

WHAT NOW ?

SA's New Political Landscape: Three Fresh Scenarios

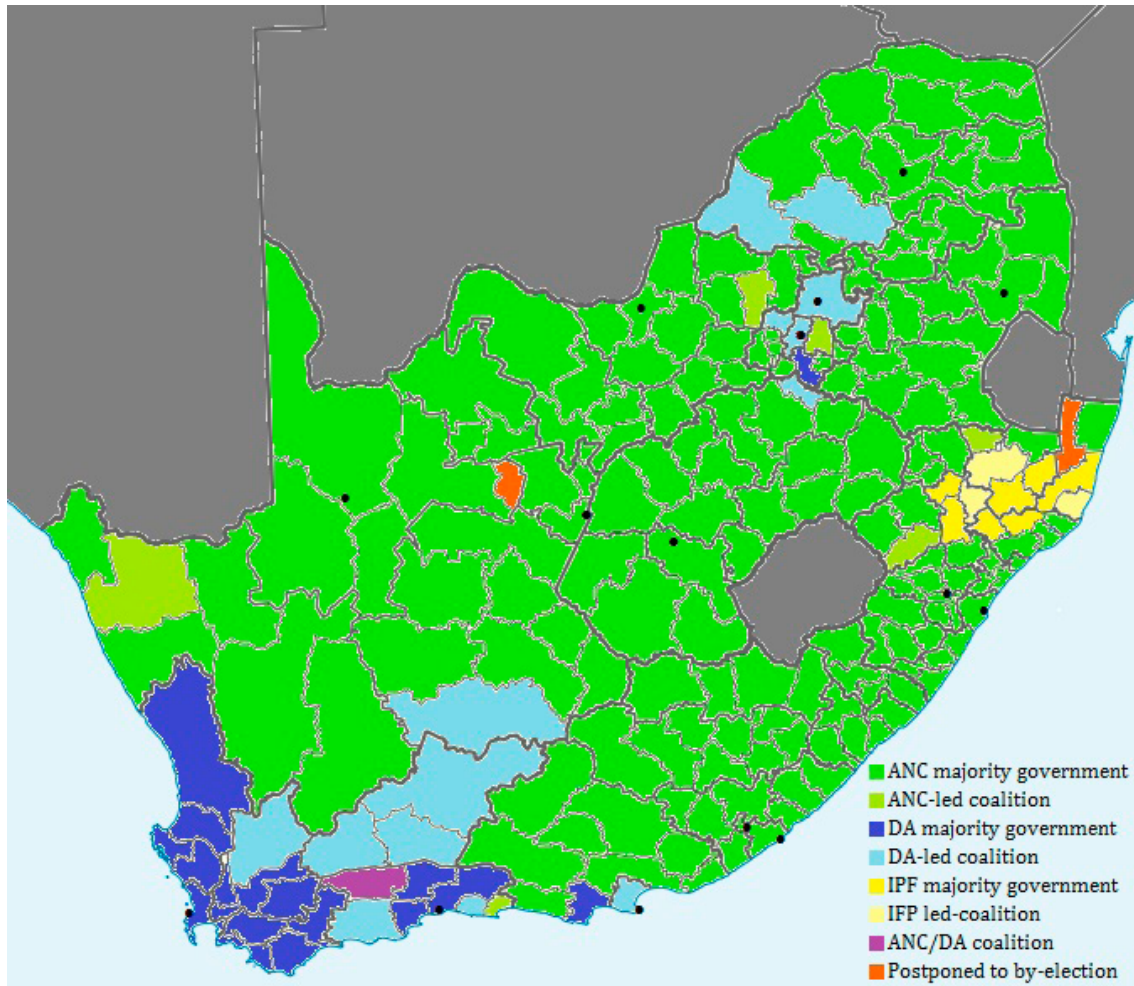
September 2016

SOUTH AFRICA'S political map has changed significantly. The coalition negotiations that followed the 2016 local government elections have confirmed their game-changing implications. The African National Congress (ANC) suffered major setbacks, and lost power in most of the 27 hung municipalities in which no single party secured a clear majority. The Democratic Alliance (DA) managed to win the mayoral positions in about two thirds of those hung councils, including the three key urban battlegrounds: Tshwane (Pretoria), Johannesburg, and Nelson Mandela Bay (Port Elizabeth). Black non-ANC executive mayors in Johannesburg and Pretoria!

