and understanding the social world” (1996: 168).

Thematic analysis approach is a useful and suitable strategy for data analysis in this study. The analytic approach is clearly explained by Richard Boyatzis in Lapadat as the “means of seeing, of finding relationships, of analyzing, of systematically observing a case, and of quantifying qualitative data” (2010: 03). According to Lapadat “thematic analysis is a tactic for reducing and managing large volumes of data without losing the context, for getting close to or immersing oneself in the data, for organizing and summarizing, and for focusing the interpretation” (2010: 03). The study defines the theory of political corruption; it also examines case of political corruption in South Africa. The study thereafter examines cases of corruption between the period of 2009 and 2014, to determine whether there has been a rise in corruption in South Africa.

1.6 Limitations of Study

The subject of corruption is generally sensitive and particularly challenging. Kalombo argues that “there are plenty of reports, histories and trial records exemplifying corruption in different countries, but corruption is not a subject that can be investigated openly by means of questionnaires and interviews”(2005: 41). One limitation is that there is no firsthand information, no survey or field work that has been done for this study. The researcher compensated for this limitation by consulting, analyzing and comparison of literature during this study. Measuring corruption remains the major limitation in the study of corruption.

As Johnston (2001) mentions, measurement of corruption poses a difficulty as corruption varies among and within societies and this has made it problematic for scholars to compare, to test hypotheses and to build sound and broad theories. Thus, corruption is difficult to identify and observe. Johnston (2001) alludes to the fact that there usually is knowledge that corruption exists but there are usually few eyewitnesses who prefer not to provide information. An activity that is usually undisclosed is hard to measure. Withholding information may be because witnesses are terrified to talk or they are paid not to talk; prosecutors may also be paid or intimidated to lose information.

Another reason why measuring corruption is deemed difficult is that “unbiased, hard data is difficult to obtain and usually raises questions with respect to validity” (Lambsdorff in Sampford et al, 2006: 81). Kalombo argues that “the construction of casual explanation of political corruption is hampered by the difficulty of measuring the frequency of corruption exchange” (2005: 41). The scarcity of information due to it being withheld is not the only factor as information given can also be misleading. Whistle blowers may lose their jobs for giving out information and some are silenced by means of payment. The issue of reliability of statistical information published by the indexes of corruption has been robustly questioned and subjected to much criticism. Kalombo, however, mentions “the assumption that corruption is an example of a phenomenon that was not quantifiable since there cannot be statistics on a phenomenon which by its very nature is concealed changed since the first publication of CPI in 1998 due to its remarkable growth in empirical research on corruption” (2005: 42).

Nevertheless, it is imperative to further review literature that seeks to explore the problem with the definition and measurement of corruption in order to formulate theories that are suitable for the study of corruption. Limitations can be overcome, for example, Kaufmann (2006) suggests that corruption can be measured by gathering informed views from different relevant stakeholders. This study, therefore, used this approach to overcome the limitations of measuring corruption. The study uses views from different nonprofit organizations and political parties. The study also utilizes media reports which are useful tools to measure corruption. Another way of measuring corruption mentioned by Kaufmann (2006) is by “tracking the country’s institutional features” which entails looking into processes within the government institutions that allow an opportunity for corruption. The study looked into the procurement system and budget

management (e.g. the tendering system in S A) to assess whether these allow opportunities for corruption. The study also looked into relevant departmental reports.

1.7 Overview of study

Chapter one has briefly introduced the topic of the study by outlining the background and research problem, the purpose of the study and research questions, objectives of the study as well as the method in which the study will be carried out. The overview of following chapters is as follows:

Chapter two provides a summary of the literature that gives an overview of political and bureaucratic corruption in South Africa during the period of 2009-2014. This chapter looks at the causes, consequences and measurements of corruption. This chapter also provides the theoretical framework that guides the study. **Chapter three** discusses corruption in pre-apartheid, apartheid and immediate post-apartheid era, that is, the eras of Presidents Nelson Mandela and Thabo Mbeki. **Chapter four** discusses corruption during the first term of President Jacob Zuma. **Chapter five** provides the conclusion for this study.

Chapter Two: Literature Review

2.1 Introduction

This chapter firstly outlines the principal theories upon which the study is constructed. The chapter then discusses literature on political and bureaucratic corruption that relates and is of significance to this study.

2.2 Theoretical Framework

Many scholars have attempted to define corruption; however, the term has no one definite meaning. Corruption is thus a contested concept. In the various definitions of corruption it has become clear that the state is always involved in corruption one way or another. In a general sense, political corruption refers to issues concerning use of official power to one's own benefit or to benefit one's connections. Like all other kinds of corruption it is seen as immoral, unethical, dishonest practice and behavior that lacks integrity. Amundsen observes that "the

decisive role of the state is also reflected in most definitions of corruption” (1999). He further explains that corruption is a particular relation between the state and the society.

Redistributive and extractive theories of corruption are two amongst many theoretical models that are used in explaining corruption. Both these theories “acknowledge that the state is always involved” in the process of corruption; and both these theories are “based on the assumption that corruption is a particular state-society relationship” (Oosterbroek, 2007: 14). Oosterbroek outlines that the state-society relationship is founded “on a mutual exchange of benefits where both the state and as well as the society draws some immediate and private benefits” (2007: 14). As Oosterbroek explains, the relationship of the state and society is not balanced. Oosterbroek further points out that if balance is viewed “in terms of aggregate flows, corruption practices will generate a flow of resources either from the society to the state (extractive corruption or corruption from above), or from the state to the society (retributive corruption, or corruption from below)” (Oosterbroek, 2007: 14).

According to Ogundiya, other theories in African politics that have assisted in the understanding of Africa’s dilemmas concerning corruption “include theory of two publics developed by Peter Eke, prebendalism popularized by Richards Joseph and Gurnall Myrdal’s soft state thesis” (2009: 283). Other theorists “have captured Africa as a rentier, Patrimonial and Neo-patrimonial state” (Ogundiya, 2009: 283). Ogundiya explains that, in the theory of prebendalism, “state offices are regarded as prebends that can be appropriated by office holders, who use them to generate material benefits for themselves and their constituents and kin groups” (2009: 284). He further explains that “patrimonialism means that the distinction between public and the private domains has become blurred and power, which has become a major source of wealth, has become personalized” (Ogundiya, 2009:284). Patrimonialism and prebendal politics continue to be instrumental in the debate of political corruption in African politics.

As described by Amundsen, in traditional patrimonialism “the right to rule is ascribed to a person rather than an office and exercised more through the informal clientelist and nepotist practices than through formal routes of authority” (1999: 08). Amundsen further explains that “relationships of loyalty and dependence pervade the formal and administrative structures, and leaders occupy bureaucratic and political positions less to perform public services than to acquire wealth and status” (1999:09). Amundsen clarifies that “politics is about acquiring wealth and

prestige through the system of prebendal accumulation, which has also been called parasitism and kleptocracy” (1999: 09). This means, according to Amundsen, that “public authority is used by the rulers to extract resources from the ruled and from the nation’s riches. Public office is used to enforce the collection of prebends and gifts of all sorts from the dependent clients” (1999:09).

This study will rely on both extractive and redistributive theories of corruption. Amundsen explains that in the theory of redistributive corruption “the state is the weaker part in the previously described state-society relationship” (1999: 06). The state is weak, according to Amundsen, because “organized groups (social or economic) or individuals within society possess sufficient power to draw more benefits from the corrupt practices they engage in with the state” (1999: 06). The main beneficiaries of corruption in this theory are “the different social and economic groups within the society and resources are usually distributed according to the different power configuration that exists within each country” (Amundsen 1999:06). Phy (2009) clarifies that the state becomes the loser of the game in this particular theory and its regulating capacity becomes weakened. This is due to the fact that when “the beneficiaries benefit from the corrupt activities by being able to buy national and public resources cheaply, or gain exceptions, privileges, immunity or impunity through corruption in the form of kickbacks, bribes and so on, the state is gradually destroyed because the state lacks the capacity to extract taxes and render public services” (Phy, 2009: 21). This kind of corruption adversely affects the poor because the state becomes ineffective and lacks capacity to deliver basic public services such as education, health, and other social services.

In South Africa, the ruling party is the dominant party which means it dominates policy making within the executive, the National Assembly (NA) and the National Council of Provinces (NCOP). Cadre deployment and party patronage are among the ANC’s strategies to safeguard the interests of the organization. Kopecky argues that “party patronage can be seen as one of the ways through which political parties try to rent-seek within the state and exploit state resources for the purpose of party building and party organizational survival” (2011: 713). Kopecky further argues that “obtaining a high-profile job in state administration can merely be the first step for illegal personal enrichment of party politicians or their supporters; controlling key state positions, for example in the police apparatus, can also be used by parties to prevent criminal

investigations into their questionable funding” (2011: 717). Cadre deployment by the ruling party to strategic government positions is one way that the organization infiltrates the state, and the state is used to cater for the interests of the organization as well as individuals within the organization. A Human Sciences Research Council (HSRC) researcher is cited by Areff, asserting that “the ANC deployment strategy systematically places loyalty ahead of merit and even competence and is therefore a serious obstacle to efficient public service” (2012: 12, July). Hyslop supports the view that even though “there were many forms of endemic corruption in the old regime, new ones have been layered on them” (2005: 775). The ANC “believes that the neglect of cadre policy is at the centre of most of the current weaknesses and challenges faced by the movement in the post-1994 era” in a policy conference held prior to the 53rd National Conference reaffirmed “the perspective that the revolution will only succeed if the movement continuously produces a contingent of cadres who are conscious, competent, committed, disciplined and conscientious” (African National Congress 53rd Conference Resolutions 2013, 04). This shows that the ruling party acknowledges that there are challenges brought about by the neglect of policy and the urgent attention is needed to remedy the situation.

According to Hyslop the “ANC brought a political culture that made it difficult to admit to and tackle corruption problems when they arose” (2005: 789). Hyslop (2005) argues that when corruption accusations threaten the unity of the ANC, the party seems to be defensive and raises technicalities rather than dealing with the case at hand. This has made it hard for the state to deal with political corruption cases. This “political culture” of defending members of the ANC when charged or suspected of being involved corrupt acts is consistent with the notion that one is innocent until proven guilty, however, it makes it difficult to deal with corruption. For instance, when President Jacob Zuma was charged with corruption, the timing of the charges became the issue and charges against him were dropped. As Mokotedi Mpshe, who was the acting National Director of Public Prosecutions in 2009, explains clearly: “at the heart of the misconduct is the timing in which the National Prosecuting Authority (NPA) charged Zuma” (<http://mg.co.za/article/2009-04-06-mpshe-zuma-decision-not-an-acquittal> 2009, 06 April). He further explains that “any timing of the charging of an accused person, which is not aimed at serving a legitimate purpose, is improper, irregular and an abuse of process” (<http://mg.co.za/article/2009-04-06-mpshe-zuma-decision-not-an-acquittal> 2009, 06 April).

2.3 Conceptualizing Political Corruption

2.3.1 Understanding Corruption

Several contributions have been made towards the study of corruption by different scholars globally. There still exists a need for a continuous and robust dialogue on the meaning of corruption. Kalombo correctly notes that corruption is not an absolute concept and that “like most activities it is decidedly bounded on social, economic and political system and the historical experience of the country” (2005: 45). What may be considered an act of corruption in South Africa may be acceptable elsewhere in the world. According to Kalombo, the term corruption originates from “*corruptus* the past participle of the Latin verb *corrumpere*, to destroy or *rumpere*, to break” (2005: 46). Some of the synonyms of the term corruption are exploitation, dishonesty, fraud, sleaze and venality. This analysis of the term shows that corruption has a negative connotation and is associated with manipulation.

As mentioned earlier in the study, corruption is not a new phenomenon: it has existed for as long as politics has existed. Warren points out that, even though misuse of public office was of great concern, “prior to the early modern period, there was no accepted and politically practicable concept of political corruption” (2004: 329). Warren (2004: 329) further argues that early scholars of corruption such as Machiavelli “understood it primarily as a moral condition, measured by distance between a people’s collective character and moral standards of everyday conduct as defined by their Christian context”. Warren shows that the study of corruption in the early years was focused on human behavior and religious beliefs informed the expectations of the society in terms of human behavior. Thus, philosophers such as Rousseau viewed corruption as moral decay.

Gardiner (2002) defines corruption by public officials as involving behavior which diverges from what is known as the standard duties of a public position because of private-regarding, financial or status gains. Johnston (1991: 49) suggests that “corruption may be defined as behavior seen as abusing, according to a society’s legal or social standards, a public role or resources for private gain”. Neild (2002) defines public corruption as acts by public officials which usually deals with private citizens. He emphasizes that “where there is much public corruption there will usually be much private corruption” (Neild, 2002: 05). He then specifies that “public corruption today refers to bribery, nepotism, the sale of office and jobbery in the appointment of public

officials”. He further observes that “corruption refers to offences by politicians and public officials in such matters as collection of taxation, the granting of contracts and the granting of cash benefits; fraud and other types of malpractice connected with elections, which benefits an individual or his party” (Neild, 2002: 05).

In addition, Amundsen describes corruption as a “state-society relation”. Corruption, according to Amundsen, is therefore “when these individuals (the civil servants, functionaries and politicians) misuse the public power they are bestowed with for private benefit” (1999: 02). Klitgaard also affirms that “corruption is the misuse of office for private ends”; he supports his argument by suggesting that “corruption can involve the misuse of important policy instruments or of simple procedures” (1991: 90). Nye defines corruption as “behavior which deviates from the formal duties of a public role because of private-regarding (personal, close family, private clique) pecuniary or status gains; or violates rules against the exercise of certain types of private-regarding influence”(1967: 419). All of these scholars describe corruption as a situation where a public official uses powers vested in him/her by virtue of holding public office to further self-interest whether by enriching himself or herself, family or organizations with which she or he is affiliated. This supports the claim by Amundsen that corruption involves both the state and the society. The above-mentioned descriptions of corruption are used as guidelines in this study to interrogate the magnitude of corruption in South Africa during the period of 2009-2013.

To distinguish between political corruption (grand) and bureaucratic corruption (petty) is essential given that they can be easily confused. As Amundsen puts it, the “distinction is ambiguous as it depends on the separation of politics from administration” (Amundsen, 1999: 03). Amundsen explains that “bureaucratic corruption is corruption in the public administration, at the implementation end of politics” (1999: 03). On the other hand, he explains that “political corruption is when politicians and state agents, who are entitled to make and enforce the laws in the name of the people, are themselves corrupt” and it is when “political decision makers use their political power invested in them to sustain their power, status and wealth” (1999:03). Mbaku distinguishes between the two types of corruption by explaining that bureaucratic corruption “involves efforts by civil servants to enrich themselves through illegal means” and political corruption “is used by political coalitions to capture the apparatus of state or maintain monopoly on power” (1996: 102).

2.3.2 Formal and Social Definitions of Corruption

The perspectives on corruption take different approaches which are formal or positivist and social or public interest approaches in defining corruption. The principle of formal or positivist approach, according to Gardner, is forthright as it says, “if an act is prohibited by law established by the government, it is corrupt; if it is not prohibited, it is not corrupt even if it is abusive or unethical” (2002: 30). Hyslop (2005) argues that the legal positivist approach best defines corruption as it says corruption must encompass transgression of law or administrative rule that administers the distribution of public resources for political or economic advancement. The social or public opinion approach entails how the citizens define corruption and it serves as the foundation of formulating the law. Gardner believes that the understating of public opinion about corruption provides a basis for effective law enforcement” (2002: 33). This then means that each country’s legal definition of corruption is informed by “corruption as it affects the public and corruption as defined by public opinion” (Kalombo, 2005: 48). It must, however, be noted that due to the interconnectedness of the global system, there are possibilities that the distinctions are less than expected.

