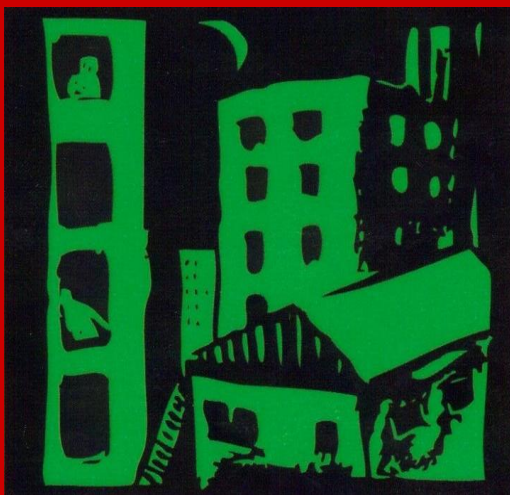
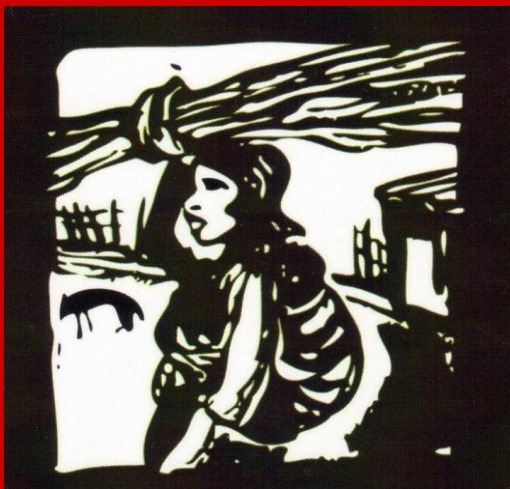


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Beyond the ballot: Inequality and the future of South African democracy

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ABSTRACT

Democracy is often simplistically equated with the principle of "one man, one vote," implying an equal voice for every citizen in governance. However, this idealized notion frequently obscures the complexities and disparities inherent in post-colonial African democratic systems. In theory, each vote should hold equal weight, yet economic power frequently distorts this balance. This paper examines the interplay between democracy, constitutionalism, and socioeconomic inequalities in South Africa, with a focus on how global and local economic leverage shape the ideological formations and deformations of democratic outcomes. Through an analysis of post-apartheid economic structures, the study interrogates voter

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equality and questions who truly holds power in South Africa's democratic state.

Keywords: Democracy, inequality, socio-economic, Africa, constitutionalism

1 INTRODUCTION

The transition from apartheid to democracy in South Africa in 1994 was globally celebrated as a triumph for equality and human rights. After decades of legislated racial segregation and economic exclusion, the country embarked on a path toward building an inclusive political system where all citizens would have an equal voice in shaping the nation's future. The promise of democracy was built on the ideals of political equality, freedom and justice, with the newly enacted Constitution guaranteeing the right to be heard and listened to.¹ Despite three decades of political transformation, the goal of a truly egalitarian society remains unfulfilled. Socio-economic inequalities have not only persisted but, in some cases, deepened. Despite having one of the world's most progressive constitutions, South Africa ranks among the highest in income inequality, with a vast divide between the wealthy elite and the poor majority.² This disparity underscores a fundamental contradiction: while political rights are enshrined, economic realities prevent many South Africans from meaningfully participating in the democratic process. Wealth and influence remain concentrated among a small, privileged group, revealing the limitations of a system where voting rights alone do not ensure substantive participation.

This paper explores how entrenched inequality distorts democracy in South Africa, granting disproportionate power to economic elites and challenging the principle of majority rule. Rather than attributing persistent inequality solely to and or arising from the constitutional design, this analysis examines how structural disparities, once embedded, undermine democratic ideals by skewing political influence toward the wealthy. This paper explores South Africa's democratic challenges by systematically examining historical, economic, and political influences. It begins with a historical overview of apartheid's economic legacy, where racial disparities were not only allowed but institutionalized. Next, it discusses how the post-apartheid shifts to neoliberal policies deepened these inequalities, reducing the state's capacity to redistribute wealth effectively. These historical and economic forces continue to shape South Africa's democracy today, illustrating a persistent concentration of power among elites despite political liberation. The paper concludes by recommending key policy interventions that, if prioritized, could dismantle entrenched inequalities and foster a more inclusive and equitable political system.

¹ See Davis D *Democracy and deliberation: transformation and the South African legal order* (Cape Town: Juta 1999); Benhabib S "Toward a deliberative model of democratic legitimacy" in Benhabib S (ed) *Democracy and difference: contesting the boundaries of the political* (Princeton: Princeton University Press 1996) at 67.

² Sulla V, Zikhali, P & Cuevas, PF. 2022. *Inequality in Southern Africa: An assessment of the Southern African Customs Union (English)*. Washington DC: World Bank Group (2022).

2 THEORETICAL FRAMEWORK: DEMOCRACY AND INEQUALITY

2.1 Democracy

Democracy promises political equality by granting each citizen an equal voice in governance, a principle enshrined in South Africa's Constitution, which guarantees voting rights and civil liberties for all.³ However, democracy remains a contested concept, shaped by political, social, and cultural variations across different contexts.⁴ While one widely accepted definition describes democracy as "government of the people, by the people, and for the people," others expand it to include the freedom to elect leaders, hold them accountable, and ensure that the majority can realize their human potential with dignity.⁵ These variations reflect the diversity of political traditions and societal structures in individual countries, contributing to ongoing debates about what democracy truly entails.⁶ This paper situates its analysis within a dual conception of democracy: formal, procedural democracy (narrow) versus substantive democracy (broader).⁷ Procedural democracy confines democracy to the electoral process, emphasizing voting as the main avenue for participation.⁸ In contrast, substantive democracy envisions a system where people have ongoing influence over public decision-making.⁹ Within substantive democracy, there is a distinction between representative and participatory forms of governance.¹⁰

An important dimension of this distinction aligns with the broader debate between formal and substantive equality.¹¹ Procedural democracy normatively corresponds to formal political equality, which ensures that all citizens have an equal right to vote.¹² However, substantive democracy raises the more complex question of substantive

³ Section 9 of the Constitution of the Republic of South Africa, 1996.

⁴ Brooks H, Ngwane T & Runciman C "Decolonising and re-theorising the meaning of democracy: A South African perspective" (2020) 68(1) *The Sociological Review* at 17–32.

⁵ Van Beek U "What does democracy mean in Africa?" at <https://mg.co.za/author/ursula-van-beek/> (accessed 1 November 2024); Ambrose BP *Democratization and the protection of human rights in Africa* London: Praeger (1995); Mubangizi J "Democracy and development in the age of globalisation: Tensions and contradictions in the context of specific African challenges" (2010) 14(1) *Law, Democracy and Development* 1-16 where the concept is also denoted to being a rule by the people.

⁶ See Van Beek (2024).

