



UNIVERSITY OF THE WITWATERSRAND  
INSTITUTE FOR ADVANCED SOCIAL RESEARCH

SEMINAR PAPER  
TO BE PRESENTED IN THE RICHARD WARD BUILDING  
SEVENTH FLOOR, SEMINAR ROOM 7003  
AT 4PM ON THE **18 AUGUST 1997.**

TITLE: Political Corruption in South Africa

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NO: 425

## Political Corruption in South Africa

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### *1. Introduction*

Many people believe that widespread political corruption exists in South Africa. In a survey published by IDASA in 1996, 46 per cent of the sample consulted felt that most officials were engaged in corruption and only six per cent believed there was clean government<sup>1</sup>. In another poll conducted by the World Value Survey, 15 per cent of the respondents were certain that all public servants were guilty of bribery and corruption and another 30 per cent thought that most officials were venal<sup>2</sup>. The IDASA survey indicated that 41 per cent of the sample felt that public corruption was increasing. Most recently, Transparency International, an international monitoring agency, has reported on a survey which confirms a growing perception among foreign businessmen that official corruption in South Africa is widespread<sup>3</sup>. These perceptions have probably been stimulated by the proliferation of press réportage on corruption as well as debates between national politicians but the evidence concerns perceptions and in itself is an unreliable indicator of the scope or seriousness of the problem except in so far as the existence of such beliefs can encourage corrupt transactions between officials and citizens. In reviewing the South African evidence this paper will attempt to answer four questions. Is the present South African political environment peculiarly susceptible to corruption? Were previous South African administrations especially corrupt? What forms has political corruption assumed since 1994 and how serious has been its incidence? Finally, does modern South African corruption mainly represent habits inherited from the past or is it a manifestation of new kinds of behaviour?

There is general agreement about what constitutes political corruption. It is the "unsanctioned or unscheduled use of public resources for private ends"<sup>4</sup>. It might take the form of "misperformance or neglect of a recognised duty, or the unwarranted exercise of power, with the motive of gaining some advantage more or less directly personal"<sup>5</sup>. Political corruption can be described as "a method of exploitation by which a constituent part of the public order

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<sup>1</sup>IDASA Public Opinion Service, *POS Reports*, No. 3, February 1996, "Parliamentary Ethics and Government Corruption: Playing with Public Trust".

<sup>2</sup>*Summary Report of World Value Survey: South Africa*, 1996, pp.37-41.

<sup>3</sup>*Transparency International Corruption Perception Index*, 1997, press release, Johannesburg, 31 July, 1997. This agency collates the results of at least four surveys of perceptions with respect to 52 countries to construct a ranking. South Africa's score out of 10.00 slipped from 5.68 to 4.95 between 1996 and 1997 locating it at 33rd position, between Malaysia and South Korea.

<sup>4</sup>Victor Levine, *Political Corruption: The Ghana Case*, Stanford University Press, 1975.

<sup>5</sup>Robert C Brooks, "The nature of political corruption" in Arnold J Heidenheimer (ed.), *Political Corruption: Readings in Comparative Analysis*, Holt, Reinhart and Winston, New York, 1970.

sphere is exploited as if it were part of the market sphere"<sup>6</sup>. Broader definitions of public corruption also embrace electoral fraud as well as the rewarding by political parties of specific constituencies in return for electoral support ("transactive corruption") but here we will be concerned only with those transactions which are motivated by individuals seeking material benefits. Political corruption is located within the institutions of government: legislatures, courts, bureaucracies and statutory bodies such as parastatal corporations or commissions. It is constituted by transactions or exchanges of public resources and benefits between actors some or all of whom are officials or public representatives. It must involve acts which are intentionally dishonest.

Most writers on corruption distinguish between degrees of severity of corruption both with reference to where it occurs as well as its pervasiveness. Different administrations may be characterised by routine, petty or low level bureaucratic corruption (for example, the habitual extortion of bribes by minor officials) and grand corruption (the large scale misuse of public resources by senior civil servants and politicians) or by both simultaneously<sup>7</sup>. Corruption becomes systemic when corrupt activity begins to appear at all levels within a political system and when it becomes repetitious, constituting a parallel set of procedures to those which properly constitute the formal functions of the bureaucracy. Routine and open petty corruption usually signifies a systemic condition of corruption; secretive grand corruption may exist despite the absence of more pervasive bureaucratic misbehaviour. In administrations in which corruption assumes systemic and epidemic forms the scale of misappropriation substantially reduces public expenditure on development and services. For example in India in the 1950s a government commission established that about 5 per cent of the money spent during the second Five Year Plan was misappropriated<sup>8</sup>, in the Philippines in the 1970s about 20 per cent of internal revenue was lost through corruption<sup>9</sup>, and in Zaire between 1976 and 1977 of \$280 million earned from coffee sales through the government monopoly only \$130 million was recorded in the public accounts. Certain authorities have argued that corruption may have beneficial developmental effects, especially in those cases in which formal bureaucratic controls obstruct entrepreneurial growth<sup>10</sup>, but such instances usually involve the

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<sup>6</sup>Jacob van Klaveren, "The Concept of Corruption" in Arnold Heidenheimer (ed.), *Op cit*, p. 38.

<sup>7</sup>Robert Theobald, "Lancing the swollen African state: will it alleviate the problem of corruption?", *Journal of Modern African Studies*, 1994, 32, 4, pp. 701-706.

<sup>8</sup>David Bayley, "The effects of corruption in developing nations", Heidenheimer (ed.) *op cit*.

<sup>9</sup>Robert Klitgaard, *Controlling Corruption*, University of California Press, Berkeley, 1988, p. 20.

<sup>10</sup>See Nathaniel Leff, "Economic development through corruption" in Heidenheimer, *op cit* and J S Nye, "Corruption and political development: a cost benefit analysis", *American Political Science Review*, Vol. 56, 1967, M Beenstock, "Corruption and development", *World Development*, 7 1 1979. Most developmental arguments favouring corruption suggest that the corrupt exchanges may result in better economic decisions as well promoting efficiency through by passing bureaucratic control systems, additionally they may channel capital into investment rather than consumption. Another beneficial effect of political corruption may be that it can enhance social stability: one study of Japan suggests that constituency-based patronage systems have resulted in generous levels of public investment in rural areas (Jan Marie Bouissou, "Gift networks and clientalism in Japan as a redistributive system", Donnatella Della Porta and Yves Meny (eds.), *Democracy and Corruption*

grandiose corruption of senior officials in exchange for subverting tender procedures rather than routine petty venality which is generally agreed to be developmentally harmful.

