SCENARIOS FOR A COALITION GOVERNMENT

Factors and Decision Choices

Written by

*Matsobane Ledwaba (MBA; Ph.D. Student) an ANC member in good standing with experts in Research (Dr. Andile Mtotywa), Business (Raisibe Pole-Nkosi; Aubrey Mathebula, Ntando Khoza) and former Alliance leader (Master Mahlobogoane).

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Matsobane Ledwaba
Email: Matsobaneka07@gmail.com
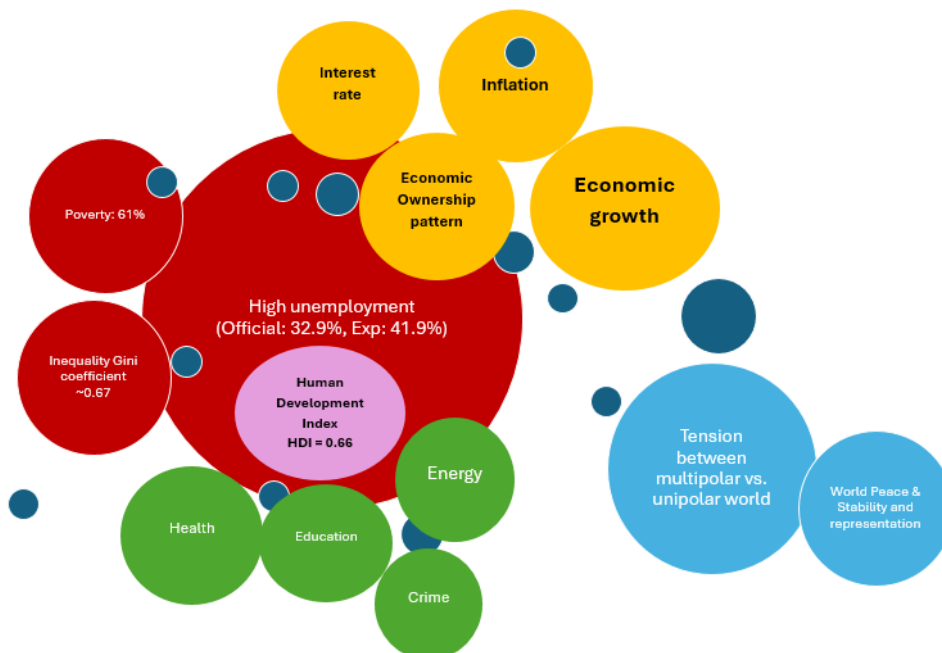Contact Number: 082 8803085

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1.　　Introduction

With the election results now over, the African National Congress (ANC) remains the largest party in South Africa, securing a vote share of 40.22%. These results are in part an expectation of the sponsored media, but also the funders of 'moon-pack' aligned organisations targeting middle class with the sole purpose to dethrone the ANC regime. It be noted that in South Africa, unlike other countries, regime change cannot be in effect through a coup, attack by foreign country nor sanctions, but media propaganda to persuade voters.

However, the election outcome did not support regime change, but also insufficient percentages for the ANC to govern alone, necessitating the formation of a coalition government. This report provides crucial information on the factors that the ANC should consider when selecting its coalition government partner(s), but critically avoid regime change and its future death.

The assessment of these critical factors is firmly rooted in the ANC's 2024 manifesto, the realities of South Africa and its global position, and the future of the ANC. To reiterate, the manifesto outlines six key priorities, all of which are directly relevant to the factors under consideration[1]: Put South Africa to work: Our Jobs Plan; Build our industries to achieve an inclusive economy; Tackle the high cost of living; Invest in people; Defend democracy and advance freedom; Build a better Africa and the world.

2. Realities facing South African citizens and the government

Table 1 highlights the high level of the view of realities facing South African citizens and government, provided in four themes: Socioeconomic and human development (red), economic factors and growth (gold), social transformation (green), and global positioning (blue).

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[1] https://www.anc1912.org.za/wp-content/uploads/2024/02/ANC-2024-Elections-Manifesto.pdf.