⁷ See Mubangizi (2010); Mubangizi JC "Democracy and the rule of law: Comparative lessons between Uganda and South Africa" (2023) 27 *Law, Democracy and Development* 468-490.

⁸ Mubangizi (2010); Mubangizi (2023).

⁹ Mubangizi (2010); Mubangizi (2023).

¹⁰ Mubangizi (2010); Mubangizi (2023).

¹¹ Fredman S "Substantive equality revisited" (2016) 14(3) *International Journal of Constitutional Law* 712–738; Wentholt K "Formal and substantive equal treatment: the limitations and the potential of the legal concept of equality" in Loenen T & Rodrigues P *Non-Discrimination Law: Comparative Perspectives* (1999) 53–64.

¹² Pansardi P "Democracy, domination and the distribution of power: substantive political equality as a procedural requirement" (2016) 70(275) *Revue Internationale de Philosophie* 91-108.

political equality—what it means for political power and influence to be meaningfully distributed among citizens.¹³ This distinction becomes particularly relevant in discussions on electoral systems, where the principle of an equal vote (one person, one vote) may not necessarily translate into an equally weighted vote (a vote that carries equal influence in decision-making).¹⁴

South Africa operates primarily as a representative democracy, where citizens participate by electing representatives expected to act in the public interest.¹⁵ This model allows representatives to exercise their judgment on behalf of constituents, whether through lawmaking, reform, or policy repeal.¹⁶ However, this indirect form of governance inherently limits direct public involvement, increasing the risk that representatives may prioritize elite or personal interests over those of the broader public.¹⁷

In contrast, participatory democracy extends beyond voting, allowing individuals to engage directly in shaping laws and policies, thereby reinforcing political equality in a substantive sense.¹⁸ It envisions each person—regardless of economic or social status—as having the right and ability to participate in governance meaningfully and hold officials accountable.¹⁹ While South Africa operates primarily as a representative democracy, it does provide mechanisms for public participation in law-making, such as public consultations, parliamentary submissions, and community engagement processes.²⁰ Additionally, protests, picketing, and other forms of civic activism serve as critical avenues for democratic participation, enabling citizens to express dissent and push for policy changes outside of formal electoral processes.²¹ However, despite these mechanisms, elite influence, bureaucratic inertia, and barriers to meaningful engagement often limit their effectiveness.²² Public consultations may be superficial, civic activism is sometimes met with state resistance, and accountability gaps persist

¹³ See Pansardi (2016).

¹⁴ Pansardi (2016).

¹⁵ See Dovi S “Political representation” *Stanford Encyclopaedia of Philosophy* (2006) <http://plato.stanford.edu/entries/political-representation/> (accessed 24 October 2024).

¹⁶ Ochoa C “The relationship of participatory democracy to participatory law formation” (2008) 15(1) *Indiana Journal of Global Legal Studies* at 5-18.

¹⁷ See *New Nation Movement NPC v President of the Republic of South Africa* 2020 6 SA 257 (CC) at para 221. See also Khan, SR “The sociology of elites” (2012) 38 *Annual Review of Sociology* 361 -377. Elites are a distinct social group with the capacity to shape and influence institutional structures, not only in creating them but also in guiding their evolution, even though periods of political transition.

¹⁸ See Ochoa (2008).

¹⁹ Ochoa (2008).

²⁰ See Parliament of the republic of South Africa. (2017). Public participation model. PRSA at https://www.parliament.gov.za/storage/app/media/Pages/2024/14-08-2024_NCOP_Workshop/docs/General_Resource_Documents/20-08-2024/Public_Participation_Model.pdf accessed on 01 March.2025.

²¹ See *Mlungwana and Others v S and Another (Equal Education and Others as Amici Curiae)* 2019 (1) BCLR 88 (CC) at para 69.

²² Llewellyn N “Participation in political discourse: A study of public meetings” (2005) 39(4) *Sociology* 697–716.

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between election cycles.²³ Thus, while South Africa has participatory elements within its democratic framework, significant challenges remain in ensuring that citizen participation translates into real influence over governance rather than being a procedural formality.²⁴

Notwithstanding the nuanced differentiation, democratic processes, by nature, face an inherent tension between individual autonomy and collective decision-making—a dilemma known as Wollheim's Paradox.²⁵ On one hand, democracy respects individuals' judgments; on the other, it requires submission to collective authority, which can paradoxically undermine autonomy.²⁶ In South Africa, this tension is further complicated by racial and historical dimensions. As the numerical majority, the African population plays a decisive role in elections, leading some to fear one-party dominance that could erode political diversity and weaken democratic checks and balances.²⁷

The idea of "majority" and "minority" in South Africa's democracy is nuanced beyond simple numbers, as the "tyranny of the majority" exists alongside a less-discussed "tyranny of a minority."²⁸ Economic elites, though numerically inferior, hold substantial influence over societal narratives, policies, and economic structures.²⁹ This discursive and non-discursive influence highlights the limitations of formal democracy, where voting rights exist, but economic disparities prevent equal influence over governmental decisions.³⁰ Thus, this paper examines whether South Africa's numerical majority truly has a say in democratic processes or if other forms of power dilute its influence, advocating for a substantive democracy that expands beyond voting rights to include genuine material agency for all citizens.³¹

2.2 Inequality

Therborn argues power inequality has often been overlooked in studies of political inequality, where inequality is often reduced to voting rights and participation.³² However, a deeper analysis of political inequality must also consider the distribution of

²³ De Kadt D, Johnson-Kanu A & Sands ML "State violence, party formation, and electoral accountability: The political legacy of the Marikana massacre" (2024) 118(2) *American Political Science Review* 563–583.

²⁴ De Kadt, Johnson-Kanu & Sands (2024).

²⁵ Lagerspetz E "Democracy" in Chadwick R *Encyclopedia of Applied Ethics* 2nd ed London Academic Press (2012) at 754-761.

²⁶ Lagerspetz (2012).

²⁷ Terreblanche S "Constraints to democracy and public reasoning in the new South Africa" (2015) 41(1) *Philosophy & Social Criticism* at 37-45.

²⁸ Terreblanche (2015).

²⁹ Terreblanche (2015).

³⁰ Fraser N "Talking about needs: interpretive contests as political conflicts in welfare-state societies" (1989) 99(2) *Ethics* at 291-313.

³¹ *New Nation Movement NPC v President of the Republic of South Africa* 2020 6 SA 257 (CC) at para 205-217.