Political corruption is often perceived to be especially characteristic of government in developing countries<sup>11</sup>. For Robert Klitgaard it "probably constitutes one of the three or four most harmful problems facing third world government"<sup>12</sup>. Samuel Huntington has argued that its presence "correlates with rapid social and economic modernisation"<sup>13</sup>. There are several reasons for believing this. In countries in which large scale centralised bureaucratic administrations are fairly recent and imposed by outsiders there may exist a "wide divergence between the aims, attitudes and methods of the government and those of the societies in which they operate"<sup>14</sup>. In such contexts patrimonial values which arise from the persistence in social relationships of kinship, clanship and clientship<sup>15</sup> may infuse bureaucracy from below. Modernisation can enlarge government very swiftly, widening its scope of intervention and regulation well beyond the capacity and supply of properly trained personnel<sup>16</sup> and the accompanying expansion of functions and services "multiplies opportunities for corruption"<sup>17</sup>. Obviously this situation is accentuated if experienced officials are replaced with junior functionaries or bureaucratic neophytes as often happens in rapidly implemented programmes of indigenisation following independence. The pressure to recruit civil servants *en masse* may be particularly intense following extensive political mobilisation and the construction of huge armies of political party employees during the decolonisation period. Cases of extreme corruption often correlate with situations in which the state derives the majority of its revenues from external sources of easily controlled enclaves within the national economy: African states' dependence upon customs receipts, foreign aid, and state controlled monopolies in such commodities as oil or diamonds, exploited under very restrictive conditions, are all cases in point. Each of these represent weak imperatives for domestic fiscal accountability and facilitate elite venality. In developing countries the state is usually the major force within the modern economy and in general conditions of economic scarcity and low levels of social stratification political and bureaucratic power brings unprecedented opportunities for control over material resources;

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*In Europe*, Pinter, London, 1997).

<sup>11</sup>Bekker, J C, "Nepotism, corruption and discrimination: A predicament for a post apartheid South African public service", *Politikon*, 18 2 1991.

<sup>12</sup>Robert Klitgaard, *Controlling Corruption*, University of California Press, Berkeley, 1988.

<sup>13</sup>Samuel Huntington, "Modernisation and corruption" in Heidenheimer (ed.), *Op cit*, p. 490,

<sup>14</sup>M. McMullen, "A Theory of Corruption", *Sociological Review*, 1961, p. 184.

<sup>15</sup>Theobald, *op cit*.

<sup>16</sup>See, for example: Paul Wellings, "Making a fast buck: capital leakage and public accounts in Lesotho", *African Affairs*, 82, 329, October 1983.

<sup>17</sup>Gillespie, K., and Okruhlik, G., "The political dimensions of corruption clean-ups: a framework for analysis", *Comparative Politics*, 1991, 24, 1, p.78.

in such circumstances, political office becomes the main route to personal wealth<sup>18</sup>. Accordingly, relatively low levels of official corruption in, for example, Botswana, are attributable to the existence of an indigenous ruling class which acquired its wealth before it became ascendent in national politics<sup>19</sup>. Similarly, the more widespread corruption in communist countries in comparison to liberal democracies is explained by the difficulty in the former of maintaining moral and conceptual distinctions between private and public property and individual and collective interests<sup>20</sup>. Recently, though, a succession of political scandals in well established industrial democracies have helped to shift the focus of corruption studies away from the developing world. Three political developments which have simultaneously affected both mature industrial democracies and poor third world countries are believed to have promoted corrupt government: the decentralisation of administration and with it the delegation of financial authority; the introduction of market values into public administration; and the growing costs of political competition in party systems in which political organisations increasingly depend upon external sources of finance<sup>21</sup>.

As well these historical or contextual causes of corruption, a series of features associated with particular kinds of polities help to encourage the proliferation of political corruption. These include: bureaucratic secrecy and the absence of mutual surveillance procedures by government agencies; protracted rule by one political party or an ageing one party dominant system; administrative inefficiency and complicated hierarchical decision-making procedures which create lengthy delays; and extensive patterns of political appointment in the civil service. Finally, popular suppositions about the existence of generalised corruption can encourage the spread of political corruption even if such beliefs initially exaggerate its extent and character.

## 2. *South African susceptibility*

Do these generalisations which arise from comparative studies suggest that post Apartheid South Africa may be particularly susceptible to political corruption? Ostensibly, South Africa may not seem to share the structural predisposition towards corruption which many authorities believe makes the condition endemic in other African countries. South Africa is not a typical "developing country" nor is its current experience of socio-economic and political change easily encapsulated by notions of modernisation. Compared to many former colonial territories the state plays a minor, albeit an important role in the economy and it by no means provides the main path for economic accumulation. In contrast to newly independent countries, the government of newly democratic South Africa is attempting to contract or at least stabilise public sector expenditure and employment, and the political pressures which result from large scale unemployment are not as compelling as those which confronted other

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<sup>18</sup>Jean-Francois Bayart, *The State in Africa: the Politics of the Belly*, Longman, London, 1993.

<sup>19</sup>Kenneth Good, "Interpreting the exceptionality of Botswana", *Journal of Modern African Studies*, 30 1 1992. p. 72.

<sup>20</sup>Leslie Holmes, *The End of Communist Power*, Polity Press, Cambridge, 1993.

<sup>21</sup>Donatella Della Porta and Yves Meny (eds.), *Democracy and Corruption In Europe*, Pinter, London, 1997.

African governments after decolonisation. In contrast to colonial administrations the apartheid state was relatively effective and comparatively efficient and undertook a considerable range of social welfare functions. South African relative immunity from corruption is also suggested by those studies which contend that a particular historical sequence of state development in which modernisation of the state, the development of welfare functions and the extension of the franchise occur consecutively and are separated by quite lengthy periods tends to produce less corrupt administrations than states in which these developments occur simultaneously<sup>22</sup>. Arguably, state formation during a long period of white political monopolies made it more difficult than elsewhere in Africa for the state to be influenced by the persistence of old pre-industrial cultures of tribute. Finally the South African state has for a long time depended for a major source of its revenues on various forms of personal taxation - even within the restricted democracy of white minority politics this helped to limit the scope of official misbehaviour.

Has democratisation weakened or strengthened corrupt predispositions in South African government? The theoretical and comparative insights referred to above indicate a complicated answer to this question. The formation of nine regional governments has been accompanied by a delegation downwards of certain areas of budgetary authority and this may have interfered with previous controls though this may be compensated for by the dissolution of homelands in which administrative corruption was sometimes endemic. On the other hand, the incorporation into regional administrations of homeland civil services may merely have transferred the bureaucratic location of corrupt behaviour and made regional governments vulnerable to the patrimonial politics which affected certain homeland administrations. Though the overall number of civil servants has not altered significantly in certain departments and regional governments large numbers of senior officials have been replaced<sup>23</sup> and many of the fresh recruits to senior managerial levels have been political appointments. This, together with the demoralisation and fears about job insecurity amongst officials employed by the pre-1994 administration may have helped to erode professional ethics<sup>24</sup>. These in any case have been under attack with the adoption of new management policies which are highly critical of "authoritarian, centralised and rule bound" operations and seek to replace them with an organisation culture "with a new emphasis on communicating, consulting, supporting, motivating and directing" and directed towards "the satisfaction of

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<sup>22</sup>Andrew Adonis, "The UK: Civic virtue put to the test", Donnatella Della Porta and Yves Meny (eds.), *op cit.*

<sup>23</sup>By November 1996, 32 per cent of management positions and 52 per cent of senior management positions in the civil service were occupied by Africans; in the pre 1994 "core" civil service Africans had held less than 5 per cent of such positions. Republic of South Africa, Public Service Commission, *Report on the Rationalisation of Public Administration in the Republic of South Africa*, Pretoria, RP/1997, p. 81.

