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South Africa's Zuma May Learn If ANC Backs Him as Leader

By Franz Wild and Mike Cohen - Nov 30, 2012

South African President [Jacob Zuma](#) may learn today if he has enough support from [African National Congress](#) members to remain head of the ruling party and be its presidential candidate in elections in 2014.

ANC members from all nine provinces are due to nominate candidates to lead the party for the next five years. While Zuma is the favorite to retain the party presidency, during his tenure he's faced internal party divisions, an unemployment crisis and a wave of mining strikes that helped to cut growth in [Africa](#)'s biggest economy by more than half.

"The ANC under the leadership of Zuma has gone through a torrid time," Nic Borain, a Cape Town-based political analyst who advises BNP Paribas Cadiz Securities, said in a phone interview. "The combination of the strikes as well as the intensity of the clashes within the ANC has been very shocking to the party."

Several provinces have swung their support behind Deputy President [Kgalema Motlanthe](#), who's made speeches criticizing the way the country is run. Should he challenge Zuma, he'll probably be replaced by former labor leader turned tycoon [Cyril Ramaphosa](#), who's already been nominated by the province with the most votes, KwaZulu-Natal.

Growth Slows

Zuma's government drew widespread criticism when police opened fire on striking workers at [Lonmin Plc \(LMI\)](#)'s Marikana platinum mine on Aug. 16, killing 34 people. That was followed by a wave of industrial action in mining, transportation and agriculture that has stunted economic growth. Output grew an annualized [1.2 percent](#) in the third quarter, the slowest since a recession in 2009 and down from 3.4 percent in the previous three months, Statistics [South Africa](#) said on Nov. 27.

The rand has plunged 7.9 percent this year, the second-worst performer of 16 major currencies tracked by Bloomberg. The cost to protect South African debt against non-payment for five years using credit-default swaps has jumped 20 basis points since the beginning of August, indicating deteriorating risk perception among investors, according to data compiled by

Bloomberg.

Zuma has failed to tackle the one-in-four [jobless rate](#), which he had said was his top priority. The government estimates the economy needs to expand 7 percent a year to meet its goal of creating 5 million new jobs by 2020.

National Presidency

The leader of the 100-year-old ANC is almost guaranteed the national presidency because the party controls almost two-thirds of Parliament, which elects the president.

While the provincial nominations aren't binding on the 4,500 party delegates who will vote at the Dec. 16-20 party conference, they're a strong indicator of who will probably win. The percentage of delegates who back Zuma and Motlanthe during the nominations in each province will show who has more support nationwide.

To enter the contest, a candidate must be nominated by a province, a party structure, such as the Women's League, or have the support of 25 percent of the delegates at the conference.

The provinces "will express a very clear view on whether they want Zuma there for a second term or not," Abdul Waheed Patel, managing director of Ethicore Consulting and Advisory Solutions, a political advisory service, said in an interview from [Cape Town](#).

Unanimous Backing

Zuma received unanimous support this week from his home province of KwaZulu-Natal, which has 22 percent of the voting delegates. Yesterday, he won unanimous backing in Free State, which has 8 percent of the vote, and 96 percent in Mpumalanga, which makes up 11 percent of delegates voting in December.

Gauteng, the nation's commercial hub that includes Johannesburg and [Pretoria](#), was the first province to back Motlanthe as leader to replace Zuma. He won unanimous support from ANC branches in the region, which accounts for 12 percent of votes at the national conference.

Housing Minister [Tokyo Sexwale](#) was selected as deputy president, party spokesman Dumisa Ntuli said in a phone interview.

Earlier this week, the ANC military veteran's association and the Women's League agreed to back Zuma, while the Youth League nominated Motlanthe. The three structures each have 1 percent of the vote.

Swing State

The Eastern Cape has become the key swing state in the race, Borain said. Home to former

presidents [Nelson Mandela](#) and [Thabo Mbeki](#), it has the second-biggest provincial vote, with 15 percent of delegates.

Opposition to Zuma has been spear-headed by [Julius Malema](#), the former ANC youth wing leader who was expelled in March after being charged with dividing the party and bringing it into disrepute. Malema called Zuma a “dictator” after police opened fire on the miners at Marikana.

Zuma has also faced allegations that he abused public funds to refurbish his private home.

The government paid 250 million rand (\$28 million) for 31 new buildings at his rural residence in KwaZulu-Natal, Lindiwe Mazibuko, the parliamentary leader of the main opposition [Democratic Alliance](#), said Nov. 15. The state paid for elevators for Zuma’s bunker and built a visitors’ center, gymnasium and guest rooms at his homestead, she said.

Zuma denied the charges the same day, telling lawmakers in Cape Town that he wasn’t responsible for the security upgrade because it was requested by the government.

“The president is faced with some very big challenges,” Borain said. “Zuma is still relatively secure within the ANC though.”

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