³² Therborn G *The killing fields of inequality* Cambridge: Polity Press (2013).

economic power and its broader impact on society.³³ Inequality within democratic systems is not new; it traces back to the earliest forms of democracy, which often limited political participation to property owners or specific social classes to protect elite interests. Figures like James Madison, for example, advocated for checks on majority rule in the United States to prevent what he called the "tyranny of the masses," fearing that unrestricted popular power could threaten elite property rights.³⁴ As a result, systems with checks and balances emerged, aiming to balance popular sovereignty with institutional mechanisms that would prevent what they saw as the dangers of unchecked majority rule.³⁵

In Europe during the eighteenth and nineteenth centuries, the gradual expansion of democratic rights often excluded groups such as the working class and women based on fears that broad inclusion would destabilize established power structures.³⁶ Aristotle, too, warned that unchecked majority rule could lead to demagoguery, risking governance and state stability.³⁷ Early democratic systems thus prioritized property rights and elite interests, reflecting a persistent fear of broad-based governance disrupting existing privileges. This exclusionary approach extended into white settler politics in Africa. In Rhodesia, for example, voting rights were restricted to taxpayers, effectively concentrating political power among the wealthier population and marginalizing the majority.³⁸ While these early forms of exclusion were overt, modern democratic systems have evolved into more subtle and sophisticated methods of control.

In modern democracies, elites do not need to rely on overt disenfranchisement; instead, they use soft power to shape public discourse and policy debates.³⁹ They control the narratives surrounding economic reform, social policy, and labor rights, effectively setting the political agenda in ways that align with their interests.⁴⁰ Market forces and

³³ Therborn (2013) at 51.

³⁴ Dahl RA "A preface to democratic theory" in Nef, J & Reiter B *The democratic challenge. Democratization and de-democratization in global perspective* (2009).

³⁵ For an example, the Electoral College in United States acts as an intermediary in presidential elections, limiting the direct influence of popular votes and giving greater weight to certain states.

³⁶ Arblaster A "Democracy" (1987) in Nef J & Reiter B *The democratic challenge. Democratization and de-democratization in global perspective* Government and International Affairs Faculty Publications 4 (2009).

³⁷ See Nef J & Reiter B *The democratic challenge. Democratization and de-democratization in global perspective* Government and International Affairs Faculty Publications 4 (2009).

https://digitalcommons.usf.edu/gia_facpub/4.

³⁸ See Woodhouse S *Garfield Todd: The end of the liberal dream in Rhodesia* (2018); Leys C *European Politics in Southern Rhodesia* (1959) at 227-228 - Rhodesia saw the introduction of a new 'special' qualification of £180 per annum, plus literacy, for entitlement to the franchise. Under this arrangement, the Sir Robert Tredgold Commission, tasked with finding a franchise formula, anticipated that, as incomes rose, increasing numbers of Africans would qualify for inclusion as voters on the electoral rolls, although such 'special registrations' were to be capped at no more than one-third of the ordinary voters' roll in any constituency.

³⁹ Habib A *South Africa's suspended revolution hopes and prospects* Johannesburg: Wits University Press (2013).

⁴⁰ Habib (2013).

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economic pressures provide a powerful tool for corporate entities and financial institutions to influence government decisions.⁴¹ When policymakers propose regulations or policies that challenge elite control—such as wealth taxes, labor protections, or redistributive economic measures—corporations and investors can signal potential consequences like capital flight, credit downgrades, or economic instability.⁴² This economic coercion limits the policy options available to democratic governments, often forcing them to prioritize financial stability and investor confidence over social equity and economic justice.⁴³ As a result, the political process, though formally open to all citizens, remains structurally skewed in favour of those with economic power.⁴⁴

South Africa provides a compelling case study of how economic inequality distorts democratic processes. While apartheid's formal racial exclusions have been dismantled, economic disparities remain deeply entrenched, limiting genuine democratic participation for the majority.⁴⁵ The wealthiest 10 percent of South Africans control 71 percent of the country's wealth, while the bottom 60 percent holds only 7 percent.⁴⁶ This extreme wealth gap stems largely from unequal asset ownership, particularly in land and financial holdings, which remain concentrated among a small elite.⁴⁷ Although apartheid's legacy continues to shape economic inequality in South Africa, these disparities are also entrenched in the broader global capitalist system.⁴⁸ This intersection between historical injustice and contemporary globalization highlights a fundamental contradiction between political democracy and economic inequality.

Nancy Fraser's principle of participatory parity highlights that formal political inclusion does not guarantee real democratic power, as systemic inequalities prevent

⁴¹ Stiglitz J *The price of inequality: How today's divided society endangers our future* 2nd ed New York: W.W. Norton (2012).

⁴² Stiglitz (2012).

⁴³ Stiglitz (2012).

⁴⁴ See Seekings J & Nattrass N *Class, race, and inequality in South Africa* New Haven: Yale University Press (2005); Nattrass N & Seekings J *Job destruction in the South African clothing industry: How an unholy alliance of organised labour, the state and some firms is undermining labour-intensive growth* Cape Town: Centre for Social Science Research (2013).

⁴⁵ See Francis D & Webster E "Poverty and inequality in South Africa: critical reflections" (2019) 36(6) *Development Southern Africa* 788-802.

⁴⁶ See World Bank *Overcoming poverty and inequality in South Africa: An assessment of drivers, constraints and opportunities* Washington, DC: World Bank (2018).

⁴⁷ See UNCTAD (United Nations Conference on Trade and Development) *Trade and Development Report* (2012); Leibbrandt M, Woolard I, Finn A & Argent J "Trends in South African Income Distribution and Poverty Since the Fall of Apartheid" (2010) 101 *OECD Social, Employment and Migration Working Papers* OECD and *Institute of Development Studies* 1-90; Bhorat H "Labour market challenges in the post-apartheid South Africa" 2004 72(5) *South African Journal of Economics* 940-977.

⁴⁸ See World Bank (2018); Leibbrandt M, Woolard I, McEwen H & Koep C "Employment and inequality outcomes in South Africa" (2010) *Cape Town: SALDRU Southern Africa Labour and Development Research Unit, University of Cape Town* 1-54.

marginalized groups from fully participating in governance.⁴⁹ While maldistribution (economic inequality) and misrecognition (status-based exclusion) shape this reality, misframing is particularly crucial in explaining why meaningful reform remains elusive.⁵⁰ Misframing occurs when systemic inequalities are portrayed as national policy failures rather than as products of global economic structures.⁵¹ True participatory parity requires democratizing economic decision-making at both national and transnational levels, reducing the stranglehold of global capital over local governance, and ensuring that economic policies reflect the needs of all citizens—not just elites.⁵² Without reframing inequality as a global issue, South Africa’s democracy remains structurally constrained and unable to deliver substantive economic justice. Even when redistribution is pursued, it remains insufficient to dismantle the deeper economic structures that sustain inequality. Without structural reforms to both global and local financial governance and corporate accountability, democracy will continue to function as a system that preserves elite dominance rather than advancing meaningful social justice.⁵³

This paper advocates for a comprehensive approach to inequality, recognizing that economic power and market influence create sophisticated systems of exclusion that limit democratic choices for the majority. By examining these historical and structural roots, we can better understand the challenges to achieving true democratic participation and fairness today. The next section explores South Africa’s historical context, focusing on how apartheid and colonial legacies entrenched enduring inequalities and shaped the current economic and political landscape. Understanding these historical dynamics is essential to developing policies that move beyond affirmative justice toward a transformative restructuring of South Africa’s political economy within the globalized world.

