

# State Capture as a Manifestation of the Historic Narrative of Oligarchy in Selected African Countries

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**Abstract:** The history of state control is characterised by actions of the elites' who influence the state power towards a specific direction of its benefits. This practice has generated political patronage growing into power elitism in African states, in which resources are channeled into private purse for capitalist reasons. The unforeseen governance-ills of state capture created political instabilities and divided the society in the post-colonial Africa. The impact of state capture often made the majority of African societies to survive under the ravages of poverty in the midst of the power game. The unintended consequences of the state capture is that, it may reverse the gains of a maturing democracy and in the efforts to restore the dignity of the African people through improved service delivery and poverty alleviation. This paper argues that the control of public resources is illegally diverted into private control by this arrangement. The worrisome factor is the manner in which this illegal and manipulative system has been institutionalised in some parts of the African states and they are protected for their wrong doings in the name of finding political correctness. The paper is a literature review in nature and primarily a qualitative reflection of the history of governance in African States in the quest to outline scotches of state capture. The focus areas are on historic and concept analysis of oligarchy, state capture analysis and its impact, capitalism as a colonised set-up of public service in Africa, institutional set-up of corruption, negative impact on African States. The paper aims to contribute towards researches in the scholarship of Public Administration and for solutions on governance-ills in African continent.

**Keywords:** State capture, Oligarchy, Democracy, Political power, Service delivery, Corruption

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## 1. Introduction

African states have been characterised by a number of governance ills that have been generated from the historic African traditions and customs. These elements created an unequal society marked by monarchy, patriarchy and others that seek to divide the society in one way or the other. Out of this experience, the paper note that African states transition to democracy always got confronted by new phenomena that are sometimes anti-progress as they relates to governance. The thematic essence of the paper uses oligarchy and state capture to characterise the development of public administration and governance in Africa. Firstly, the conceptual analysis of oligarchy, which is noted and given a number of scholarly definitions of oligarchy. In an attempt to analyse the existing literature, the definition derived from Aristotle reflects that oligarchy involves the exercise of power by the richest citizens – who happen always to be the few. It is therefore oligarchy refers broadly to extreme political inequalities that necessarily accompany extreme material inequalities (Winters & Page, 2009). Current configurations of global, imperial and state power relate

to formations of Oligarchic control (Kapferer, 2005). The practice of oligarchy in this instance undermines and compromise state severity.

Biersteker and Weber (1996) suggest that state sovereignty is an inherently social construct. The modern state system is not based on some timeless principle of sovereignty, but on the production of a normative conception which links authority, territory, population (society, nation). It is therefore, state control is in the hands of unlawful arrangements that have less consideration of democracy and the rule of law. Oligarchy is a form of concentrated minority power. Even in democratic societies with free participation and universal suffrage, small segments of a population or community can be disproportionately empowered in a variety of ways and with different effects. Concentrated wealth, both as the foundation of the power of oligarchy and as a constant source of social tension, provides a basis of political cohesion for oligarchs, whether or not they are networked. The power and interests of oligarchs are an intrinsic element of their position at the top of materially stratified social formations (Winters, 2011). It is arguable that oligarchy