In South Africa, the *Prevention of Corruption Act, 1992 (Act 94 of 1992)* defines corruption as the “abuse of (public) power for illegitimate or illegal gain or profit” (Country Corruption Assessment Report April 2003: 28). According to this Act there are criteria that must be met for an act to be considered as corruption. They are as follows:

1. There must be an offer and/ or receipt of a benefit;
2. The benefit must not be legally due;
3. It must be for a person holding office; and lastly,
4. The purpose for which the benefit is given and/or received, must be to influence a person in the exercise of his/her power to do something or not to do something.

This definition subsequently was amended on the grounds that it is “predicated mainly on the notion of inducement and seems to ignore the inherent conflict between public and private interest” (Mbeki, 1999: 04 in Kalombo 2005: 50). As Kalombo elaborates, “the benefit from corruptible behavior by the public official does not necessarily have to be of financial nature but can be related to irregular advancement of the individual, family member or friends”(2005: 50). Due this limitation, a new act was enacted, the *Prevention and Combating of Corrupt Activities*

Act no12, 2004 which provides an improved definition of corruption. In this act it is stipulated that:

Is guilty of the offence of corrupt activities relating to public officers, any public officer who, directly or indirectly, accepts or offers to accept any gratification from any other person, whether for the benefit of himself or herself or for the benefit of another person; or person who directly or indirectly, gives or agrees to give any gratification to a public officer, whether for the benefit of the public or for the benefit of another person in order to act, personally or by influencing another person so to act, in a manner that amounts to the illegal, dishonest, unauthorized or misuse or selling of information ... or the abuse of a position of authority or any other unauthorized or improper inducement to do or not to do anything. (Act no 12, 2004, 28 April 2004 in Kalombo, 2005: 50).

It is upon the aforementioned legal bases that an official is found guilty of corruption in South Africa. This study, however, is informed by the definition of corruption as the misuse of power entrusted to a public official to serve their own secluded benefits.

2.3.3 Different kinds of Corruption

There is a broad range of behavior that may be referred to as corruption. Scholars in the field of corruption have established that certain forms of behavior can be considered as corrupt and these are: bribery, extortion, embezzlement and fraud. Morris (2011) further suggests that kickbacks and nepotism are forms of corrupt behavior that need close attention.

Bribery: Bribery, according to Transparency International (2013), remains the central challenge for East Africa when it comes to accessing public services. Bribery is basically “when an illegal payment is made to a government official in return for some type of official, state-sanctioned, authoritative act that has selective and tangible impact and that in the absence of the secret payment would not otherwise have made”(Morris, 2011, 03). Kalombo simply explains it as paying or receiving money or a favour in a corrupt relationship to secure a personal benefit (2005: 52). One must note that it needs not be money per se which is why gift giving and government officials are not permitted to take expensive gifts while in office. GCB 2013 reports

that “bribery is the most direct experience of corruption for a person and that when comparing major public services, people pay bribes most often when they interact with the police”.

Table 1 (please see appendix) shows report on global bribery rates for eight common public services. This report demonstrates that bribery to the police is the most common form of corruption around the world, the judiciary being right behind.

Kickbacks: In general terms, kickbacks are similar to bribery; the specific difference is the timing of payment. Morris explains that in a kickback “the illegal payment is made after the service is rendered, usually from a portion of the government award itself” (2011: 03).

Extortion: This, according to Morris, is “when the public official threatens to use (or abuse) state power to induce the payment of a bribe” (2011: 03).

Embezzlement: This is where a “public official acts alone to appropriate public funds or divert their use” (Morris, 2011: 03). Kalombo explains that embezzlement is not legally considered as corruption but it is nevertheless included in the broader definition of corruption.

Fraud: Fraud refers to “the various often complex and imaginative scheme orchestrated by officials to appropriate public funds, often with civilian accomplices” (Morris, 2011: 03). Falling within the scope of fraud would be “establishment of fake companies, listing ghost workers on payrolls, overbilling the government on contractors, or otherwise fixing the books to hide the disappearance of public funds” (Morris, 2011: 03).

Nepotism, favouritism and conflict of interest: This according to Morris is when “public-sector jobs or benefits are illegally channeled to family, friends or to the benefit of the decision-maker’s own interest” (2011: 03).

The survey from the Global Barometer Index shown in Table 2 (please see appendix) asked how important it is to have personal contacts or personal relationships when dealing with the public sector in order to get things done. The results from the survey show that “almost two-thirds (64 per cent) of people around the world thought that personal contacts were important to get things done in the public sector”.

2.4 Causes and Consequences of Political Corruption

2.4.1 The Causes of Corruption

It is important to note that for every action there is a reason, and the starting point for remedying a situation is by understanding its causes. There are causes and consequences of corruption and studying and understanding is vital. Mbaku believes that corruption is a direct consequence of poorly developed and inappropriate institutional arrangement (2007: 04). Treisman (2000: 05) is of the view that the ineffectiveness of the country causes the escalation of corruption. Treisman further states that corrupt officials balance the expected social and financial cost of a corrupt act against the expected benefit from the act. This author further suggests that “a low official wage may increase the incentive to take bribes” and “political instability may enhance incentive for corruption” (2000: 13).

Some of the causes of corruption date back to the apartheid period and these have been inherited by the post-apartheid government. For instance, Lodge mentions that “the flow of secret funding to the defense department accelerated in the 1980’s” (Lodge, 1998: 165). Secret funding is known to promote irregularities in procurement procedures. In 1991, the Department of Development Aid was found to be involved in many irregularities which included “factious tenders, awarding of contracts to spouses, the receipt of gifts by officials in return to awarding of contracts, payments of firms for imaginary work or materials” (Lodge, 1998: 167). Continuing with his argument, Lodge points out that “secret budgets allowed senior security officials to misuse funds for private gains and by removing procurement from public scrutiny they created ample opportunities for bribery” (1998: 171). The corruption case concerning the arms deal is an archetypal example of the consequences of a procurement process which is removed from public assessment.

Myint (2000) provides three conditions that create fertile ground for corruption in a country. The first condition is that “a country has a number of laws, rules, regulations, and administrative orders to restrict business and economic activities and thereby creates huge opportunity for generating economic rent, and especially if these restrictive measures are complex and opaque and applied in selective, secretive, inconsistent and nontransparent way”. Secondly, “if administrators are granted large discretionary powers with respect to interpreting the rules, are given a lot of freedom to decide on how the rules be applied, to whom and what manner they are

to be applied, are vested with powers to amend, alter, and rescind the rules, and even to supplement the rules by invoking new restrictive administrative measures and procedures”. Lastly, “if there are no effective mechanisms and institutional arrangements in the country to hold administrators accountable for their actions” then it is likely to suffer from political corruption (Myint, 2000: 39). While other scholars raise the issue of weak institutional arrangements, procurement procedures and ineffective legal systems as the sources of corruption, it seems that there is an agreement that administrative powers given to public officials is one major cause of political corruption.

Administrative power afforded to public officials is also the central foundation of political corruption in South Africa. Southall (2008) argues that the ruling party needs capital to cover organizational costs for day to day expenses. To accomplish this goal, the ANC gets its funds from the IEC, private businesses; businesses run by its members, as well as through misappropriation of state resources. This means that the survival of the organization comes at the cost of the state as political corruption becomes the central part of fundraising for the organization. Another suggestion by Southall (2009) is that the protection of politicians who are charged with corruption raises questions about the new character of leadership within the ANC and shows lack of political will to combat corruption. Suttner (2012) explains patronage as a challenge within the ANC because leadership determines who the beneficiaries become. Suttner also discusses Zuma’s implication in the case against Schabir Shaik. He explains that when “Mbeki dismissed Zuma it was depicted as conspiracy to prevent Zuma from becoming president when Mbeki’s term of office as state president expired” (2012: 737). Southall (2011) highlights how President Zuma’s family and friends benefit from political corruption in this country.

Other studies cover the causes and consequences of corruption, for instance, Niekerk (2012) believes that corruption is the consequence of fiscal decentralization where policies are established nationally and funds allocated to the provinces for implementation of those policies. Niekerk argues that because of apartheid legacy and institutional weakness, some of the provinces are unable to implement national standards. Basson (2012) concentrates on President Jacob Zuma and his family’s involvement in business after he was elected President. Alexander points out that “pressure to use politics to advance personal interest is exacerbated by high unemployment” (2010: 29). Alexander further notes the complicatedness of the ANC internal

politics as they “involve battles over patronage, access to tenders, jobs and so on” (2010: 34). This study, however, will cover current cases of corruption in South Africa and the study will relate these cases to the causes and consequences as well as the measurements of such corruption.

2.4.2 The Consequences of Corruption

The cost of corruption is partly the reason the study of corruption is significant. Political corruption not only disrupts the construction of crucial infrastructure, it also leads to government failure in basic service delivery like education or healthcare.

As a starting point it is important to observe that even though many studies show that corruption has negative effects, there are some theorists who believe that there are positive effects of corruption. Oosterbroek argues that one of the positive effects of corruption is that “it helps to overcome bureaucratic rigidities and helps to maintain allocation efficiency if there is some form of competition going on between bribers” (2007: 19). He further asserts that “small payments can be a motivation for officials to speed up the bureaucratic process which promotes economic growth” (Oosterbroek, 2007: 19). Oosterbroek, however, notes that there are counter arguments which negate the belief that corruption has positive effects; he also criticizes proponents of the positive effects of corruption for sometimes failing to support their arguments.

Some theorists of corruption believe that corruption bears only negative effects as it cripples the economy which, in turn, retards the progress of development. Corruption adversely affects bureaucratic efficiency in two ways, as Oosterbroek argues. Firstly, he mentions that “service and purchase contract will not be undertaken with the most efficient producer; it will be offered to the producer who offers the largest bribe, mostly at the expense of the service that is being offered” (2007: 20). Secondly, corrupt producers have the ability to prevent the entry of new producers by exploiting their existing (corrupt) relationships within the bureaucracy (Oosterbroek, 2007: 20). In this way corruption is unpreventable as the service provider remains the same. Resource allocation is another area that is negatively affected by corruption. Oosterbroek mentions that corruption affects resource allocation as it “can result in resource misallocation if the decisions on how the public funds are invested, or which private investments are permitted, are made by corrupt decision makers” (2007: 20). He further mentions that

“misallocation is caused by the fact that the decision maker makes a choice for a certain investment project also on the basis of potential corruption payments” (Oosterbroek, 2007: 20). This means that a decision is not measured by the need for a project in a certain area but by whether the decision maker can benefit from that project.

According to Kalombo (2005) a number of surveys conducted during 1996 and 1997 by Institute for Democracy in South Africa (IDASA) confirm Briggs’ observation (1998: 2) that “corruption has led to slow implementation or disintegration of important services such as pension payments, improvement of local infrastructure and the awarding of government subsidies”. This indicates that there is a direct relationship between slow pace of development and corruption.

It has been shown through literature that the consequences of corruption are damaging for socio-economic development of a country. According to Klitgaard “widespread corruption stunts economic growth, undermines political legitimacy, and demoralizes public officials and ordinary citizens” (1991: 90). It also allows those with disproportionate money, acquired through corrupt means, access to protect and enhance their progress. According to Ikejiaku “needs, particularly basic needs (such as food, water, shelter and health) unlike interests cannot be traded, suppressed or bargained for; thus any attempt to do this, leads to conflicts” (2009: 16). Hence, corruption not only further impoverishes struggling societies but also breeds rage in societies. It thus causes instability within societies, and exacerbates violent conflicts. For these reasons (among many other reasons) it is important to monitor and restrain corruption. Mbaku (2000) also believes that corruption is detrimental to socioeconomic development as it adversely disturbs wealth accumulation and it does not improve but worsens human conditions.

2.5 Measuring corruption

There are several sources of data that have been used by researchers and have been recommended as methods of measuring corruption and minimizing the difficulties related to measuring of corruption. For the purpose of this study one source of data was added and that is departmental reports.

Corruption Indices: Corruption indices that are usually used in the study of corruption are those that are established by Transparency International (TI). Those would be indices such as the Corruption Perception Index (CPI), Global Corruption Barometer (GCB), and Bribe Payers

Index (BPI). These indices are used to measure perceptions of corruption. Transparency International is a non-profit organization that is supported and funded worldwide and has become the most used source for research in the study of corruption. Even though a few governments have rejected their results, Lancaster and Mantinola clarify that the creators of the index have taken important steps to address fundamental questions of measures, including measurements' reliability and validity (1997: 198). The TI's use of different sources when conducting studies, the index's broad comparative scope, its robust operationalization and measurements which has improved reliability and broadened the debate of corruption make it the most useful source in the field of corruption (Lancaster and Mantinola 1997:).

The media: Even though there is a risk of being misled due to media bias, Andvig *et al* suggest that when it comes to data collection, investigative journalists are at an advantage compared to social scientists (2000: 36). Kalombo attests to this observation by highlighting that journalists have public exposure and therefore have a larger supply of informants (2012: 24). There is no denying the fact that there needs to be a restriction on using data collected through the media, due to the lack of academic precision. However, “free press is among the most effective mechanism of external controls on bureaucratic corruption and promotion of good governance” (2012: 22). The media offers access to information and a platform for the community to voice their complaints. The media also raises public awareness about incidences of corruption. Camaj believes that “mass media has the potential to help the prosecutorial institutions by investigating and reporting incidences of corruption” (2012: 22).

Court cases of officials: According to Kalombo this approach has been used before and it entails using public court cases to determine the rate of political corruption. (Goel and Mandela quoted in Kalombo 2005, 24), however, clarify that conviction rates are not an adequate indicator of actual incidence of corruption, but rather, reflect the quality of the judiciary. Court cases of corrupt officials are an indicator for the level of corruption within a system.

In light of the above, official reports are also important for the study of corruption. As part of this study, official reports from different governmental departments have played an important role in remedying the difficulty of measuring corruption. The departments that have been instrumental

for this study are the Auditor General (AG), The Public Protector (PP), the Special Investigation Unit (SIU) and the Public Service Commission (PSC).

2.6 Summary of the Chapter

This chapter has outlined the principal theories on which the study is founded. It has also appraised the interconnected literature on political corruption; it has looked into literature dealing with the history of political corruption and the different perceptions of political corruption. Studies that have been conducted in South Africa, Africa and outside Africa have been reviewed with regard to the causes and consequences of political corruption. Additionally, this chapter discussed different aspects of measuring corruption. The following chapter will discuss political and bureaucratic corruption during the pre-apartheid, apartheid and post-apartheid eras; it will also include a focus on corruption during Mandela's and Mbeki's presidential tenures.

Chapter three: Corruption in South Africa in pre-apartheid, apartheid and post-apartheid eras

3.1 Introduction

This chapter will critically discuss political (grand) corruption and bureaucratic (petty) corruption during pre-apartheid, apartheid and post-apartheid eras. Using redistributive and extractive theories of corruption, this chapter will firstly explore corruption during the pre-apartheid era. The chapter will then examine corruption during the apartheid era. Finally, the chapter will explore and measure corruption during the regimes of Nelson Mandela and Thabo Mbeki.