3 HISTORICAL CONTEXT: NEGOTIATING THE PERPETUATION OF INEQUALITY IN POST-APARTHEID SOUTH AFRICA

The apartheid regime in South Africa was built on a system of racial and economic oppression that concentrated wealth and opportunity in the hands of a white minority while systematically excluding the Black majority. Apartheid laws restricted Black South Africans’ access to land, education, employment, and economic opportunities, creating a deep racial and economic divide. As Terreblanche argues, apartheid was as much an

⁴⁹ See Fraser N “Social justice in the age of identity politics: Redistribution, recognition, and participation” in Fraser N & Honneth A (eds) *Redistribution or recognition? A political-philosophical exchange* (2003) 7–109; Fraser N “Mapping the feminist imagination: From redistribution to recognition to representation” (2005) 12(3) *Constellations* 295–307; Fraser N “Reframing justice in a globalizing world” in Olson K (ed) *Adding insult to injury: Nancy Fraser debates her critics* (2008) 273–291; Fraser N *Scales of justice: Reimagining political space in a globalizing world* (2009) Columbia University Press at 16.

⁵⁰ Fraser (2009) at 15–19.

⁵¹ See Fraser N “Can societies be commodities all the way down? Polanyian reflections on capitalist crisis” (2012) *Hal Archives-ouvertes* available online at <https://halshs.archives-ouvertes.fr/halshs-00725060> (accessed 25 February 2025).

⁵² Fraser (2012).

⁵³ Fraser (2009).

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economic system as it was a political one, designed to enrich a white capitalist elite by exploiting Black labour.⁵⁴ This economic structure, rooted in colonial times, was solidified as industrialization linked race with job classifications, embedding economic inequality into key sectors like mining and agriculture.⁵⁵ Through laws like the Natives Land Act of 1913 and the Population Registration Act of 1950, apartheid codified racial divisions, creating a dual economy where a privileged elite held most of the wealth while the majority were relegated to poverty, often forced into urban migration, and deprived of land access.⁵⁶ By the late 1980s, however, apartheid's economic inefficiencies became apparent, with international sanctions, labour strikes, and domestic unrest leading to economic stagnation and a severe fiscal crisis.⁵⁷

The transition to democracy in 1994 did not dismantle the socioeconomic structures of apartheid. The negotiated settlement prioritized political over economic transformation, leaving unaddressed the economic foundations that upheld apartheid.⁵⁸ Thus, while political liberation was achieved, the entrenched inequalities persisted, continuing to shape South Africa's socioeconomic landscape and presenting significant challenges to the new government. When the African National Congress (ANC) assumed power in 1994, it inherited a society deeply divided along economic lines. To address these inequalities, the ANC launched the Reconstruction and Development Programme (RDP). This plan envisioned social democracy, aiming to reduce poverty and promote economic inclusion by redistributing wealth and expanding access to housing, education, and basic services.⁵⁹ However, by 1996, the ANC shifted its economic approach with the adoption of the Growth, Employment, and Redistribution (GEAR) program.⁶⁰ This policy embraced neoliberal principles, focusing on fiscal austerity, trade

⁵⁴ Terreblanche S *A history of inequality in South Africa 1652 – 2002* Pietermaritzburg: University of Natal Press (2002).

⁵⁵ Bhorat H, Murray L, Maziya M, Van der Berg S & Woolard I *Fighting poverty: Labour markets and inequality in South Africa* Cape Town: University of Cape Town Press (2001); Durrheim K, Mtose X & Brown L *Race trouble: Race, identity and inequality in post-apartheid South Africa* Durban: University of KwaZulu-Natal Press (2011).

⁵⁶ Seekings & Nattrass (2005); Beall J, Crankshaw O, & Parnell S "The causes of unemployment in post-apartheid Johannesburg and the livelihood strategies of the poor 2000 91(4) *Journal of Economic and Social Geography* at 379-396.

⁵⁷ Du Plessis SA & Smit BW "Countercyclical monetary policy in South Africa" (2007) 31(1) *Journal for Studies in Economics and Econometrics* 79-98; Lipton M *Capitalism and apartheid: South Africa 1910-1986* London: Wildwood House (1986); Kaempfer W & Lowenberg A "The theory of international economic sanctions: A public choice approach" (1988) 78 *American Economic Review* at 786-793.

⁵⁸ Mamdani M, "Beyond Nuremberg: Learning from the post-apartheid transition in South Africa (2015) at <https://idl-bnc-idrc.dspacedirect.org/server/api/core/bitstreams/b916e46e-908e-4b1b-84b6-e61f8363709c/content> (accessed 24 October 2024); Alexander N *An ordinary country: Issues in the transition from apartheid to democracy in South Africa* Pietermaritzburg: University of Natal Press (2002) at 61-64.

⁵⁹ Padayachee V & Van Niekerk R *Shadow of liberation: Contestation and compromise in the economic and social policy of the African National Congress, 1943-1996* Johannesburg: Wits University Press (2019).

⁶⁰ Fourie D "The neoliberal influence on South Africa's early democracy and its shortfalls in addressing economic inequality" (2022) 50(5) *Philosophy & Social Criticism* 823-843.

liberalization, deregulation, and privatization.⁶¹ As Mhlanga (2024) notes, the shift was influenced by the global dominance of neoliberalism after the Cold War, which limited South Africa's policy choices in a globalized economy.⁶²

While GEAR succeeded in stabilizing the macroeconomic environment and attracting investment, it failed to address the structural inequalities inherited from apartheid.⁶³ Later initiatives like the Accelerated and Shared Growth Initiative for South Africa (ASGISA) in 2006 aimed to address economic stagnation by targeting "binding constraints" such as skills shortages, spatial disparities, and regulatory burdens.⁶⁴ ASGISA's ambitious goals included reducing unemployment and poverty through infrastructure development, skills training, and targeted investments.⁶⁵ The New Growth Path (NGP) followed, focusing on job creation, income equity, and improving livelihoods for low-income groups.⁶⁶

The most recent policy, the National Development Plan (NDP), prioritizes economic growth to combat unemployment, inequality, and poverty, aiming to create 11 million jobs and reduce inequality by 2030.⁶⁷ While neoliberal, investor-friendly policies were initially necessary after apartheid to stabilize the economy, attract investment, and avoid radical economic reforms, they have failed to deliver the expected economic growth. Instead, these policies have deepened inequality, benefiting a small elite while leaving the majority further marginalized. For instance, market liberalization did attract foreign investment but failed to produce broad economic benefits, concentrating wealth even more heavily among the wealthiest segments of society. This critique does not dismiss the need for economic stability, but it highlights a fundamental oversight: prioritizing investment and market stability alone has ignored the broader goal of economic justice. A sustainable democracy requires growth that is balanced with equitable distribution. Otherwise, economic power remains in the hands of a few, undermining genuine political equality.