represents elitism at the advanced stage, where actors personally command and control massive concentration of wealth and therefore aspires to be capitalists' detachment. The position of the paper that oligarchies operate independently and find expression on political system due to wealth they possess, which stifle democracy, therefore opposing the idea that citizens shall be equal. The perception of scholars, particularly in Africa, is that oligarchy was associated with the colonial-African regime as a major governance set-back. Rhoden (2015) argues that a modern conception of oligarchy, which can be housed under an authoritarian regime as easily as it can under a liberal democratic one can affect our understanding of the potential national political repercussions of extreme inequalities of wealth. The fundamental question of the paper is whether it may be correct to characterise state capture as a system of manipulated governance that is premeditated by the scotches of oligarchy? It is therefore that the paper would examine the conceptual analysis of state capture at first. Chipkin (2016) suggests that the term 'state capture' is suddenly omnipresent in political and social commentary in South Africa. Migrating from economics the expression describes an especially severe form of corruption. It is imperative to examine the capacity of African states towards advancing issues of economy, particularly the capacity to sustain it. It is noted that model of economy in most of African states was that of pursuance of privatisation policy perspective, which it may be argued that the state shifted its major economic drive to the private sector and created a space for elitists influence and its persistence generated into state capture. Kozarzewski and Baltowski (2016) argue that the important feature of polish privatisation was its gradualist and highly consensual character. Its authors were aware of the trade-off between the speed and quality of the transformation processes. They believed that a slower transition due to careful preparation of privatisation deals (both in technical and social dimensions) was much more important than a massive and rapid formal change of owners because the reformed market environment would exert strong pressure on state-owned enterprises, forcing them to adapt and restructure, thus making their privatisation less urgent, albeit still necessary. In furthering the arguments, one would postulate that a state development in Africa in relation to democracy is infiltrated by the individuals operating outside formal structures of democracy to control the state based on the illegitimate arrangements

of corruption being state capture premeditated through political system of governance. This constitutes some regrettable moments in the historic narrative of a prosperous democracy that was envisaged by Africans in the post-colonial Africa.

## 2. Governance and State Capture Question

The essence of this section requires an in-depth analysis of governance praxis in Africa, in particular in relation to state capture. The fundamental question is for instance, in South Africa, state capture gained grounds recently as if is a new concept, which this section is intending to provide a narrative in Africa on state capture. Firstly, governance has to be understood as a formal process that deals with the affairs of the country, which Mthanti & Ojah (2016:133) refer to as formal institution. Mthanti & Ojah (2016:133) postulate that situations often arise where formal institutions are effective, but the goals of formal and informal agents are in conflict. Substitutive informal institutions subvert formal rules where goals between formal and informal are incompatible; secondly, they arise where formal institutions are ineffective and they may create vested interests in those substitutive informal institutions. State capture is noted as ownership of elite corruption that influences wealth, both politically and administratively. In furthering the argument, observing World Bank efforts to create awareness on state capture as the efforts of a small number of firms (or such groups as the military, ethnic groups and kleptocratic politicians) to shape the rules of the game to their advantage through illicit, non-transparent provision of private gains to public officials. Aslanova (2009) suggests that economic bureaucrats and rent-seeking officials predominantly benefit from constant intrusion in the economic bubble and as a result are most concerned in the maintenance of the status quo by hampering the reforms. The earlier assertions are confirmed as Hellman, Jones & Kaufman (2000) argue that state capture, influence, and administrative corruption are all shown to have distinct causes and consequences. Large incumbent firm with formal ties to the state tend to inherit influence as a legacy of the past and tend to enjoy more secure property and contractual rights and higher growth rate. Hellman *et al.* (2000) further argue that they develop economy wide measures for these phenomenon, and formulates rules of the game. The engagements into state capture are used as a strategic basis for

competing with other individuals with similar influence, and regrettably against the essence of good governance, which continue to suffocate and stifle emerging democracy in Africa. State capture, in essence, constitutes state failure. In support of the earlier assertion, there are many reasons for state failure, but for the purpose of arguing the state capture in this instance, two major literatures address the source of political disorder in contemporary Africa; one is political and points to low quality of governance (World Bank, 1991; Fukuyama, 2004 see in Bates, 2007) and the other to the weaknesses of political institutions (Jackson & Rosberg, 1982; Bratton & van de Walle, 1997 in Bates, 2007). In the expansion of the apportioning of state capture to political disorder, African states are a manifestation of political process, which requires that state control is a participatory process, which should uphold the rule of law. State capture represents weak political institutions of governance, and work against the will and the aspiration of the people, but in the interest of capital. It is questionable how hygienic is politics in Africa and the essence of ensuring ethics in African political systems is imperative. It is arguable that the more persistence state capture is, African states generate governments ruled by individuals who does not occupy position of power and scotches of oligarchy emerges. This narrative is carrying a negative sign of Africa geared to ethical politics; governance and democracy is at stake.