3.2 Corruption during the pre-apartheid era

Jonathan Hyslop divides pre-1994 South Africa into five eras, two of which are pre-apartheid eras. The first era, from 1870 to 1910, was characterized by creation of a rational-bureaucratic state (Hyslop, 2005: 779). Hyslop argues that the bureaucratization of the state facilitated "rent-seeking activities" while reducing corruption (2005: 779-780). The second era commenced in 1910 and ended in 1948, and stabilized the system of white domination (2005: 780). Hyslop explains that in terms of administrative arrangements, the leadership of this era continued with the same process that was in place during the first era. This meant that British or South African

Anglophones continued as civil servants holding senior positions. It also meant that the level of bureaucratic (petty) corruption remained relatively low. Hyslop mentions that the pass system which was meant to control the movement of the black workers in towns and cities created opportunities for corruption (2005: 780). Low-ranking officials and state policemen forcefully obtained bribes from the black workers who were caught contravening the pass regulation (Hyslop, 2005: 780). According to Hyslop there was an unsuccessful attempt, during 1924-1933, by the government led by General Hertzog to offer rent-seeking opportunities. These rent-seeking opportunities were designed for “Afrikaner farmers and workers through agricultural subsidies and extended use of white labour in parastatals such as the railways” (Hyslop, 2005: 780). Moreover, Hyslop notes that a new kind of patronage network came about during the rise of Malan in 1934. Afrikaner Broederbond, “a secret society that played a key role in coordinating the activities of Malan’s supporters” started building a new kind of patronage network (2005: 781). Thus, during the first two eras of Hyslop’s categorization, the state was strong with moderate rent-seeking activities and low corruption.

When Malan came to power in the 1948 general elections, “the Broederbond patronage network found the state at the disposal of its rent-seeking activities” (Hyslop, 2005: 781). The traditional chiefs were also exposed to some level of corruption and rent-seeking due to indirect administrative rule in the rural areas. In this era, the main kind of corruption that was visible involved the lower level of government, and thus was bureaucratic corruption. When Malan took over, patronage and rent-seeking became the order of the day and the Afrikaners benefited from such activities. One can suggest that the state was strong when Malan took power and his new strategy began to weaken the state.

3.3 Corruption under apartheid

3.3.1 Challenges with investigating corruption under apartheid

As previously noted, measuring corruption is the challenging factor in the study of corruption. In the context of social and political transition, such as the transition from apartheid, beneficiaries of old order were uncertain about their future and were not forthcoming with information relating to corruption. This was the situation during the transition period in South Africa when the white minority felt the need to cover their tracks. Vuuren (2006) discusses some major challenges of

investigating apartheid era corruption such as the destruction of evidence. Additional issues were that the state was overly centralized and the media was censored.

Certain issues could not be dealt with due to political sensitivity and some issues were used to cut deals that facilitated the process of transferring of political power. Moreover, officials who worked in previous regime needed to cooperate and provide information for fruitful investigations. However, the reality is that even though some officials supported the new constitutional order, some clearly had no confidence in it. They lacked interest in assisting the new democratic government and did not share information. A 1997 report by Moss Chikane states that “officials in the previous government have been unhelpful, even before we start looking at what properties the former homelands bought, we should at least be able to establish what the central government owned. But we have inherited an empty house” (Vuuren, 2006: 13).

Despite difficulties concerning data collection, the state carried out an inquiry on corruption that manifested during apartheid using the National Intelligence Agency (NIA) and other means (Vuuren, 2006). Though years have passed since apartheid, there are still cases of apartheid era corruption being reported. For instance, in August 2013, a documentary by Sylvia Vollenhoven that exposes a story of apartheid corruption was released. The documentary, which was not screened by the South African Broadcasting Corporation (SABC), is about “a vast sum of money, estimated at R60 billion today, siphoned from state coffers by apartheid-era bankers, officials and politicians” (Blignaut, 2013). The report clarifies that “a large portion of this money was paid to Volkskas bank, which was later amalgamated into Absa” (Blignaut, 2013). This is an indication that there are several untold stories of apartheid corruption.

3.3.2 Afrikaner Nationalism and Apartheid (1948-1972)

The third era in Hyslop’s periodization began in 1948 and ended in 1972. In 1948, the National Party of South Africa (NP) came into power. The NP, as defined by Pear, was the “main vehicle for Afrikaner nationalism for more than 50 years and the dominant political force in the country” (Pear, 1989). Pear (1989) further elaborates that the NP “consistently fought to expand the political and economic power of the descendants of the Dutch and Huguenot settlers who came to the country in the 17th century”. The third era in Hyslop’s periodization was characterized by a relatively strong state, and a strong nationalist ideology. Hyslop argues that the “overall size of

the bureaucracy increased immensely, by 1967 the number of people directly employed by the civil service departments stood at four times the 1937 level” (2005: 781). However, this expansion of the bureaucracy was at the expense of the Anglophones as the Anglophones were driven out of public office by the National Party (NP). As Hyslop points out, “non-Afrikaners were seen as politically suspect and that civil service employment became a theater of rent-seeking in itself” (Hyslop, 2005: 781). According to Hyslop further employment opportunities were created within the government during the period of 1948-1972 and this was to ensure the elevation of Afrikaner standard of living.

This increase in the size of the state was accompanied by an increase in rent-seeking activities by the supporters of the government. Hyslop argues that Afrikaners were the beneficiaries of this system through receiving privileged funding from the government for educational and cultural institutions. The Afrikaner group was also being favoured by the government in terms of “awarding of contracts to enterprises and there also was a vast extension of Afrikaner-dominated parastatal organisations all constituted policies which favoured the rent-seeking of government supporters” (Hyslop, 2005: 781). According to Hyslop, the Broederbond was in charge of “co-ordinating the patronage activities that stood behind this process” and they did an outstanding job as “the social effects were dramatic, facilitating the rise of much larger professional, managerial and capitalist strata amongst Afrikaners” (2005: 781). The shortfall in this process was the decline of competency within the civil service since individuals that replaced the Anglophones lacked administrative skills. Patronage through rent-seeking and other methods was certainly evident during this period. Hyslop (2005) points out that, during this era, there was little evidence of blatant corruption in the central government. However, the implementation of the pass laws created fertile ground for corruption through bribery by the lower ranks of the bureaucracy.

The relationship of the state and society is clear in Hyslop’s third era. A strong interventionist state encouraged rent-seeking opportunities. While a strong Afrikaner nationalist ideology discouraged political corruption; the implementation of apartheid laws, such as pass laws encouraged bureaucratic or petty corruption.

3.3.3 The Crisis of Apartheid and the Escalation of Corruption.

According to Hyslop's periodization, the fourth era commences from 1972 and ends in 1984. In this era the apartheid regime was under threat and had started to weaken. The state had started to recognize other groups that suffered from segregationist policies. This era was also characterized by the accelerating level of corruption within government institutions. President P. W Botha led South Africa at the time when anti-apartheid resistance, including its military form, was at its highest level. The international campaign against apartheid, including economic sanctions, was also at its height. It was also at this time that there was internal economic crisis. Price explains that "a combination of economic stagnation, a change in the policy preference of organized agricultural interests, and the transformed socioeconomic makeup of the Afrikaner community served to make the economic constraints of apartheid a far more serious problem for the government in the 1970s" (1991: 38). Moreover, the downfall and replacement of white rule in southern African countries, such as Angola, Mozambique and Zimbabwe, had changed the political landscape in the region and increased the threat to the apartheid regime (Price, 1991: 42). The South African government had a two-pronged response to these crises. On the one hand, the government tried to stop internal rebellion through forceful measures. On the other hand, the government also introduced reforms. As Hyslop (2005: 782) points out, there was a "drift towards softening segregationist measures, accepting the permanent presence of an urban black population and attempting to integrate the coloured and Indian minority into the white polity" (2005: 782). These reforms also included the creation and the granting of independence to homelands, or Bantustans. The latter entities were going to be a breeding ground of corruption. Hyslop (2005) notes that from this era there was visibility of an unhurried withdrawal from the traditional Verwoerdian model of apartheid.

With these reforms, the sense of mission that had informed the Afrikaner nationalist leadership, as Hyslop puts it, appeared to have vanished before their eyes. The group of middle and capitalist class that was created through Afrikaner nationalism agenda was not comfortable with these changes and some would not accept it as "there was no longer a clear ideological vision of the future for the Afrikaners" (Hyslop, 2005: 782). A struggle for self-enrichment began as the Afrikaner establishment could not control or discipline its membership, and "the NP's ideological commitment began to weaken" (2005: 782).

It is worth noting that the way apartheid operated or was formulated created fertile ground for corruption. Vuuren explains that “it took considerable infrastructure to create the multiple levels of government required by apartheid laws, such as the Population Registration Act, Section 10 of the Urban Areas Act and the Homelands Government Act”(2006: 41). In order to make this system work it was necessary that “each piece of legislation has a bureaucracy to be created to administer it” (Vuuren, 2006: 41). The division between the ‘white state’ and the various ‘homelands’, “each with their own bureaucracy” catered for exactly those reasons (Vuuren, 2006: 41). There was a white parliament for the ‘white state’, a parliament for the coloured and Indian, as well as local councils and black local councils. Hyslop points out that “in order to make this project politically plausible, billions of rands were spent on recruiting black civil servants to staff the homelands bureaucracy” (2005: 782). This situation made it almost impossible to hold such a system in any way accountable. .

The fifth era in Hyslop’s periodization, 1984 to 1994, saw an extreme elevation of corruption level in the central administration (Hyslop; 2005). According to Vuuren “as the imperial presidency of P.W Botha declined in the late 1980s, a series of scandals was revealed in 1989 that threw light on a R650-million foreign exchange fraud and various other multimillion rand scams” (2006: 41).The aforementioned scams, explains Vuuren, “implicated Cabinet Ministers, MPs, several government departments and multiple rungs of the state bureaucracy” (2006: 41). Hyslop ascertains that “there was a peculiar contradiction to the version of apartheid practiced in the 1970s and the early 1980s” (2005: 782). He further explains that “at exactly the moment when the NP’s ideological commitment to apartheid began to weaken, the organization of administration along apartheid lines had reached its culmination stage” (2005: 782).

Attempts by P. W. Botha’s government to contain opposition included both legal and illegal methods. Funds were allocated to individuals and government departments to carry out covert operations against anti-apartheid organizations and activists. For example, Project Crist received secret funds which were transferred overseas for a launch of anti-ANC publications (Vuuren, 2006: 43). Another example involved a declaration by Abel Rudman to “the Weekly Mail that Volkskas Bank was intimately involved in the transfer of secret funds and its International Department transferred over R2.3 million [ZAR2005=R8.3 million] from its accounts in London to an investment company” (Vuuren, 2006: 52). Moreover, secret funds were used within the

state “to murder opponents of the state and were also crucial in buying off others” (Vuuren, 2006: 52). The Truth and Reconciliation Commission (TRC) was able to collect some information about these secret funds. Vuuren says, they found that “secret funds had been transferred to various departments between 1978 and 1994 by the Treasury and later the Department of State Expenditure” (2006: 53).

Table 3 (please see appendix) which relies on information from the TRC, provides a list of the amounts of funding that were secretly transferred to different departments. Given the lack of accounting and oversight, the opportunity for corrupt practices was high. The amount showing in the category of Defense Special Account is noteworthy. Hyslop mentions that the “military, police, intelligence agencies” were departments that contributed significantly to the expansion of corruption. He explains that, because the departments were “working outside normal bureaucratic control or parliamentary oversight, the operatives of Military Intelligence, the National Intelligence Service and the Civilian Co-operations Bureau (CCB) built themselves global networks of assets, in support of covert operations and personal enrichment”(2005: 784).

F. W de Klerk, P. W Botha’s successor, clearly took over a corrupted state. The period in which F. W de Klerk presided was the most corrupt in the history of South Africa. The reason for this was that this was the time where those who were benefiting from the white state realized that they had only a few years left in which to enjoy the benefits of power. Hence, they blatantly enriched themselves through corrupt activities (Vuuren 2006). The government bureaucracy, as well as a large segment of Police and Defense Force, also felt the same way so the idea of looting government funds became the only solution that appeared feasible for them (Vuuren, 2006). Hyslop supports this contention as he explains that “once it became clear that the end of white rule was at hand, there was a rush to grab as much in the way of the spoils as possible before the curtain came down” (2005: 784).

The government of that time could not control the extent of corruption within certain departments and resorted to shutting them down. After the commission under Judge Pickark established that the Department of Development Aid was drowning in corruption, F.W. de Klerk disbanded that department. Judge Pickark wrote that the “public officials felt they were missing out if they were not helping themselves.” He noted significantly that “many of these officials had

become disillusioned by their futile efforts to serve apartheid ideology” (Pickark quoted in Vuuren 2006: 42). Judge Pickark further stated that an investigation on the Department of Education and Training found that the department was experiencing “corruption, fraud, bribery, kickbacks and general lack of accountability” (Quoted in Vuuren, 2006: 42).

Corruption was also rampant among parastatals. One example is the Electricity Supply Commission (ESCOM) which was renamed Eskom when changes in the legislation from Electricity Act to Eskom and Electricity Act in 1987 were instituted after a government enquiry that started in 1983 (Eberhard, 2007: 220). The De Villiers commission conducted the enquiry and after carrying out the investigation it “criticized ESCOM’s governance, management, electricity forecasting methods, investment decisions, and accounting” and changes were recommended (Eberhard, 2007: 220). This shows that there were many issues between ESCOM/Eskom and the government which created space for corruption through “international isolation coupled with domestic instability and massive levels of secrecy” (Hunter, 2013: no page). According to Vuuren, Dr. Gert Rademeyer, stated that there were overseas secret deals that lost Eskom/Escom “hundreds of millions of rands by the mid-1980s” (2006: 43). For instance in one nuclear energy deal Escom lost R67 million (ZAR2005= R490 Million) of funds through kickbacks. This qualifies as redistributive corruption as the loss of funds within Eskom meant that the state was weakened in terms of service delivery as the economy was affected by this loss.

Indeed, an epidemic of corruption had spread throughout the country, as illustrated by the homelands. Lebowa is one example. In this Bantustan there was a computer that was ejecting cheques valued at millions that required police protection. According to Vuuren, “it is estimated that if the action had not been undertaken in 1993 it would have cost the state R1 billion (ZAR2005= R2, 4 billion)” (Vuuren, 2006: 79). In the same Bantustan, “hundreds of tons of chemicals were dumped by a company called Firechem Lebowa, which has donated R100, 000 (ZAR2005=R275, 000) to the ruling United Peoples Front (UPF) shortly after it was awarded a R15 million contract (ZAR2005=R41, 3 million)” (Vuuren, 2006: 79). This company continued its operations for a while; its tender was ongoing and necessary processes were avoided. A situation whereby there are cheques that are unaccountable for and state funds are being used for

such cheques means the state is not in control. Rather state funds are being directed straight to personal enrichment.

KwaNdebele is an era Bantustan which was a homeland for the Ndebele people. The tendering process was used as a way of ensuring economic benefits by the government officials in KwaNdebele. Vuuren mentions an incident where even though there were options of bids that were less costly “the Deputy Minister of Law and Order, Steve Mabona, granted a R13 million (ZAR2005= R41 million) tender to Springbok Patrols, despite far lower bids being submitted. (2006: 79). Mabona further “extended the contract by two years while the state was still funding officials to do the same work, implying an effective duplication of functions and equivalent waste of state revenue” (Vuuren, 2006: 79). This is another example of the state paying more than it should for services from contractors so that certain individuals within the government benefit.