2.1 Socio-economic and human development

Unemployment, poverty, and inequality and Human Development: South Africa is facing very high levels of unemployment (Official: 32.9%, Ex: 41.9%), high poverty levels (61%), and the most unequal society in the world with a Gini coefficient of 0.67. The Human Development Index (HDI)[2] measures human development based on life expectancy at birth, the mean and expected years of schooling, and the country's gross national income. The HDI for South Africa is 0.66. Based on the four levels of HDI[3] that are less than 0.55 (low development), 0.550 – 0.699 (medium development), 0.700 – 0.799 (high development), 0.800 and greater (very high human development). In SA, HDI improved from 0.63 in 2004 to 0.73 by 2020 and then regressed due to several factors, the main being the life expectancy due to COVID-19.

2.2 Economic transformation and growth

Inflation, interest rates, economic growth, and economic ownership. Inflation has generally been under control. Consumer price inflation in South Africa averaged 5.2% in the ten years to 2022. In April 2024, inflation was 5.2%[4], well within South Africa's 3−6% inflation target range. Despite this, the interest rate has greatly impacted the cost of living, with the report rate at 8.25% and the lending rate at 11.75%. Economic growth has been low and is projected at about 1.2% by SARB in 2024. South Africa's economy grew by a marginal 0.1% in the fourth quarter (October–December 2023), taking the annual growth rate for 2023 to 0,6%. The Q1 for 2024 will be released on Tuesday 4 June 2024. The pattern of economic ownership shows in South Africa that is still very much in the hands of minorities when looking at the Top 40 JSE listed companies.

2.3 Social transformation

Universal access to education, health, roads, infrastructure, access to Energy, and social grants are some of the interventions of the ANC government when it comes to service delivery as part of the developmental state as part of the reconstruction and development programme. The introduction of free education through NFSAS and the strengthening of intention with the Basic Education Laws Amendment (BELA) Bill, NHI for universal health coverage and the management of load shedding are among the key factors in social transformation. Strides are also made in other areas of social transformation with Census 2022[5] showing 88,5% of citizens with formal dwellings, 70.8% with flush toilets connected to sewerage, 66,3% with weekly refuse disposal service, and 59.7% with access to piped water in the dwelling, and 94.7% with electricity for lighting.

2.4 Global positioning

South Africa, using its experience and understanding of apartheid, is actively involved in world politics in pushing for a free and peaceful world from the sub-Sahara to Gaza. Through its membership in BRICS+, South Africa supports a multipolar world and the recognition of the country's sovereignty and right of association globally. The refusal to choose sides in the Ukraine – Russia war is a case in point, with African leaders playing a mediation role instead of isolating and demonising Russia. The recent stand against Israeli genocide in Gaza has elevated South Africa as

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[2] UNDP (1990)
[3] UNDP (2020)
[4] Statistics South Africa (2024). Statistical Release P0141. https://www.statssa.gov.za/publications/P0141/P0141April2024.pdf.
[5] Statistics South Africa (2023) Census 2022 Statistics South Africa | Census Dissemination (statssa.gov.za)

an international player for peace. Equally, this has also unsettled the world leaders from the West who are in support of the Unipolar world led by the US.

3. Factors and matrix for choice and decision-making

Considering the 2024 manifesto, the South African operating environment, and the ANC's election performance, the following matrix choice is crucial to decision making.

3.1 Pre-Determination of Discussion

ANC should continue to adhere to the guidelines of the coalition government. Suffice to say that it can ill-afford to comprise on the following:

