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How did Jacob Zuma's presidency contribute to state capture in South Africa?

Introduction

In the years after apartheid, South Africa emerged into a new type of democratic era marked by promises of transparency, accountability, and equitable development. However, under the leadership of former President Jacob Zuma, these promises were undermined through a form of deep corruption known as state capture. Different from ordinary corruption, which involves personal acts of bribery or embezzlement, state capture is more subtle, where private actors co-opt state institutions and policymaking processes for both personal and political gain. Zuma's presidency, which lasted from 2009 to 2018, became a prime example of state capture, with politically connected individuals—most notoriously, the Gupta family—exerting control over major state institutions, ministerial appointments, and major government contracts. Jacob Zuma's presidency contributed to widespread state capture in South Africa by repurposing public institutions for personal gain, manipulating state-owned enterprises to serve political allies, resisting legal accountability through strategic measures, and triggering long-term political and economic consequences that deterred from a strong democracy. Through an analysis of Zuma's

relationship with the Gupta family, his interference in the leadership and finances of key state-owned enterprises like Eskom and Transnet, his evasion of legal consequences, and the ongoing political fragmentation and economic decline, Zuma's leadership transformed the South African state into a hub for elite patronage and systemic corruption. The effects of state capture continue to linger through weakened public trust, institutional dysfunction, and a deeply divided political landscape.

The Meaning of State Capture

State capture is a deeper, more systematic form of corruption, in which private interests have control over government institutions and policymaking for their own benefit. In contrast to ordinary corruption, which normally involves more individual acts of fraud, state capture allows external actors to manipulate government decisions on a larger scale; this process includes repurposing state institutions to meet the needs of private interest instead of public benefit. Under former president of South Africa Jacob Zuma, the difference between corruption and state capture became prominent as politically connected people, for instance, the Gupta family, started to influence appointments, state contracts, and government resources under Zuma's reign.

Following the end of apartheid in the mid 1990's, political leaders tended to lack funding to support their political campaigns. As a result, political leaders started to search for sponsors or suppliers to provide resources to their campaigns. These funders turned into more of a business decision, in which they felt like they had more say and ruling during the time of the presidency they were funding; this is made very clear through the actions of the Gupta brothers during Jacob

Zuma's presidency. This level of interference meant that corruption was not just an illegal activity occurring within the state, but rather a restructuring of government operations to benefit a select few. This action weakened democratic institutions and public good as a whole. A counter argument can be made that post-apartheid South Africa was already susceptible to corruption due to its fragile state, suggesting Zuma was only operating within a broken system; however, while early post apartheid government did face many limitations, Zuma's presidency was a key shift from corruption to a strategy of state capture, where state institutions were completely repurposed for long term control. As Hannah Dawson notes in her article *Patronage From Below: Political Unrest in an Informal Settlement in South Africa*, this transformation reflected "competitive patronage" rather than isolated inefficiency (Dawson 2014: 521). By allowing elites to override state priorities, Zuma's presidency reshaped the role of public institutions in service of private gain, which is an essential feature of state capture.

Role of the Gupta Family

Jacob Zuma's presidency was deeply connected with the Gupta family, who were wealthy businessmen that became the face of state capture in South Africa. The Guptas gained their close relationship with Zuma through funding which allowed them to have influence over government contracts, policy decisions, and ministerial appointments. This was all while creating financial gain for both themselves and Zuma's inner circle. Their relationship was at the core of state capture as it portrayed a private family exerting control over South African state institutions. Through shady deals, strategic political maneuvering, and even media control, the Guptas

created a state that operated in conjunction with official governance structures, with Zuma as their key enabler.

A prominent demonstration that showed the Gupta family's power over South Africa was the 2013 Waterkloof Airbase Scandal. This is where the Guptas were allowed military clearance to land a private jet for a family wedding. This breach of national security illustrated the extent the Guptas had over government structures. State officials who allowed the landing later attempted to justify the act, stating it was authorized by the highest levels of government. This further reinforced the idea that Zuma's presidency provided the Guptas unrestricted access to state resources. Daniel Mlambo in his article *Governance and Service Delivery in the Public Sector: The Case of South Africa under Jacob Zuma* highlights that the Waterkloof incident "show[s] the Gupta family were connected with those high in the government hierarchy" (Mlambo 2019: 216). His statement exposes how normalized their privilege had become under Zuma's leadership. His analysis implies a political environment where gatekeeping faded and elite actors could operate above traditional accountability rules.