Another area that was deemed to be a great source of corruption during apartheid was the purchasing of oil. Due to the fact that South Africa unfortunately does not have oil as a natural resource it has to rely on other countries for its oil supply. Vuuren notes that “after the United Nations (UN) embargo was announced in 1977, the country was forced to buy oil at premium price from secretive middlemen with dubious backgrounds” (2006: 62). In the process, the extortion of the country’s premium where oil was being purchased was inevitable. Since the purchasing of oil was secretly done, there were opportunities for corruption.

The fourth and the fifth eras of Hyslop’s periodization were characterized by contradictions. Reforms, which included the creation of Bantustans, resulted in a large state machinery. The apartheid state also tried to suppress anti-apartheid resistance through covert military and security operations. However, the creation of these instruments was not supported by measures of accountability. Reforms demoralized the National Party’s followers. There was also a feeling, among the Afrikaner elite, that the end of apartheid was in sight. All these developments created fertile ground for both extractive and redistributive corruption. Corruption worsened the socio-economic conditions of the majority of South Africans: resources that were supposed to address their needs were diverted to the pockets of the governing elite, bureaucrats and other state officials.

3.4 Political Corruption during the post-Apartheid Era from 1994 to 2007

In the 1980s the liberation movements were committed to making South Africa ungovernable: the country was characterized by social unrest, defiance campaigns, and protests in townships as well as in the work places. The pressure attendant on the aforementioned activities forced the apartheid government into negotiations with the liberation movements that were at the forefront of the struggle. The Convention for a Democratic South Africa (CODESA) was formulated to facilitate the process of negotiation. The main aim of CODESA was to draft a constitution to govern post-apartheid democratic South Africa. The constitution drafted in CODESA was to govern South Africa from the country's first democratic elections and during the negotiations until the adoption of a final constitution (Henrard, 2002: 21). The second process of the transition period was the Truth and Reconciliation Commission (TRC) which was intended to address reconciliation, reconstruction, human right violations, national unity and peace (Henrard, 2002: 22). The government and the ANC went through the process of redrawing the country's internal boundaries which resulted in the formation of nine provinces. The first democratic elections in South Africa, in which the ANC won the majority of votes, took place on the 27th of April 1994. The Government of National Unity was formed in which Nelson Mandela was elected President, and F.W de Klerk and Thabo Mbeki elected as his deputies.

Vuuren states that "the legacy of a corrupt system (Apartheid) did not disappear into the night in 1994, when the white flag was lowered and a new South African banner hoisted" (2006: 05). He continues to explain that apartheid "had entrenched itself to such an extent that it would inevitably serve to corrupt the new order" (Vuuren 2006: 05). Hyslop agrees with Vuuren, as indicated by his argument that "in bringing together the old central state and its leadership, the homeland bureaucracy and the liberation movement structure and leadership, the new order has both perpetuated old forms of corruption and synthesized new ones" (2005: 785). Hyslop also notes that "the worst cases of lower to middle level corruption in central government departments can often be traced back to continuities with the past, combined with ineffective ministerial leadership"(2005: 785). The example he gives is the Department of Home Affairs which has been characterized by a lot of cases where officials have been arrested for selling false papers to foreign nationals. He attributes this situation to the fact that "under the old regime the department built an unenviable reputation for xenophobia and obstructionism, and this only

altered for the worse under the ministerial control of the ANC's coalition partner, Chief Mangosuthu Buthelezi of the Inkatha Freedom Party (IFP)" (2005: 785). The power of decision making given to civil servants exposed the public to corruption.

Due to the old regime's destabilization and high level of corruption, the new democratic state experienced new internal strains in several departments and parastatals upon taking over (Hyslop, 2005). New ministers were appointed and political appointments were made in senior levels and new policies were drafted, passed and implemented successfully such as the gender affirmative action. Of course, some were appointed based on political loyalty rather than their ability to work as in the civil service. Nonetheless, a number of capable graduates were placed in public offices (Hyslop, 2005). Hyslop attests to the fact that "most central government departments have shown a fair degree of functionality in the new era, and corruption was relatively contained" (2005: 785). The most challenging part for the new government was the administration of the new nine provinces and the local government as it was heavily exposed to the worst kind of corruption. Hyslop is of the view that "there was clear correlation between the level of systematic corruption and the degree of administrative continuity with the old homelands administration" (2005: 785). According to Hyslop, the most corrupt provinces were those that were drawn from the old Bantustan structures, namely, the Eastern Cape, Mpumalanga and Northern (Limpopo) provinces. The protection that the ANC provided for corrupt officials did not assist the situation.

3.4.1 Incidences of corruption in post 1994 South Africa

With democracy came transparency and the population's belief that the government should be held accountable and must answer to the public it is serving. The media, opposition political parties and strong public inspection in the new democracy understood their role which was to make the government accountable, create a nation that is transparent as well as building a new all-encompassing society. However, given the legacy left by apartheid, corruption was not about to vanish: thus tackling corruption and exposing corrupt officials was crucial. Corruption during the early years of post-apartheid South Africa (1996-1997) ranged from nepotism which arises from political solidarity, bribery for pension and maintenance grants, bribery for housing allocations, embezzlement of pension funds, sale of matriculation examination papers, sale of identity documents etc. Corruption during the 1990s seems to have been heightened by the self-

enrichment of the new black elite in provincial government, and that the whole of South Africa seemed to be defenseless against political corruption.

According to Lodge, the Department of Social Welfare inherited 14 separate bureaucracies which could not account for 2.8 million entitlements to pension payments, especially given that many of the supposed recipients were deceased (2002: 416). Lodge points out that from 1994, newspaper reports of corruption are a reflection of behavior that was inherited from the apartheid regime (2002: 133). He further notes observes that between 1994 and 1998 up to R5 billion was paid out to non-existent persons (also known as ghosts) and double claimants. Kalombo mentions that “in June 2000, former National Party Welfare Minister Abe Williams was found guilty on 36 charges of theft and four of corruption, all dating back to his time as Welfare minister in the late apartheid-era House of Representatives” (2005: 128). Williams had “kept the same position after the 1994 elections at the time of the Government of National Unity” (Kalombo, 2005: 128). Minister Abe Williams basically continued with corruption that had started during apartheid until he was investigated and removed from office.

The department of Home Affairs was another department that was engaged in serious corruption within the government after 1994. The kind of bureaucratic corruption that took place in this department in relation to immigration was shocking. Any South African who had applied for an identity document and did not pay a bribe to an official was at risk of their documents being sold to foreign nationals for fraudulent activities. Kalombo believes that “the obtainment of immigration documents invites attempts to manipulate the system, at all costs, for profit” (2005: 129). Public officials within this department would take bribes from foreign nationals in exchange for fake documents ranging from identity documents to marriage certificates. According to Kalombo “research in South Africa gives a detailed account of wealthy illegal migrants bribing officials in the Department of Home Affairs to ‘create a background’ by entering fictitious names of parents, dates of birth and other details into the computer database for population registration” (2005: 129). This exercise weakened the state in terms of security and service delivery. Officials who provided people with false identities exposed the state to high levels of crime and the difficulty of arresting perpetrators. In terms of service delivery the department became inefficient and therefore was not serving its purpose.

The Department of Correctional Services is another department in which corruption was prevalent. The case of Khulekani Sitole, the Commissioner of Prisons as from December 1996 is an example of the severity of corruption within the department. According to Kalombo “Khulekani Sitole was being investigated in 1998 for maladministration and mismanagement of funds and other irregularities within the Department” (2005:133). Kalombo further states that “the Auditor General’s report found that Commissioner Sitole received two irregular merit awards of R54 646 each during March and December 1997 both authorized by former Minister Dr. Sipo Mzimela” (2005: 133). The Auditor General found that the awards should not have been authorized which show that Dr. Sipo Mzimela was also corrupt. There were other allegations against Commissioner Sitole “that included that the Department used voluntary severance packages as a tool to get rid of unwanted staff, and that Comm. Sitole spent 123 official and eight private days overseas at a total cost of R528 889 between May 1997 and December 1998” (Kalombo, 2005: 133). Commissioner Sitole was found guilty of many of the allegations against him by the Parliament’s Public Accounts Committee. The department was drowning in corruption.

Another example occurred in 1997 when the provincial housing department became a center for fraudulent activities, and “a R190 million contract was awarded without following proper tendering procedures” (Lodge, 1998: 173). It is noteworthy that the tendering process has continued to be a means for government officials to enrich themselves through their business connections in the post-apartheid era. Purposefully omitting to follow proper procedures and awarding tenders to companies that promise kickbacks seem to be the popular form of corruption with high profile politicians and government officials. The capacity of the company is overlooked and the kickback amount is likely to be taken from the amount that should ensure service delivery.

This shows that even though the system of governance had changed, government institutions and departments were still vulnerable to corruption. Even though Hyslop believes that the level of corruption during the post-apartheid era was contained, there is no denying that the new elite picked up where the officials of the old regime left off. Hyslop mentions that “the incompetence and corruption of the old statelets was simply carried over into the new era, with the difference that civil servants now often enjoyed the patronage and protection of ANC leaders” (2005: 785).

The above cases show that the kind of corruption that dominated this era includes bribery, nepotism fraud and kickbacks. The system was vulnerable and the newly appointed officials were not only exposed to corruption they also lacked competency or experience in terms of managerial and administrative skills. Bureaucratic corruption in this era was inescapable: the Department of Home Affairs as well as the Department of Social Development were amongst the departments where high level of petty corruption took place. Bribing the administrators for applications to be processed faster for social grants became a norm. This became the only way for citizens to ensure that their applications for an identity (ID) documents were processed and that a barcoded ID would certainly be issued to the rightful person.

Fraud within certain departments became a serious challenge during this period at the provincial level as well as in local government. The awarding of contracts to certain businesses without following proper procedure, which is normally related to kickbacks and nepotism, also was a problem in government. Amongst other issues that the new administration faced was the protection of corrupt officials who were members and employees of the ANC. An example provided by Hyslop is that which took place “in Mpumalanga, after the 1999 elections, three ANC provincial ministers who had previously been sacked in relation to corruption were re-appointed to the provincial executive” (2005: 785). After being found guilty and removed from power they would be redeployed in other positions. According to Hyslop “the attitudes toward corruption in the post-1994 political leadership were certainly affected by the ANC’s 180-degree shift in ethos from advocacy of an austere socialism in the mid-1980s to celebration of the self-enrichment of new black elite by the mid-1990s” (2005: 786). Hyslop mentions that rent-seeking activities by black entrepreneurs were encouraged and there were policies that were created for this particular purpose during Mandela’s as well as Mbeki’s administrations.

Beall et al suggest that “fragile stability” is a fitting characterization of the state in this particular era which “conveys the contradictory nature of the transition after 10 years” (2005: 03). According to Beall et al, “existing social fractures have been maintained or deepened, and new fractures created, as the emerging state has interacted with social forces and struggled to impose itself on the populace; ties and linkages between state and society remain uneven in breadth and depth, and there remains considerable potential for stability to break down or evolve into stasis”

(2005: 05). This period was characterized by the predominance of both redistributive and extractive corruption.

This chapter has already pointed out the difficulty of measuring corruption. The chapter argued that the emergence of democracy and the freedom of press made it easy to report on the incidences of corruption. It is with these qualifications that the chapter concludes with the measurement of corruption for the period of Nelson Mandela's and Thabo Mbeki's presidencies. One of the indirect measurements of corruption is the Transparency International's Corruption Perception Index. In this index, participating countries are scored out of 10.00. If a country scored 10.00 it would mean that it is perceived to be a corruption free country out of all the countries that participated in the study. The rankings are based on the number of countries that participated in that particular year. If a country scores a zero it means that it is perceived as a country with business transactions that are entirely dominated by kickbacks, extortion, bribery, etc. (Transparency International 1997). On average, the index shows the perception of South Africa as a country in which corruption is steadily worsening from a score of 5.62 in 1995, to a score of 4.6 in 2006. (See Table 4 in the appendix). The Global Corruption Barometer shows that in South Africa, political parties, the parliament, registry and permit service, legal system and police are institutions that are perceived to be most infested with corruption. (Please see Table 5 in the appendix).

3.5 Summary of the Chapter

This chapter commenced with a critical discussion of corruption in the pre-apartheid and apartheid eras. This discussion was followed by an examination and measurement of corruption in the Mandela and Mbeki periods. It was argued that the pre-apartheid era was characterized by a strong state with moderate rent-seeking activities and low corruption. The early period of apartheid, 1948-1972 was characterized by a strong interventionist state and a strong Afrikaner ideology. The Afrikaner nationalist ideology discouraged political corruption, but the implementation of apartheid laws encouraged petty corruption. The period 1972 to 1994 was a crisis period for the apartheid state. The implementation of the Bantustan policy, the gradual erosion of Afrikaner ideology, international sanctions, and the belief by the Afrikaner executives and civil servants that the end of apartheid was in sight created further opportunities for both political and bureaucratic corruption. This chapter argued that the Mandela and Mbeki eras were

primarily transition periods characterized by what Beall et al calls “fragile stability”. This era showed both continuities and discontinuities with the apartheid era: thus, it was characterized by a combination of new and old forms of corruption. The next chapter looks at corruption during the Jacob Zuma era (2007 – 2013).

Chapter four: Political Corruption in South Africa between 2009 and 2013

4.1 Introduction

This chapter uses redistributive and extractive theories of corruption to interrogate political corruption during President Jacob Zuma’s first term. The chapter will firstly give a political background of President Jacob Zuma’s Presidency. This will be followed by a critical discussion of the perception of corruption. This chapter will then discuss some corruption cases that dominated Zuma’s first term. The chapter will conclude with a discussion of state – society relationship during this period.

4.2 The Political Background of Zuma’s Presidency

Compared to his post-1994 predecessors, President Jacob Zuma’s journey to presidency was overshadowed by various scandals and vigorous public debates. After being implicated in Schabir Shaik’s corruption case, Jacob Zuma was formally released by the then President Thabo Mbeki from his position as deputy president on the 15th of June 2005. Thabo Mbeki argued that Jacob Zuma’s involvement in the case of *The state v Schabir Shaik and others* raised “questions of conduct that would be inconsistent with expectations that attend those who hold public office” (Mbeki 2005). Judge Hillary Squires found Schabir Shaik guilty of soliciting a bribe amounting to 1 million rand (\$150,000) from Thales (a French arms company) on behalf of Zuma (Skeen, 2007). Thales wanted to secure an arms procurement business deal with South Africa which, according to Skeen (2007), amounted to \$6 billion. On the 21st of June 2005, Zuma was charged with two counts of corruption by the National Prosecuting Authority (NPA).

On the 4th of November 2006, a woman laid charges of rape against Zuma. Skeen clarifies that the woman “claimed that this incident took place at Zuma’s home, where she stayed the evening” (2007: 2). Consequently, Zuma was charged with rape on the 6th of December 2005 by Johannesburg prosecutors and his trial began in February 2006. This case received intense

international attention. Moloi expresses in a South African crime quarterly report released on the 18th of December 2006 that “this case will be recorded in history as one that attracted attention on a scale seldom witnessed in a criminal case in the post-1994 dispensation” (SA Crime Quarterly, No 18, December 2006). Moloi further states that “it sparked unprecedented interest among lawyers, politicians, governmental, non-governmental organizations and the general public, both nationally and internationally” (SA Crime Quarterly, No 18, December 2006: 25). Skeen (2007) points out that Zuma’s supporters believed that there was a political conspiracy against him and that the rape case was as a result of this conspiracy. On the other hand, Zuma’s critics believed that this case was a demonstration of how unsuitable he was as a candidate for presidency. Reportedly, there were “783 criminal charges against Zuma that included racketeering, corruption, money laundering and fraud” (Southall 2011: 617). All these charges were dropped in 2009 by former acting head of the National Prosecuting Authority (NPA) Mokotedi Mpshe. The merit or the basis of dropping the charges against President Zuma has been a matter of public debate since 2009. In 2014, the NPA was ordered by the Supreme Court of Appeal to hand over the spy tapes on which Mpshe relied for his decision to drop the charges. The DA accused the NPA of stalling the process of this matter and the party declared that “there is no substantive reason for why the charges were dropped and they should be reinstated without delay” (Selfe, 2015).