⁶¹ Fourie (2022).

⁶² Mhlanga L "Neo-Liberalism and legal culture: The path of least resistance is what makes rivers run crooked" (2024) 28 *Law, Democracy and Development* 264-287; Becker D "A state in transition: The negotiated birth of the post-apartheid state" in Becker DA *Neoliberalism and the State of Belonging in South Africa* (2022) 159-221.

⁶³ Lundahl M & Petersson L "Post-apartheid South Africa: An economic success story?" (2009) *WIDER Research Paper* No. 2009/56; Streak JC "The gear legacy: did gear fail or move South Africa forward in development?" (2004) 21(2) *Development Southern Africa* 271; Habib (2013).

⁶⁴ The Presidency *Accelerated and shared growth initiative for South Africa 2006 annual report* (2006); Chagunda, CA "An outline and brief analysis of ASGISA". 2006. *Briefing Paper, No 156, South African Catholic Bishops' Conference: Parliamentary Liaison Office; The Presidency ASGISA Annual Report 2007* (2007).

⁶⁵ The Presidency (2006).

⁶⁶ Habib (2013); Patel E "Economic development department strategic plan 2011/12-2015/16" (2011) at <http://www.economic.gov.za/communications/strategic-plans/87-strategic-plan-14-march-2011/download> (accessed 24 October 2024).

⁶⁷ National Planning Commission *National development plan: vision 2030* (2013) available online at <http://www.gov.za/issues/national-development-plan-2030> (accessed 24 October 2024).

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South Africa's income and wealth inequalities, rooted in the apartheid era, remain starkly racialized. Between 1910 and 1980, despite being less than 20% of the population, Whites controlled over 70% of the country's income, while Black Africans, making up nearly 70%, received less than 20%.⁶⁸ The 1994 transition to democracy did little to alter this reality. By 2008, the top 20% of earners still took home 74.7% of all income, while the bottom 50% earned only 7.8%.⁶⁹ Recent data show unemployment among Black South Africans accounting for 89% of the total unemployed population, with 7 million individuals out of work.⁷⁰ Wealth inequality is even more severe: in 2023, the top 0.01% owned 15% of the nation's wealth, while the top 0.1% controlled 25%. The richest 1% had an average net worth of R17.8 million (US\$944,000), whereas the bottom 50% collectively held a negative net worth, reflecting debts that exceeded their assets.⁷¹ While income inequality highlights earnings disparities, wealth inequality reveals the more systemic, asset-based divide rooted in limited access to property, financial assets, and capital for the Black majority, with little change since apartheid.⁷²

These inequalities underscore the failure of neoliberal policies to foster meaningful economic growth or redress structural inequities. Wealth and income remain concentrated among a privileged elite, as evidenced by the rising Gini coefficient, which increased from 0.66 in 1992 to 0.70 in 2008, only slightly decreasing to 0.67 in 2022.⁷³ While South Africa's political landscape transformed post-apartheid, economic divisions have deepened.⁷⁴ The very structures designed under apartheid to concentrate wealth continue to shape current political and economic policies, framing debates over reform within the confines of preserving elite interests rather than addressing long-standing disparities.⁷⁵

The reality is that neoliberal policies— neoliberal policies, justified as essential for economic stability, have failed to deliver broad-based growth, instead deepening inequality. The expectation that market-driven approaches would uplift all has proven flawed, as wealth remains concentrated among elites while the majority face persistent unemployment, low wages, and restricted access to assets. Post-apartheid South Africa

⁶⁸ Terreblanche (2015).

⁶⁹ Leibbrandt M, Woolard I, Finn A & Argent J "Trends in South African Income Distribution and Poverty Since the Fall of Apartheid" (2010) 101 *OECD Social, Employment and Migration Working Papers* OECD and Institute of Development Studies at 1-90.

⁷⁰ Statistics South Africa *Labour Market Dynamics in South Africa* (2022) at <https://www.statssa.gov.za/publications/Report-02-11-02/Report-02-11-022022.pdf> (accessed 1 November 2024).

⁷¹ Valodia I "South Africa can't crack the inequality curse. Why, and what can be done" (2023) at <https://www.wits.ac.za/news/latest-news/opinion/2023/2023-09/south-africa-cant-crack-the-inequality-curse-why-and-what-can-be-done.html> (accessed 24 October 2024).

⁷² Maluleke R *Inequality trends in South Africa* Pretoria: Statistics South Africa (2019).

⁷³ See Sulla et al (2022).

⁷⁴ Maluleke (2019).

⁷⁵ See Piraino P "Intergenerational earnings mobility and equality of opportunity in South Africa" (2015) 67 *World Development* 396–405 available at <https://doi.org/10.1016/j.worlddev.2014.10.027>.

remains one of the most unequal societies globally, where apartheid-era economic structures continue to distort democracy and hinder meaningful social and economic justice.⁷⁶ While neoliberalism was not imposed through direct coercion, it was strongly incentivized by global economic forces and reinforced by domestic elites who benefited from its preservation.⁷⁷ Without addressing both domestic power imbalances and global financial constraints, transformation efforts will remain superficial, leaving the fundamental hierarchies of inequality intact. Recognizing these structural barriers is essential for charting a path toward a more inclusive and just economic order.

4 INEQUALITY AND THE DISTORTION OF DEMOCRACY IN SOUTH AFRICA

Despite the formal extension of political rights, economic power remains a dominant force shaping South Africa's democracy, often influencing representation and policy decisions in ways that reinforce existing inequalities. The country's deep-rooted socioeconomic disparities—stemming from colonialism, apartheid, and neoliberal restructuring—have allowed a small elite to maintain disproportionate influence over political processes. While democracy in principle guarantees equal participation, in practice, wealth and corporate influence distort decision-making, often prioritizing elite interests over broader public needs.⁷⁸ This raises concerns about the extent to which corporate power undermines democratic accountability, limiting the ability of elected officials to implement policies that address structural inequality.⁷⁹ While this article argues that corporate influence contributes to the government's limited ability to address inequality, it is not the sole determining factor. The persistence of economic disparities is also shaped by governance failures, corruption, political fragmentation, and institutional weaknesses that hinder effective policymaking and implementation.⁸⁰ A more nuanced approach recognizes that while economic elites exert significant influence over policy decisions, their role must be contextualized within a broader framework of structural constraints that continue to impede South Africa's socioeconomic transformation.

One key concept in understanding corporate influence is corporate capture, which occurs when private sector interests exert undue influence over public institutions, shaping policies to serve business elites rather than the majority population.⁸¹ In South Africa, the potential for unmitigated corporate influence is particularly concerning given the extreme concentration of wealth, where economic elites have the potential to shape

⁷⁶ Valodia (2023); Sulla et al (2022).