But what now? The coalition negotiations were intense, testing the strategic and tactical mettle of leaders on all sides. And although DA Mayors were elected in all three of the frontline metros, and the party consolidated its position as the leading opposition party, it is dependent on the continued support of the Economic Freedom Fighters (EFF), which decided not to enter into formal coalitions with any party but instead supported DA mayors on the basis that it would push the ANC out of power. Thus, the EFF cemented its newly won 'kingmaker' role by forcing the DA to lead minority governments in several municipalities.

In this sense, the 2016 municipal election has not only broken the ANC monopoly on political legitimacy and power in post-apartheid South Africa, but also opened up an era of great political and governmental uncertainty in which several scenarios are possible: good, bad, and ugly.

The Paternoster Group is an independent consultancy which provides corporate and other clients with political economy analysis as well as strategic advisory services.
For more information, see <http://thepaternostergroup.com>

Figure 1: SA's new political map – who governs where

Source: Drawn by the authors

THE NEW COALITION AND MINORITY GOVERNMENTS

Following the momentous local government elections on 3 August 2016, South Africa has entered a new era of coalition politics and government. There were 27 municipalities in which no party managed to win an absolute majority, spread across eight provinces as follows: Western Cape (8), KwaZulu-Natal (7), Gauteng (4), the Northern Cape (3), Limpopo (2), North-West (1), Free State (1), and the Eastern Cape (1). Of these, two municipalities remain without government, pending upcoming by-elections (see the orange sections on the coalition map). This is the case in Jozini (KwaZulu-Natal) – which is deadlocked as no party can reach a majority, even via a coalition – and in Kgatelopele (Northern Cape), where a DA councillor was tragically shot dead the day before his expected nomination as mayor.

Winners and losers

A first striking lesson is that opposition parties gained in key areas such as the Western Cape, Kwa-Zulu-Natal and Gauteng. The ANC lost some support in all other provinces too. The DA further consolidated its presence as the leading opposition party in South Africa, gaining new ground from the last municipal election in 2011 (see figures 2 and 3).

Figure 2: The DA's local government footprint after the 2011 election ...

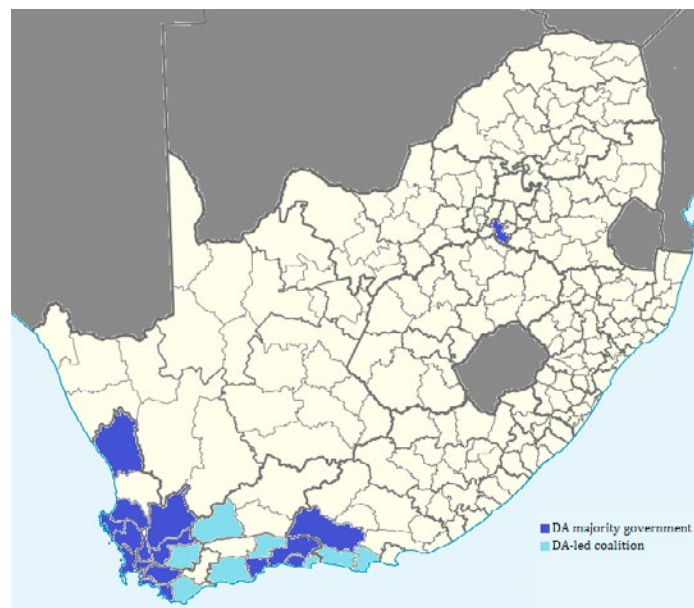


Figure 3: The DA's electoral gains in 2016 ...