Besides displays of influence, the Guptas consistently manipulated ministerial appointments to make sure that officials that agreed with their business decisions occupied critical positions within government. A notorious example was the firing of Finance Minister Nhlanhla Nene in 2015. This was in response to Nene's opposition to the proposed 1 trillion rand nuclear deal with Russia that would have benefited Gupta-owned uranium mines. After Nene's removal, he was temporarily replaced by Des van Rooyen, who was an ANC member with little financial background, but had strong ties to the Guptas. Judith February in her article *State capture: An*

entirely new type of corruption describes this move as ushering in “a new level of brazenness” (February 2019: 6), suggesting that Zuma no longer cared to hide the political motives behind his decisions. Her framing implies that state capture progressed from manipulation to a threat to institutional independence. The appointment of Van Rooyen caused immediate panic as the worth of the South African rand started to quickly plummet. This forced Zuma to quickly replace him with Pravin Gordhan. February also notes that this change came only after widespread complaint from both the community and the ANC because there was a speculation that the true intention was to “capture” the National Treasury. This incident portrayed the Guptas ability to dictate government leadership changes to serve their economic needs.

In addition to influencing appointments, The Guptas also used bribery to gain political loyalty. Former Deputy Finance Minister Mcebisi Jonas shared that the Guptas had offered him 600 million rand to agree with their financial agenda. When Jonas refused, he faced immense political pressure. This incident, later documented in the 2016 State of Capture Report by Public Protector Thuli Madonsela, served as a piece of evidence that proved the Guptas influence over state affairs. As Kgothatso Shai observes in his article *An Afrocentric Analysis of the Major Incongruities in Jacob Zuma Led ANC: Implications for Other African Nations*, Jonas’s refusal to work in cahoots with the Gupta family made him a “chief victim” (Shai 2019: 223) of Zuma’s March 2017 cabinet change. This was a move that Shai argues was not about improving governance, but rather creating a “parasitic patronage network” involving Zuma and the Guptas; Shai emphasizes that Jonas’s continued presence “would have emboldened those who are anti-Zuma,” (Shai 2019: 225), explaining how important it was for Zuma to eliminate objection

within his cabinet. Shai's analysis positions Jonas's dismissal as a political fallout and a move to suppress internal challenges on elitist patronage.

In addition to financial manipulation, the Guptas sought to control public narratives through media ownership. They acquired The New Age newspaper and the ANN7 television network, both of which used an abundance of government advertising revenue under Zuma's administration. These media outlets were used to promote Zuma and discredit his political opponents, ensuring that public media was shaped in a light that maintained the status quo of state capture. Government institutions like state departments and SOEs were pressured into purchasing subscriptions of The New Age or directing advertising funds toward ANN7, which further channeled state resources into the Guptas' businesses. Ashwin Desai in his article *The Zuma moment: between tender-based capitalists and radical economic transformation* highlights how this use of government advertising was a strategy to financially sustain pro-Zuma propaganda. His analysis implies that control over the media was vital to state capture as it reinforced the idea that Zuma's strategy depended greatly on public perception.

The relationship between Zuma and the Guptas achieved the repurposing of state institutions to serve private interests, all at the expense of South African citizens. The Guptas influence over government contracts, policy decisions, and appointments all directly benefited Zuma, both politically and financially. The exposure of these dealings led to growing public outrage, legal search, and eventually, the establishment of the Zondo Commission in 2018, which was created to investigate and hold accountable those responsible for state capture. Zuma's complicity was

central to transforming the state into an instrument for private profiteering, a principal of state capture.

State Owned Enterprises Used for Gain

Under Jacob Zuma's presidency, state owned enterprises (SOEs) were at the core of state capture, as they served as gateways for corruption and looting. These institutions, that were originally meant to drive economic development, were instead manipulated to benefit politically connected individuals. SOEs such as Eskom, South African Airways, Transnet, and international nuclear deals were exploited through fraudulent contracts, manipulated leadership selections, and large-scale financial mismanagements.