- Change in leadership – This is an internal matter for the ANC and its internal structure and cannot be part of the coalition.
- Demands that are neither scientific nor sustainable for the organisation's and country's stability.
- Demands that are not equitability to the vote share and unreasonable.
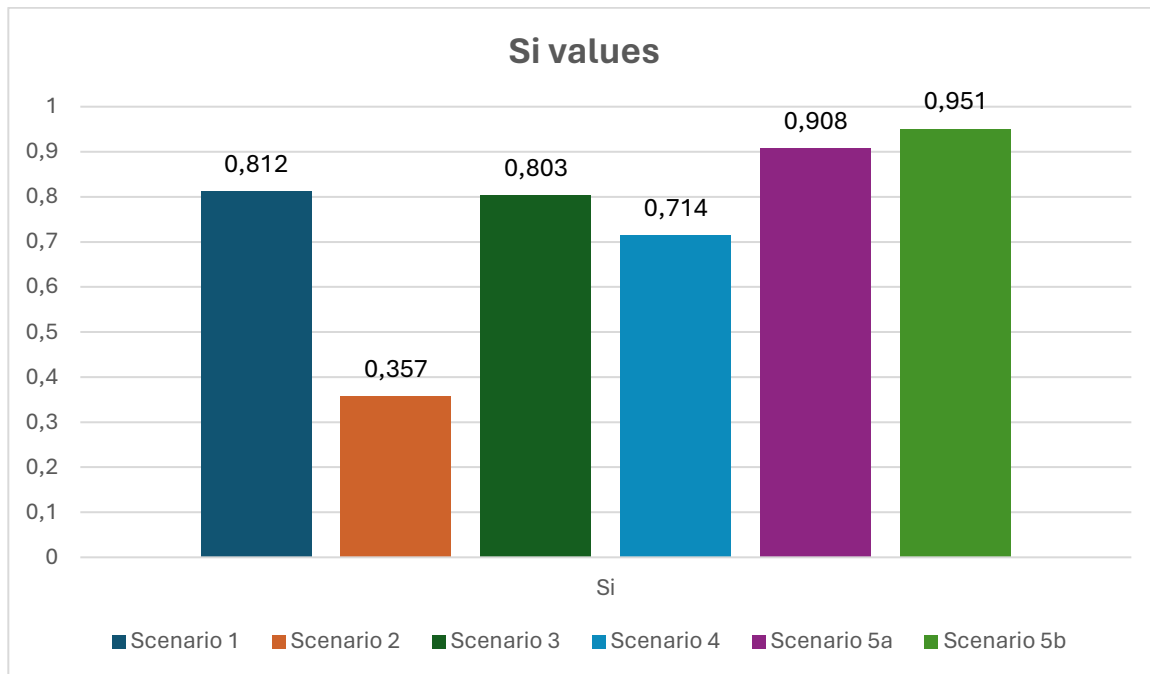
3.2 Criteria (factors)

- Economic Transformation (ET)
- Social transformation (ST)
- Economic growth (EG)
- Recapturing lost constituency and growing to new constituencies (RC)
- Defending the gains of democracy and freedom (DF)
- Building a better world and the sovereignty of SA (BS)
- Legacy and the ANC future of the brand (LF)
- Stability of the Coalition (SC)

3.3 Alternative (Parties constituting -50%+1)

The following alternatives are suggested, based on voter share, previous work relationships, and policy convergence while ensuring a minimum of 51% proportion of the seats in Parliament, with a maximum of four parties (ANC and up to three parties).

Scenarios	Parties	Vote share
Scenario 1	ANC + MKP +EFF	64.3%
Scenario 2	ANC +DA	62.0%
Scenario 3	ANC+MKPF+EFF+IFP+PA	55.8%
Scenario 4	ANC+ MKP	54.8%
Scenario 5	ANC + EFF+IFP	53.6%
Scenario 5b	ANC +EFF+PA	51.8%

SAW is the model of weighted simple sum, which is the acronym for "Simple Additive Weighted." It is one of the procedures of multi-indicator decision-making. You can easily use this procedure by calculating index weights (Full model in Appendix I and Appendix II highlighting the thinking). The following Figure shows the amounts of $S_i.$, with the highest value indicating the most preferred scenario.

This analysis indicates that scenario 5b (ANC+EFF+PA) is the most preferred scenario, followed by scenario 5b (ANC + EFF + IPF). Decision-makers can use this approach can be used by decision-makers to determine its transferability and improve its validation.