<sup>24</sup>A survey undertaken in 1992 by the HSRC of 5.320 members of the Public service association, found that 75 per cent of its respondents were worried about reductions of benefits, that 58 per cent believed "that merit as basis for appointment and promotion would disappear", 69 per cent expected replacement of staff as a result of political appointments and that 60 per cent "were not positive" about affirmative action. Most respondents were Afrikaans speaking, white men, and members of the National Party (Erwin Schwella, "Bureaucrats hard to budge", *DSA in Depth*, August/September 1993, pp. 18-19.

needs, both of the public and of staff"<sup>25</sup>. Though the White Paper on public service transformation stresses accountability and anti corruption measures the new policies require a new range of managerial skills and quite different control systems. Meanwhile the government is undertaking a range of new activities, extending welfare and development services and establishing a set of new statutory bodies to safeguard constitutional rights. All these present new challenges for financial regulation. Government policies which favour black business empowerment and the movement of members of the ANC leadership into the corporate sector may have also helped to promote a culture in which "public behaviour is less prized than private, (and) producing results comes to matter more than observing standards, monetary values more than ethical and symbolic values"<sup>26</sup>. On the other hand, the new government's public commitment to an ethic of transparency and the institution of the office of the Public Protector as well as the appointment of a number of official inquiries into corruption has helped to stimulate a fresh willingness among newspaper editors to publish corruption stories (which especially in the case of homeland venality used to be virtually ignored). Moreover, partly as a consequence of affirmative action policies, government tendering has become more fiercely contested and more subject to public commentary. In short, a democratic constitution and the demise of racially and ethnically separated administrations has considerably expanded the area of government open to scrutiny and inspection. This needs to be kept in mind when considering the proliferation of reports of corruption since 1994.

### 3. *The historical legacy.*

Government spokesmen argue that contemporary corruption is largely a carry-over from the previous administration. Arguably, a bureaucracy which was deliberately used as an instrument to foster the social and economic fortunes of one ethnically defined group had at least a form of transactive corruption built into its functioning from the inception of National Party rule. Deborah Posel, for example, has documented how the Native Affairs Department in the 1950s "made a concerted effort to fill as many administrative posts as possible with National Party supporters" while in the 1960s Broederbond infiltration of agricultural cooperatives and the Land Bank ensured that political considerations would predominate in credit allocation<sup>27</sup>. However these forms of patronage and favouritism were mainly geared to the strategic goals of Afrikaner nationalism and they did not, at least at their inception, involve personal gain and individualised relationships<sup>28</sup>. As late as the mid 1970s, J N Cloete, director of the South African Institute for Public administration, could maintain that the controls in the civil service were so stringent that bureaucrats had "little opportunity to

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<sup>25</sup>*Government Gazette*, 15 May 1995, "Draft White Paper on the Transformation of the Public Service" pages 7 and 15.

<sup>26</sup>Yves Meny, "France, the end of the republican ethic", in Donatella Della Porta and Yves Meny, *op cit*, p. 18.

<sup>27</sup>Deborah Posel, *The Making of Apartheid, 1948-1961*, Oxford University Press, Cape Town, 1997, pp 117 and 243-244.

<sup>28</sup>Annette Seegers, "Toward an understanding of the Afrikanerisation of the South African state", *Africa*, 63 (4), 1993.

use patronage and the conferment of financial benefits for the achievement of improper objectives"<sup>29</sup>. This seems to be confirmed by Auditor-General's reports for the 1950s and early 1960s - the number of financial irregularities documented reached a comparatively modest 252 in 1967, and were mainly concentrated in the post office, as well, as to much lesser extents in justice, defence and police. There is plenty of evidence, though, to suggest that by the 1980s, political corruption within the terms of the definition used in this paper, was quite common in certain government departments as well as in homeland administrations. The 1978 Information Department scandal featured senior officials using public funds to pay for holidays for their families, tax free supplementary allowances, and properties registered in their own names, as well as the R13 million loaned to Mr Louis Luyt to start up a newspaper, most of which was subsequently invested on one of Luyt's companies<sup>30</sup>. The Information scandal arose from the misuse of secret money and might have been exceptional on those grounds but the Department's closure did not end the practice of secret financial grants to government agencies. In the 1980s these were to expand considerably within Defence expenditure, and within the loose accounting employed in the funding of arms procurement and front companies there was plenty of room for official venality<sup>31</sup>. Even outside the mysterious world of covert operations, though, central government departments seem to have had a long history of routinised corruption. For example, within the Department of Development Aid, the successor to the Native Affairs Department, a 1991 inquiry discovered "dishonesty and abuse (to be) rife", concluding that the "majority of officials... have developed a syndrome of lack of enthusiasm to the extent sometimes of apathy". Specific irregularities included fictitious tenders and the subsequent award of contracts to spouses, the receipt of gifts by officials in return for contracts, and payments to firms for imaginary work and materials: over the years several hundreds of millions of rands was lost through various forms of nepotism and fraud in a department which administered about 11 per cent of the government's budget<sup>32</sup>. Nor was abuse in this sphere confined to the final years of apartheid: other official enquiries suggest that land transfers administered by the South African Development Trust (a body under the authority of the Department of Native affairs and its successors) had for decades been managed dishonestly and incompetently.<sup>33</sup>

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<sup>29</sup>J N Cloete, "The Bureaucracy" in Anthony de Crespigny and Robert Schrire, *The Government and Politics of South Africa*, Juta, Cape Town, 1978, p. 74.

<sup>30</sup>For details see Republic of South Africa, *Report of the Commission of Inquiry into the former Department of Information*, Pretoria, RP/113/1978, pp. 34-60.

<sup>31</sup>See report on the David Kofmansky trial: Kit Katzen, "Mysteries and unanswered questions arise in the CCB trial", *The Star*, 22 September, 1990. Kofmansky, a Sandton commodities broker, was charged with the illegal export of R29 million, money he said he had been given by a Civil Cooperation Bureau operative to establish an arms buying company in Britain.

<sup>32</sup>Republic of South Africa, *Commission of Inquiry into Development Aid*, Pretoria, RP 73/1992.

<sup>33</sup>For examples see: Republic of South Africa, *Verlag van die Kommissie van Ondersoek na die 1980 - onluste en beweerde wanbastaar in Kwandebele verslaag die Staatspresident*, Pretoria, RP 137/1993; Republic of South Africa, *First Report by the Commission of Inquiry into alleged irregularities or malpractices regarding the allocation, leasing, alienation and transfer of state lands*, Pretoria, RP 52/1996.



