

**Zuma dodges junk downgrade, but S&P forecast of 13% contraction in 2016 GDP will boost radical EFF vis-a-vis ANC**

Besieged South African President Jacob Zuma, who was poised to lose his tenuous hold on power had global ratings agency Standard & Poor's (S&P) cut the country's multibillion debt portfolio into junk, is now likely to stay in the presidency for much longer. However S&P's gloomy 2016 forecast of a 13% contraction of South African GDP (in USD nominal terms) signals that the country is skidding close to a recession. Unemployment, which is already structurally high at over 26%, could jump above 30% in 2016 giving a major electoral boost to the radical revolutionary party, the Economic Freedom Fighters (EFF), who are poised to possibly wrest at least two provinces away from the ANC during the upcoming August local government polls.

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By: Sebastian Spio-Garbrah

Chief Africa Frontier Markets Analyst & Global Managing Director

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For the first time in over 20 years, South Africa's ruling African National Congress (ANC) faces a potent youthful ideologically viable domestic political competitor in the EFF.

The EFF is gaining ground on the ANC in the poorer eastern provinces of Eastern Cape, Limpopo and even in Zuma's own backyard, Kwa Zulu Natal. ANC active membership in many provinces have plunged by double digits and continues to decline. Between 2012 and 2015 according to the party's general secretary, active paid membership in the party plunged by over 50% in the Free State and Kwa Zulu Natal, 48% in Limpopo, 35% in Gauteng and 34% in the Eastern Cape. Between 2012 and 2015, the ANC lost almost half a million members – a whopping 41% drop-off from the 2012 high of over 1.2million active members. More ANC members have been quickly gained and fleetingly lost under Zuma than under any other leader of the ANC in 20 years.

The net beneficiary of this massive loss in ANC membership is the firebrand 35-year old, Julius Malema. Malema's radical ideology draws on revolutionary black consciousness ideas of: Malcolm X, Robert Sobukwe, Nelson Mandela (pre his 1964 incarceration), Winnie Mandela and the late ANC radical theoretician and conspiracist Peter Mokaba, Malema's mentor.

With the end of Apartheid, and the fraying of the tactical Tripartite alliance between the ANC and the South African Communist Party and the Congress of South African Trade Unions, the ANC is gradually reverting back to its pre 1948 roots as a 'conservative' political organization mostly concerned with protecting the socio-economic gains of the black middle/professional classes, nouveau riche black millionaires and organized skilled laborers. The party is increasingly not fulfilling the hungry yearnings for a radical transformation of the South African economy by the vast mass of still unemployed black youth and permanently unemployed unskilled working classes. Malema and the EFF have thus moved to the left of the ANC, and now occupy an ideologically potent space in the South African political spectrum at a time of severe economic anxiety. S&P's forecast implies that as growth nears zero percent in 2016, and economic anxieties at the base of South African society increase, the electoral chances of the EFF at August's local government elections will also increase.

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**Contact:** Stephanie Dei  
VP, Corporate Affairs & Media  
[Stephanie@daminaadvisors.com](mailto:Stephanie@daminaadvisors.com)  
Tel: +1 647 808 9671

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**EUROPE**

3 Abercorn Mansions  
17 Abercorn Place  
London NW8 9DY

**AFRICA**

10 Abokobi Road  
East Cantonments, Accra  
Ghana, West Africa

**AMERICAS**

55 Fifth Ave,  
Suite 1702, NY 10003  
New York

**GLOBAL HQ**

103 The Queensway, Suite 714  
Toronto, ON, M6S 5B3

Tel: +1 647 808 9671/ +1 416 276 1997

E-mail: [info@daminaadvisors.com](mailto:info@daminaadvisors.com)