Eskom, South Africa's electricity provider, became a hub of corruption during Zuma's reign. The Guptas secured coal contracts from Eskom, despite lacking the required infrastructure. As a result, Eskom executives, who were found to be connected to the Guptas, diverted resources and awarded tenders to Gupta-controlled entities. This significantly weakened Eskom's ability to provide reliable electricity to South Africa as a whole, which also worsened the ongoing load-shedding crisis. Load-shedding refers to the scheduled rolling blackouts implemented to prevent total grid collapse due to insufficient power supply. It is an issue that has become a national emergency, as it cripples businesses, disrupts daily life, and weakens public confidence in the state's capability to deliver basic services. Eskom's leadership was involved in these dealings, ensuring that state funds were funneled into businesses linked to Zuma rather than being used for actual infrastructure improvements. Eskom's financial instability worsened due to

deliberate mismanagement, including random bonuses for executives that were involved in corrupt contracts and agreements that drained resources from the national power grid. The direct interference of politically connected individuals in Eskom's leadership, such as the appointment of Brian Molefe as CEO, portrays how SOEs were not just mismanaged, but deliberately captured to serve private interests. Molefe became a central figure in the Eskom scandal after it was revealed that he maintained close ties to the Gupta family and approved lucrative coal contracts for their companies. Shai notes that corruption at Eskom was not simply a case of mismanagement, but a "deliberate act of looting," (Shai 2019: 223), which was orchestrated to benefit elites while worsening the country's power supply.

Similarly, South African Airways became central for corruption during this period as well. Executives with ties to Zuma closed deals that benefited their allies rather than prioritizing the airline's financial stability. The company suffered from severe instability which required numerous government bailouts. Yet instead of addressing problems, leadership focused on maintaining corrupt practices. SAA's financial corruption included random contracts awarded to Gupta-linked firms, executive bonuses despite financial struggles, and the appointment of politically connected individuals to leadership positions. The mismanagement of funds at SAA weakened the airline's competitiveness and drained public resources that could have been used for more critical national development projects.

Transnet, the country's main rail and port operator, was deeply connected in corrupt dealings. Purchasing processes were manipulated to benefit Zuma-linked businesses by awarding contracts for locomotives and infrastructure projects. These deals were consistently at inflated prices, with

kickbacks found to be dealt to political figures under the Zuma administration. One of the most notable examples was the 1,064 locomotives deal, in which Transnet approved contracts that were later found to have cost the country billions due to corruption and fraudulent markups. Many of these contracts were sourced to China South Rail, a company with Gupta ties, further illustrating how state capture allowed foreign companies to exploit South African resources through corrupt partnerships. As Sarah Bracking writes in her article *Corruption & State Capture*, these partnerships were a part of a broader strategy where "Zuma-Gupta cronies secured inflated procurement contracts with the largest state-owned enterprises," (Bracking 2018: 170) using political leverage to extract massive fees. These contracts weakened South Africa's freight and logistic systems, making transportation more costly and inefficient. Bracking further describes this as a continuation of SOE manipulation into full-scale state institutional capture, suggesting that the looting of entities like Transnet marked a shift where corruption became systemic.

One of the more controversial instances of SOE corruption came from a proposed nuclear deal with Russia. This agreement, estimated at over 1 trillion rand, would have locked South Africa into a costly, unsustainable energy project. The deal was primarily designed to benefit the Gupta brothers and their owned uranium mines, rather than being used on the country's much-needed energy needs. Finance Minister at the time Nhlanhla Nene refused to approve the deal, which ultimately led to his dismissal by Zuma in 2015, due to the pressure of the Gupta brothers and their allies. His removal and replacement with Des van Rooyen, who had direct ties to the Guptas, was met with public outrage and market instability, further conveying the dangerous extent to which SOEs had been compromised. Desai highlights that Van Rooyen's appointment

was part of a strategy to ensure that the Gupta family's business interests were valued in the highest levels of government. She criticizes Van Rooyen's association with Gupta advisors as an attempt to manipulate state resources for private gain. The nuclear deal serves as an example of how state capture extended beyond local SOEs, and into international agreements that had both long-term economic and political consequences, and highlighted the extent to which SOEs were manipulated to meet the needs of personal elitist financial gain. As Andrew Weiss explains in his article *Zuma's Rise and the Advent of State Capture*, the proposed nuclear deal with Russia was the center of an influence campaign led by the Kremlin and Rosatom, which viewed South Africa as a strategic foothold for expanding Russian geopolitical and economic interests (Weiss 2019: 9). The Kremlin refers to Russia's central government and executive leadership under Vladimir Putin, while Rosatom is the state-owned nuclear energy corporation responsible for promoting Russian nuclear technology.

The systematic corruption within SOEs under Zuma's presidency led to financial instability, declining service delivery, and a greater economic downturn. These institutions, which were created to serve the public interest, were instead repurposed as tools for private gain, contributing to the destruction of governance, economic stagnancy, and declining investor confidence. The corruption within SOEs under Zuma's leadership conveys the consequences of state capture, where national resources were systematically looted to benefit elites while the broader economy suffered. These outcomes reflect not just mismanagement but the consequences of state capture; one directed by political interests rather than public responsibility.