All these examples refer to elite or grand corruption, involving dishonest practices by senior officials resulting in large scale misappropriation. Those departments which were especially concerned with political/strategic goals of government - information, defence, and homeland development seem to have been particularly affected by high level corruption. In addition, several homeland governments, both "independent" and "self governing" supplied documentation of political corruption on a major scale. In the Transkei, independence was accompanied by the public takeover of South African property and the subsequent sale of farms, firms and houses at very low prices to cabinet ministers and their friends and associates. Subsequent activities by the Transkei Development Corporation and the Agricultural Corporation included the politically directed allocation of trading licences and property, loans to members of the same small circle, and the diversion of government vehicles and equipment to their businesses and farms<sup>34</sup>. Official inquiries discovered subsequently much the same pattern of behaviour in Kwandebele and Lebowa. In Kwandebele, the Parsons Commission discovered a R1 million "kickback" to officials from contractors for building work never undertaken and cabinet ministers appropriated discounts from the government's purchases of luxury cars<sup>35</sup>. In Lebowa, the De Meyer report described misdoings in the Chief Minister's Department as well as the Departments of Water, Law and Order, Transport, Water Affairs and Education. Lebowa's chief minister, Nelson Ramodike, attracted a major share of De Meyer's criticisms. At the time of the report's appearance there were fresh press allegations. In addition to the two illegal liquor licences uncovered by De Meyer, Ramodike was alleged to be running a string of state funded businesses through various brothers and cousins as well as maintaining a personal fleet of three top of the range Mercedes. Meanwhile, 200 officials within the Lebowa Department of Justice received a 100 per cent pay increase in April 1993, and in October 1992 the Lebowa Tender Board, already under fire from De Meyer, was prevailed upon despite objections from three of its members, to accede to the purchase of R15 million worth of cleaning chemicals, enough for seven years' supply to the government<sup>36</sup>. A similar deal involving purchases of chemicals was authorised by Dr G. L. Becker, Secretary for the QwaQwa Department of Health, at a cost of about 60 per cent of his department's annual budget<sup>37</sup>. To be sure, these occurrences in the final years of these administrations may have represented behaviour motivated by the realisation among officials that their powers and privileges were shortly to be curtailed, but there are other reports dating from earlier periods which suggest, as in the case of the Transkei, that graft was entrenched and routine in the highest echelons of homeland administrations through much of their history. For example,

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<sup>34</sup>Republic of the Transkei, *Commission of Inquiry into the Conduct of the Department of Commerce, Industry and Tourism*, June 1987. See also Barry Streek and Richard Wicksteed, *Render unto Kaiser: A Transkei Dossier*, Ravan, Johannesburg, 1981, Chapter 7.

<sup>35</sup>Republic of South Africa, *Verslag van die Kommissie van ondersoek na die 1980 - onluste en beweerde wanbastaar in Kwandebele verslag an die staatspresident*, Pretoria, RP 137/1993.

<sup>36</sup>Jacques Pauw, "From traffic policeman to Governor of Lebowa", *The Star*, 16 April, 1993; Justice Malala, "Huge gravy train scandal in Lebowa", *The Star*, 29 September, 1993; Justice Malala, "Sun setting on Ramodike's reign", *The Star*, 1 October, 1993; Norman Chandler, "Homeland graft revealed", *The Star*, 19 November, 1993.

<sup>37</sup>"More homeland graft shocks", *The Sowetan*, 25 November, 1993.

the Skweyiya Commission in 1996 uncovered a carnival of misconduct dating from 1978, beginning with former President Mangope's issue of irregular tenders, his appropriation of state owned houses and farms, and his establishment of private businesses with public funds<sup>38</sup>.

What about routine petty corruption before 1994? Its incidence probably varied in accordance with the degree of rightlessness of the people seeking benefits or services from officials. In the Transkei in 1975 more than R600,000 was stolen by civil servants from pensioners and an official observed "that there were frequently shortages at points where money passes from hand to hand between officials and the public". Within the Ministry of Justice, which included the payment of pensions and disability grants within its functions, at least ten per cent of its employees were known in 1971 to have accepted bribes<sup>39</sup>. In the Ciskei, the Quail Commission in 1978 "heard evidence that pension payments were sometimes refused for reasons the pensioners concerned could not understand, such as that 'no more money is available'"<sup>40</sup>. In Kwa Zulu, legislative assembly debates in 1978 attested to the widespread incidence of bribery within the civil service. Research conducted by Paulus Zulu in the early 1980s suggested that indunas and chiefs routinely extorted payments for site permits, work seeker permits, pensions and disability grants<sup>41</sup>. Nor was everyday extortion confined to homeland administrations: in Cape Town, for example, in the late 1980s, Bantu Administration Board officials sold residence permits to inhabitants of Crossroads; as one of Josette Cole's informants told her, "They always did this at the Nyanga and Langa offices. It wasn't something new to us"<sup>42</sup>. On the East Rand, in 1959, Brandel-Syrier found that African clerks in the administrative offices of the township in which she conducted fieldwork charged a fixed "under the counter" fee for advice, referrals and appointments<sup>43</sup>. In the 1970s, black policemen were commonly believed to refrain from charging pass offenders in exchange for bribes<sup>44</sup>. Pre-1994 police corruption is especially difficult to estimate; SAP Commissioners reports list dismissals for misconduct but these would have embraced a wider range of miscreants than simply officers charged with corruption. Auditor-General's annual

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<sup>38</sup>Government of the North West Province, *Summary of the final report of the Commission into corrupt practices and irregular use of public funds in government departments and parastatal bodies by various individuals or at their instance*, Mimbatho, 1997. For corruption at a more humble level within the Bophuthatswana administration see Jeremy Keenan, "Pandora's Box: The Private Accounts of a Bantustan Community Authority" in Glenn Moss and Ingrid Obery, *South African Review* 3, Ravan, Johannesburg, 1986.

<sup>39</sup>Roger Southall, *South Africa's Transkei, The Political Economy of an Independent Bantustan*, Heinemann, London, 1982, p. 179.

<sup>40</sup>*The Report of the Ciskei Commission*, Conference Associates, Pretoria, 1980, p. 33.

<sup>41</sup>Gerhard Mare and Georgina Hamilton, *An Appetite for Power: Buthelezi's Inkatha and the Politics of "Loyal Resistance"*, Ravan, Johannesburg, 1987, p. 91.

<sup>42</sup>Josette Cole, *Crossroads: The Politics of Reform and Repression, 1976-1986*, Ravan, Johannesburg, 1987, p. 63.

<sup>43</sup>Mia Brandel Syrier, *Reeftown Elite*, Routledge and Kegan Paul, 1971, p. 33.

<sup>44</sup>Philip Frankel, "The Politics of Police Control", *Comparative Politics*, 12, 4, 1980, p. 487.

reports ceased to detail "defalcations and irregularities" in 1967, significantly after the 1966 figures reported 58 such incidences with respect to the police, an unprecedentedly high figure and following a steady increase in police fraud in previous years<sup>45</sup>. Of course the repeal of pass laws and restrictive liquor legislation ended the two most common opportunities for police bribery and extortion. As late as 1975, according to recent trial evidence, Greek hotel owner Alex Kavouras bribed policemen to obtain a liquor licence for his associate Joe Kgasi, the leader of a well known criminal syndicate and the owner of Johannesburg's first multiracial nightclub. Kavouras told the court: "I had connections with the fourth floor (senior policemen at John Vorster square) and the Liquor Board. I organised the police to turn a blind eye"<sup>46</sup>. Though the illicit opportunities supplied by liquor restrictions and pass laws have long since disappeared among black South Africans the police retained an enviable reputation for dishonesty: a survey conducted through a questionnaire inserted into a November 1995 issue of the *Sowetan* found that 67 per cent of its respondents were convinced that police force members accepted bribes<sup>47</sup>.