⁷⁷ Becker (2022).

⁷⁸ See Fraser (1989).

⁷⁹ See Ashman S, Fine B & Newman SA, "Systems of accumulation and the evolving MEC" in Fine B, Saraswati, J & Tavasci, D (eds) *Beyond the developmental state: industrial policy into the 21st century* (245–68) London: Pluto (2013).

⁸⁰ Munyai A "Corruption through bribery: A norm in South Africa's public sector?" (2024) 49(2) *Journal for Juridical Science* 40–68

⁸¹ See Barley S "Corporations, democracy and the public good" 2007 16 *Journal of Management Inquiry* 201-215; Barley S "Building an institutional field to corral a government: A case to set an agenda for organization studies" 2010 31 *Organization Studies* 777-805.

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policy and electoral processes more effectively than ordinary citizens. One of the most significant mechanisms of corporate capture is economic leverage—the ability of businesses and investors to strategically react to government decisions that threaten their interests.⁸² This is often referred to as a "recoil mechanism," where corporate actors signal potential market consequences—such as capital flight, stock volatility, currency depreciation, or reduced investment—in response to policies such as land reform, higher corporate taxation, or stronger labor protections.⁸³ Given South Africa's reliance on both foreign and local investment and financial systems, this economic signalling has the potential to serve as a deterrent to progressive reforms, compelling the government to adopt market-friendly policies even when they contradict social equity objectives.⁸⁴

Beyond economic leverage, corporations generally influence political landscape through campaign financing, lobbying, regulatory capture, media ownership, and direct political engagement.⁸⁵ These mechanisms enable a small elite to shape public narratives, control policy debates, and influence electoral outcomes, reinforcing a system where economic power translates into political dominance.⁸⁶ While South Africa's democracy remains contested and has not been entirely subordinated to corporate interests, the ability of businesses and economic elites to narrow the range of viable policy options and shape public discourse poses a significant constraint on democratic governance. A pressing example of this potential influence can be seen in the aftermath of the 2024 elections, where business elites displayed this potential to leverage their financial and political resources to shape post-electoral outcomes. The following section examines how corporate actors sought to influence political parties, policy debates, and public perceptions, demonstrating the ways in which economic power continues to shape South Africa's democratic landscape.

⁸² See Hillman A, Keim G & Schuler D "Corporate political activity: A review and research agenda" (2004) 30 *Journal of Management* 837-858.

⁸³ Parmigiani A "The political power of economic elites in contemporary western democracies" (2022) *UNRISD Occasional Paper* 1-31 at <https://cdn.unrisd.org/assets/library/papers/pdf-files/oi-op-14-parmigiani-overcoming-inequalities-final.pdf> (accessed 1 November 2024); Lindblom CE "The market as prison" (1982 44(2) *The Journal of Politics* 324-336; Delamonica E, JK & Caldentey EP "State-business relations and the financing of the welfare state in Argentina and Chile: Challenges and prospects" *UNRISD Working Paper* 2014-23 Geneva: UNRISD (2014); Hacker JS & Pierson P "Business power and social policy: Employers and the formation of the American welfare state" 2002 30(2) *Politics & Society* 277-325.

⁸⁴ Fitch Ratings Commentary "South Africa: Preferred outcomes in coalition" (7 June 2024) *APRM* available online at <https://aprm.au.int/en/news/press-releases/2024-06-07/fitch-ratings-commentary-south-africa-preferred-outcomes-coalition> (accessed 25 February 2025).

⁸⁵ Nyberg D "Corporations, politics, and democracy: Corporate political activities as political corruption" (2021) 2(1) *Organization Theory* 1-24.

⁸⁶ Nyberg (2021).

4.1 The 2024 election case study

The impact of economic leverage on South Africa's democracy was starkly evident in the 2024 general election. As economic elites continue to hold significant sway over policy decisions, reinforced by an apartheid-era racial hierarchy, these dynamics protect entrenched wealth and privilege, limiting the government's ability to address inequality effectively.⁸⁷ While corporate influence and economic elites undoubtedly play a role in reinforcing existing power structures—often sustained by an apartheid-era racial wealth hierarchy—the extent to which corporate capture directly limits progressive reforms remains a subject of debate. The 2024 general election underscored the multifaceted constraints on South Africa's ability to address inequality, including the role of economic leverage in shaping policy decisions. This influence operates through two primary forms of power: instrumental and structural.⁸⁸

Instrumental power refers to the direct influence elites exert on political decisions through active engagement like lobbying or by aligning politicians with their preferences to secure financial support.⁸⁹ Instrumental power also relies on close relationships with policymakers, media access, financial resources, and specialized knowledge.⁹⁰ Structural power, in contrast, arises from the elite's essential role within the economy, which gives them indirect influence over policy as policymakers prioritize economic stability.⁹¹ The argument here is that structural power shapes state priorities, as dependence on elite-controlled capital compels the government to favour stability over transformative reforms.⁹² However, instrumental power is also crucial, as ignoring it would overlook the agency of Black elites and the influence they have gained through the ANC's control of the state.⁹³ This paper highlights that both forms of power reinforce each other, making it difficult for the government to disrupt entrenched economic hierarchies. Following the 2024 election, the African National Congress (ANC) experienced its lowest support level since apartheid's end, falling below 40%.⁹⁴ The Johannesburg Stock Exchange (JSE) immediately reacted, with the All Share Index dropping sharply and bond yields rising, reflecting investor concerns that a weakened ANC could lead to coalition-driven policies challenging the existing economic status

⁸⁷ Habiyaemye A "Racial capitalism, ruling elite business entanglement and the impasse of Black economic empowerment policy in South Africa" (2022) 16(1) *African Journal of Business Ethics* 25–41.

⁸⁸ Fairfield T *Private wealth and public revenue* Cambridge: Cambridge University Press (2015).

⁸⁹ Fairfield (2015) at 52.

⁹⁰ See Du Toit P *The Stellenbosch mafia: Inside the billionaire's club* Johannesburg Jonathan Ball (2019).

⁹¹ Fairfield (2015) at 52.

⁹² Habiyaemye (2022) at 25–41; Handley PA *Business and the state in Africa: Economic policy-making in the neo-liberal era* (2008) Cambridge University Press; Kalaitzake M "Structural power without the structure: A class-centered challenge to new structural power formulations" (2022) 50(4) *Politics & Society* 655–687.

⁹³ See Reddy N "Beyond 'white monopoly capital': Understanding race, control, and cohesion in the South African corporate elite" (2024) *Development Southern Africa* 1-28.

⁹⁴ See Imray G & Magome M "The ANC party that freed South Africa from apartheid loses its 30-year majority in landmark election" (2024) at <https://apnews.com/article/south-africa-election-vote-anc-d9da7582ca98a4e00fec2da6a5fe1e91> (accessed 31 October 2024).