Due to the aforesaid issues, many views emerged concerning Zuma’s road to the presidency, particularly with regard to the conflict between him and Mbeki as well as the state of the ANC. The distinction between the two leaders became an essential component of public debate. Piper explains that there is agreement among different political analysts on “Suttner’s account of centralist practice that clearly predate Mbeki, as well as Mbeki’s own patronage-based style of operation” (2009: 102). Gumede argues that “Thabo Mbeki adopted what many backbenchers interpreted as a disdainful and contemptuous attitude towards parliament” (2007: 170). Gumede further observes that this style of politics, which he labels as the exile style, was criticized for being “based on secrecy and loyalty and that it was not accommodative to the new demands of transparency and public accountability as required by the constitution” (2007: 170).

Piper explains that “almost all the contributors to the *Representation Journal* view the new Zuma-led ANC operating much more in terms of personality-based politics into the future, with

lower levels of organizational discipline and consideration of protocol” (2009: 102). He notes that most “contributors to the *Representation Journal* also tend to agree that, in the short term, the ascent of Zuma should not affect the party too negatively, but that it opens questions about longer-term prospects for the first time in its history” (2009: 102). An example given by Piper is Suttner’s view that “the ascent of Zuma represents the most decisive break from ANC tradition and a fundamental crisis for the party” (2009: 102). Piper concludes that all contributors to the *Representation Journal* share some sense of the beginning of the end for the ANC’s easy dominance in South African politics” (2009: 102).

It can be argued that it was clear that the power struggle was the reason for the conflict between the two leaders. It was also clear that Zuma gained popularity and support from the masses as compared to Mbeki. It can also be argued that Mbeki’s response to certain socioeconomic issues led to his downfall. For instance, in 2006 the “ANC government under the leadership of Thabo Mbeki was failing to deliver to the marginalized sections of society, HIV/AIDS policies were inadequate and unemployment figures were alarmingly high” (Vuuren, 2013: 68). Vuuren further mentions that “ANC supporters became aware and more dissatisfied with economic policies that were only benefiting the previously advantaged white middle class, black economic empowerment tycoons and black middle class” (2013: 68). COSATU and the South African Communist Party (SACP) were not pleased with Mbeki’s leadership and therefore considered Zuma a suitable candidate as he appeared to have the ability to appeal to the masses. As Gumede (in Vuuren, 2013: 69) explains “Zuma’s support was in the form of a left-populist alliance that consisted of grassroots activists, trade unionists, socialists, unemployed youth, veteran guerrilla fighters, women’s lobbies and the left-wing of the ANC tripartite alliance including COSATU and the SACP and organizations such as the Young Communist League”

Furthermore, Mbeki habitually “denied or dismissed economic and social problems in South Africa” and he “dismissed a survey which reported that the number of people in poverty rose from 1, 9 million in 1996 to 4, 2 million in 2005” (Vuuren, 2013: 69). The former president was said to be aloof from the masses and his “views were seen as out of touch and uncaring by many ANC supporters” (Vuuren, 2013: 69). Within the ANC, the working class wanted their ideas to dominate and do away with what they viewed as capitalist policies. In order for the working class to push their agenda, needed a leader from their own ranks was needed, a leader with a

communist background. Jacob Zuma became the ideal candidate for them. The outcome of the ANC's 52nd conference in 2007 spoke for itself, when Zuma emerged as the president of the ANC, winning the elections by receiving 2329 votes, whereas Mbeki received 1505 votes (Wolmarans and Burbidge, 2007). In 2008, Mbeki resigned as requested by the National Executive Committee (NEC) of the ANC (Mbola, 2008).

It is of considerable significance that there is a strong connection between factionalism and corruption. Lodge argues that “factionalism is wholly and singularly caused by corruption, the scramble for power, state resources and a tendency for comrades to regard local structures as their own fiefdoms” (Lodge, 2004: 213). Additionally, he points out that “all elected public offices in South Africa are today quite generously remunerated, and in poor communities the stakes involved in winning or losing such positions are consequently very high” (Lodge, 2004: 213). Going to Polokwane there was a strong sense of division within the ANC. One cabal was strongly in support of Zuma and the other cabal in support of Mbeki. There was uncertainty in the two factions as it was unclear who would come out victorious in the elective conference. This insecurity can lead to individuals feeling the need to accumulate wealth as they were unclear about their future as employees of the ANC: this is another factor contributing to corruption.

4.3 Perception of Political Corruption

Since 2009, when President Zuma took office, there have been strong views concerning the levels of corruption in South Africa. The development of strong views has been coupled with a series of cases of corruption involving government officials and politicians that have been heard in court rooms and some reported through media. Examples of corruption scandals are renovations at President Jacob Zuma's private home in Nkandla as well as the arms requisition deal. Corruption has, therefore, been at the center of public debate in this country, especially because the President himself has been implicated. Gobodo-Madikizela, a senior research professor, believes that “from the very beginning, Zuma's presidency was destined to corrupt the soul of the country”. She substantiates her argument by adding that “the dramas that unfolded during his court trials and after his acquittal have been burned into our collective consciousness” (Gobodo-Makikizela, 2013). Andrew England, a Financial Times journalist, points out that President Zuma “has been plagued by controversies amid the perception that corruption, patronage and cronyism in the government and ANC have been on the rise since he took office

in 2009” (England, 2013). There is a general perception that corruption has increased since Zuma became president in 2009.

There are various justifications for and reasoning behind the above perceptions regarding corruption in South Africa. It can be argued that the ANC, being the dominant party and having enjoyed a lengthy stay in power, has come to feel invincible. For instance, utterances such as “the ANC will rule until Jesus comes back” have been made. This demonstrates a feeling that defeat is unanticipated in the future. The ANC has been categorized as a dominant party in this country by various scholars and commentators. For Suttner, the concept of a dominant party “refers to a category of parties/political organizations that have successively won election victories and whose future defeat cannot be envisaged or is unlikely for the foreseeable future” (2006: 277). Even though over the years the DA has been able to attract a black following and maintain its position as the official opposition party, and even though some of its members defected to join breakaway opposition parties such as COPE and EFF, the ANC remains dominant and unshaken. The opposition parties in South Africa have repeatedly shown that they have hardly any effect on ANC unity. The fact that there is no opposition party capable of ousting the ANC from power serves to increase its arrogance. Thus, the dominating character of the ANC can be seen as the source of some of the democratic challenges that South Africa currently is facing.

Brooks points out that “in a context in which one party dominates the political landscape and faces little prospect of electoral defeat, then concerns arise surrounding the possibility of declining government response to public opinion; loss of accountability; and the overall erosion of democratic principles and development of authoritarian methods of rule” (Brooks, 2004: 01). Where strong opposition does not exist, check and balances within government are weakened, abuse of power is heightened and this leads to a situation where a dominant ruling party believes it can get away with corruption and protect its’ officials at the expense of society. Even though the ANC may be corrupted by its ability to dominate, is arguable that the disunity or factions within the organization has added to the rise of political corruption.

An observation of table 6 (see the appendix) indicates that the perception of corruption started increasing in 2008. From 16th to 20th December, 2007, the ANC went to its 52nd Conference in

Polokwane, during which Jacob Zuma triumphed and Mbeki was defeated. Prior to this conference, the political differences between Jacob Zuma and Thabo Mbeki had intensified and the two men “went to Polokwane leading two distinct camps” (2 November 2012 Daily Maverick). After the Polokwane conference, the political atmosphere worsened within the ruling party. Munsamy summarizes the political events that followed the conference: “Zuma was recharged a few days after being elected ANC president and Judge Chris Nicholson found the following September that Zuma’s prosecution was invalid and effectively affirmed that there was a political conspiracy against Zuma, Mbeki was recalled from office a week later by the ANC, which in turn led to the breakaway of the Congress of the People (Cope)” (Munsamy, 2012: no page). It thus is evident that Zuma came in as president of the ANC during a time when factionalism was rife. As KwaZulu Natal (KZN) provincial secretary of the ANC noted, “factionalism within the organization continued to corrode the moral fiber of the ruling party” He added that, “this includes a tendency of a winner-takes-all which deprives the ANC of capable leaders” (quoted in SAPA, 13 May 2012 News24). Many within the ANC were uncertain about their future due to their association with the Mbeki camp. As noted above, insecurity is conducive to corruption given that it is a means of accumulating wealth. Moreover, 2008’s increase in the perception of corruption (see table 6 in the appendix) may have had a direct link with the political conflict between the two factions within the ANC at the time.

Given the nature of political organizations and power struggles within the political arena, it is important for NGO’s, INGO’s, Civil Society Organizations and pressure groups to strengthen the weakened society and to challenge and keep the government in check. Transparency International is the instrumental global civil society organization in studying corruption. The studies done by Transparency International by means of indices, such as the CPI, are useful for monitoring the levels of corruption.

The Corruption Perceptions Index (CPI) is used to measure the perceived level of corruption in South Africa. Transparency International (2013) explains the CPI as a “survey of surveys”, which is based on “expert and business surveys”. According to their report there are countries that perform well but no country has ever had a perfect score. Table 6 (see the appendix) shows that according to the world Corruption Perception Index, under the leadership of Thabo Mbeki, corruption in South Africa, moved from ranking 46 in 2005, 51 in 2006, 43 in 2007 and 54 in

2008. This shows that during Mbeki's presidency, corruption was not perceived as an uncontrollable challenge. It demonstrates that the South African ranking had a tendency to change, moving up and down. The same table shows that when President Zuma came into office, the country moved from ranking 55 in 2009, 54 in 2010, 64 in 2011 and 69 in 2012 (Transparency International 2012). It is noteworthy that there were significant increases in 2011 and 2012 respectively.

From 2008, SA was dealing with various cases of corruption involving high profile politicians, some of which initially started prior to this period. For example, Patricia de Lille brought the arms deal case before parliament, requesting an investigation in 1999: however, the commission of enquiry was appointed in 2011 (Holden, 2014). The case had been ongoing and had made headlines since the day it was presented to Parliament. There were also corruption charges against President Zuma which were withdrawn in 2009 by the then National Director of Public Prosecutions (NDPP) Mokotedi Mpshe (Holden, 2014). Reports also show that 2011 and 2012 are the years that the PP "received seven requests to investigate Nkandla" (Mail and Guardian, 8 April 2014). All the aforementioned cases illustrate the factors that influenced the current perception of corruption in South Africa. The index shows that under President Zuma's leadership there is a perception that corruption is an uncontrollable challenge.

This escalation can be interpreted as evidence of the government's failure to control corruption. The results of the survey according to CPI (2012) "can depend on the number of countries included in the survey (new higher-scoring countries can push those below it down the list while new entries with a lower score will do the opposite)". Nevertheless, the participation of SA in the survey is expected to assist the government to be able to combat corruption. However, the opposing political parties in South Africa believe that not enough is being done about corruption, hence, the escalation. In the Democratic Alliance (DA) press release on the 1st of December 2013, the party makes public the CPI report regarding corruption in SA. This report suggests that in 2013 there has been another increase in the level of corruption in SA. It asserts that "South Africa has slipped down three places from 69 to 72 out of 177 countries in the Transparency International Corruption Perception Index" (Democratic Alliance, Press Release 3 December 2013). This means that according to the CPI, South African rankings have dropped from 55 to 72 in the space of five years.

The DA links this increase directly with the spread in public sector financial maladministration in SA ever since President Zuma's administration took charge. The DA reports that “between the 2009/2010 and 2011/2012 financial years, financial mismanagement in the public sector has increased exponentially” (Democratic Alliance, Press Release 3 December 2013). The opposition party further reports that “irregular expenditure in national departments has doubled, from R11 billion in 2009/10 to R22.1 billion in 2010/11 to R28.3 billion in 2011/12; and Audited fruitless and wasteful expenditure has tripled from R437 million in 2009, to R1.5 billion in 2010/11 to R1.8 billion in the 2011/12 financial year” (Democratic Alliance, Press Release 3 December 2013). This report is yet another indication that political corruption continues to be a burning issue, and that the current government is failing dismally to deal effectively with this situation.

In the press release by CPI reflecting on the “stable but disturbing trend for South Africa” as CPI termed the ranking of this country, it is stated that “stable SA’s Index scores can be attributed to the level of outrage expressed by the public in the form of service delivery protests and eagerness to report corruption to independent civil society based organizations like Corruption Watch” (Corruption Watch Press Release 2013). In addition, CPI mentions that “the perceptions are also indicative of a public that has become intolerant of the abuse of public resources and is losing trust in political, public, and business leadership” (Corruption Watch Press Release 2013). CPI also reports that “Corruption Watch is of the view that perceptions of corruption will not change until political and business leaders are held accountable for their conduct” (Corruption Watch Press Release 2013). Corruption Watch has correctly observed that those who are corrupt need to be held accountable. Accountability will fully materialize only if firstly, the justice system is not polluted by politics and secondly, if high profile leaders and officials are held accountable, thus setting an example for all corrupt officials.

4.4 Cases of Corruption during President Zuma’s term of Office

Currently all levels of government are disposed to corruption: in central government and local government, financial mismanagement seems to be the trend. In November 2014, the Auditor-General (AG) observed that “unauthorized and irregular spending is on the increase” (cited in Davis, 2014). The AG reported that “over the 2013/2014 period, R62, 7 Billion worth of irregular expenditure was incurred, and unauthorized expenditure totaled R2, 6 Billion.” According to the AG wastage of public resources is the cause of concern. He cites instances

where “R386 million spent by auditees to appoint consultants to ready themselves for audits.” The AG deems this a waste of resources as government ministries and public entities have financial departments and it should be that office’s job to ensure readiness for audits, outsourcing skills that someone is already employed to perform is unacceptable. (Cited in Davis, 2014) Only a few municipal audits have had acceptable results, and some municipalities have refused to be audited.

Nevertheless, there have been developments in the fight against corruption. President Jacob Zuma announced in September 2013, “that R330 millions of taxpayers’ money has been recovered from corrupt government officials between September 2004 and now” (Rampedi, 2013) He made this announcement when he was addressing editors, and political journalists in Pretoria, and he said these outcomes connected to corruption cases that have been reported in the National Anti-Corruption hotline. The President reported that “2 638 officials have been found guilty of misconduct charges related to corruption and at least 1 728 of the culprits were nabbed in provinces, with another 910 at national level” He further reported that “491 officials had been suspended, 1 600 dismissed and 256 officials had been fined three months’ salary, 31 demoted, 541 given final written warnings and 210 prosecuted” (Rampedi: 2013)

There have also been concerns raised about individuals who have personal connections with the President and whose companies have been selected for government tenders. There is a belief that certain companies are awarded tenders solely because of their personal ties with the President. For example, after the Gupta’s wedding guests landed at the Waterkloof Airforce Base in 2013, President Zuma’s relationship with the family was questioned in Parliament and made headlines in the media. Many journalists had already started investigating the relations between the two families before the issue was raised in Parliament. According to one report, “the Gupta family was helping first lady number four, Bongi Ngema-Zuma, pay off her R3.8-million home loan.” (Mckune and Brummer, 2012). Another report highlights that “Duduzane Zuma, President Jacob Zuma’s 29 year old son, jointly control Mabengela Investments with Tony Gupta while JIC Mining Services is also majority-owned by the Gupta’s and Duduzane Zuma”, Mabengela Investments is part of a consortium of black investors. (De Vos, 2013) Duduzane Zuma serves as a director on the boards of the Gupta owned and established Sahara Computers company and Shiva Uranium businesses, while one of Zuma’s wives has worked for the JIC Mining Services

businesses. The relations between the two families cannot be isolated from the tender deals that are associated with companies that are owned by the Guptas in collaboration with some of the Zuma family members.