Petty corruption, though, was not endemic in all the lower echelons of the South African bureaucracy, rather, before 1994 it tended to be concentrated in those areas in which officials encountered people who were particularly rightless and defenceless. Amongst white South Africans experience of corruption would have been exceptional rather than normal, and concentrated in municipal rather than national state agencies (municipal traffic officers being notoriously susceptible to bribes)<sup>48</sup>.

#### *4. The incidence and location of political corruption in post-apartheid South Africa.*

It would be surprising if there was no significant political corruption in contemporary South Africa. Authoritarian and secretive governments are especially susceptible to bureaucratic venality and, as we have seen during the last decades of apartheid South Africa's administration was no exception to this generalisation. The more powerless ordinary people were the more officials abused their position; for this reason homeland governments were especially dishonest as were the central government departments such as Development Aid which worked most closely with them. Secret budgets allowed senior security officials to misuse funds for private gain and by removing procurement from public scrutiny they created ample opportunities for bribery. "Strategic" kinds of government expenditure did not have to be defended in public, whether they involved defence projects, propaganda exercises, or sanctions evasions and all these featured large scale misappropriation of public resources. Given that much of the administration is still run by the same people, it would be reasonable

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<sup>45</sup>Republic of South Africa, *Report of the Controller and the Auditor-General for the financial year, 1966-1967*, Pretoria, RP 60, 1967.

<sup>46</sup>Peter de Ionno, "Fall of a vice baron", *Sunday Times Metro*, 16 March, 1997.

<sup>47</sup>Marketing and Media Research, *Sowetan Crime Survey: Presentation of Crime Findings*, Johannesburg, January 1996, p. 12.

<sup>48</sup>For examples of local authority corruption see Danny Sing and Malcolm wallis, "Corruption and nepotism" in Fanie Cloete and Job Mokgoro, *Policies for Public Service Transformation*, Juta, Cape Town, 1995, p. 143-144.

to expect the continuation of a certain amount of corruption. The following overview of new South African corruption begins by surveying its incidence in provincial governments, where it appears to be most concentrated, before considering political corruption in central government and parastatal bodies.

Seven of the nine regional governments had to absorb homeland administrations into their bureaucracies. The least corrupt regional administrations seem to be the two which have not incorporated former homelands, Gauteng and the Western Cape. Gauteng has received official praise for the efficiency of its financial management but Tokyo Sexwale's boast in early 1997 that his government could claim "three corruption free years" was an overstatement<sup>49</sup>. Gauteng's record is marred by the widespread sale of matriculation examination papers<sup>50</sup>, huge amounts of thefts by officials in Johannesburg pension offices, sometimes to the scale of R2 million a day as well as frequent bribery to jump the pension queues<sup>51</sup>, fraud to the tune of R1 million in the Housing and Land Affairs Department (which might help to explain the large discrepancy between the number of subsidies handed out and the number of low cost homes which are under construction)<sup>52</sup>, accusations of nepotism in the appointment of school principals<sup>53</sup>, and the defrauding of R800,000 from the department of education by senior bureaucrats<sup>54</sup>. Gauteng's leaders cannot plead that they have had to absorb corrupt homelands - there weren't any within the region's boundaries. In any case they make a point of emphasising how far reaching the managerial revolution has been in the administration with half the senior posts now filled by new people. Therefore, much of this corruption cannot be explained by references to the apartheid heritage.

Compared to some of its neighbours, though, Gauteng is an island of probity. Mpumalanga's administration has been characterised by extreme forms of graft amongst political notables. R1.3 million from the low cost housing budget was used by the region's MEC's to renovate their state houses. An additional home improvement, this time involving the construction of a guard-house at the deputy speaker's residence, led to the overpayment of R208,000 to a local building firm in 1996<sup>55</sup>. The MEC for Environmental Affairs was discovered to have

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<sup>49</sup>"Sexwale proud of three corruption free years", *The Star*, 22 February, 1997.

<sup>50</sup>The Public Protector found that the sale of matriculation papers in 1996 was limited to Gauteng and Kwa-Zulu Natal (*Report on the progress and integrity of the senior certificate examinations*, Cape Town, 1996).

<sup>51</sup>Troye Lund, "Pension muddle", *The Star*, 2 October, 1996.

<sup>52</sup>"Housing official faces fraud charges", *The Star*, 12 March, 1997. A provincial auditor's investigation found that R400,000 in subsidies had been paid to developers in Phola Park in 1995/96 but no houses were built (Priscilla Singh, "Health, housing departments slated", *The Star*, 23 April, 1997).

<sup>53</sup>Sello Seripe, "Nepotism at schools denied by SADTU", *New Nation*, 20 March, 1997.

<sup>54</sup>Lee-Ann Alfreds, "Huge cheque scam in education uncovered", *The Star*, 4 March, 1997.

<sup>55</sup>Justin Arenstien, "Mpumalanga spending spree probed", *The Star*, 19 June 1997.

filed false expense claims for an official visit to Disneyworld<sup>56</sup>. The MEC for Safety and Security, Steve Mabona, lost his post after an official inquiry found him to have colluded with officials in his traffic department to issue illegal driving licences, including one to the Deputy Speaker of the House of Assembly. Earlier, Mabona had been the Minister of Police in the KwaNdebele government and was identified by the Parsons Commission as the recipient of an illegal government loan. Lower down the hierarchy is the case of the Director of the Provincial Parks Board, Alan Gray, who not content with the R34,000 salary he receives every month, hires out to the Board the services of two businesses he owns<sup>57</sup>. Not to be outdone, the former chairman of the Mpumalanga Development Corporation managed to spend his way through about R14,000 expenses a month before being dismissed for impropriety; he then succeeded in securing his reinstatement and only left his post after the payment of a large gratuity<sup>58</sup>. In 1997, the provincial housing department has become the centre of a major financial scandal as a consequence of the award of a huge R190 million contract without regular tendering procedures; the extent to which corruption may have featured in this undertaking has yet to be established but the fact that one member of the provincial housing board, Job Mthombeni, was also a director of the company, Motheo Construction, which won the contract, is suggestive. The firm's chief executive, Thandi Ddlovu is an old associate of the national Minister of Housing; they became friends in exile. The housing scheme included provision for a profit margin in excess of 15 per cent, about three times what is normal in the industry<sup>59</sup>. Meanwhile, land transfers by former homeland authorities to various Mpumalanga politicians and officials have provoked another official investigation<sup>60</sup>. In the lower reaches of the provincial government, audits have discovered amounts ranging from R4.1million to R30 million as missing and unaccounted for from the primary school feedings scheme<sup>61</sup>. The scheme has supplied rich pickings nation-wide for minor officials, school administrators and small contractors in most of the provinces, though losses seem to have been largest in Mpumalanga; only in the Western Cape where black business empowerment principles were ignored and it was handed over to an experienced NGO, the Peninsula school Feeding Scheme, has it functioned with complete honesty<sup>62</sup>.