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quo.⁹⁵ This financial turbulence underscored how global and domestic elites use markets as gatekeepers, disciplining political actors by rewarding or punishing outcomes based on their alignment with market-friendly priorities.⁹⁶

As the ANC negotiated a coalition government to stabilize governance, investor confidence improved. By July 2024, the rand had recovered, and bond yields returned to pre-election levels as the new administration signalled its commitment to fiscal discipline and market-oriented reforms.⁹⁷ Yet this apparent "stabilization" revealed an underlying issue: in South Africa, political legitimacy increasingly depends not on public will but on meeting the demands of financial markets.⁹⁸ Political leaders, pressured by economic forces, often adopt policies that reassure investors but neglect the needs of the economically marginalized, creating a perverse incentive structure where market approval supersedes addressing public concerns.⁹⁹ Interpreted as an election meant to strengthen the call for deeper reforms and greater accountability, the surprise electoral shift triggered a sharp market response - the rand depreciated.¹⁰⁰ The sharp market response to the 2024 election sent a clear message to voters and elites alike: any deviation from market-friendly policies could trigger economic instability, disproportionately affecting the working class and the poor.¹⁰¹

This distortion is a hallmark of neoliberal economies worldwide, where capital—both domestic and global—exerts substantial influence over domestic politics. However, in

⁹⁵ See Khumalo K "Election outcome a boon for JSE and bonds" (2024) available online at <https://www.businesslive.co.za/bd/markets/2024-07-02-election-outcome-a-boon-for-jse-and-bonds/> (accessed 1 November 2024)

⁹⁶ Anders T & Strohecker K 2024. "South African assets slip on uncertain election outcome" (2024) at <https://www.reuters.com/markets/currencies/south-africas-rand-stocks-bonds-slip-projections-show-anc-losing-majority-2024-05-30/> (accessed 31 October 2024); Kumwenda-Mtambo O & Strohecker K "Jittery markets struggle with South Africa coalition puzzle" (2024) at <https://www.reuters.com/world/africa/jittery-markets-struggle-with-south-africa-coalition-puzzle-2024-06-01/> (accessed 2 November 2024)

⁹⁷ See Khumalo (2024).

⁹⁸ See Lucas PLE "South Africa: markets respond positively to the formation of the new government" (2024) available online at <https://economic-research.bnpparibas.com/html/en-US/South-Africa-markets-respond-positively-formation-government-6/19/2024,49699> (accessed 24 October 2024).

⁹⁹ See Sadike M & Moichela K "Zille admits DA prioritised business interests over South Africans" (2024) available at <https://www.iol.co.za/the-star/news/zille-admits-da-prioritised-business-interests-over-south-africans-e12bf678-ebe1-4f2a-9dfb-654825817d25> (accessed 4 November 2024).

¹⁰⁰ Savage R "South Africa: Zuma's new party upends election as ANC reels from vote collapse" (2024) at <https://www.theguardian.com/world/article/2024/may/31/south-africa-may-face-coalition-future-after-jacob-zuma-mk-upends-election> (accessed 24 October 2024); Anders & Strohecker (2024); Kumwenda-Mtambo & Strohecker (2024).

¹⁰¹ Isaacs G "The myth of 'neutrality' and the rhetoric of 'stability': Macroeconomic policy in democratic South Africa. (2014) 1 *PERSA: Political Economy of Restructuring in South Africa* 3-73 explains how financialization, the growing entanglement of households and governments in financial markets, further compromises political agency. Dependence on credit, mortgages, and pension funds ties households to the current system, making it difficult to push for the economic recalibration needed to dismantle apartheid-era economic dominance.

South Africa, these dynamics are exacerbated by deeply rooted racial and economic inequalities inherited from apartheid.¹⁰² In this context, the concern is not that South Africa's democracy has been fully subordinated to corporate interests, but rather that economic power skews political representation, creating structural imbalances that privilege elite priorities. The challenge moving forward is to strengthen regulatory safeguards, enhance transparency in political financing, and broaden democratic participation to ensure that economic power does not erode the core principles of democracy. Addressing the risks of corporate influence requires recognizing both the limitations and the agency of democratic institutions, acknowledging that while corporate actors hold significant leverage, their influence remains a subject of political contestation rather than an unchallenged dominance.

5 A CALL FOR STRUCTURAL CHANGE: ADDRESSING THE UNDERMINING OF DEMOCRACY

To effectively tackle South Africa's entrenched structural issues, a significant reorientation of the nation's economic and political agendas (social compact) is essential.¹⁰³ For decades, government policies have prioritized investor confidence, market deregulation, and fiscal stability. While these strategies were intended to stimulate economic growth and attract foreign investment, they have inadvertently deepened social inequality, fostered disillusionment among citizens, and weakened democratic accountability.

The argument here is not that efforts to address the needs of the majority have been absent. South Africa's social welfare scheme, for example, has played a significant role in alleviating poverty and reducing extreme economic hardship. Social grants provide essential support to vulnerable groups, particularly the elderly and those unable to work, reflecting a vital lifeline for millions. However, while this system has expanded—rising from 2.4 million recipients in 1998 to a projected 28 million in 2024—this growth is both beneficial and problematic.¹⁰⁴ On the one hand, it demonstrates the state's commitment to supporting its citizens; on the other, it places a substantial fiscal burden on the state, limiting resources available for long-term, sustainable economic solutions.¹⁰⁵

¹⁰² See Lodh I “Globalisation and public policy: bridging the disciplinary and epistemological boundaries” (2021) 40(4) *Policy and Society* 522-544.

¹⁰³ A social compact (or social contract) is an implicit agreement among the members of a society that outlines mutual rights, responsibilities, and expectations between individuals and governing institutions. It reflects the shared understanding of how society should function, often emphasizing cooperation, fairness, and the common good.

¹⁰⁴ See National Treasury. National treasury 2024 budget review (2024) available online at <https://www.treasury.gov.za/documents/National%20Budget/2024/review/Chapter%205.pdf> (accessed 20 October 2024); Miyajima K “The link between social grants and employment in South Africa” 2024 38(6) *International Review of Applied Economics* at 706–717. Berg S et al. “Efficiency and Equity Effects of Social Grants in South Africa” (2010) *Stellenbosch University, Department of Economics, Working Papers. 10.2139/ssrn.1727643* at 1-58.

¹⁰⁵ Berg et al (2010).

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Grants offer short-term relief and are critical for poverty alleviation, yet they fail to address the deeper, structural causes of economic disparity. Despite reaching the poorest households and boosting immediate incomes, these programs do not promote economic self-sufficiency or long-term financial independence.¹⁰⁶ This dependency can inadvertently limit democracy, as it perpetuates the kind of leverage where the economic interests of a few must be upheld to generate the necessary taxes for funding social welfare. Thus, while grants provide crucial support, they underscore the need for a more sustainable approach—one that breaks cycles of dependency and fosters inclusive, enduring economic growth.

