COMMENTARY AND OPINION
SOUTH AFRICAN CAPITALIST BUSINESSES KEEP THE SWAZILAND MONARCH IN REGAL SPLENDOUR WHILE DEMOCRACY AND GOVERNMENT MANAGEMENT IS ERODED

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Abstract
This commentary and opinion derives from the reality that South African firms help the Swaziland monarch (King) in regal splendor because of the rich dividends he earns which allows him to live a decadent and lavish lifestyle amidst the poverty of his subjects. It shows for example how MTN and other South African companies profit from its King Mswati – protected monopoly, whilst the poor in the kingdom of Swaziland suffer from degradation and humiliation, amidst a sea of poverty. The law is eroded in this tiny kingdom and the future of a top Swazi judge hangs in the balance whilst accountability and the rule of law are eroded. The paper takes the form of a discussion in the form of an opinion or commentary. There is no research methodology, and findings.

Key Words: Monarchy; Capitalism; Regal Splendour; Democracy; Accountability

INTRODUCTION
South African firms are helping to prop up Swaziland’s King Mswati III, funnelling hundreds of millions of rands to an entity that the monarch uses to finance his lavish lifestyle. Malcolm Rees (2014: 8) reports that “with an estimated fortune of R 2 billion and 13 wives, Africa’s last absolute monarch reigns supreme over one of the world’s poorest countries.” The - 46 year old kings spending habits are legion, including buying a fleet of luxury cars and a $3 million (about R32 million) Maybach limousine for his birthday in 2012 as reported widely in the South African press. It is mind – boggling that only last year his entourage blew millions when it booked 38 rooms at the five star Taj Hotel in Cape Town for a conference on poverty in Africa. It is disgusting and frightening that such decadence and hedonistic lifestyles by him and his bureaucracy goes without any accountability nor the requisite checks and balances whilst the population of Swaziland lives in absolute poverty. US think - tank Freedom House (In Rees, 2014) says that “66 percent of Swazi’s are unable to meet their basic food needs and 29 percent of children under five are nutritionally stunted.

DISCUSSION
Amidst the above introduction, the world sees that South African blue chip companies, including MTN, sugar company Illovo, Johan Rupert’s investment firm, Remgro, Sun International and SAB Miller, have all brokered cosy relationships with the monarch. These companies have either given large chunks of the shares in their Swazi businesses to Mswati directly or to Swaziland’s
investment institution. Tibiyo Taka Ngwane, over which Mswati has absolute control, A Business Times investigation has revealed. In the case of MTN, it paid dividends directly to Mswati as the 10 percent ‘esteemed shareholder’ of MTN Swaziland. These amounts exceeded R114 million over the past five years, according to financial records disclosed by the Times of Swaziland. Activists in the Swazi Kingdom have stated that the King is scoring from the cash paid to Tibiyo by South African companies. Last year, Tibiyo scored R218.1 million in dividends, up sharply from the R148 million the year before. Tibiyo is meant to benefit all Swazi’s, but several sources say it is an open secret that it funnels cash directly to Mswati’s family. Tibiyo has increasingly become royal family property. With the current King, it is very clear that he is determined to hold Tibiyo as his personal wealth.

All of this is underscored by numerous reports, including a 54 - page Freedom House report last year in which it concluded that Tibiyo’s income supports Mswati, his dozen wives, their 27 children and those of the royal kinfolk. Foreign companies wishing to enter Swaziland must bribe Mswati with shares or cash in varying amounts depending on the potential for profitability of the proposed venture and the new business’s possible impact on Mswati’s own business interests. Even South Africa’s ruling African National Congress (ANC) according to Rees (2014) “through its investment front, Chancellor House, has gone into business with Mswati in transactions that raise questions about South Africa’s willingness to tackle cronyism and rights abuses in Swaziland. If there is any truth in this South Africans must hold the ANC accountable for such misdemeanors, make them account and expose them in the eyes of the South African Public because, such behaviour is despicable and against the grain of democracy. Chancellor House has a 75 percent6 stake in Swaziland’s Maloma mine and the remaining 25 percent is held by the Swazi state – run Tibiyo. The companies have denied that having a cosy relationship with the king constitutes a breach of corporate governance, but none has denied that its operations benefit the monarch directly. Bu any standards and interpretation or analysis, it is indeed a breach of corporate governance without accountability.