Other peaks of political corruption in the regions include the R4 million paid to "ghost"

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<sup>56</sup>"MD fired and money back demanded after audits", *The Star*, 20 November, 1996.

<sup>57</sup>Justin Arenstein, "Board chief's powers cut", *Mail and Guardian*, March 20, 1997.

<sup>58</sup>Raymond Travers, "Corruption at Development Corporation investigated", *The Lowvelder*, 29 October, 1996; "MD fired and money back demanded after audits", *The Star*, 20 November, 1996..

<sup>59</sup>Justin Arenstein, "Rich pickings in housing for poor", *Mail and Guardian*, 30 May, 1997.

<sup>60</sup>Justin Arenstein, "Heat is on Mpumalanga MEC", *Mail and Guardian*, 27 June, 1997.

<sup>61</sup>"Eastern Cape takes up school feeding scandal with Govt", *The Star*, 12 August, 1995.; Vuyelwa Vika, "Cheated Eastern Cape schoolchildren fainting from hunger", *Sunday Independent*, 13 August, 1995; Drew Forrest, "Millions missing as feeding schemes fail", *Business Day*, 20 June, 1996; "Feeding scheme defrauded of R30 million", *The Star*, 20 June, 1996.

<sup>62</sup>Marion Edmunds, "Food scheme faces closure", *Mail and Guardian*, 31 January, 1997.

workers in Kwa Zulu-Natal's Department of Nature Conservation<sup>63</sup> and the nearly R1 million stolen by a single official in Kwa-Zulu-Natal's Department of Finance. The Auditor-General discovered that overpayments to suppliers and employees may have totalled as much as R400 million in Kwa Zulu in 1994/95<sup>64</sup>. In the Eastern Cape, the corruption ledger included by November 1996 "the loss of all but one spanner and a few spare parts from the government garage in Umtata, the gambling away of money earmarked for a new road; the defrauding of R5.3 million from the justice department in Lusikisiki and R4.4 million from the health department in Bisho; and the pilfering of government cheques for more than R31 million"<sup>65</sup>. The province is believed to employ 8,000 "ghost" workers<sup>66</sup>. In the Northern Province the decision by the government in Pietersburg to spend not merely R300 million on a new parliament building but also to divert another R33 million to construct official residences for each member of the regional parliament was authorised neither by the cabinet nor the tender board, emanating instead from the premier's office. Opponents of the scheme were characterised as "dissidents" by the premier's supporters<sup>67</sup>. Later the project was suspended. Major irregularities in the award of tenders were an inevitable accompaniment of this particular undertaking, though the Semenya Commission found that no official gained financially. In the North West civil servants in the Department of Public Works authorised a cheque for R20 million in payment for electronic equipment invoiced at R126,000<sup>68</sup>. Nation-wide, ten MEC's have been identified in the press as being implicated in corrupt practices: that is about ten per cent of the total number of regional "ministers"<sup>69</sup>. If this was the proportion of corruption embodied in regional political leadership, it might well be the case that a similar share of senior managers and junior officials have also been affected by

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<sup>63</sup>"Financial blows hit two conservation bodies", *The Sunday Independent*,

<sup>64</sup>"Police probe R300m fraud in Kwa-Zulu Natal", *The Star*, 8 October, 1996.

<sup>65</sup>Adrian Hadland, "Eastern Cape staving off total collapse", *Sunday Independent*, November 24, 1996.

<sup>66</sup>Xoliswa Vapi, "Hunt is on for 'ghosts' in Eastern Cape", *The Star*, 9 January, 1997.

<sup>67</sup>"ANC row over R33-m project", *The Star*, 23 August, 1996; Elias Makuleke, "Heads to roll in Northern Province", *The Star*, 16 March, 1997.

<sup>68</sup>Jovial Rantao, "Who'll take the rap for R20m cheque", *The Star*, 19 July 1996.

<sup>69</sup>These include: Rocky Malebane Metsing, MEC for Agriculture in the North West, implicated in an illegal loan but also accused of seeking sexual favours in return for contracts (Jovial Rantao, "North-West's Rocky Road", *The Star*, 27 February, 1995); Vax Mayekiso, Free State MEC for Housing dismissed for intervening officially in a dispute in which he had a personal business interest ("Lekota dismisses MEC who enriched himself", *The Star*, 19 May, 1995); Ace Magashule, Free State MEC for Economics and Tourism after illegal transfers and loans to companies (Rehana Roussouw, "Lekota's foe implicated in dubious deals", *Mail and Guardian*, 20 June, 1997); Riaan de Wet, MEC for Tourism, North West, sacked after misuse of a government 'plane', (*The Star*, 16 August, 1996); at least two Mpumalanga MEC's whom a confidential Mpumalanga government report alleged had spent R1.3 million from a low cost housing budget to renovate their state residences (Justin Arenstein, "Mpumalanga's big spenders", *Mail and Guardian*, 27 September, 1996); Northern Province MEC's for public works and finance, Dikeledi Magadzi and C E Mushwana, blamed in the Semenya Commission report for improper tendering for the purchase of government buildings; both were subsequently replaced together with three others (Hopewell Radebe, "Sacking of MECs preceded financial report", *The Star*, 2 July, 1997)..

the virus. Seven of the MEC's accused of corruption lost their posts two in the Free State and two in the North West, two in the Northern Province, and one in Mpumalanga; in the case of the Free State, though, despite the findings of a investigative commission which confirmed the accusations against one of the sacked MEC's, the premier, Patrick Lekota was removed from his office because of his willingness to publicise the culpability of his colleagues.

Political corruption doesn't appear to be so prevalent in central government: here is concentrated in particular departments, but its particular location is especially damaging. The corruption roll call includes Home Affairs which includes among its activities the operation of major driving licence scams throughout the country, the SA Revenue Service where officials are currently undergoing investigation for fraud totalling R800,000, and a murky history of tendering in the Department of Health - which while it may not have involved dishonest behaviour by its officials and representatives (except for the many lies they have told) has allowed private contractors lavish and self serving expenditure of public funds. In the case of Home Affairs, over the years officials in licensing departments have issued more than 1.3 million registration numbers, while a further 750 instances of corruption by Home affairs functionaries have sold at least 270 blank passports<sup>70</sup>. In the Revenue Service, a merger between Inland revenue and Customs in 1996 facilitated the misappropriation of PAYE cheques; of a supposed establishment of 300 customs inspectors, only 20 remain and this too has made it much easier for importers to evade duties through bribery<sup>71</sup>. Though the Public Protector's investigation of the "Sarafina" affair did not indicate that officials sought personal gain through neglecting regular tendering procedures it did feature the kind of heavy handed efforts to prevent disclosures which cause corruption. Director General Olive Shisana in the month following the outcry over the Sarafina contract ordered her subordinates to sign an oath of secrecy to stop "sensitive information which can cause the department and eventually the state embarrassment from falling into the wrong hands". The misuse of European Union money to fund the Sarafina aids musical was partly a consequence of officials not realising that donor money was subject to the normal rules, though it may also have been an effect of ministerial impatience with established bureaucratic procedures. In parliament, the ANC whip changed the order of the debate to ensure that the Minister would not be present while the ANC chair of the portfolio committee dismissed opposition calls for an inquiry as "spurious and politically motivated". Subsequently to the Sarafina scandal, a further report appeared of health department officials awarding a contract despite Tender Board refusal of two applications for approval<sup>72</sup>.