COSATU criticized government dealings with the Gupta family. COSATU President, Sdumo Dlamini, expressed his concern “about the increasing number of deals made between highly connected business people such as those in the Gupta family and government” (Letsaolo, 2011) Rajesh Gupta and Duduzane Zuma are reportedly “hidden stakeholders in a strategic locomotive subcontracting company, Westdawn Investments, bought while the main tender process was ongoing” (Faull, . Sole, Letsaolo and Brummer, 2014) It has been reported that state-owned enterprises have spent more than R100 million in advertising in the Gupta owned New Age newspaper (De Vos, 2013) . It is difficult to deny that their personal relations and financial entanglement with the President and his family has great influence with regard to the government advertising in their newspaper. These practices are better summarized by Southall when he says that “the formal operations of government are being eroded by the private interests of individuals and businesses, which trade on their political presence within, and connections with, the ANC and the government itself” (2011: no page). It is unfortunate for the country that certain individuals benefit from the government due to their personal relations with the president and his family. The same could be said for Schabir Shaik who was said to be the President’s financial advisor and yet his name comes up in public issues such as the arms deal.

Strategic Defence Procurement Packages (SDPP), also known as the arms deal, is an example of cases that have created controversy and brought the South African Justice System to the test. This case has been viewed by IDASA as the “litmus test of South Africa's commitment to democracy and good governance” (Hoffman, 2013: no page). It is also said to have involved a number of ANC senior leaders and therefore it has been a case that has received much attention from the public, has been closely followed by the opposition parties, and avoided by the ruling party from the onset.

A number of irregularities were found in the procurement process of the armaments and weapons by Standing Committee on Public Accounts (Scopa), a committee responsible for ensuring that public funds are spent legitimately. According to Feinstein, former deputy chair of the Audit

Commission in Parliament, the irregularities found include: firstly “conflict of interest among key decision makers” which refers to the “Director of Procurement in the Defence Force at the time, Chippy Shaik, and Defense Minister Joe Modise” (2007: 158). The allegations were that “Chippy Shaik favoured his brother Schabir Shaik and that Joe Modise may have benefited materially from the deal” (2007: 158). Schabir Shaik was “a director of African Defence Systems (ADS), a company bidding for sub-contracts” (Feinstein 2007: 164). Secondly, another irregularity with the deal according to Feinstein was that a decision was taken by the then “President (Thabo Mbeki) to go with BAE/SAAB rather than Aeromacchi, the Italian equivalent which was the preferred technical choice of the South African Air Force and half the price of the BAE/SAAB equivalent” (2007: 159). The decision to take an expensive bidder who would cost the country more than taking an affordable option did not make economic sense.

Furthermore, Feinstein reveals that BAE Systems, a British multinational defence, security and aerospace company “made a generous donation of R5 million to the MK Veteran’s Association whose Life President was Joe Modise” (2007: 155). On top of that, “one of the bidders allegedly bought Modise millions of shares in defence company Conlog, which was likely to benefit from sub-contracts if successful in its bids” (Feinstein 2007: 155). It was also revealed that “Tony Yengeni signed a R6-million bribe agreement with an arms bidder when he headed Parliament’s joint standing committee on defence in 1995, German detectives have reported” (Brummer, 2013). Feinstein supports this by alluding that “Yengeni and his then deputy on the committee, Ntsiki Mashimbye received money and/ or gifts for various roles played in assisting international defence companies”(2007: 171). At the center of the irregularities was “the contentious awarding of a contract to provide fighters and trainer jets to BAE and SAAB, the controversial decision to grant the German Frigate Consortium the right to build four ships, the allocation of a naval sub-contract to a French company at a substantial increase in cost over a local company tender, inadequate offset guarantees and a disregard for the staff requirements to operate the system purchased” (2007: 158). It is without doubt that the arms deal had many irregularities and that the case remains the ultimate test for the justice system of this country and its ability to ensure accountability and punishment for offenders.

Opposition parties led by the DA persistently kept up the pressure about the arms deal and probes by different institutions through public debates in Parliament. . In consequence, a

Commission of Enquiry was announced in October 2011. Chaired by Judge Seriti, a judge of the Supreme Court of Appeal, this enquiry was formed for the purpose of ascertaining facts about the “allegations of fraud, corruption, impropriety or irregularity in the Strategic Defence Procurement Packages” (Department of Justice and Constitutional Development 2011). According to the media statement by Mr Jeff Radebe, who was at the time Minister of Justice and Constitutional Development, “the allegations surfaced soon after the dawn of democracy, following the procurement of multi-billion rand armoury that was intended to address the needs identified by the South African National Defence Force during 1996 – 1998” (Department of Justice and Constitutional Development 2011). The Minister stated that, “this culminated in the Cabinet decision to purchase aircraft, corvettes and submarines at the cost of R29 billion over 12 years” (Department of Justice and Constitutional Development 2011).

The Arms Deal is an illustration of redistributive corruption. The alleged beneficiaries of this kind of corruption are high profile members of the ANC who are in senior positions within the government. Feinstein (2007) reveals that the ANC itself also benefited from the arms deal: he claims that the funds were used to fund the 1999 elections. According to Feinstein (2007), at the time South Africa was not faced with conflict, rather, social issues such as HIV/AIDS, caused suffering and death. The funds extracted from the state budget to purchase armaments so that that money could go into certain people’s pockets and fund the ANC 1999 elections campaign could instead have assisted the fight against social threats that South Africa was facing at the time. Thus, corrupt members of the ruling elite benefitted at the expense of the people.

Another case that has grabbed the attention of the media and the society at large is the refurbishment of President Zuma’s home at Nkandla, KwaZulu Natal. It was alleged that there was “impropriety and unethical conduct relating to the installation and implementation of security measures by the Department of Public Works (DPW) at and in respect of the private residence of President Jacob Zuma” (Public Protector Report 25 of 2013/14). According to the report of the PP, “the cost estimation for the project was R145 million” (Public Protector Report 25 of 2013/14), However, “by the time the PP concluded this investigation R215 million had been spent while the total cost to conclude the project was conservatively estimated at R246 million” (Public Protector Report 25 of 2013/14).

The refurbishment of President Zuma's home is an ideal case study for this research as it entails multiple aspects of corruption. Regulations pertaining to appointing service providers were not followed. In general, there are procedures that all government departments and entities have to follow when appointing service providers. However, in the case of the refurbishment of the president's home, these procedures were not followed. In the appointments of Mr Makhanya, as the project manager; R&G, for quantity surveying services; Ibhongo, for civil and structural engineering; and Igoda, for electrical engineering, the Department of Public Works (DPW) disregarded all the relevant regulations. The Special Investigating Unit (SIU), in its report on this project, indicates that "the open tender process was not followed and the roster system was not used in selecting service providers for this project" (Special Investigating Unit 20 August 2014: 80). The SIU further explains that "Makhanya and Igoda were appointed although they were not registered on the roster system" (Special Investigating Unit 20 August 2014: 80). R&G and Ibhongo were registered as service providers on the roster system but it was not used for the purpose of appointing them. Accordingly, the PP also found that Mr. Makhanya's "appointment did not satisfy the requirements of the legal framework" as "once the project scope became wider, it needed to go on tender" (Public Protector South Africa March 2014: 414). She found that it was improper and amounted to maladministration "to deviate from an open and competitive bidding process to appoint a private Project Manager by means of a nominated procurement strategy." She pointed out that the project "did not comply with the requirements of section 217 of the Constitution, the PFMA, the Treasury Regulations and the SCM Policy and prescripts of the DPW" (Public Protector South Africa March 2014: 416).

Many irregularities were found to have taken place during the implementation process of the Nkandla Project; there was dismal failure to comply with policies of the state. The PP's report clearly states that, "the Cabinet Policy which regulates Security Measures at the Private residences of the President, Deputy President and former Presidents and Deputy Presidents, dated 20 August 2003" was not adhered to during this process (Public Protector South Africa March 2014: 386). The report also states that "the DPW failed to comply with the provisions of Government Immovable Asset Management Act (GIAMA), which specifically require a proper asset management plan in respect of the immovable assets of the state" (Public Protector South Africa March 2014: 428). The implementation of the project was also not in compliance with "treasury regulations 16A. 3.2, which imposes the responsibility for demand management on

client departments, which includes insuring cost effective measures and budgeting appropriately for such” (Public Protector South Africa March 2014: 429). Further to this maladministration “a letter proposing an apportionment of cost” disappeared and certain questions relating to the project were not being answered (Public Protector South Africa March 2014: 432). Also, when the PP asked for documents relating to the declaration of the President’s private residence as a National Key Point, the then Minister of Police said “it would compromise the security arrangements in place at the President’s private residence” (Public Protector South Africa March 2014: 97-98). Hence, it can be concluded that the investigation into the Nkandla project shows that the officials who were heading the project have no regard for state policies. Nor do they care how their corrupt practices affect South African people, especially the poor and marginalized, by diverting state funding from, for example, service delivery, into their own pockets. They also have no regard for the public right to be informed about the decisions of the government; on the contrary, they attempted to block certain information when requested by the PP to provide it.

It is a matter of record that the Nkandla project diverted resources from socially beneficial projects to the pockets of the political elite and their friends. The report of the PP reveals that in order to fund the Nkandla Project, “funds were reallocated from the Inner City Regeneration and the Dolomite Risk Management Programmes of the DPW” (Public Protector South Africa March 2014: 436). The Inner City Regeneration project is a government strategy that aims at sustaining private investment in inner cities such as Johannesburg. If properly implemented, this program would have led to a rise in property values. Among other things, this program was aimed at developing and maintaining infrastructure, and managing of informal traders and taxis. Dolomite Risk Management Programme entails applying a “risk management strategy to infrastructure to ensure the safety of personnel and visitors, protection of property and to avoid fruitless expenditure” (Department of Public of Works Republic of South Africa September 2010: 1). These are projects that could have benefited the society in many different ways. The DPW failed its obligation to protect public interest when it allowed a situation where money was reallocated to a project that benefitted members of the state elite rather than the society.

President Zuma had claimed that his family paid for the costs of the building and every room without financial assistance from the government; however, it was found that his claim was untrue. After a task team was appointed to investigate it was found that “more items were added

to the project after the concerns were raised in 2009, bringing the cost from the initial R65 million, which was the subject of complaint in 2009, to R215 million, which has since been spent, while outstanding work is currently estimated at R36 million bringing the envisaged total cost to R246 million” (Public Protector Report 25 of 2013/14). According to the findings of the investigation “seven teams of professional consultants were involved in the Nkandla Project and were paid a total of R50 352 842 for phase 1 and 2 alone” (Public Protector Report 25 of 2013/14). (Please see table 9 in appendix for a breakdown of payments to consultants.)

Comparing the funds used in security upgrades for previous Presidents, the findings were as follows:

1. *R20 101 (equating to an estimated R173 338 in 2013 financial terms) was spent on former President Botha’s private residence;*
2. *R42 196 (R236 484) was spent on former President De Klerk’s private residence;*
3. *Less than R32 million was spent at former President Mandela’s two private residences, one of which is located in a rural area in the Eastern Cape. I was referred to the fact that the DOD had placed a field hospital at his rural home, at the cost of about R17 million. However, this is a mobile structure that will revert back to the state and not a permanent fixture, as is the case of the Military Clinic constructed at President Zuma’s private residence; and*
4. *R8 113 703 (R12 483 938) in the case of former President Mbeki’s private residence.* (Public Protector Report 25 of 2013/14, 50-51). (Please see table 10 in the appendix).

The above information shows that the expenditure on security upgrades in President Jacob Zuma’s residence by far exceeds the expenditure for the previous Presidents. It is alleged that there was ridiculous inflation of pricing at President Zuma’s residences. The SIU report reveals that not only was there an issue of unnecessarily overdesigning which drastically altered the initial budget, various construction works executed at the Nkandla project were not charged at market related costs. According to the report, the SAPS and SANDF units were over-designed and not self-sustaining as required. The requirement by SAPS was “fourteen single self-sustaining units at 30 square meter each, however, Makhanya authorized and constructed 14

double accommodation units each of which is two single units at 43 square meter in area was authorized” (Special Investigating Unit 20 August 2014: 137). SANDF required “six single self-sustaining units, however, Makhanya authorized and constructed six double accommodation units were authorized and were not self-sustaining” (Special Investigating Unit 20 August 2014:137). The report reveals “the cost of on-site clinic was R18 846.25 per square meter when the market related cost at that time was R13 500” (Special Investigating Unit 20 August 2014:145). The total amount paid for the on-site clinic is R8 133 225, the actual cost would have been R5 261 640.93 if the work was done at market related rate (Special Investigating Unit 20 August 2014: 145). According to the report “the actual cost of construction of the crew pavilion was R14 045.89 per square meter when the market related costs at that time was R9 000 per square meter” (Special Investigating Unit 20 August 2014: 146). The report shows that “the total amount paid for the pavilion is R1 248 694, but only R800 109.27 would have been paid had it been constructed at the market related rate” (Special Investigating Unit 20 August 2014: 147). With regards to the inner perimeter fence, “the actual cost of construction of the concrete pillar was R2 064 232.67 when the market related cost at that time was R1 548 798.9199” (Special Investigating Unit 20 August 2014: 147). The appointed Project Manager (Makhanya, the architect) was responsible for the overdesigning, authorization and certification of costs. (Please see the breakdown of the actual expenditure at the conclusion of the investigation on the Nkandla Project in table 11 in the appendix.)

President Jacob Zuma and his family benefited indirectly from the Nkandla Project as suggested by the findings of the PP. The PP in her report states that “a number of the measures, including buildings and other items constructed and installed by the DPW at the President’s private residence went beyond what was reasonably required for his security” (Public Protector South Africa March 2014: 429). She further mentions that “the construction inside the President’s residence of Visitors’ Centre, an expensive cattle kraal with a culvert and chicken run, a swimming pool, an amphitheatre, marquee area, some of the extensive paving and the relocation of neighbours who used to form part of the original homestead, at an enormous cost to the state” was not reasonable and should not have been implemented (Public Protector South Africa March 2014: 429). These were not part of the security measures that are funded by the state but luxurious renovations of the President’s private home.

The PP clearly states in her report that “the expenditure incurred by the state in respect of the measures taken, including buildings and other items constructed or installed by the DPW at the request of the SAPS and DOD, many of which went beyond what was reasonably required for the President’s security, was unconscionable, excessive, and caused a misappropriation of public funds” (Public Protector South Africa March 2014: 430) She further alludes to the fact that “the excessive and improper manner in which the Nkandla Project was implemented resulted in substantial value being unduly added to the President’s private property” (Public Protector South Africa March 2014: 431).