The fundamental question is whether state capture in a democratic state might not create restless society and future civil conflicts? Crawford and Botchwey (2016) argue that unemployment and poverty levels are believed to be higher than the national average, while social services are abysmally low. In furthering the debate, the regrettable state capture in the center of these growing restlessness due to poor service and lack of leadership that impact the society badly. State capture may cause rebellion in political and governance in any society. Rebellion can be modelled as an outcome of kleptocratic rivalry, an industry that generates profits from looting (Grossman, 1999 in Oyefusi, 2008) or quasi-criminal activity (Collier, 2000, in Oyefusi, 2008).

### **3. Capitalism, Morality and Colonised Set-Up of Public Service**

While the paper underscores the history of colonialism in Africa through a capitalist means of public service. The point of departure is the review of

the literature on capitalism and the context of its focused primarily on oligarchy and state capture as praxis of governance within the African continent. It is understood that capitalism is a governance system that seeks to advance profit first and therefore the social part of the service is usually delivered on a higher fee. In conformity, Bell (2002:120) states that capitalism is depicted here as a system of traders and merchants, or, some would grandly say, entrepreneurs, seeking profitable opportunity. It is understood that capitalism represents a system that advances the rich, and those who owns means of production. The history of colonial Africa, most of international countries leading with the strong economy still think of influencing African states in a form of capturing their active economic systems and establish linkage with states leaders to exploit state purse. In recent times, the concept of state capture has become very popular in the political and economic arena of South Africa. It was particularly the close relationship between the President of South Africa, President Jacob Zuma and the Gupta family that stirred up great concern about the South African state facing a possible state capture. Many analysts, however, argue that the notion of state capture has long been part of the dealings of the ruling party, the African National Congress (ANC), but has been concealed by the fact that the South African state has not been regarded as a failed or failing state. This is primarily because the ANC government is still able to exercise full administrative control, maintain some degree of peace and is able to consistently provide public goods to its citizenry (Jonas 2016:16 cited in Martin and Solomon, 2016). This relations of the President of South Africa and the Gupta family started dominating public platforms on the basis of the societal restlessness in relation to the economic crisis in South Africa. The recent development of African states failure to provide jobs and services to its citizens and poverty became the order of the day necessitated the societal revolt to take centre stage of what the state is doing to relieve economic pressure out of the citizens. According to Sutch (2015:2 cited in Martin & Solomon, 2016), state capture can be referred to as the actions of individuals or groups both in the public and private sectors, influencing the formation of laws, regulations, decrees and other government policies to their own personal advantage. It is important to note that when discussing state capture, the state and the economy cannot be conceived as two separate entities. Economic and political power is therefore fused. The paper

argues that the set-up of public service in Africa given these illegal arrangements are therefore that public service is still colonised by few individuals that influences the state to its own private gain. These elements happen despite the fact that they are being exposed on a daily basis, which provoke thinking of whether does this symbolise a new order of Africa public service? It is noted that in every electronic and print media, these scotches are always dominating the space, but whether African citizens are used to them to such an extent that they are no longer bothered leaves room for interpretation. In the set-up of public service in relation to state capture dominating is questioning the praxis of politics and societal morality to advance good governance. The fundamental question is whether the praxis of governance in Africa inculcates ethical grounds that are ready to isolate decisively state capture in the efforts to project African states ability to govern. Raz (1994) suggests that this attitude strikes at the age-old question of the relation between morality and law. In particular it concerns the question of whether it is ever the case that a rule is a rule of law because it is morally binding, and whether a rule can ever fail to be legally binding on the ground that it is morally unacceptable. Often in philosophy, a large part of the answer to this question consists in rejecting it as simplistic and misleading, and substituting more complex questions concerning the relation between moral worth and legal validity. Let us, however, keep the simplistic question in mind; it helps to launch us on our inquiry. The paper posits that the need to put in motion active citizens program that will dismantle and reject the immorality of state capture as an advancement of a capitalist system that negate social right of the society from benefiting services without determining systems by imperialist oligarchies in Africa.