Zuma's Resistance to Accountability

Throughout his presidency, Zuma did not accept accountability for his role in state capture. Using legal loopholes, manipulation, and political defiance, he used his power to avoid legal consequences. Zuma consistently avoided investigations and did not abide by judicial decisions. In doing so, he ensured that state capture could continue under his power and he only had to deal with a small amount of interference. His resistance to accountability became noticeable after the release of the 2016 State of Capture Report by Public Protector Thuli Madonsela. The report provided a deep analysis of evidence of his involvement in corruption; it also called for the establishment of a judicial commission of inquiry. Zuma fought to have the report's findings invalidated. He argued in court that Madonsela had overstepped her boundaries by making a recommendation that the Chief Justice, not the President, appoint the head of the inquiry. This prolonged legal battle was a tactic used by Zuma to stall investigations that looked into the corruption of his administration. Desai states the significance of the report; she notes that it proved the suspicions that the Guptas had a lot of political influence, which allowed them to benefit financially through their ties to Zuma. Zuma protected himself and was able to repurpose state institutions all from ignoring these allegations. Desai views this as a turning point in which democratic accountability was lost. He argues that the report didn't just expose wrongdoing, but created a political order where power was entrenched in patronage, secrecy, and elite protection (Desai 2018: 508).

Zuma fought to ignore the inquiry, but was faced with public and political backlash. This forced Zuma to create the Zondo Commission in 2018: a judicial commission of inquiry that

investigated his allegations of state capture and corruption within the public sector. Even though he established the commission, he undermined their work; he consistently attempted to delay his testimony with various excuses that ranged from claims of illness, to his inherent feeling that he was being victimized. When he appeared to the commission, he refused to give substantial answers; he further dove into his victimization and claimed that he was the target of a larger investigation. His uncooperative nature led the commission's chair, Deputy Chief Justice Raymond Zondo, to file an application that forced Zuma to testify. Instead of complying, Zuma doubled down on his defiance by refusing to return to the commission at all; this led to his contempt of court conviction in 2021, for which he was sentenced to 15 months in prison. February in her article highlights the impact of Zuma's refusal to cooperate; she states "Jacob Zuma, although out of office, has yet to account for his conduct," (February 2019: 12). This reinforces how state capture left lasting damage even after his presidency; she emphasizes that individuals associated with corruption continue to hold powerful positions, further complicating the need for true accountability.

Zuma's legal troubles began well before state capture. His initial efforts in avoiding prosecution began with the 1999 arms deal scandal, where he was accused of receiving bribes related to a multi-billion-rand weapons procurement deal. He was charged with 783 counts of corruption, fraud, money laundering, and racketeering; but, using his prolonging tactics, he was successful in delaying prosecution for years (Pilling 2018: 3). This specific case was labeled as "Stalingrad legal strategy", which was a strategy of Zuma's to file numerous appeals in hopes to avoid facing a trial. The strategy conveyed his ability to exploit South Africa's legal system all for his personal gain. As The Economist notes in their article *Jacob Zuma's last stand: Exit Zuma*,

slowly, Zuma's way of evading accountability comes from his significant personal stakes; this is because "he has much to lose" (Economist 2018: 2). His legal maneuvering prolonged his own trials and weakened the credibility of both the judiciary and the ruling party. After years of stalling, the National Prosecuting Authority (NPA) made a controversial decision to drop the charges in 2009, right before he became president; however, the charges were later reinstated, leading to ongoing legal trials.

Zuma also wanted to weaken institutions that posed a threat to him. He dismantled the Scorpions, an anti-corruption group that played a role in investigating him and his actions within the ANC. Zuma replaced the Scorpions with a group called the Hawks, a less independent and politically connected group. This change made sure that investigations into government corruption were significantly hindered. Similarly, he appointed loyalists to major institutions across South Africa such as the NPA, the South African Revenue Service (SARS), and various law enforcement agencies; the strategized selections made sure that legal actions against him and his allies were delayed, as he now had more of a say within the institutions. His handpicked NPA head, Shaun Abrahams, was publicly criticized for trying to protect Zuma from prosecution. Abrams was effective in delaying corruption charges as well as pursuing cases against Zuma's political opponents to take heat off the situation. The actions made by Zuma regarding institutions and groups across the country further demonstrates his manipulation in favor of his interests.