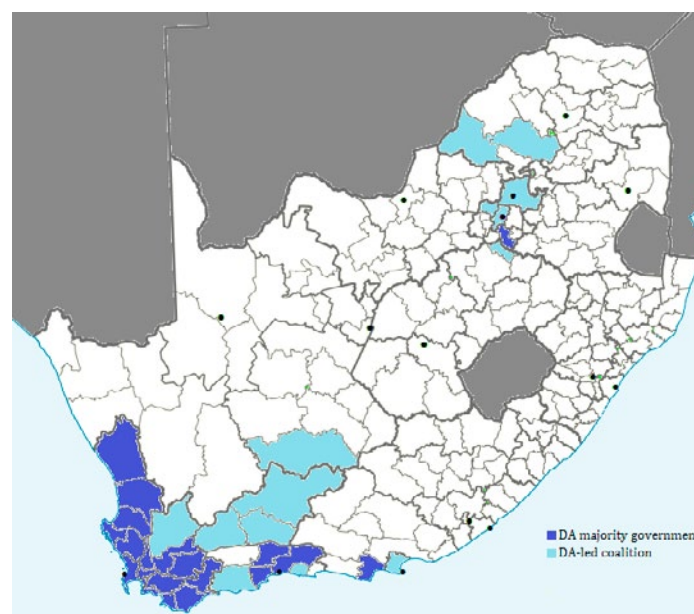
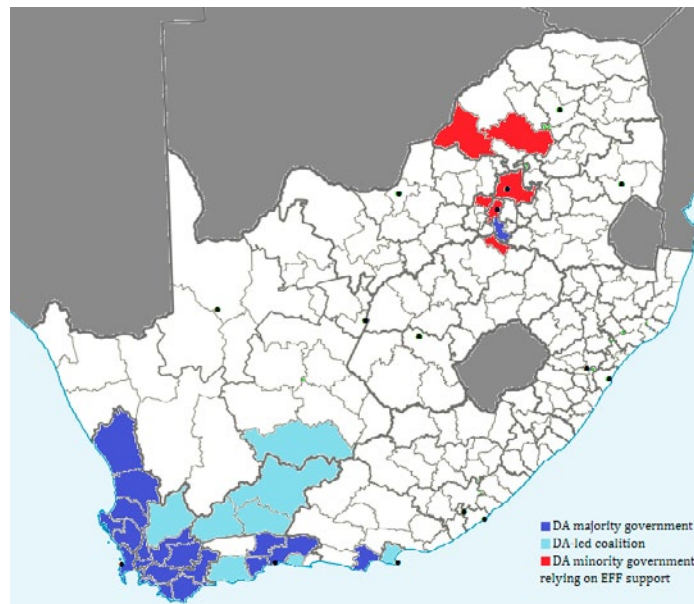


Figure 4: The DA's electoral gains in 2016 together with the EFF

The DA was able to form a government in 14 of the 27 hung municipalities, the ANC in six, and the IFP in four (with two others requiring new elections, as noted above). In Kannaland (Western Cape), the DA and ANC formed a rare coalition together to push ICOSA out of power (see purple sections in figure 1), with the two parties agreeing on an ANC mayor and a DA speaker of the council. Thus, the DA managed not only to consolidate its pre-eminence in the Western Cape, hitherto its main bastion of power, but also to extend its presence to Limpopo, Gauteng, the Free State, the Northern Cape and the Eastern Cape.

However, while the coalition-building process went relatively smoothly in Nelson Mandela Bay (Port Elizabeth), the DA has had to fight hard to convert its electoral gains into local government power in many other places. This was especially the case in places where support from the EFF was required to oust the ANC (see figure 4). While this happened in only six municipalities, the EFF has, as usual, fully exploited this opportunity to punch well above its weight.

Malema the king-maker

This is the second big outcome of the election: the emergence of the EFF as king-maker in several municipalities, including Johannesburg and Tshwane. This was the acute dilemma the DA leadership had to contend with in coalition talks with the EFF: the price the EFF would seek to extract, and whether this price would be worth paying in order to gain power. There was some public grand-standing from the EFF about land reform and ownership as well as 'white monopoly capital', but behind the scenes there was realism and pragmatism, and a good deal of strategic clarity.

However eager it was to add further notches to its governmental track record, the DA leadership knew it had to tread very carefully around the unpredictable Julius Malema, lest they rendered themselves even more vulnerable to a 'tail wags the dog' syndrome. In turn, acutely aware of his political USP,



Malema was unwilling to sacrifice independence by entering into a formal coalition with the DA lest it dilute the EFF's anti-establishment, militant brand. Getting into bed with the ANC to save its bacon was never an option, as everyone on the inside knew.

Nonetheless, the outcome is that there are minority DA governments in six municipalities: Gauteng (Tshwane, Johannesburg and Mogale City); the Free State (Metsimaholo); and Limpopo (Thabazimbi and Modimolle/Mookgopong), where the future is precarious – for the party-political protagonists concerned, the citizens of those cities, and for the investment community.