As noted by Amundsen, extractive corruption takes place in a situation where the “ruling elite has developed into a dominant and ruling class in control of the powers of the state” (Amundsen:1999: 8). It is the case that in South Africa the ANC is dominant, hold a majority of seats in Parliament and has total control of the state. This monopoly of power is the reason why a number of ANC officials are corrupt. The extractive political corruption theory “emphasizes the well-known remark that all power tends to corrupt, and absolute power corrupts absolutely” (Amundsen, 1999: 8). It goes without saying that the ANC has the power to make decisions, and those decisions will always favour the ruling party. For instance, Du Plessis reports that Independent Democrats (ID) MP Lance Greyling once suggested that government adverts should be banned during elections (City Press 27 March 2014). Greyling claims that the ANC abuses state resources through this process for campaigning reasons and it is unacceptable (City Press 27 March 2014). It is not only Lance Greyling of ID who has suggested that using state resources as a way of electioneering by the ANC through media coverage has become the trend. Mbaya (citing Lodge) notes that “stories about the ruling parties tended to be favourable whereas opposition parties were often treated disparagingly” (2004: 73). Mbaya also cites an observation that “the ANC is dominating the media in terms of election coverage and was doing so before political campaigning had even officially begun” (2004: 74).

There are many similar cases of corruption involving cabinet ministers, young leaders and high profile politicians. The state is weakened by this as funds that are allocated to facilitate service delivery and social development are not used efficiently; instead funds go straight to the pockets of those who are given the task of service delivery. According to Southall “the merging of party and state under the ANC has provided for the increasing criminalization of authority and power,

a tendency which has gained serious momentum under Jacob Zuma”(2011: no page). Given the report cited above, it is difficult to argue against Southall’s point. There is no denying the fact that “prosecution of major cases of corruption does occur, but usually only after extensive exposure in the media, and heavily dependent upon the prevailing balance of power within the ANC” (Southall, 2011; no page). A clear example is the arms deal case: if the media and the opposition remained silent about this case, the chances are there would be no talk of it being re-opened.

Apart from the extractive kind of corruption that occurs in South Africa, there have also been instances of redistributive corruption. This is when the society benefits from corruption while the state loses due to corrupt acts. For example, there have been instances where the media has reported that government resources have been used by government officials belonging to the ANC in carrying out election campaigns. Opposition party leaders such as Helen Zille of the DA and Dr Buthelezi of the IFP have also raised such concerns and have condemned such acts; when asked, the ANC affiliated officials denied these accusations and insisted that they were doing government work which had nothing to do with electioneering.

Helen Zille of the DA published an article about how government officials use their office status and state resources to boost election campaigns for the ANC. Zille states, in this article, that “in August 2013, on the eve of a crucial round of by-elections in Tlokwe, Social Development Minister Bathabile Dlamini ordered the distribution of hundreds of food parcels and blankets in the wards where the by-election were to take place” (Zille, 2014). She claims that “since then, this has become a regular strategy of the ANC in by-election wards, and in this election campaign” (Zille, 2014). She also claims that “the Sunday Independent reported that the SA Social Security Agency (SASSA) arrived at ANC election campaign events to hand out food parcels, thereby using public resources to boost the ANC’s flagging fortunes in the election campaign” (Zille, 2014). Prior to the 2014 elections, the DA and Agang SA lodged complaints to the PP; these complaints were in connection with the ANC’s election campaigns in North West (NW), Western Cape (WC) and Gauteng (GP) (South African Press Association 21 April 2014). According to the explanation from the PP’s Spokesperson, Oupa Segalwe, “the DA’s complaint relates to the by- elections in Tlokwe, the party alleges that food parcels were used in ANC campaigns ahead of the by-elections” (SAPA, City Press 22 April 2014). The

Spokesperson further explains that Agang SA's complaints "relate to allegations that food parcels were used in the ANC campaigns in the Western Cape and that the Gauteng Provincial Government used ANC-related colours on its billboards" (SAPA, City Press 22 April 2014).

The DA also complained about the project called Fetsa Tlala by the Department of Agriculture, Forest and Fisheries which is aimed at ending hunger. According to the DA this project was nothing but a way of funding the ANC elections campaign (7 April 2014 Politics Web). The DA raised the fact that Fetsa Tlala t-shirts that were being distributed to the public "were yellow, had the President's face printed on the front, against a backdrop of an ANC flag" (7 April 2014 Politics Web). Furthermore, on these t-shirts were written "we have a good story to tell" and "together we have made South Africa a better place" (7 April 2014 Politics Web). These are slogans that were used by the ANC for the previous elections. It is no coincidence that certain government programmes that involve giving out food parcels take place during the electioneering period.

This kind of corruption is beneficial to the society inasmuch as they are given food parcels and sometimes t-shirts by the officials. The state, however, is weakened because Independent Electoral Commission (IEC) policies that govern elections are not respected. Moreover, extra funding is added for such projects and turnout in campaign gatherings is usually big. For example the budget allocated for food parcels had to increase in the Department of Development (DSD) 2013/2014 financial year, so that it accommodated the campaigns as well (7 April 2014 Politics Web). Zille mentions that "in the 2012/2013 year, a total of R187 925 000 was allocated for food parcels" (Zille, 2014). She further clarifies that the budget "increased to R239 286 000 in 2013/2014, an increase of 27.33%" (Zille, 2014).

4.5 State-Society Relationship

Zuma's first term of office began in 2009 and ended in 2014. The period immediately before Zuma's presidency was characterized by factionalism within the ANC. Southall (2008) cites Sparks' remarks as he outlines his thought about the situation of the ANC:

Under apartheid all black people were in the same boat. There was an equalitarianism about their oppression that made it natural to be united and idealistic about the struggle to end that common oppression and build a better society. But liberation has ended that commonality and opened the way for

individual opportunism, which many are grasping with a greed born of long deprivation (quoted in Southall 2008: 282).

Factionalism and individualism are a threat to both the state and the society. The consequence of factionalism and individualism is that those deployed to public office focus more on their political future than on service delivery, and political corruption heightens. When service delivery is neglected it is the society that suffers most and when political corruption heightens it is the state that suffers financially.

Under Zuma's leadership South Africa continues to see high profile politicians charged and some expelled or asked to step down due to cases related to corruption and maladministration. This could be a sign that Zuma's administration is dealing with perpetrators of corruption, it might also mean that there have been more incidences of corruption under his leadership. It has been noted that when high profile politicians and their acquaintances do business with the state, it creates another difficulty which is seen as rising during President Zuma's term. Southall refers to an example which was suspected to involve "Zuma himself, along with 15 adult members of his family, owning some 134 company directorships or membership of close corporations, at least 83 of which had been registered in the post-Polokwane period and are linked to industries in which the state plays a key role"(2011: 618). Southall also suggests that "the merging of party and state under the ANC has provided for the increasing criminalization of authority and power, a tendency which has gained momentum under Jacob Zuma" (2011:625). He adds that "the formal operations of government are being eroded by the private interest of individuals and businesses, which trade on their political presence within, and connections with, the ANC and the government itself" (2011: 625). This shows that the personal business interests of those in support of Zuma and his family members have been served since Zuma came into office. This is detrimental to the state as it sends a message that only those who are connected to the ruling party are served by the state. Further to this, there are attempts by the government to limit access to information through what is termed the "secrecy bill", which means the society would no longer have access to state information if it is classified as a threat to national security.

With the introduction of the Protection of State Information Bill, which was passed with amendments on the 29th of November 2012, the society runs the risk of not getting access to certain information about the state. This bill, *inter alia*, aims at "regulating the manner in which

state information may be protected, promote transparency and accountability in governance while recognizing that state information may be protected from disclosure in order to safeguard the national security of the Republic” (Protection of State Information Bill B6 2010). This bill has been debated in parliament and by the public through civil society organizations. At the heart of the debate is the fact that the “bill has no public interest clause and if passed and implemented, will give the government wide-ranging power to contain information it does not want in public” (Du Plessis, 2011). Human Rights Watch emphasizes that the bill “lacks essential protection for whistleblowers”, and notes that the bill has “provisions that undermine the right to access information of public interest” (Jacobs, 2013). Human Rights Watch is mainly concerned that it remains unclear on the key question of whether whistleblowers and journalists seeking to expose certain sensitive issues, such as corruption, would be protected under the law (Jacobs, 2013). The introduction of this law came at a crucial time where many cases of corruption were being dealt with; the law is not beneficial to the society because it means there is certain information that will not be available to the public. This is another form of weakening the state because it is in contradiction with the Constitution which is the highest law in the land. This bill does not respect the rights of freedom of expression and right to access to information. To pass this bill as is would mean if any whistleblowers or journalists expose cases of corruption within government, they would be imprisoned. This would limit the whistleblowers and journalists in reporting on how tax money is used.

Shedding more light, Jacobs explains how this bill could be a limitation for the public.

Nkandla is a National Key Point, meaning it has been declared an area of strategic importance under the apartheid-era 1980 National Key Point Act. Under the 1980 act the Defense Minister can declare any area a national key point if the area is considered so important that its loss, damage or disrupt may prejudice the country. Section 4 of the act criminalizes any action by person revealing information about the national key point. Therefore information surrounding Nkandla, when reads together with the National Key Point Act would be regarded as classified. (Jacobs, 2013)

The state is weakened and it is unable to deal with corruption effectively and therefore the ruling party through the Protection of State Information Bill is attempting to ensure that certain information does not reach the public. The public, through civil society organizations and opposition parties, have made it clear that the bill must respect the rights that are enshrined by the constitution. The relationship between the state and society has been destabilized by the state's attempts to sideline the public. An additional reason for the unstable relationship is the fact that there have been media headlines that reveal to society that their leaders do not have their best interest at heart but are more focused on self-serving interests. There is seemingly no attempt to curb corruption, even though there are institutions that are in place to ensure such happens. Reports are written by the Public Protector and the Auditor General and issues are debated in Parliament but corruption is still rife. Instead of dealing with corruption issues, the arguments get derailed to debates about powers of certain institutions.

4.6 Summary of the Chapter

This chapter began with an extensive discussion of the background of Zuma's Presidency. This was followed by an overview of the perception of political corruption in South Africa and the motivating factors behind such perceptions. The chapter also discussed some of the cases of corruption that dominated the first term of Jacob Zuma's presidency. It was argued that factionalism and dominant party-ism are some of the factors that contribute to the rise of corruption. This chapter further argued that Zuma's first term was characterized by a weakened state with various social forces using the state for their own ends.

Chapter five: Conclusion

5.1 Introduction

This research aimed at assessing the causes of political corruption in post-apartheid South Africa in general and President Jacob Zuma's tenure in particular. This research also aimed at ascertaining whether levels of political corruption escalated during President Jacob Zuma's reign. In order to answer the latter question, it was important for the study to investigate corruption prior to President Jacob Zuma's tenure. Lastly, the research's task was to examine the consequences of political corruption as well as shed light on the different ways in which political corruption is measured.

5.2 Political Corruption in Pre-Apartheid, Apartheid and Post-Apartheid eras

Chapter 3 discussed corruption in the pre-apartheid, apartheid and post-apartheid (just after the transition to democracy) eras; it examined and measured corruption during Mandela's and Mbeki's terms in office. The study indicated that during the pre-apartheid era, corruption was significantly low, the state was strong and had moderate rent seeking activities which benefitted a small group of Afrikaner farmers. White domination and a strong Afrikaner ideology ensured a strong sense of stability for the white and Afrikaner community. This ensured that corruption remained at a low level, even though the introduction of pass laws created space for bureaucratic corruption in the Bantustans as the low-ranking officials took advantage of the opportunity to elicit bribes from black workers who contravened the pass laws.

Chapter 3 section 3.3 subsection 3.3.1 discussed the constraints that are faced in investigating corruption under apartheid. The study found that in the early years of apartheid there was an increase of bureaucracy through the increase in civil service employment. This led to the escalation of rent-seeking activities. However the state remained relatively strong and there was no evidence of blatant political corruption in central government. The study found that, from 1972 to 1984, when the apartheid state was under threat due to anti-apartheid campaigns, the state was also weakened by economic crisis and sanctions. During this period, South Africa saw a rise in corruption. The decline of the hegemony of Afrikaner nationalist ideology led to a tendency of self-enrichment and heightened corruption. The study also revealed that during the period of 1984 to 1994, as the apartheid regime was nearing its end, corruption levels were further elevated. This was due to the fact that the beneficiaries of apartheid realized that their time was slowly but surely coming to an end, therefore they turned to corrupt means of self-enrichment.

The study further established that the transition period was characterized by "fragile stability" as the country was in shambles. The study shows that uncertainty about the future of those who enjoyed the benefits of apartheid (given that the new elite was preparing to take over the state) triggered an increase in the levels of political corruption during this era. New forms of corruption were introduced and old forms continued to take place. All levels of government were exposed to corruption; the country lost millions of rands to corruption and certain departments were shut down due to corruption.

5.3 Political Corruption during Zuma's tenure and the Consequences of Corruption

The study showed that President Jacob Zuma's term has been characterized by political scandals and public debates concerning political and bureaucratic corruption. The arms deal scandal, which commenced before Jacob Zuma's tenure as president, was swiftly followed by the Nkandla project. Both of these cases have great significance for South Africa. While the arms deal has put the South African justice system under scrutiny, the Nkandla project has tested the ability of government institutions such as the Public Protector and other government departments, such as the Security Cluster, to effectively deal with issues of corruption.

The study highlighted many factors that contributed to political and bureaucratic corruption during Zuma's presidency. Firstly, the study argues that the dominating nature of the ANC has proven to be one of the reasons that the party feels undefeatable. It was argued that in a situation where there is a dominant party, there tends to be a decline in government's responsiveness to public opinion. In addition, this condition encourages a lack of accountability. Furthermore, a weak opposition erodes checks and balances. Under these conditions, it is easier for the ruling dominant party to misuse and misappropriate public funds. Secondly, it was argued that power struggle and factionalism played a huge role in contributing to political corruption. It was argued that the visible divisions in the ANC prior to and during the 52nd congress seem to have laid foundation for corruption. While chapter 3 showed, in the context of apartheid, that uncertainty about the future seems to trigger corruption, chapter 4 showed in the post-1994 era, that factional divisions within the ruling party lead to the same problem of uncertainty that can trigger corruption.

The chapter highlighted another challenge in South Africa, namely that public funds are wasted through political corruption, mismanagement. There is also a situation where individuals with personal connections with the President are seen to benefit from tender processes through their companies. It is worth noting though that under Zuma's administration there are public servants that have been held accountable for petty corruption. Punishments such as paying back funds, demotion, suspension and written warnings have been served to a number of public officials that have been found guilty of corrupt conduct. This is an indication that given the political will corruption can be controlled, but it is difficult in the cases of grand corruption that involve high

profile leaders. Furthermore, the study has revealed that consequences of corruption affect both the state and the society negatively.

Literature reveals that consequences of corruption are not always negative; there can be positive effects of corruption as believed by Oosterbroek (2007). The study has shown that any form of corruption affects the state-society relationship negatively. The study makes it clear that corruption adversely affects service delivery and this weakens the state. Public funds that are allocated to facilitate service delivery and development projects are pocketed by those given the task of fast tracking service delivery. This ruins the state-society relationship and the society loses confidence towards the government. The state suffers financially due to political corruption and the poor within society who are dependent of government are affected by this.

5.4 Measuring corruption

Measuring corruption is not an easy task and the concept in its nature is a contested one which normal in the social sciences. As the study showed there are ways that have been utilized to measure and monitor corruption globally. Measuring corruption is also dependent on the availability of information about corruption: due to the nature of corruption, information is not readily available for analysis since even those who have the information are reluctant to share it.