#### 4. Institutional Set-Up of Corruption

The paper acknowledges oligarchy and state capture as corrupt activities that exist as governance ills in Africa and elsewhere in the world. This section will tap into Africa stories on corruption and its efforts to eradicate its scotches. The paper underscore that the socio-economic and political circumstances always serve as a source for corruption. Sociological and/or cultural factors such as customs, family pressures on government officials and ethnicity constitute potential sources of corruption. In Nigeria, although traditional values of gift-giving and tributes to leaders often lead to what Brownsberger

(1983 cited in Salisu, 2000) describes as "polite corruption", the extent of such corruption is relatively small. A radical definition of corruption should not depend on the size and shape. But be classified as corruption in order to ensure that it does not have home in Africa which in the contextual analysis, it create generations of oligarchy and state capturers that are existing for greedy purposes. A number of authors (Wraith and Simpkins 1963, Lloyd 1967, McMullan 1961 see in Salisu, 2000) have pointed out that Africans know the difference between a polite gratuity and a bribe and that traditional (Nigerian) culture does recognise that the community leader has a duty to his people, and that this bars systematic exploitation of office. The understanding of the paper is that gratuity is regulated by public service policy framework in which declarations is often encouraged. However, it has repercussions of generating growing tendencies amongst public servants and leaders. Crawford and Botchwey (2016) argue that the global rush to grab resources took an unexpected turn in Ghana recently. With the hike in gold prices from 2008 onwards, a large influx of foreign miners, especially from China, entered into the artisanal and small-scale mining sector (ASM), despite it being 'reserved for Ghanaian citizens' by law. One could concede that the narrative of Ghana is not exception as foreign competitors still have hangover on the colonial stance that utilises Africa for its personal gains regardless of the fact that Africans must benefit their mineral resources. In the narrative of Ghana, Crawford and Botchwey (2016) posit that President Mahama established an Inter-Ministerial Task Force to 'flush out' illegal miners, a military-style operation with the deportation of significant numbers of Chinese miners and small numbers of other nationalities. Yet the state was not absent pre-Task Force. Foreign miners were able to operate with impunity because they were protected by those in authority, i.e. public officials, politicians and chiefs, in return for private payments. It is understood that corruption find space in the public service in Africa on the basis of the inability to internalise ethics in the political systems and deal decisively with corruption by the ruling class in African continent.

A closer look into the Zambian perspective on corruption and its public service narrative, Chikulo (2000) states that the strategic role good governance should play in African socioeconomic development has been the object of concern for Western donor countries and aid agencies since the 1980s. Recently, however,



the issue of corruption has re-emerged as a problem of concern in the dealings between African governments and Western donors. Increasingly, there is heightened recognition of the negative impact of government corruption on the socioeconomic process, as well as its corrosive impact on society and fledgling democratisation. The Zambian narrative raises a scholarly enquiry as to whether colonialism is over or not? This enquiry is informed by the fact that some remains of it still confront African continent through imposing capitalist imperial agenda that benefit the foreign dictators of the economy. After a significant years of combating corruption in Zambia without any success, Mbao (2011) states that on 27 August 2009, the Government of the Republic of Zambia launched a national anti-corruption policy and strategic document aimed at providing a framework for preventing and combating corruption in a comprehensive, coordinated, inclusive and sustainable manner. That significant milestone marked a candid acknowledgement that previous efforts at legal and institutional reforms have had very limited impact on the prevalence of corruption which, in the Zambian context, ranges from petty bribes and misuse of state power at public goods and services delivery points, to the embezzlement and looting of national resources. In a conclusive argument, it is noted that corruption in relation to state capture and oligarchy in Africa is perpetuated by foreign dictatorship of the market and political greediness of political leadership in Africa, which needs austerity measures legislatively and decisiveness from the legislators themselves.