Appendix I: The steps of the SAW procedure

In this procedure, known as 'the weighted linear compound procedure', after descaling the decision matrix, a weighted descaled decision matrix is obtained using weighting coefficients of criteria. According to this matrix, the grade of each alternative is calculated. In this analysis, there are certain criteria and certain alternatives are being ranked based on the SAW procedure. The model was rated 1-4 by six people and can be expanded further to increase the level of scientific analysis and robustness. It is based on the criteria and weights (equal) below.

	Criteria		type	weight
1	Economic transformation (ET)	ET	+	0.125
2	Social transformation (ST)	ST	+	0.125
3	Economic growth (EG)	EG	+	0.125
4	Recapturing lost constituency and growing to new constituencies (RC)	RC	+	0.125
5	Defending the gains of democracy and freedom (DF)	DF	+	0.125
6	Building a better world and sovereignty of SA (BS)	BS	+	0.125
7	Legacy and the Future of the ANC (LF)	LF	+	0.125
8	Stability of the coalition (SC)	SC	+	0.125

The ranking was 1 to 4 based on the following:

Negatively influenced	1
Negative to not influenced	2
Not influenced to positive	3
Positively influenced	4

Normalise the decision matrix

The criterion is a benefit criterion:
$$r_{ij}^+ = \frac{X_{ij}}{X_j^{Max}} \ , i = 1,2, \ldots, m$$

The criterion is a cost criterion:
$$r_{ij}^- = \frac{X_j^{Min}}{X_{ij}} \ , i = 1,2, \ldots, m$$

The following table shows the normalised matrix.

The normalised matrix

Scenarios	ET	ST	EG	RC	DF	BS	LF	SC
Scenario 1	0.875	0.833	0.7	0.696	1	1	0.667	0.722
Scenario 2	0.25	0.333	0.55	0.348	0.292	0.25	0.333	0.5
Scenario 3	0.667	0.667	1	0.783	0.833	0.875	0.714	0.889
Scenario 4	0.583	0.583	0.5	0.87	0.75	0.958	0.857	0.611
Scenario 5a	0.792	0.792	0.95	0.87	0.917	1	1	0.944
Scenario 5b	1	1	1	1	0.917	0.833	0.857	1

Calculation of a weighted normalised matrix

According to the following relationship, the normalised matrix is being multiplied by the weight of criteria.
$$v_{ij}(x) = w_j r_{ij}(x) \quad i = 1, \ldots, m \ ; j = 1, \ldots, n$$

The following table shows the weighted normalised matrix.

The weighted normalised matrix

Scenarios	ET	ST	EG	RC	DF	BS	LF	SC
Scenario 1	0.109	0.104	0.088	0.087	0.125	0.125	0.083	0.09
Scenario 2	0.031	0.042	0.069	0.043	0.036	0.031	0.042	0.062
Scenario 3	0.083	0.083	0.125	0.098	0.104	0.109	0.089	0.111
Scenario 4	0.073	0.073	0.063	0.109	0.094	0.12	0.107	0.076
Scenario 5a	0.099	0.099	0.119	0.109	0.115	0.125	0.125	0.118
Scenario 5b	0.125	0.125	0.125	0.125	0.115	0.104	0.107	0.125

Ranking the Alternatives

Finally, the best alternative is selected that is being calculated by row summation of the rows of the rank of the normal weighted matrix of every alternative and also, being ranked according to these alternatives.

$$S_i = \sum_{j=1}^{n} v_{ij}$$

Ranking of possible coalitions

Preferred Coalition	Si	rank
Scenario 1 (ANC + MKP +EFF)	0.812	**3**
Scenario 2 (ANC +DA)	0.357	**6**
Scenario 3 (ANC+MKPF+EFF+IFP+PA)	0.803	**4**
Scenario 4 (ANC+ MKP)	0.714	**5**
Scenario 5a (ANC + EFF+IFP)	0.908	**2**
Scenario 5b (ANC +EFF+PA)	0.951	**1**

