

**PREMIUM** SERIES: MIDDLE POWERS WITHOUT WORLD ORDER

South Africa asserts itself as a post-revolutionary middle power

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Photo: statue of Nelson Mandela, Union Buildings, Pretoria

Middle powers face the challenge of reducing their dependence on the great powers, the USA and China. In this series, we examine how individual states are tackling this. Following on from Saudi Arabia, the second part of our series focuses on South Africa.



W “e’re a small team,” says Nokukhanya Jele, foreign policy adviser to South Africa’s President Cyril Ramaphosa, opening the conversation somewhat breathlessly. Nevertheless, she arrived on time for the meeting at the Presidential Palace in Pretoria. A South African of Jewish-Hungarian descent, Jele played a key role in driving forward South Africa’s case against Israel before the International Court of Justice (ICJ) of the United Nations. She is well aware of the tension between South Africa’s limited resources and the grand ambitions of the African National Congress’s (ANC) liberation project, with whose revolutionary legacy South Africa continues to identify strongly in both foreign and domestic policy. However, for her, its principles are non-negotiable.

Geopolitical manoeuvring and domestic political pressure

As a post-revolutionary middle power, South Africa has maintained a particularly aloof stance towards the US amongst the non-aligned states for decades. Simultaneously, it has sought to secure its strategic autonomy within cooperative

frameworks such as the G20, the BRICS (Brazil, Russia, India and China) — and the African Union. It has also positioned itself on the wider stage of the World Trade Organisation and the United Nations.



Illustration: Sarah Wehrlin

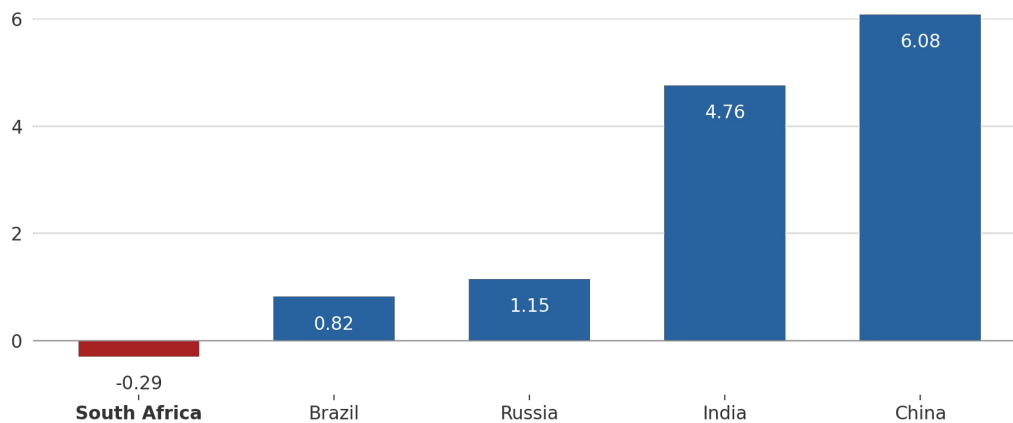
South Africa is particularly exposed to growing geopolitical volatility: it is a commodity exporter with a heavily negative trade balance with China, and an industrial base that is only slowly developing. With average growth of 0.7% over the past ten years, the economy also lacks the momentum to sustain its foreign policy ambitions in the long term. Despite its important role as a gateway for the continent — particularly for exports to the US — South Africa has so far failed to garner support within the African Union and, like Brazil and India, has struggled in vain to secure a seat on a reformed UN Security Council.

When asked about the state of their country 35 years after the end of apartheid, South Africans like to use a much-varied dictum of the former general and Prime Minister Jan Smuts: in South Africa, neither the best nor the worst happens. Of course, it's a matter of perspective. Some would say South Africa's path has been remarkable. Nelson Mandela became a global icon, and the country is today regarded as one of the few cases where international sanctions and political ostracism played a decisive role in regime change. What's more, in 2024 the ANC accepted the loss of its absolute majority and formed a coalition government with the liberal-conservative Democratic Alliance (DA). So great things have certainly happened — and the widely-predicted tsunami of political violence has not yet materialised.

Nevertheless, enormous pressure has built up in South Africa. The unemployment rate is over 31% – exceeding 60% amongst young people (though only around 16% among young white people). Real GDP per capita has been stagnating for over a decade. These developments call into question one of the world's most radical social transformation projects. It was hoped that the broad empowerment of the black population (Black Economic Empowerment, BEE) would undo the consequences of the decades of apartheid. But instead, studies suggest BEE has led to economic losses of between 1.5–3% of GDP. Rather than encouraging wide participation of the black population in South Africa's development, BEE has led to the development of a small black elite. According to estimates by The Economist newspaper, this elite has ‘profited’ by around \$50 billion from the statutory allocation of corporate shareholdings to black people alone. The government is seeking to make BEE more flexible by transitioning to ‘B-BBEE’ — a broader ‘Broad-Based Black Economic Empowerment’ — but with limited success so far.

South Africa searches for its growth path

Average annual GDP growth, 2008 to 2024, in percent



Source: World Bank F.A.Z. graphic: blue.