## **5. Negative Impact of Oligarchy and State Capture in Africa**

African continent has gained its independence from the colonisers and, therefore, its independence requires sustainability and principle of dependency and the will of its citizens requires protection. However, Oligarchy and state capture has always remained constrain to sustain the will of the citizens in African continent. Kaufman (2005) suggests that governance and corruption cannot be measured. It is true that less than a dozen years ago virtually no internationally comparable measures of governance or corruption existed. But in recent years, the World Bank and others have sought to remedy this. At the World Bank, constructed aggregate governance indicators that cover more than 200 countries, based on more than 350 variables obtained from dozens of institutions worldwide.

Indicators cover the following six dimensions of governance: voice and accountability; political stability and the absence of major violence and terror; government effectiveness; regulatory quality; rule of law; and control of corruption. Karklins (2007) observed that elite cartels involve interlocking networks of power-and spoils-sharing presidents, politicians, business leaders, military figures, and others, who exploit a weaker state apparatus. In the argument, one postulates that the impact of oligarchy and state capture, as a result of unethical weak leadership and state institutions of democracy, are being infiltrated by immoralists. Karklins (2007) further notes that oligarch and clan corruption consist of "disorderly, sometimes violent scramble(s) among contending elites" seeking political and economic benefits and monopolies. One posits that law and order is usually compromised by the influence of oligarchy and state capturers, which question democratic institutions of African governments are operating within. It is therefore that Africa will forever remain underdeveloped due to stigma of these corrupt tendencies. It is arguable that corruption is illegitimate process and system. On the contrary view, Huntington (1968:6 cited in Seligson, 2002), suggests that corruption provides immediate, specific, and concrete benefits to groups which might otherwise be thoroughly alienated from society. Therefore corruption may thus be functional to the maintenance of a political system in the same way reform is. The essence of the debate on governance as argued by the paper is that governance needs ethics and if African politics need corruption to sustain the regime, there is a strong ethical question in political system in Africa. However, the question of who determine what is ethical in society as a dilemma of political governance in any democratic country, and therefore the issue of ethics and politics has consequences in African public service. According to Thompson (1987:4), the ethical conflict that officials from two general characteristics of public office – it's representational and its organisational nature. The suffocation of democracy in Africa given a perpetual ownership of unethical behavior of those who occupy public office and given what can be defined as political correctness, the nations have those who protect the individuals who perpetrate such behaviors due to uphold political correctness. It is arguable that political correctness had always fragmented unity in any country that is plugged by oligarchy and state capture. The extent of fragmentation is noticed by society regardless of whether active in the mainstream politics or not.

## 6. Conclusion

The thematic essence of the paper served as a scholarly reflection of governance-ills in Africa given the emergence of state capture, which has been argued as two elements that represent corruption and put democracy in Africa in danger of its maturity. The narrative of corruption in African countries has been outlined as one of the consequences of poor leadership that undermines the essence of good governance. As the paper represents a scholarly eye-opener, it is conclusive that imperialists' capitalism still confronts African states due to greediness and profit driven. The essence of morality in African politics is presented as another area of weakness, that self-help by public officials and political leadership allows it to plug public service, which citizens' control is overlooked. It is presented that sovereignty of African state is in danger of collapse and civil conflicts perpetuated by unwillingness to decisively address state capture and its element "oligarchy". The role of African leaders should be to reject these tendencies as public officials and political leaders are fundamental to eradicate governance-ill in Africa and pursue an important agenda of African development. The independence of African state depend on its awareness and ability to confront both capitalism and imperialism in order to reduce the spread of state business being determined by few individuals who used capital as a means to circumvent African democracy, and it is therefore that the scotches of oligarchy and state capture is always work in progress.

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