The real citadels of official self-enrichment, though, are to be found in three central

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<sup>70</sup>Blackman Ngoro, "State officials in R13m fake passport scam", *Sunday Independent*, 15 June, 1997; Jacqui Reeves, "How hi-jackers register 'hot' cars", *The Star*, 21 June, 1997.

<sup>71</sup>Allan Greenblo, "Tax evasion and fraud explode", *Sunday Independent*, 23 July, 1997; Gill Gifford, "Revenue offices scam", *The Star*, 21 April, 1997.

<sup>72</sup>Prakash Naidoo, "Health ministry breaks rules again", *Sunday Independent*, 16 June, 1996; John MacLinnan, "Charges of cover up as Zuma ducks Sarafina debate", *Sunday Independent*, 21 March, 1996; Mungo Soggot, "Sarafina: Health Department gags workers", *Mail and Guardian*, 14 June, 1996; Public Protector of South Africa, *Investigation into the Play Sarafina II*, Cape Town, 20 May, 1996.

government ministries: Social Welfare, Safety and Security, and Justice. As a general rule of thumb, the more a civil service bureaucracy has to do with the public, the more likely it is to be dishonest in its dealings. In the case of Welfare, the problems are mainly attributable to the legacy of pre-1994 era. The Department inherited 14 separate bureaucracies, many of them very venal and extremely incompetent. There was no centralised record of 2.8million entitlements to pension payments and many of the supposed recipients were dead. It is reckoned that about ten per cent of the Department's budget is lost to official fraud. Reform has been slow, partly because of the complexity of the task, but also perhaps that the first GNU Minister of Welfare, Abe Williams, was himself a major culprit in a pension fraud scandal which affected the old pension department of the House of Representatives. Williams was forced to resign after an investigation by the Western Cape MEC for health and Social services suggested that he had accepted a bribe from a company contracted to distribute pension funds and which had been allowed access to the interest accumulated from banking the unpaid pensions<sup>73</sup>.

The police rival the pension administrators in their predisposition towards corruption. In 1995-1996, 8,000 police in Gauteng alone were reported to have committed crimes of one kind or another<sup>74</sup>. In Johannesburg, according to the divisional police chief interviewed in 1996, four police a week were suspended for corruption<sup>75</sup> and 1,076 policemen nationally were under investigation for corruption in 1996, an increase from 89 investigations in 1995, 56 in 1994 and 32 in 1993<sup>76</sup>. In 1996, again merely in Gauteng, R5 million worth of cars were stolen, most likely by policemen from the car pounds in which the police keep the cars which have already been stolen. Ten million rands was allocated at the beginning of 1997 to build new police proof maximum security car forts to prevent further thefts of this kind<sup>77</sup>. In Rustenberg, a station commander was discovered in 1995 to be running a car theft syndicate in cahoots with professional criminals. Since then there has been an epidemic of reports of collusion between police and vehicle theft syndicates with police supplying registration papers for stolen cars; police are also believed to be involved in contract killings and prostitution rackets<sup>78</sup>. In 1995 2,000 policemen defrauded their medical aid scheme of R60 million<sup>79</sup>. A major bribery scandal implicated police at Johannesburg's container

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<sup>73</sup>Rehana Roussouw, "The payment that put paid to Abe", *Mail and Guardian*, 23 February, 1996; The Star, "Leakage costing Department of Welfare R1-bn a year", *The Star*, 9 October, 1996.

<sup>74</sup>Derek Rodney, "Russia and South Africa share culture of corruption", *The Star*, 6 January, 1997.

<sup>75</sup>Helen Grange, "Police chief plays cool in crime prevention's hottest strategy", *The Star*, 5 November, 1996.

<sup>76</sup>"More police probed for corruption", *The Star*, 6 November, 1996.

<sup>77</sup>Derek Rodney, "Maximum security car forts will cost R10m", *The Star*, 17 October, 1996.

<sup>78</sup>Sash Jonson, "Revealed: cops' hand in theft and hijackings", *The Star*, 1 March, 1997; Sash Jonson, "Police who change sides", *The Star*, 17 May, 1997.

<sup>79</sup>Glynnis Underhill, "Probe into cop corruption runs into obstacles", *The Star*, 29 June, 1996.



In February 1997 five members of the Benoni flying squad were arrested on bribery charges<sup>81</sup>. Police were discovered to have extorted thousands of rands from people they illegally arrested and held in cells in the Sandton area, mainly on suspicion of illegal immigration<sup>82</sup>. According to the SAP Anti-Corruption Unit, police corruption was believed to have increased by 8 per cent in 1995; about half the 800 allegations investigated by the unit were located in Gauteng. Among the officers charged with corruption was Charlie Landman, head of the elite Brixton Murder and Robbery Squad<sup>83</sup>. Policemen collude with employees of the Department of Justice to massively expand the scope of public corruption through assisting magistrates and prosecutors in the wholesale theft and deliberate loss of dockets in return for bribes from charged criminals. This practice is especially widespread in the Western Cape and in Gauteng but it exists everywhere: several thousand cases each year do not reach court, causing wastage and loss of millions of rands. It may reflect historically entrenched habits but a recent wave of resignations by prosecutors and threats of strike action suggest that the present demoralisation of the prosecution service may have encouraged the spread of court venality<sup>84</sup>. Government austerity since the election as well as rising crime levels have contributed to the financial woes of the Justice Department.

The parastatal sector has supplied rich seams of official corruption. Telkom and the Post Office lost R201 million due to employee fraud in the 1995\1996 year (which does not include the sacks of letters misappropriated by postal sorters)<sup>85</sup>; one third of the SABC's current losses are attributable to corruption, 121 Transnet managers were discovered last year to be guilty of major abuse of their credit cards<sup>86</sup>, Eskom managers in Soweto made substantial profits by awarding tenders to companies owned by former colleagues<sup>87</sup>, R500 000 RDP funds was alleged to have disappeared into the pockets of Portnet's Durban managers, and the Independent Broadcasting Authority directors were forced to resign after an inquiry continues to be led by people whose greed and extravagance seems to know no limits a had revealed misuse of official travel and entertainment budgets running into millions of rands. At least four managing directors of parastatals or public corporations have been

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<sup>80</sup>Angella Johnson, "Police chief is shipped out after R70 million thefts", *Mail and Guardian*, 29 November, 1996.