Another example is Broad-Based Black Economic Empowerment (BBBEE).¹⁰⁷ Intended to redress historical injustices and empower the Black majority, BBBEE has primarily benefited a narrow group of Black elites, granting them preferential access to capital, contracts, and business opportunities. For the vast majority, however, economic marginalization persists.¹⁰⁸ Rather than dismantling existing economic divisions, BBBEE has reinforced them, concentrating wealth within a politically connected small elite and raising questions about the effectiveness of reforms that work within, rather than challenge, established power structures.¹⁰⁹

Government land reform programs provide another example of limited structural change. Despite efforts since 1994, land ownership in South Africa remains highly concentrated, with little progress toward broad-based redistribution.¹¹⁰ Often, these reforms have also led to elite capture, benefiting a narrow class of emerging Black capitalists with political ties to the ruling party who receive preferential access.¹¹¹ To truly address historical injustices and reduce economic exclusion, South Africa requires a strategy that emphasizes equitable redistribution over elite enrichment. It would require a balance between economic stability and social justice. Achieving a balance between economic stability and social justice requires structural reforms that redistribute economic power while ensuring policy autonomy. Progressive taxation can ensure that the wealthiest—including those who have benefited from BBBEE—

¹⁰⁶ Berg et al (2010); Miyajima (2024).

¹⁰⁷ Broad-Based Black Economic Empowerment (B-BBEE) Act 53 of 2003.

¹⁰⁸ See Zwane T “Black middle class more than doubled but the struggle continues” (2019) at <https://www.news24.com/citypress/business/black-middle-class-more-than-doubled-but-the-struggle-continues-20190429> (accessed 24 October 2024).

¹⁰⁹ Patel L & Graham L “How broad-based is broad-based black economic empowerment” (2012) 29(2) *Development Southern Africa* 193; Krüger LP “The impact of Black Economic Empowerment (BEE) on South African businesses: Focusing on ten dimensions of business performance” (2011) 15(3) *Southern African Business Review* at 207.

¹¹⁰ Department of Rural Development and Land Reform. *Land Audit Report: Phase II: Private Land Ownership by Race, Gender and Nationality* (2017) at https://www.gov.za/sites/default/files/gcis_document/201802/landauditreport13feb2018.pdf (accessed 23 October 2024).

¹¹¹ Hall R & Kepe T “Elite capture and state neglect: New evidence on South Africa's land reform” (2017) 44(151) *Review of African Political Economy* 122-130.

contribute more meaningfully to public programs.¹¹² Capital controls and financial regulations would help prevent capital flight, protecting South Africa's ability to implement redistributive policies without economic retaliation.¹¹³ By shifting resources toward equitable wealth distribution rather than elite enrichment, these measures promote inclusive economic participation without destabilizing the broader economy.

However, structural reform will face significant resistance from entrenched economic interests, logistical challenges, and political opposition from powerful stakeholders. A key strategy for overcoming structural resistance to reform, as proposed by Nancy Fraser, is the transnationalization of democratic governance.¹¹⁴ Given that corporate power operates beyond national borders, South Africa must engage with regional and global regulatory bodies to oversee multinational corporations, financial flows, and corporate accountability. This approach challenges the unchecked mobility of capital, ensuring that national governments retain control over economic policy without fear of economic punishment. Additionally, Fraser's vision of a transnational public sphere—strengthening civil society networks, digital platforms, and advocacy groups—can counter elite influence in public discourse and broaden democratic participation.¹¹⁵

This paper advocates for genuine structural reforms rather than superficial measures that fail to address South Africa's deep-rooted economic inequalities. Democratizing economic decision-making and curbing corporate dominance are essential to building a truly inclusive democracy that balances economic growth with social justice. Achieving this transformation may require a new public consensus, ensuring that reforms reflect the needs and interests of the entire population.¹¹⁶

6 CONCLUSION: RECLAIMING DEMOCRACY FROM ECONOMIC INTERESTS

South Africa's democracy remains fragile due to rife economic inequality, corporate dominance and systemic corruption, which distort political representation and weaken public participation. While apartheid's legal structures have been dismantled, its economic legacy persists, allowing room for elites to manipulate policy in their favour while the majority remain economically marginalized. To restore democratic integrity,

¹¹² See Chatalova N & Evans C "Too rich to rein in? The under-utilised wealth tax base" (2013) 11(3) *E Journal of Tax Research* 434-452; Aroop Chatterjee LC, Gethin A "A wealth tax for South Africa" (2021) at <https://shs.hal.science/halshs-03131182v1> (accessed 31 October 2024).

¹¹³ See Heller K "Rand manipulation by banks leaves South Africans poorer" (2023) available online at <https://theafrican.co.za/featured/rand-manipulation-by-banks-leaves-south-africans-poorer-9f1bacd0-573a-431e-b040-76d8845db1cf/> (accessed 1 November 2024).

¹¹⁴ See Fraser N "Transnationalizing the public sphere: On the legitimacy and efficacy of public opinion in a post-Westphalian world" in *Identities, Affiliations, and Allegiances* (2007) 45-66 available at <https://doi.org/10.1017/CBO9780511808487.003>.

¹¹⁵ Fraser (2007) at 45-66.

¹¹⁶ Sibanda S "Not purpose-made! Transformative constitutionalism, post-independence constitutionalism and the struggle to eradicate poverty" (2011) 22(3) *Stell LR* at 482-500; Sachs A *Protecting human rights in a new South Africa* Cape Town; Oxford: Oxford University Press (1990) at 208 - Sachs argues that most view it as a tool intended more to prevent than to foster any substantial social change; Ramose M "Justice and restitution in African political thought" in Coetzee PH & Roux APJ (eds) *The African Philosophy Reader* (1998) at 570-571.

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reforms must address both corporate influence and corruption, ensuring progressive taxation, transparent political financing and stricter corporate regulations while strengthening anti-corruption mechanisms to prevent the misallocation of state resources.

However, economic stability is essential to prevent further hardship for vulnerable populations. Balancing redistribution with sustainable growth requires measures that prevent capital flight, protect employment, and attract responsible investment. Alternatives to elite-controlled markets—such as state-led industrial initiatives, public banking, and cooperative enterprises—can promote inclusive development while maintaining investor confidence.¹¹⁷ Additionally, advocacy for regional and global regulatory mechanisms, as proposed by Fraser, can curb transnational corporate influence, ensuring that economic policies prioritize public interest over private profit.¹¹⁸ By addressing both domestic and global economic constraints, South Africa can build a more just and resilient democracy.

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¹¹⁷ Michie J & Padayachee V “Alternative forms of ownership and control in the global south” (2020) 34(4) *International Review of Applied Economics* at 413–422.

¹¹⁸ Fraser (2007) at 45-66.

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