More effective has been the government's strategy of working with the private sector to address the dramatic shortfalls in electricity and water supply and to modernise the energy infrastructure, which is largely dependent on coal and gas imports. But this hasn't yet enabled the country to achieve the sort of dynamic growth profile that is typical of emerging economies. However, with an inflation target of 3%, public debt at just under 80% of GDP, a liquid capital market and an upgraded rating from Standard & Poor's to BB (foreign currency) and BB+ (local currency), the prerequisites for progress are certainly in place.

Revolutionary legacy and foreign policy identity

Not only in its transformation policy and instruments is South Africa still wedded to visions and missions of the past. As a liberation movement once supported by the Soviet Union, sections of the ANC continue to maintain and cultivate close ties with Russia to this day. These historical bonds can be seen in the joint naval manoeuvres with Russia and China, which South Africa has continued to hold, even after the Russian invasion of Ukraine.

It wasn't those ties to Russia, however, that led to President Ramaphosa being subjected to a sort of trial-by-ordeal in the Oval Office, when he visited President Trump in May 2025, early in Trump's second term. Rather, the accusations flung at him of a "white genocide" perpetrated by the South African government were primarily a political reaction to South Africa's behaviour towards Israel. South Africa remains steadfast in its adherence to the principle coined by Nelson Mandela, according to which "[South Africa's] freedom is incomplete without the freedom of the Palestinians." It had filed a lawsuit against Israel at the International Court of Justice, accusing it of genocide in Gaza.

President Trump imposed additional 30% punitive tariffs on South Africa and offered white South African citizens wishing to emigrate the opportunity to enter the US under a refugee resettlement programme. Several thousand have taken up this offer so far.

It is not only in the Middle East conflict, but also in its decades-long support for the Western Saharan independence movement against Morocco, that it becomes clear how strongly the ANC's foreign policy identity remains shaped to this day by the legacy of the liberation struggle — even if this means straining relations with the US. South Africa continues to act with considerable self-assurance in this bilateral relationship. For example, when it hosted a G20 'Leaders Summit' in Johannesburg in November 2025: In response to Washington's decision to downgrade its representation at the Leaders' Summit to the level of its chargé d'affaires, the South African government promptly disinvited the United States

altogether.

Geopolitical pragmatism

In Pretoria, therefore, there is considerable pressure to act, but no panic. South Africa is the world's leading producer of platinum group metals and has significant deposits of manganese and chromium. In exploiting them, South Africa is seeking both to move up the value chain, recouping value added lost to China, and to diversify its economic relations. It is therefore a significant potential source of critical raw materials for the EU under the Critical Raw Materials Act.

China is today South Africa's largest trading partner, accounting for around 21% of trade volume. By contrast, EU Member States hold the largest share of foreign direct investment, at around 40%. The German automotive industry is the largest single bloc within this. At the same time, regional frameworks such as the African Continental Free Trade Area (AfCFTA) and the Southern African Development Community (SADC) are gaining in importance and helping to reduce dependence on individual export markets. Thanks to the AfCFTA, South Africa has become the leading agricultural supplier on the African continent, with annual export growth recently exceeding 15%.

The breakdown in relations with the US — which received about 7-8% of total exports from South Africa until 2024 — doesn't threaten the country's economic survival, but it does have significant consequences for particular sectors. For example, the automotive industry is expected to lose up to 100,000 jobs.

As real as the ANC's political legacy remains in shaping in South Africa's domestic and foreign policy directions, its strategists in business, foreign trade and monetary policy think and act beyond ideological boundaries. "We co-operate with everyone; we even co-operate with desalination experts from Israel," says the Republic of South Africa's Trade Commissioner, Xolelwa Mlumbi-Peter.

Moreover, whilst BRICS is regarded in Pretoria as an indispensable framework for geopolitical and geo-economic flexibility, the approach to the BRICS agenda remains decidedly pragmatic. Although South Africa is a founding member of the BRICS Contingent Reserve Arrangement (CRA) — a liquidity and swap facility established in 2014 outside the dollar zone — Pretoria is unlikely, for the time being, to provide any significant impetus towards a common BRICS currency. Not least, the realism of the South African central bank stands in the way: it continues to hold around 70% of its foreign exchange reserves in US dollars.

We can look to none other than Nelson Mandela as an example of non-ideological pragmatism. In 1992, he backed away from his original plan of widespread nationalisation of key South African industries after — of all things — talking to the Chinese delegation at Davos.

Today, China's importance as South Africa's most significant trading partner is steadily increasing — accelerated by Pretoria's ongoing conflict with Washington. The rift is set to get wider: the "African Growth and Opportunities Act" (AGOA), which has for a quarter of a century allowed sub-Saharan Africa to export to the USA duty-free lapsed in 2025, and was then extended only for one year. Congress is set to allow it to expire by the end of 2026.

Hence, at the gateway to the African continent, China's continued advance is therefore not being halted for the time being. If Europe were strategically minded, it could step into this gap and become an important partner for Pretoria in counterbalancing growing Chinese influence.



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