Appendix II : Thinking and justification of rating

Scenario 1 (ANC + MKP +EFF)

Working with EFF and MKP, will ensure the ANC's transformation agenda will be entrenched and accelerated with possibility of two third majority to amend any policy directives like expropriation of the land and international solidarities with the people of Gaza and BRICS alignment. However, in the immediate to short term period, this combination will bring about market jittery and reduced business confidence. This will however protect the brand and legacy of the ANC as champion for transformation. **This scenario is ranked third as the most preferred coalition.**

Scenario 2 (ANC + DA)

Any coalition with the DA will please the market in general with short-term gains. This is however not in the best interest of ANC voters and South Africa in general as they view the DA as the party for the minority who are refusing to open the economy for all to participate. This coalition will delay and stall many transformational agenda items (BELLA Bill, NHI, etc) specially if they were to occupy the position of Speaker or any role like SCOPA. The DA has a strong held view that the ANC is a corrupt organisation that must be exposed and decimated. Bringing the DA to the dinner table of the cabinet will be tantamount to suicide. **This scenario is ranked last as the least preferred** to our developmental state as it would not be in their best interest.

Scenario 3 (ANC + MKP +EFF + IFP + PA)

This scenario puts several organisations together and may bring about increased or diverse views from coloured communities to the Zulu nations which are very dynamic and sensitive towards inclusivity. There will also be more stability since no single party may walk away to impact the coalition. Importantly the brand ANC will not be impacted since each party has its own constituency. There is also likelihood that the ANC might regain its ground and eats back from these parties. There might be a need to develop a framework to govern such a coalition scenario. **This Scenario is ranked 4th as the most preferred**.

Scenario 4 (ANC + MKP)

This scenario has only two parties representing largely the same constituency as current and former members of the ANC. This scenario might be very unstable due to two bulls in one kitchen and personality cults. While there should be no measure differences in policy and international solidarities, MKP is a new party that still needs to have its own leadership and thus a highly unstable organisation. This coalition maybe attacked as a coalition of corruption and might impact on the market and may not be good for economic growth of South Africa in the short-term. With the posture of the MKP not fully understood, it is unclear how this will affect the brand ANC as it will largely be dependent on how MKP will conduct itself. Thus, the ANC may win back its constituency, but may struggle to bring back the middle class or new potential voters. **This scenario is ranked 5th most preferred coalition.**

Scenario 5a (ANC + EFF+ IFP)

This scenario provide for a much better stable government with each servicing its constituency and aligned transformational agenda. There is however suspicions towards IFP as party funded by moonlight-pack, is unclear what impact it may have, noting the antagonistic relations they current have with the EFF in KZN municipalities. In this coalition the ANC will continue with is work to bring about a better life for South Africa. **This scenario is the second most preferred coalition**.

Scenario 5b (ANC + EFF+ PA)

This scenario is the most preferred as it has mainly stable parties with different constituencies. All these parties believe in transformation of the country and the current social agenda by the ANC, though other parties will be more radical in approach, something generally lacking in the ANC government. The ANC brand will not be affected but may also win back its constituencies lost due to failure to be aggressive in transformation agenda.

4.   Conclusion

The decision of the ANC to constitute a coalition government rest with the authority of the National Executive Committee (NEC) that will mandate the NWC and the National Office Bearers. Thus, this scientific scenario decision making aid is merely to assist the NEC, NWC and the Top Seven to make an informed decision looking at various contributing factors. It is also note worthy to pay close attention to the sponsored narrative by the media and funded organisations with mandate to bring about regime change.

There is no easy coalition, each has its own dynamic advantages and disadvantages. The ANC may decide which of these factors are more important than the others. In this scenario model we weighted all the factors equally and the ranking was based on key factors mostly encapsulated in the ANC manifesto and the current environment of high unemployment, inequality, poverty, crime, energy challenges, antagonism between unipolar and multipolar world, including the need to have world peace, freedom and respect of countries sovereignty.

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NB: * The writer and all those who contributed, did so within their own personal capacity and not on behalf of the organisations they lead nor work for.