MTN’S decision to allow Mswati 10 percent direct holding of the shares in its Swazi business has raised concerns, because the cellular giant shut down communications in the country during the Arab spring – style protests against Mswati, a move that South African Trade Unions said, was designed to protect the monarch. How can South Africa allow this to occur in its doorstep given its history and fight against apartheid? There is no doubt that MTN is therefore unapologetically part of sustaining the political regime of Swaziland and is directly involved in the political affairs of the country, its management and indeed in the manipulation of the Swaziland bureaucracy. It is therefore obvious from the above expose that MTN in Swaziland is not just business but, is an embedded element of the monarch’s power structure. It has been pointed out by Rees (2014) that “of a population of 1.4 million, 811 000 or 75 percent, use MTN, which obtained a licence from Mswati’s government in 1988. Although MTN’S documents do not name Mswati directly, saying that only 10 percent is held by the esteemed shareholder, the company has confirmed that this refers to Mswati and that, we can confirm that there was a sale of shares to the esteemed shareholders in two tranches of 6 percent and 4 percent. “

King Mswati has appointed his daughter as Director of MTN Swaziland. The Prime Minister of the kingdom owns a 4 percent stake in MTN Swaziland through his share of the empowerment fund (Swazi Empowerment Limited). It is thus most obvious that the degree of political insurance has ensured that MTN retains a monopoly in the country, where citizens are paying premium prices for cell phone services. These premiums according to Malcolm Rees are as follows:
• R149 South African Rands gets one 300 megabytes of data
• R300 South African Rands gets one 1.5 gigabytes.
• In South Africa R79 South African Rands gets one 300 megabytes of data and R149 South African Rands gets one gigabyte and R245 South African Rands gets one two gigabytes in South Africa.

It is obvious that the Swazi population is being ripped off and the king and his cronies benefit substantially from this capitalist greed. In this regard the Swazi regulator is part of the system of corruption and a mere rubber stamp of the king. Sugar giant Illovo, which has been in Swaziland since 1997, is also in business with Mswati’s government and owns 60 percent of Ubombo Sugar, which produces a third of all the country’s sugar and Tibiyo, owns the other 40 percent. In justifying this arrangement Illovo, the capitalist monopoly shrouded in greed and raking in huge profits at the expense of the poor and depraved masses of Swaziland states that, the people are better off with their involvement, irrespective of the political administration of the day. Such statements should not be made and clearly indicates to what level capitalist will bleed a country for their gains and support administrations that do not have a classical mandate to rule and govern countries in which the people suffer. This is a crime against humanity. It has also been established that Tibiyo also owns 40 percent of Royal Swazi Spa, in which Sun International holds an indirect 50.6 percent. Remgro’s sugar subsidiary, TSB, owns a 26.4 percent stake in Swaziland’s third largest business, the Royal Swaziland Sugar Corporation and, Tibiyo holds 50 percent. SABMiller owns 60 percent of Swaziland beverages and is in business with Tibiyo, which holds the other 40 percent. This is naked looting, it is unscrupulous trading with the support of a “mafia” regime in Swaziland, without the necessary checks or balances, the erosion of the law and flouting the rule of law with no accountability. There are no ethics in Swaziland’s government and bureaucracy. It is a fiefdom run by the monarchy only in their interests.

Only a few weeks ago Mswati’s regime was booted out of the United States trade pact with the region, the African Growth and Opportunity Act. Washington said that this was because Swaziland had not demonstrated progress in protecting rights and of concern was Swaziland’s use of security forces and arbitrary arrests to stifle peaceful demonstrations and the lack of legal recognition for labour and employer federations. Political parties are banned and activists are regularly arrested, jailed and tortured. In many ways the United States is exhibiting double standards and playing to the gallery. This is shown by the fact that, it has placated the Swaziland monarch to allow them to build a huge army security base and apparatus in the kingdom. This will surely come with outrageous perks and an effort to boost the standing of the monarch who will now be assured the protection of the United States, irrespective of the mismanagement of the Swaziland economy and, the monarch will be allowed to further loot the coffers of the tiny, ravaged and poor kingdom at the expense of its population. The geopolitics of the world has therefore to be revaluated and the United States called to book for serving its capitalist agenda and further subjugating Africa from this proposed military base in Swaziland. The United States said nothing and dis not take a stand on the arrests of human rights lawyers writing articles critical of the country’s Chief Justice. United States firms are making large volumes of money in Swaziland and Coca Cola runs a concentrate plant in the kingdom. It is estimated that Coca Cola pays about 40 percent of Swaziland’s tax revenue. So much for United States double standards, capitalist greed and it is a major player in propping up the illegal and tyrannical regime of Swaziland and the monarch.