A counter argument might suggest that South Africa's legal institutions lacked the tools or evidence to prosecute Zuma decisively. However, this statement overlooks how Zuma

strategically repurposed major institutions to weaken oversight from within. His success in avoiding accountability was not due to a lack of legal basis, but rather to his ability to undermine prosecutorial independence by appointing loyalists to the National Prosecuting Authority (NPA) and State Security Agency (SSA). This process created a dangerous concentration of power in the executive, where oversight agencies and legal checks were absorbed into the presidency.

Weiss highlights that Zuma's inner circle, including intelligence appointees like David Mahlobo, facilitated not only domestic suppression but also cultivated ties with foreign authoritarian actors like Russia, suggesting an effort to create anti-democratic defense strategies (Weiss 2019: 9).

Mahlobo, who served as Minister of State Security, was a key enabler of Zuma's political survival; he used his position to shield the presidency from both internal challenges and external criticism.

Steven Robins in his work *Sexual Politics and the Zuma Rape Trial* further argues that Zuma's public reinvention through cultural symbolism motivated a support base that often viewed accountability measures as conspiracies. Zuma's resistance succeeded because of his mastery of both institutional manipulation and his image in the public eye, all rooted in his ability to centralize power while appearing victimized (Robins 2008: 423).

Roger Southall in *Understanding the 'Zuma Tsunami'* views this pattern not as uniquely South African, but as part of a broader trend in post-liberation states, where charismatic leaders use liberation credentials to neglect accountability while creating loyalty networks (Southall 2009: 329). This ideology implies that strong anti-corruption institutions alone are not enough: political will, community pressure, and leadership also matter. The Zuma case can be seen as a precaution

for other democracies emerging from liberation movements. Institutional capture can deter from accountability when too much power is consolidated in one branch of government.

Zuma's resistance continued when he influenced main structures within the ANC to protect himself from internal consequences. Because of his power, he was able to create a powerful group of colleagues within the ANC. This created a division within the party, and led to a battle for the ANC presidency in 2017. During the election, Zuma backed his former wife, Nkosazana Dlamini-Zuma, as a way to maintain influence over the party. Even with his backing, Cyril Ramaphosa, deputy president at the time, edged the vote for presidency. The loss for Zuma marked the beginning of his political downfall. Under pressure from the ANC's National Executive Committee (NEC), Zuma was forced to resign as president in February 2018. After stepping down, he remained defiant, portraying himself as a victim of political persecution and refusing to take responsibility for his actions.

Zuma's legal troubles continued after his presidency. His arrest in July 2021 for contempt of court caused an unrest from his supporters, and ultimately led to violence, particularly in his home province of KwaZulu-Natal. Many of his supporters saw his imprisonment as an injustice, based on the charismatic way he presented himself, which enhanced the narrative of him being a victim rather than being addressed for his legal violations. The unrestful period, which resulted in over 300 casualties and economic regressions, portrayed Zuma's ability to use political instability as a tool to avoid legal consequences (Vhumbunu 2024: 132). Zuma only spent a short time in prison due to a controversial act that granted him parole; he remains involved in multiple legal battles, continuing to implement delay tactics to avoid punishment.

Zuma's resistance to accountability of his violations depicts his large contribution to state capture in South Africa. His niche tactics of stalling investigations, weakening law enforcement agencies, and obtaining political support shows the extent to which state capture was not just about financial gain, but also about ensuring protection for those involved. Zuma's ability to manipulate oversight agencies for personal protection is a critical element in explaining how he sustained and expanded state capture over nearly a decade.

Political Fallout and Party Fragmentation

Politically speaking, the widespread state capture under Jacob Zuma's presidency had profound political consequences, leading to deep divisions within the African National Congress (ANC), electoral losses, weakened state institutions, and long-term instability in South Africa. One of the more significant impacts of state capture was the factionalism within the ANC; the party became divided between those who benefited from corruption and those who sought to restore integrity within the government. As Dawson argues, the ANC's internal factionalism and patronage situation fostered a political environment where public service delivery entangled with competing elite networks, which ultimately created the term "competitive patronage" that makes local governments have to battle for access to state resources. This concept refers to where different factions compete for control over state institutions to distribute jobs, contracts, and services to loyalists, which turns governance into an outlet for personal and political gain. (Dawson 2014: 537). Zuma's loyalists, many of whom were associated in state capture, supported his push for Radical Economic Transformation (RET)—a policy framework that dealt