Even in KwaZulu-Natal, ANC leader Jacob Zuma's heartland, the ANC barely maintained its share of the vote, while the Inkatha Freedom party (IFP) benefited most from the coalition talks. Moreover, thanks to the combined support of the DA and EFF, the IFP was able to push the ANC out of key positions in several municipalities: Endumeni, Abaqulusi, Mtubatuba and Nqutu (see light yellow areas in figure 1).

THREE FRESH SCENARIOS

Of the three 'grand coalition' scenarios we envisaged in *African Political Insight* No 3 – the DA-EFF, ANC-EFF, and ANC-DA – it is the DA-EFF one that has emerged, albeit in a different guise. Malema's decision to remain outside of any formal coalition structure and agreement, and figuratively hold DA and IFP-led governments at gunpoint has made the South African political scene even less predictable.

If the DA strategy is, as Western Cape premier Helen Zille put it soon after the election, 'to accumulate good governance records and win ward by ward, voting district by voting district', the party is now acutely vulnerable to Malema's power play and errant behaviour. The DA's gains, though impressive, have not been quite enough: its understanding with the EFF, in terms of which the EFF has supported the election of DA mayors and speakers, but the DA now depends on EFF support for every other decision, has created a hostage to fortune. The DA is exposed to the political unpredictability of the EFF.

The DA's experience of coalition may stand it in good stead. As it candidly admits in private, it previously faced three very challenging experiences – in Hantam and NamaKhoi (Northern Cape) and Amajuba (Newcastle in KZN), where coalition agreements proved unworkable and unwieldy, and insufficiently robust. They will need to apply the lessons from this experience quickly. Given this, three broad scenarios emerge.

Scenario one: stability and progress

The most positive scenario would see effective co-operation between the coalition parties in most municipalities, as well as improved governance and service delivery records in places where the opposition has grabbed power. Acting on a diktat from their Secretary General, Gwede Mantashe, ANC councillors will stop disrupting council meetings and start playing by the rules of the game on the opposition benches. In the six municipalities in which the DA leads minority governments, it and the



EFF will work towards discrete areas of co-operation, instead of contesting entrenched ideological viewpoints. The DA benefits from EFF support for its anti-corruption agenda, while the embracing a sufficiently 'pro-poor' outlook. Assuming that tangible progress is achieved, this scenario could thus serve the electoral ambitions of both DA and EFF, and strengthen their ability to challenge the ANC at the 2019 national and provincial elections by pushing it closer to, or even under, the 50% threshold.

Scenario two: sclerosis, with little if any progress

Inexperience in coalition-building is exposed as the agreements prove to be flawed or unworkable. As in some places in the past, it can lead to political sclerosis and repetitive by-elections rather than tangible progress, and, in the end, the re-election of the ANC. In this scenario, following the 2016 elections, these challenges and risks grow, and a certain contagion results. In most hung municipalities, the voting process to confirm the municipal budget becomes a painfully strenuous and almost impossible task. The credibility of the DA's good governance agenda could be substantially jeopardised, and it must find a way of mitigating this major risk. In the 2019 elections, the needle may quiver but not move significantly, save that the EFF may benefit from having appeared to act reasonably responsibly in opposition while still retaining its muscular and vocal independence, and anti-establishment political brand.

Scenario three: disruption and volatility

This rather more chaotic scenario would see an escalation of violence between political opponents. The new DA mayor of Tshwane, Solly Msimanga, appeared to draw a line in the sand when he declared, just after being elected: 'No more will our people suffer under the hands of the ANC.' The focus of the new local political agenda in the hung municipalities remains rabidly anti-ANC. This triggers a boomerang effect that causes municipal meetings to be regularly disrupted, leading to a vicious circle of political hatred. We could well see political assassinations similar to that of the DA councillor in Kgatelopele, adding to the already high levels of volatility, and leading to the breakdown of the political arrangement between the DA and the EFF. The ANC would emerge as the victor, providing an opportunity for it to restore and re-build its support base. But to do so, it will have to resolve its leadership difficulties, and adapt to life on the opposition benches.

Published in September 2016 by The Paternoster Group

Tel (SA): +27 73 158 5736 / (UK): +44 7748 642 409

Email: info@thepaternostergroup.com

Written and edited by Richard Calland, Ian Farmer and Lawson Naidoo, with Nathan Dufour as lead researcher

Design and layout by Acumen Publishing Solutions