<sup>81</sup>"Police officers took bribes and stole cheques", *The Star*, 1 February, 1997,

<sup>82</sup>Anso Thom, "ID documents: reports of police extortion, beatings in Sandton", *The Star*, 18 October, 1996.

<sup>83</sup>Angella Johnson, "Crooks in uniform under investigation", *Mail and Guardian*, 7 June, 1996.

<sup>84</sup>Gaye Davis, "South Africa faces justice crisis", *Mail and Guardian*, 5 July, 1996; Sash Jonson, "Courts under siege", *The Star*, 10 May, 1997.

<sup>85</sup>Jovial Rantao, "Corruption and fraud lead to loss of R201m at telkom and Post Office", *The Star*, 14 February, 1996.

<sup>86</sup>Andy Duffy, "The Transnet train smash", *Mail and Guardian*, 15 November, 1996.

<sup>87</sup>Andy Duffy, "Eskom scam uncovered", *Mail and Guardian*, 8 November, 1996.

involved in improper self-enriching activity.

Does the extent of corruption in central and regional government represent a problem of crisis level proportions? In 1997 Deloitte and Touche spokesmen suggested that the overall cost of public sector fraud and mismanagement could easily exceed R10 million<sup>88</sup>, which would make it comparable in scale to the extent of abuse in countries considered to be endemically corrupt. It is certainly systemic in certain provincial departments - its appearance at both high and lowly levels and its evident repetition confirm this and it seems to be routinised in police stations. So far, there is little evidence of corruption amongst National Assembly members or amongst cabinet members, or amongst senior officials in national state departments. At seven per cent of public expenditure its real proportional cost could be much higher because only a small proportion of the government's budget is invested in capital or developmental projects. As well as this any assessment of the effects of South African political corruption should include in the reckoning its impact on the judicial system and the way in which it strengthens popular political cynicism.

##### 5. *Is political corruption primarily an inheritance from the old regime?*

It is difficult to know for certain whether the present levels of corruption represent a substantial expansion of public dishonesty: corruption was very extensive in the old regime and some of the conditions which allowed it to flourish have disappeared: homeland administrations have been incorporated and all government activities are now subject to well publicised audits and the extension of the franchise should in theory make government more accountable. However there are many new sources of stimulation for corrupt behaviour. These include non-meritocratic processes of bureaucratic recruitment and promotion inherent in certain kinds of "affirmative action", tendering principles which favour small businesses (and which require much more efficient administration if they are to be handled honestly), increasing shortages of skilled manpower in the public service especially in its financial control systems, a range of new sources of public finance, including foreign-derived development aid, and an ambitious expansion of the kinds and quantity of citizen entitlements to public resources. Inexperienced ministers and new public managers are often ignorant of tendering procedures: as the spokesmen for one of the Northern Province's MEC's conceded: "We have never ruled before. We never even knew what a tender board was before we came to power"<sup>89</sup>. In a newly competitive political environment, political parties are increasingly dependent upon private sector finance. The ANC which in 1994 accepted a secret campaign donation from a hotel magnate facing bribery charges and subsequently denied it has since adopted the practice of taking fees for private appearances at business functions by cabinet ministers<sup>90</sup>. The Inkatha Freedom Party accepted donations from illegal casino operators while the Kwa-Zulu Natal government began preparing legislation regulate the gambling

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<sup>88</sup>"Fraud and mismanagement could cost the country R10bn", *The Star*, 1 June, 1997.

<sup>89</sup>Adam Cooke, "Corruption talk hits a tender nerve", *The Star*, -10 October, 1995.

<sup>90</sup>Mungo Sogot, "Rent a minister for dinner", *Mail and Guardian*, 20 June, 1997.

industry<sup>91</sup>. These kinds of actions are at the very least conducive to transactive forms of political corruption. Also potentially harmful is the ANC's apparently indulgent attitude to corruption within its own ranks. Shortly before Allen Boesak's return to South Africa to undergo trial for fraud, in the Western Cape in February 1997, the provincial executive "had resolved to support Boesak and welcome him in the way he deserved to be welcomed"<sup>92</sup>, a decision which resulted in a delegation assembled at the airport to greet Boesak on arrival, headed by the Minister of Justice in his Western Cape chairman. Meanwhile, in the Gauteng legislature the ANC appointed to a committee established to monitor police conduct, one Oupa Monareng, convicted in 1995 of bribing a policeman to avoid arrest for possession of a stolen car<sup>93</sup>. A similar tolerance was shown to Winnie Mandela when she was appointed to a deputy ministership in 1994, only a year after an internal ANC investigation had discovered serious shortcomings in her management of its social welfare department.

As important as these incitements to bureaucratic misbehaviour has been the culture of greed which has developed around high public office and in senior levels of management in the public sector. Parastatal managers who award themselves R900,000 remuneration packages, Youth and Truth Commissioners who get paid like high court judges, members of parliament who award themselves 15 per cent pay increases before passing a single act of social reform, Johannesburg city councillors who outfit their offices with entertainment facilities, and ministers who travel at public expense to international sports events may not be breaking the law but they are certainly encouraging corruption. In general, the doctrine that the public service should emulate the private sector in its managerial payment scales and internal business principles is probably unhealthy: South African private managers are paid very generously, given the wage differentials which characterise most companies and the South African private sector is believed to be one of the most fraudulent in the world<sup>94</sup>.

As noted at the beginning of this essay, many people think that there has been an increase in corruption: even the Minister of Justice, Dullah Omar, has said that there has been a growth in administrative corruption since 1994, though he qualified this assertion by acknowledging that its "seeds... were sown long before we came into the government"<sup>95</sup>. The evidence surveyed here suggests that though old habits and predispositions may well sustain much of the existing administrative corruption, its apparent expansion is also the consequence of change. As the theoretical literature surveyed at the beginning of the paper suggests, the simultaneous democratisation and restructuring of the South African state makes it very vulnerable to corruption, as has the absorption into its cadres and governors of a new political class with recent experience of severe poverty. Certainly there is also a new public

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<sup>91</sup>"IFP coffers filled by illegal casino owners", *The Star*, 28 January, 1997.

<sup>92</sup>Rehana Roussouw, "Madiba 'to testify for Allen'", *Mail and Guardian*, 20 March, 1997.

<sup>93</sup>Mike Masipa, "ANC picks briber to check up on police", *The Star*, 10 June, 1997.

<sup>94</sup>66 per cent of respondents in a survey by an international consultancy of South African business had experienced some kind of fraud in the previous year, apparently one of the incidences in survey conducted worldwide (Madeleine Wackernagel, "Fraud fears escalate", *Mail and Guardian*, 29 November, 1996).

<sup>95</sup>*The Star*, 25 May, 1995.

awareness of the issue and a variety of bureaucratic and political measures have been instituted to check its progress, including the Public Protector's office, a number of internal departmental investigative units, commissions of inquiry, rationalisation of records, and a register of MP's interests. To date, though, no political office-holder has been charged and convicted for corruption; international experience suggests that it is the litmus test of the effectiveness of control measures.