with patronage networks benefiting politically connected elites, disguised as a movement for economic justice. In contrast, reformists like Cyril Ramaphosa and Pravin Gordhan pushed back against the exploitation of state resources, which led to a power struggle within the ruling party. As Desai points out, RET under Zuma often masked a more complex shift in power toward “tender-based capitalists,” whose rise was started by the capture of institutions like the National Treasury, turning the state into a “massive, tender-generating machine” (Desai 2018: 508). This divide reached its peak in 2017 during the ANC’s elective conference, where Zuma backed Nkosazana Dlamini-Zuma to succeed him as ANC president, hoping to maintain influence and avoid prosecution. However, to reiterate, Ramaphosa narrowly won the leadership contest, signaling a shift toward reform, but also intensifying tensions within the party.

One of the institutions that supported Zuma during this time was the Congress of South African Trade Unions (COSATU), the country’s largest trade union federation and a long-time ally of the ANC through the Tripartite Alliance—a political coalition formed between the ANC, COSATU, and the South African Communist Party (SACP) to unite ideological forces in the fight against apartheid and shift further towards a strong democracy. Despite roots in worker activism and anti-apartheid struggle, COSATU’s leadership increasingly aligned itself with Zuma’s faction, prioritizing political access over much-needed accountability. As author Carolyn Bassett observes in *The Zuma Affair; Labour and the Future of Democracy in South Africa*, COSATU’s support for Zuma during his way to ANC leadership exemplified a retreat from principled politics, reinforcing the “insider” dynamics that resulted in marginalized labour and weakened South Africa’s democratic potential (Bassett 2008: 788). Bassett sees this connection as a result

of a more complex crisis within the alliance, where labor movements became entangled in elite patronage rather than holding the state accountable to working-class interests.

The factional battles within the ANC weakened its ability to govern effectively and contributed to significant electoral losses, particularly in the 2016 municipal elections, where the party suffered its worst performance since the end of apartheid. The ANC's national vote share fell from 62% in 2011 to 53.9% in 2016, with surprising losses in major metropolitan areas (Pilling 2018). For the first time, the party lost control of major cities such as Johannesburg, Tshwane (Pretoria), and Nelson Mandela Bay, where opposing parties, like the Democratic Alliance (DA) and Economic Freedom Fighters (EFF), gained leverage. These losses were attributed to public frustration over corruption, economic stagnation, and poor service delivery, all of which were worsened by the clear mismanagement of state-owned enterprises (SOEs) under Zuma and his administration. The ANC's support base, particularly in urban areas, were let down based on the party's inability to address corruption, which ultimately led to lower voter turnout and increased support for opposition parties.

As the ANC's credibility faded, opposing parties jumped on corruption scandals to gain a political push. The Economic Freedom Fighters (EFF), led by Julius Malema, who had been expelled from the ANC based on Zuma's input, deemed themselves as a positive alternative, condemning Zuma's corruption while advocating for policies such as land expropriation without compensation. The Democratic Alliance (DA), traditionally seen as a party for the white middle class, expanded its support among black voters by focusing on anti-corruption measures. In the midst of the ANC's rapidly declining support, the EFF strategically refused to enter coalitions,

but provided support to DA-led governments in Johannesburg and Tshwane, all to keep the ANC out of power; this was a move that completely reshaped local government dynamics. These shifts were the longer-term repercussions in response to a presidency that had wiped out institutional trust for personal and factional advantage. This tactic allowed the DA to control most municipal budgets, including Johannesburg's \$3.2 billion and Tshwane's \$1.9 billion, despite receiving less than 27% of the national vote. As Robert Besseling notes in *The slow demise of the ANC: Political change, economic decline, and state corruption in South Africa*, political shifts revealed that "the ANC is no longer guaranteed a parliamentary majority," an indicator that opposing parties were successfully exploiting the ANC's credibility crisis and completely reshaping the balance of power in South African politics. "For the first time in the post-apartheid era, the ANC can no longer rely on a parliamentary majority and may be forced to govern in coalition" (Besseling 2016: 5). Besseling views this shift as a weakening of the ANC's post-liberation legitimacy because of its failure to stop internal corruption and deliver on public service expectations.