All of this points to the misery of the people of Swaziland and we hear arguments, especially in Africa, that one of the roots of widespread unemployment and economic crisis is the question of
overpopulation. This may be true in many ways but this misery can be controlled if governments utilize the tax payer’s money on the path of development and services on the poor. The widespread corruption adds to this scenario also in a sizeable manner. It is a question of the distribution of resources to the people that governments are unable to secure, as is seen in the kingdom of Swaziland and many other countries of the world, aided and abetted by greedy capitalist forces that add to the misery of the people. This is a recipe for disaster. There has to be investment in education for purposes of achieving higher standards of living. This is often achieved by the people through their bitter struggles and in reality this should not be the case, if governments serve the interests of the people and play an active part in development initiatives. If we look back nearly 300 years to before Western colonialism began its serious pillage of the African continent. The poverty that resulted from rapacious colonialism was blamed on the fact that the poor of a country produced to many children, too many dependents. Thus there was insufficient food, clothing and shelter to satisfy the needs of the population. This argument in the 21st century can no longer be a sustained argument for obvious reasons. What this argument means is the small slice of the economic cake currently given to the majority, or won through sometimes desperate struggles and battles, is held to be the problem. This ignores the fundamental nature of the system and implies the social and economic environment in which we operate is static. It is an argument that no democrat, whether religious or not, and certainly no serious trade unionist would condone. Today, we find that organizations, governments, especially in the West and the United Nations included pay only lip service to the concept that people should have equal rights and opportunities. But look for scapegoats to justify their inadequacies, greed and indeed warped humanitarian values. We now have the advantage of hindsight, across three centuries, the advantage of the sophisticated technology, the advantage of living in the 21st century, but we find and see on a daily basis authoritarian regimes in Africa, regimes like the United States, Great Britain and other so – called Western democracies propping up dictatorships to serve their capitalist appetite at the expense of the poor, and continue to exploit the poor and vulnerable, yet espousing humanitarian values and standards of equality defined by them in terms of erroneous standards set by themselves, thus ignoring the underlying reality of the facts that need urgent and serious attention and action. There is something strangely familiar about the way the Law Society of Swaziland operates. This is completely unacceptable and reminds us South Africans of apartheid. The strategy was to go to court with cases illustrating injustices resulting in the prevailing system; in this case the absolute monarchy of King Mswati iii in Swaziland. With free speech curbed, the courts became an arena in which to speak. “The latest of these cases is a telling challenge to the appointment of a high court judge in Swaziland. It is one of the most controversial cases and the appointment of the judge is something of a poisoned chalice. The case concerns two popular and internationally respected figures, Journalist Bheki Makhubu, editor of the Nation Magazine and human rights lawyer Thulani Maseko, charged with contempt of court. The alleged contempt concerns comment on the actions of, among others, the Swazi Chief Justice, Michael Ramodibedi, a man at least as controversial as the trial,” according to Carmel Rickard (2014: 12). The case is about the appointment of high court judge Mpendulo Simelane. Society says that the appointment was invalid because the judge did not meet minimum requirements and that the appointment process was unconstitutional. Before one can be appointed in Swaziland you have to a minimum of 10 years in legal practice. He did not meet these requirements and there were no public interviews either. The appointment needed to be set aside. Carmel Rickard (2014: 12) states that “the judge indicates that his appointment was made by the king in terms of royal powers granted by the
constitution that immunizes the king from any legal action whatsoever. The application challenges an action of the king. The judge now faces impeachment inquiries and criminal charges related to alleged fraud charges in Lesotho. This is a case of the subversion of the law and the negation of the Swaziland constitution and the interference by the monarch in almost all affairs of the tiny kingdom.

Only South Africa can curb Mswati. To say that the two year prison sentences, without the option of a fine, handed down by the Swaziland High Court last week to journalist Bheki Makhubu and human rights lawyer Thulani Maseko were draconian, would be to miss the point. They should not have been convicted or sentenced at all. They would not have been in a democracy. They did what had to be done in the public interest. They criticized King Mswati’s handpicked Chief Justice Ramodibedi, who has been dismissed from the bench in his own country, Lesotho, for misconduct, because he bent the law to persecute a government inspector who had objected to the abuse by another judge of official transport. The conviction and sentencing of Makhubu and Maseko typify the way Mswati uses the judiciary as a pliant instrument of royal power. The case also typifies more generally the king’s absolute rule, riding roughshod over any democratic checks on his executive authority, including the press. But what is to be done about this state of affairs? The international community has been largely indifferent to Swaziland, perhaps because the tiny country does not make a big enough blip on the global radar screen.

South Africa and the Southern African Development Community more broadly now seem like the only outside forces that can effect change in Swaziland. The African National Congress (ANC) and other tripartite alliance partners are now and rightfully demanding action. It is high time that the government listened to its own members.

**CONCLUSION**

This case and the issues raised in this comment and opinion highlights the subversion of the rule of law and a distortion of so-called constitutional democracy in the kingdom of Swaziland. In a country that the king is an absolute monarchy, a king that cannot be questioned, a monarch that can change the laws at his whim and fancies and is unaccountable to the people of his country. This is not the only state that is involved in issues of this nature. The world stands by and condones such actions. The question is simple must monarchies be allowed to continue or is it time that they be disbanded? It is a vexing issue but has to be rationally debated by the world community and the citizens of affected countries.

**BIBLIOGRAPHY**

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