5.5 Final Remarks

This study showed that no political era (from pre-apartheid, apartheid and post-apartheid) in South Africa was corruption free. Rather, it is the levels of corruption that can be said to differ. When the state is stable and is without visible conflicting ideas the levels of corruption stay relatively low. When power is centralized and a few are in control of the state operations, corruption is also contained. However, the opposite can be said in a situation where a state is not stable, is characterized by conflicting ideas and there is decentralization of power.

This demonstrates that there is a very close connection between political corruption and political stability. The study showed that where there is a strong sense of hegemony, corruption is likely to be minimal. For instance, when the Afrikaner Brotherhood was united and they were content that they had absolute control over the state, through patronage and moderate rent-seeking

activities corruption was relatively very low. Their membership was confident that the state could provide for their needs and luxury and therefore there was no need for corruption.

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Indices

Transparency International 2012

Transparency International 2013

Global Corruption Barometer 2013

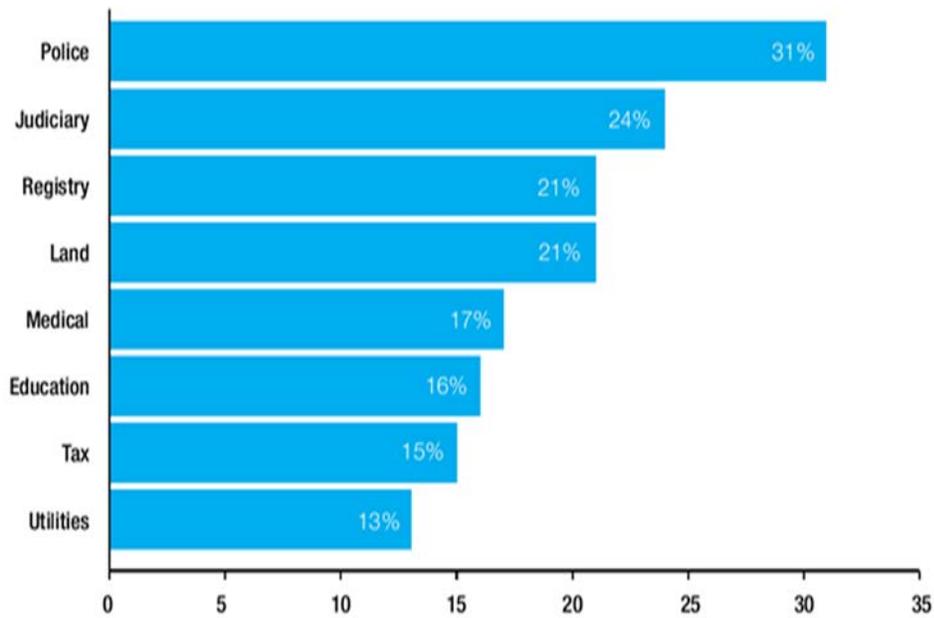
Corruption Perception Index 2012

Corruption Watch 2013

Appendix

Table 1: Bribery rate by service

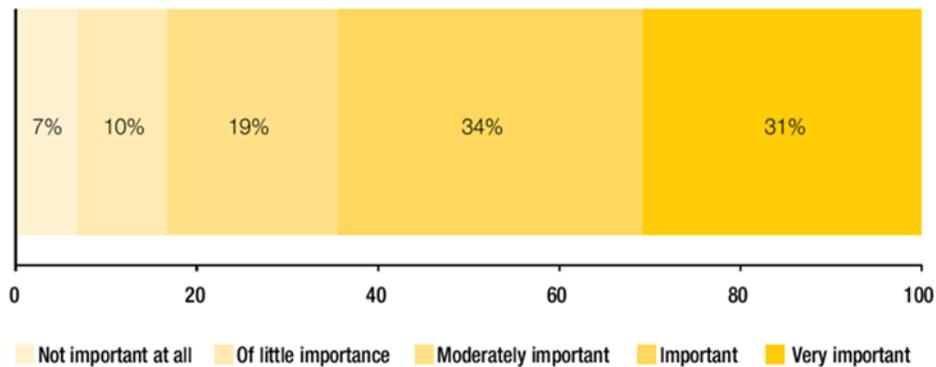
Percentage of people who have paid a bribe to each service
(average across 95 countries*).



Global Corruption Barometer 2013

Table 2: How important are person contacts?

Average percentage from the 107 countries surveyed



Global Corruption Barometer 2013

Table 3: Estimated value of allocated secret funds by department (1978-1994)

Department/account	Value estimated by the Auditor-General	ZAR 2005 value (based on 1986 value)
SADF Defence Special Account	R49,648,737,696	R320 billion
National Intelligence	R2,279,261,995	R14,70 billion
SAP	R289,907,000	R1,58 billion
Foreign Affairs	R79,434,205	RO,515 billion
South African Information Services	R60,240,017	RO,391 billion
Finance	R18,138,112	RO,117 billion
SADF	R15,285,000	RO,099 billion
National Education	R8,768,841	RO,056 billion
Bantu Administration	R6,000	R39 thousand
TOTAL	R52,399,778,866 (over R52,3 billion)	+ - R339,19 billion

Source: Vuuren 2006, Page 53

For the purpose of this paper information used to create the following tables has been extracted from the index that includes information about other countries.

Table 4: Corruption Perception Index: South Africa 1995-2007

Year	Score	Rank	No. of Countries
1995	5.62	21	41
1996	5.68	23	54
1997	4.95	33	52
1998	5.2	32	85
1999	5.0	34	99
2000	5.0	34	90
2001	4.8	39	91
2002	4.8	38	102
2003	4.4	49	133
2004	4.6	47	146
2005	4.5	46	159
2006	4.6	51	163
2007	5.1	43	180

Source: International Transparency Index

Table 5: Global Corruption Barometer: South Africa 2004-2007

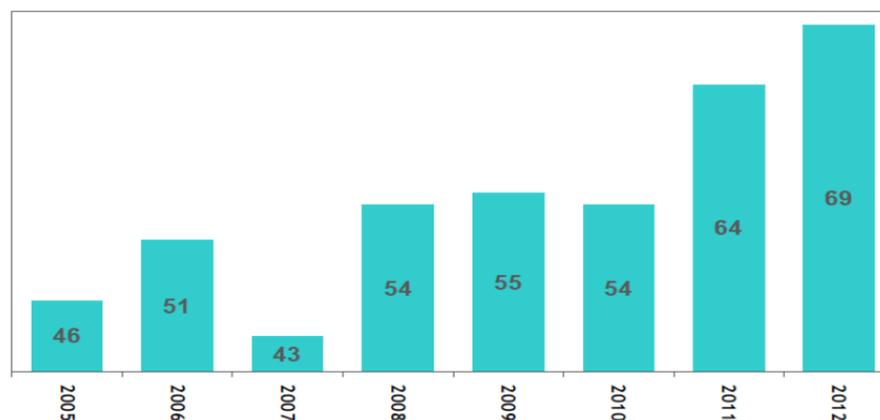
The question that was asked in this survey was as follows: To what extent do you perceive the following sectors in this country/territory to be affected by corruption? (1: not at all corrupt, 5: extremely corrupt).

Year	Political parties	Parliament/ Legislature	Legal System/ Judiciary	Police	Business/ Private Sector	Tax revenue	Media	Medical Services	Education System	Registry and Permit Services	Utilities	Military	NGOs	Religious bodies
2004	3.8	3.4	3.4	3.8	3.2	2.9	2.8	3.4	3.2	3.5	3.0	2.9	2.9	2.3
2005	4	3.7	3.3	4	3	2.7	2.6	3.0	2.8	3.8	2.9	2.7	2.7	2.3
2006	3.9	3.6	3.2	3.9	3.4	2.6	2.9	3.0	3	3.3	2.9	2.9	2.9	2.5
2007	3.8	3.6	3.3	3.8	3.2	2.5	2.8	3.1	3.1	3.6	2.8	2.7	2.9	2.5

Source: Transparency International Global Corruption Barometer

The following figures are extracted from the Transparency International reports and are results showing how corruption is perceived in South Africa.

Table 6: World Corruption Perception Index: South Africa/World Rankings



Transparency International 2012

For the purpose of this paper, information used to create figure 7 and 8 has been extracted from the index that includes information about other countries.

Table 7: Corruption Perception Index: South Africa 2008-2013

Year	Score	Rank	No. of Countries
2008	4.9	54	180
2009	4.7	55	180
2010	4.5	54	178
2011	4.1	64	183
2012	4.3	69	176
2013	4.2	72	177

Source: International Transparency Index

The results from 2012 and 2013 are CPI scores which are from the scale of 0 (highly corrupt) to 100 (very clean). From 2008 to 2011 the scores are rated from the scale of 0 (highly corrupt) to 10.00 (very clean).

Table 8: Global Corruption Barometer: South Africa 2010/2011-2013

Year	Political parties	Parliament/ Legislature	Legal System/ Judiciary	Police	Business/ Private Sector	Media	Public Officials	Education System	Military	NGOs	Religious bodies
2010/2011	3.9	3.8	3.5	4.4	2.8	2.5	3.6	2.6	2.2	2.9	2.4
2013	4.2	4.0	3.2	4.4	3.5	3.1	4.1	2.7	2.0	3.2	2.3

Source: Transparency International Global Corruption Barometer

Table 9: List of Consultants and total payments made to each

#	CONSULTANT NAME	FIELD / EXPERTISE	TOTAL PAYMENTS
1	CA du Toit	Security Consultants	R 2,691,231.49
2	Ibhongo Consulting CC	Civil & Structural Engineers	R 6,006,457.36
3	Igoda Projects (Pty) Ltd	Electrical Engineers	R 2,503,732.89
4	R&G Consultants	Quantity Surveyors	R 13,794,957.70
5	Minenhle Makhanya Architects	Architects, Principal Agent	R 16,587,537.71
6	Mustapha & Cachalia CC	Mechanical Engineers	R 3,676,448.05
7	Ramcon	Project Management Project Managers	R 5,092,477.73
TOTAL			R 50,352,842.93

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Table 10: Comparative Expenditure on Security Related Upgrades

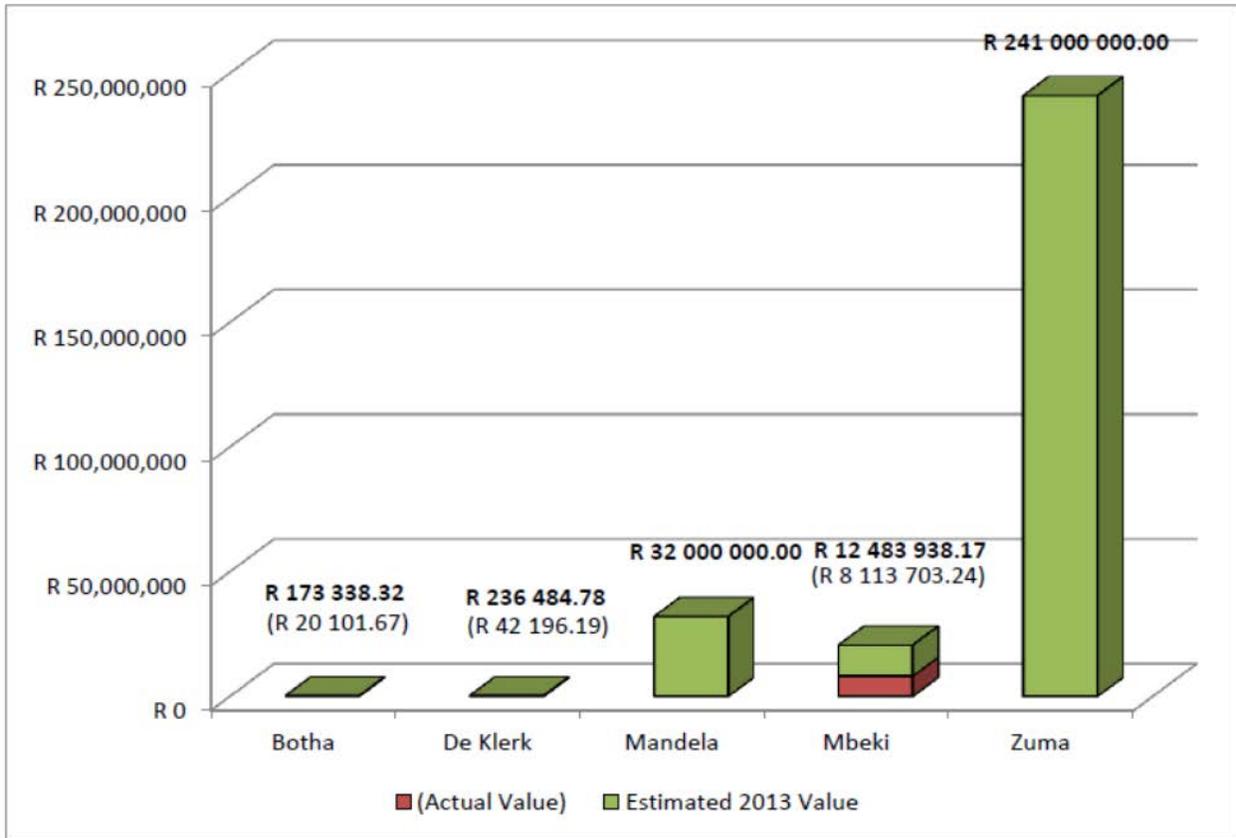


Table 11: A Summary of the works implemented by the Department of Public Works

#	DESCRIPTION	AMOUNT (R)
1	Safe Haven, Corridor Link, Walkway Above & Exit Portion	R 19,598,804.10
2	20 Residential Staff Houses (40 units) and Laundry Facility	R 17,466,309.67
3	Relocation of 1,5 Households - Moneymine 310 CC*	R 4,223,506.68
4	Relocation of 2 Households - Bonelena Construction	R 3,698,010.76
5	Clinic and SAPS Garage	R 11,900,233.76
6	Visitors Centre & Control Room #	R 6,720,852.95
7	Tuck-shop, Transformer & LV Room, Genset Room & Refuse Area	R 956,381.16
8	Guard House 1	R 1,205,827.49
9	Guard House 2 & 3	R 1,367,770.87
10	Crew Pavilion	R 997,831.00
11	Sewer Pump Station	R 807,782.16
12	Fire Pool and Parking	R 2,819,051.66
13	Sewer Treatment Plant	R 1,030,673.68
14	Booster Pump Station and Steel Reservoir Tank	R 571,278.25
15	New Residences: Security Measures & Air-conditioning	R 5,038,036.33
16	General Siteworks(<i>Note 1</i>)	R 67,964,858.55
	SUB-TOTAL CONSTRUCTION COST	R 146,367,209.07
	ADD: CONTRACT PRICE ADJUSTMENT PROVISION	R 1,231,109.08
	LESS: PENALTIES IMPOSED FOR LATE COMPLETION OF THE CONTRACT	-R 2,781,149.08
	SUB-TOTAL NET ESCALATED CONSTRUCTION COST	R 144,817,169.07
	VAT (14%)	R 20,274,403.67
	TOTAL NET ESCALATED CONSTRUCTION COST INCLUDING VAT	R 165,091,572.74

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* The reference to 1.5 households here relates to the fact that not all of the buildings of the one household were replaced as it already had an existing building at the place of relocation.

The control room referred to here is the lower part of the building. The lounge is on the first floor of the Visitors' Centre.