In addition to electoral losses, Zuma's presidency damaged the integrity of state institutions, as the agencies were meant to uphold democracy, but instead weakened by clear political interference. To restate, institutions like the National Prosecuting Authority (NPA), the South African Revenue Service (SARS), and law enforcement agencies were repurposed to shield corrupt officials rather than enforce accountability. This dissipation made it hard to investigate those responsible for state capture, allowing state capture to persist even after Zuma's resignation. Even after Ramaphosa took office in 2018, it was extremely challenging to undo the

damage Zuma had caused, as many Zuma-aligned officials remained in key positions, resisting reform efforts.

Zuma's eventual resignation in February 2018 due to pressure from the ANC's National Executive Committee (NEC) started a turning point, but was far from resolving the internal party divisions. Zuma's supporters continued to interfere with Ramaphosa's presidency, using actions like public protests to undermine his leadership. The RET faction within the ANC, who contained key political figures, continued to defend Zuma, stating that the allegations against him were part of a political conspiracy orchestrated by "white monopoly capital" (Southall 2009: 328).

A rebuttal may state that Zuma's continued support portrayed a democratic diversity and an anti-elitist idea. While public support is important in any democracy, the 2021 riots show that Zuma's brand of populism increased instability and threatened democratic norms. Clayton Vhumbunu in his work *Problems of Service Delivery Protests, Social Movements, and Democratic Consolidation: South Africa in Perspective* warns that consistent protests under Zuma-era misrule illustrated "a threat to democratic consolidation," not a normal democratic contestation. As Vhumbunu expands by saying that these protest movements were not expressions of dissatisfaction, but are symptomatic of deeper regime performance issues. This shows that the public no longer trusts the state's ability to deliver basic services effectively. He argues that the intensity and frequency of these protests posed "a serious threat to democratic consolidation and democratic stability in South Africa" (Vhumbunu 2024: 123).

In the long run, state capture under Zuma severely weakened the ANC's dominance, turning it into a deeply divided party that struggled to obtain public trust. As Southall argues, the ANC's transformation reflects other post-liberation parties across Africa—such as ZANU-PF in Zimbabwe—where “the unifying mission of liberation” deteriorated into power struggles over “office, power, tenders and jobs,” overall, turning ideological movements into motives for elitist patronage (Southall 2009, 329).

As David Pilling points out in *Jacob Zuma's exit gives ANC final chance in South Africa*, the Zuma era left the ANC “deeply compromised,” having “opened the floodgates of corruption.” His input suggests that Zuma's impact was an identity crisis for a party founded on democratic liberation ideals. The party's internal struggles, combined with the evaporation of state institutions and increasing public disillusionment, created an uncertain political future for South Africa. Zuma's presidency damaged the ANC's moral authority, leaving the party at a stark decision between genuine reform or continued decline (Pilling 2018: 1-2).

Economic Loss Due to State Capture

The negative economic consequences of state capture under Jacob Zuma's presidency were intense, leading to billions in financial losses, a weakened currency, and bad credit ratings that led South Africa to economic stagnation. Reckless financial mismanagement created an environment of instability and harmed economic growth and development. As William Gumede stated in his article *Briefing: South Africa: Jacob Zuma and the Difficulties of Consolidating South Africa's Democracy*, Zuma's power posed a serious threat to South Africa's already fragile

economic state, along with political uncertainty that was likely to “undermine South Africa’s current economic boom” and deepen inequalities already felt by marginalized communities (Gumede 2008, 261). The clear manipulation of SOEs such as Eskom, Transnet, and South African Airways (SAA) resulted in severe inefficiencies and financial crises, which forced the government to spend billions in bailouts that absolutely drained public resources. The economic collapse of state-owned enterprises like Eskom, Transnet, and South African Airways under Zuma’s presidency shows how state capture drained billions in public funds and dismantled infrastructure critical to economic growth. Corruption within SOE’s led to electricity shortages, failing logistics, and financial bailouts—all of which stalled development and killed investor confidence.

The broader economic fallout of state capture worked into South Africa’s financial reputation. As corruption scandals increased and governance deteriorated, international credit rating agencies such as Standard & Poor’s, Moody’s, and Fitch downgraded South Africa’s sovereign credit rating to merely nothing; this exemplified the political instability throughout the country and the government’s failure to address state capture under the Zuma presidency. These downgrades heavily increased borrowing costs for the government, making it more expensive to secure loans for needed development projects. One might counter, suggesting that South Africa’s economic downturn was part of a global trend following the 2008 financial crisis, and not only a result of Zuma-era mismanagement. However, while global factors did play a role, Zuma’s interference with the Treasury, appointment of unqualified allies, and failure to take accountability highlighted the country’s weaknesses. As Gumede states, Zuma’s coalition risked undermining

investor confidence and would likely “undermine South Africa’s current economic boom” (Gumede 2008: 262).

Financial downgrades made investors lose confidence in South Africa’s ability to maintain economic stability. Foreign direct investment (FDI) declined, and domestic businesses faced higher interest rates, further stalling economic growth. Mabutho Shangase writes in his work *A New Chapter Beckons: South Africa at the Crossroads*, the removal of Finance Minister Pravin Gordhan marked “a critical juncture in the history of a democratic South Africa,” with Standard & Poor’s citing “policy shifts” and “elevated political risks” that could “undermine fiscal and economic growth” (Shangase 2017: 15). Shangase’s interpretation explains how the firing of Gordhan marked an important change in South Africa’s post-apartheid fiscal governance. It shows how Zuma prioritized patronage over economic stability, reinforcing the thesis that his presidency reconstructed state power toward elite interests.

The rand suffered massive depreciation during Zuma’s presidency, particularly during moments of political and economic turmoil. The December 2015 dismissal of Finance Minister Nhlanhla Nene, who had opposed the unaffordable R1 trillion nuclear deal with Russia, was a turning point in economic confidence. When Zuma replaced Nene with the Gupta-tied Des van Rooyen, the rand plummeted overnight, losing a great amount of its value against the US dollar in a single day. The sharp decline signaled to investors that South Africa’s economic policies were being influenced by corrupt political interests rather than a sound financial management team. Despite changing his decision and replacing van Rooyen after facing immense backlash, the damage to economic confidence had already been done.

One might suggest that Zuma's frequent cabinet changes, including the removal of Nhlanhla Nene, were within his presidential rights, and not necessarily driven by corrupt intent. However, the context and consequences of these decisions strongly portray ulterior motives. February emphasizes that these moves were in efforts to "capture" institutions like the Treasury. Her framing reinforces the idea that Zuma's cabinet choices weren't miscalculations, they were part of an effort to redirect the nature of the state toward political and personal gains (February 2018: 121).

State capture drained public funds and reduced the government's ability to deliver essential services. As state institutions became increasingly dysfunctional, economic inequality worsened, and unemployment surged. By the time Zuma left office in 2018, unemployment had risen to over 27%, with youth unemployment exceeding 50%, largely due to stagnant economic growth and declining business confidence (Vhumbunu 2024: 130). Service delivery protests also increased dramatically during this period, as communities became frustrated with the government's inability to provide basic services such as water, electricity, and housing.

A lasting economic consequence of state capture is its long-term impact on economic recovery. Even after Zuma's removal in 2018 and the establishment of the Zondo Commission to investigate state capture, the financial damage caused by years of corruption continued to weigh heavily on the country. Ramaphosa's administration inherited a lot of national debt, failing SOEs, and a weakened institutional framework, making economic recovery a very slow and difficult process. While some reforms have been implemented, the lingering effects of state capture

continue to hinder South Africa's economic stability. The economic consequences of state capture under Zuma's presidency were devastating, impacting SOEs, investor confidence, the currency, and economic growth. Billions of rands were lost to corruption, key industries suffered from financial mismanagement, and the country's global financial standing diminished due to reckless governance under the Zuma administration. The economic instability caused by state capture continues to affect South Africa today, demonstrating how deeply corruption can undermine national development and economic prosperity.

Conclusion

Jacob Zuma's presidency marked one of the most damaging chapters in South Africa's democratic history, as it was a mark of deep ingrained consequences of state capture across political, economic, and institutional spheres. Under his leadership, powerful private interests, especially the Gupta family, were granted unprecedented access to state resources, allowing them to shape policy, manipulate appointments, and gain from public funds. Zuma also ensured that accountability was evaded and corruption became embedded in the very structure of governance. The consequences of his reign highlight the far-reaching impact of state capture. Zuma's presidency did not merely allow corruption to flourish; it completely restructured the state to serve private interests at the expense of democracy and public welfare. While efforts such as the Zondo Commission have brought some level of accountability, the legacy of state capture continues to challenge South Africa's pursuit of justice and development. Meaningful reform and sustained accountability will be essential, if the country is to fully recover from the institutional and societal damage left in the wake of Zuma's administration. The challenge moving forward

will be to rebuild trust in public institutions and establish safeguards that prevent future abuses of power. South Africa's experience serves as a cautionary tale for other democracies, where unchecked patronage and executive overreach can quickly dismantle the foundations of democratic governance.

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